



THE COCHIN MALABAR ESTATES
AND INDUSTRIES LIMITED



Corporate INFORMATION

Board of Directors

H. Bangur

Chairman

P. J. Bhide

Director

B. R. Bhansali

Director

K. C. Mohta

Director

B. L. Dhanuka

Director

Bankers

HDFC Bank Ltd.

State Bank of Bikaner & Jaipur

State Bank of Travancore

Auditors

Singhi & Co.

Chartered Accountants

Registrar and Transfer Agent

Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane, 2nd Floor

Kolkata - 700 001

Gardens

Pullikanam Tea Estate, Kerala

Kolahalmedu Tea Estate, Kerala

Chemoni Rubber Estate, Kerala

Pudukad Rubber Estate, Kerala

Ichipara Rubber Estate, Kerala

Kinalur Rubber Estate, Kerala

Registered Office

21, Strand Road

Kolkata - 700 001

West Bengal



CONTENTS

Directors' Report	3
Auditors' Report	12
Balance Sheet	16
Statement of Profit & Loss	17
Cash Flow Statement	18
Notes to the Financial Statements	20
Section 212 Statement	38
Consolidated Accounts	39

Directors' REPORT

To the Members,

Your Directors have pleasure in presenting their 82nd Annual Report and Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL PERFORMANCE :

(Amount in ₹)

	31.03.2012	31.03.2011
Profit for the year before Depreciation	57,989,733	39,392,334
Deduct : Depreciation	5,079,602	5,447,160
Profit before Tax	52,910,131	33,945,174
Deduct : Provision for Corporate Taxation	-	-
Net Profit	52,910,131	33,945,174
Add : Balance of Profit /(Loss) brought forward from previous year	(295,937,781)	(329,882,955)
Balance Carried to Balance Sheet	(243,027,650)	(295,937,781)

DIVIDEND

In view of accumulated losses, your Directors regret their inability to propose any dividend for the year ended 31st March, 2012.

SCHEME OF ARRANGEMENT

Members are aware that the Company is in the process of implementing the Scheme of Arrangement by which the Cochin Plantation Division of the Company comprising of Chemoni, Pudukad, Echipara and the legal proceedings of Sampaji Rubber Estates and Pullikanam & Kolahalmedu Tea Estates would demerge from the Company and merge with Joonktolee Tea & Industries Ltd. w.e.f. 1st April, 2011 .

The final order for confirmation of the Scheme of Arrangement from the Hon'ble High Court of Kolkata is expected to be received shortly.

The Company has obtained necessary extension of time for holding the Annual General Meeting of the Company for the year.

OPERATIONAL REVIEW

The turnover of your Company for the year ended 31st March, 2012 has increased to ₹ 2,395.31 Lacs as against

₹ 2,044.14 Lacs for the same period last year higher by ₹ 351.17 Lacs as compared to the last year. The profit after tax has increased from ₹ 339.45 Lacs to ₹ 529.10 Lacs.

RUBBER ESTATES

Chemoni, Pudukad & Echipara Estates

Your Company produced 9,56,209 Kgs. of Rubber during the year as against 9,30,190 Kgs. for the same period last year. The crop was higher by 26,019 Kgs. than the last year. The average price of Rubber realized during the year was ₹ 206 per Kg. which was higher by ₹ 15 per Kg. compared to the same period last year. Company continues to focus on quality to fetch premium in the market for its product.

Kinalur Estate

As already reported in the last Annual Report that the Company has cancelled the Memorandum of Understanding entered into with Mr. P.K.C. Ahmed Kutty for sale of Kinalur Estate and also revoked the Power of Attorney granted in his favour. However, the issue still continues to be in litigation.

Sampaji Estate

The auction sale of this Estate by the Debts Recovery Officer, has been challenged by the Company by filing the Writ



Directors' REPORT

Petition before the Hon'ble High Court, Chennai is still pending.

Rubber Wood Factory

This factory continues to be non-operational in view of the ban imposed by the Forest Department. The Company's representation for the withdrawal of the ban imposed, remain indisposed.

TEA ESTATE

Pullikanam Estate

Your Company produced 3,35,860 Kgs. of Made Tea during the year as against 3,00,050 Kgs. for the same period last year. The production was higher on account of favourable weather conditions. Moreover, the Company has adopted a massive replantation programme after reopening of the abandoned Tea Estate in order to ultimately increase the yield per hectare. The crops from the replanted fields would augment the crop in the next couple of years. The average price of Made Tea realized during the year was ₹69 per Kg. as against ₹66/- last year.

PROSPECTS

Rubber

The global NR production during 2012 is anticipated to be marginally higher than the last year and the production is estimated in the region of 113.20 lakh tonnes, an increase of 3.48 lakh tonnes compared to the previous year. Higher crops are anticipated from Vietnam, Indonesia and Malaysia. The global NR consumption for 2012 is also estimated at 112.90 lakh tonnes, higher by 3.70 lakh tonnes. The prospect for the NR sector being dependent on the global developments and with the pace of economic recovery projected to be weak in advanced countries and moderate to high in most emerging and developing economies, a modest NR consumption growth is anticipated. The international prices for NR declined significantly during April to September, 2012 due to the sluggish demand outlook, decline in crude oil prices and un-favourable trends. With global economic recovery losing its momentum, demand is anticipated to slow down, but the resulting negative market sentiments are expected to be absorbed by the shortfall in supply.

The Company has adopted an aggressive replanting policy to increase the yield per hectare. With the replanted area coming into operation in the coming years, it is expected that crop will substantially improve in the long term.

Tea

Domestic Consumption of Tea is likely to have an annual growth of 3.50%. Taking into account the small carry over stock and low production on account of adverse weather during the first half to 2012 has resulted in tea prices remaining bullish.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms :

- i) that in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure;
- ii) that the selected Accounting Policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the profits of the Company for the year ended on that date;
- iii) that 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) that the annual accounts have been prepared on a going concern basis; and
- v) that the Company has adequate internal systems and controls to ensure compliance of laws applicable to the Company.

HOLDING COMPANY

M/s. Joonktollee Tea & Industries Ltd. continues to remain the Holding Company of the Company by virtue of Section 4(1)(a) of the Companies Act, 1956 and in terms of an agreement with the Company.

Directors' REPORT

SUBSIDIARY COMPANY

1. a) The Company as on 31st March, 2012 has one Subsidiary Company namely, Cochin Estates Ltd.
- b) In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the individual accounts of the subsidiary company are not being attached with the accounts of the Company. The Company will make available the Annual Accounts of the subsidiary company to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary company will also be kept for inspection at the Registered Office of the Company.
- c) A statement containing brief financial details of the Subsidiary Company is attached which forms part of the Annual Report.

SOCIAL WELFARE

Your Company continues its welfare activities by participating in various projects sponsored by UPASI in the State of Kerala and also directly contributes to the area's social causes.

CONSOLIDATED FINANCIAL STATEMENTS

As prescribed by Accounting Standard 21 issued by the Institute of Chartered Accountants of India, the audited consolidated financial statements of the Company together with Auditors' Report for the year ended 31st March, 2012 are annexed.

FIXED DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

SECRETARIAL COMPLIANCE CERTIFICATE

As required under the provisions of Section 383A of the Companies Act, 1956, Certificate from a Practicing Company Secretary forming part of this Report is attached herewith.

COST AUDIT

During the year under review the company has appointed M/s. A. Basu & Co., Cost Accountants, Kolkata to conduct the audit of the cost accounting records of the Company relating to the plantation products for the year ended 31st March, 2012. The compliance report as submitted by M/s. A. Basu & Co., Cost Accountants, Kolkata confirms that proper cost records as per the Companies (Cost Accounting Records) Rules, 2011 prescribed in Section 209(1)(d) of the Companies Act, 1956 have been maintained by the company and it gives a true and fair view of the cost of production/operation, cost of sales and margin of all products and activities of the Company. The Company has further appointed M/s. A. Basu & Co., Cost Accountants, Kolkata as the Cost Auditor for the Financial Year 2012-13.

DIRECTORS

Shri B. L. Dhanuka and Shri B. R. Bhansali retire by rotation and being eligible, offer themselves for re-appointment.

AUDITORS & AUDITORS' REPORT

Messrs. Singhi & Co. Chartered Accountants, Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

With regard to the observations made by the Auditors in their report the relevant Notes to Accounts are self-explanatory.

PARTICULARS OF EMPLOYEES

The Company had no employee of the category specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975, as amended.

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

Details of energy conservation and research and development activities undertaken by the Company along with the information in accordance with the provisions of 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 are given in Annexure 'A' and form part of this Report.



Directors' REPORT

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and cooperation received from the commercial banks and other authorities. Your Directors also thank the employees of the Company for their valuable service and support during the year.

On behalf of the Board

Place : Kolkata
12th November, 2012

H. Bangur
Chairman

Annexure TO THE DIRECTORS' REPORT

ANNEXURE - A

INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012

(A) CONSERVATION OF ENERGY

- a) Energy conservation measures taken : Steps initiated to prevent power leakage based on Energy Audit.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy. : Modern machineries are being installed.
- c) Impact of the measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production. : Not quantifiable at present.
- d) Total energy consumption and energy consumption per unit of production : As per Form 'A' (For Tea only).

FORM 'A'

(Form for Disclosure of Particulars with respect to Conservation of Energy)

(A) POWER & FUEL CONSUMPTION	2011-12	2010-11
1 Electricity		
a) Purchased		
Units (KWH)	2,23,820	2,16,032
Total Amount (₹)	13,63,569	13,31,319
Rate/Unit (₹)	6.09	6.16
b) Own Generation		
Through Diesel Generator - Unit	54,051	31,132
Unit per Litre of Disel Oil	4.07	3.02
Cost/Unit (₹)	11.04	14.34
2 Others : (Purchased)		
Fire Wood (used in Drier Heaters)		
Quantity (M ³)	1,668.82	1,879.45
Total Amount (₹)	12,65,526	13,59,253
Average Cost (₹/ M ³)	758.34	723.20
(B) CONSUMPTION PER UNIT OF PRODUCTION		
Standard, if any : Product - Tea (Unit/Kg)		
Electricity	0.67	0.82
Fire Wood	0.005	0.006



Annexure TO THE DIRECTORS' REPORT

FORM 'B'

(Form of Disclosure of particulars with respect to Technology Absorption, Research & Development)

RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D carried out by the Company : Nil
2. Benefits derived as a result of the above R&D : N.A.
3. Future plan of action : Improvement in cultural and plant protection practices as recommended by Tea Board are being adopted in addition to our own efforts for achieving better productivity and quality.
4. Expenditure on R&D : Nil

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation : The Company is adopting the suggestions and recommendations of Tea Board in addition to its own efforts for improving productivity and quality.
2. Benefits derived as a result of the above Efforts e.g. Product improvement, cost reduction, product development etc. : Improvement in productivity and quality.
3. In the case of imported technology following information may be furnished :
 - a) Technology imported : Nil
 - b) Year of import : N.A.

FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiatives taken to increase export, development of new export markets for products and services and export plans. : Nil
- b) Total foreign exchange earned and used
 - Earned : ₹ Nil
 - Used : ₹ Nil

On behalf of the Board

Place : Kolkata
Date : 12th November, 2012

H. Bangur
Chairman

Annexure TO THE DIRECTORS' REPORT

Compliance Certificate

Under Rule 3 of the Companies (Compliance Certificate) Rules, 2001

CIN NO. L01132WB1991PLC152586

Reg. No. : 21- 152586

Authorized Capital: ₹ 50,000,000/-

Paid-up Capital : ₹ 17,719,080/-

To

The Members of

The Cochin Malabar Estates and Industries Limited

I have examined the registers, records, books and papers of The Cochin Malabar Estates and 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 on 31st March, 2012. In my opinion and to the best of information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year :

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 there under and all the 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, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Limited Company, has the minimum prescribed paid-up capital. The company is a subsidiary of Joonktollee Tea & Industries Limited by virtue of Section 4(1) (a) of the Companies Act, 1956.
4. The Board of Directors duly met four (4) times respectively on 10.05.2011, 03.08.2011, 12.11.2011 and 07.02.2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes book maintained for the purpose.
5. The Company closed its Register of Members from 22nd September, 2011 to 28th September, 2011 (inclusive of both days) and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31.03.2011 was held on 28.09.2011 and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year. The Company has passed resolutions by postal ballot under the provisions of Section 192A of the Companies Act, 1956 and notice to all shareholders was sent in accordance with the Act and results of which was declared on 5th January, 2012 and proceedings were duly recorded in the Minutes Book.
8. The Company has not advanced any loans during the financial year to its Directors, or persons or firms or Companies as referred to under Section 295 of the Companies Act, 1956.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances, during the financial year, falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company through its Registrars & Share Transfer Agents has issued duplicate shares certificate for 100 equity shares during the financial year.
13. i) There was no allotment of securities during the financial year. However, the Company has delivered all the certificates on transfer of shares within the time prescribed under the Act.



Annexure TO THE DIRECTORS' REPORT

- ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii) The Company was not required to post dividend warrants to any member as no dividend was declared during the financial year.
 - iv) The Company was not required to transfer any amount to Investor Education and Protection Fund during the financial year .
 - v) The Company has complied with the requirements of Section 217 of the Companies Act, 1956.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year.
 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 agent during the financial year.
 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under various provisions of the Act during the financial year.
 18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of the Companies Act, 1956 and the rules made there under.
 19. The Company has not issued any shares/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 during the financial year. However, the Company has no debentures, thus redemption of debentures is not applicable.
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited/accepted any deposits including any unsecured loan falling with the purview of Section 58A during the financial year.
 24. The amount borrowed by the Company from banks and others during the financial year are within the borrowing limits of the Company and necessary resolution as per Section 293(1) (d) have been passed through postal ballot conducted pursuant to the provisions of Section 192A of the Companies Act, 1956 on 5th January, 2012.
 25. The Company has not made any loans, investments or advances or given guarantees or provided securities to other bodies corporate during the year under review and consequently no entries 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 the name of the Company during the year scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to the share capital of the Company during the year scrutiny.
 30. The Company has not altered its Articles of Association during the financial year.
 31. I was given to understand by the management that there was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment imposed on the Company during the financial year for offences under the Act.
 32. The Company has not received any money as security from its employees during the financial year.
 33. The Company has not constituted a separate provident Fund trust for its employees or class of its employees as contemplated under Section 418 of the Act.

Sweety Kapoor

Place : Kolkata

Practising Company Secretary

Date : 12th November, 2012

C.P. No. : 5738

Annexure TO THE DIRECTORS' REPORT

Annexure - "A"

Registers as maintained by the Company

1. Register of Members under Section 150
2. Index of Members under Section 151
3. Register of Charges under Section 143
4. Register and Returns under Section 163
5. Minutes Book of Board Meeting under Section 193
6. Minutes Book of General Meeting under Section 193
7. Books of Accounts under Section 209
8. Register of Share Transfers
9. Register of particulars of Contracts in which Directors are interested under Section 301(3)
10. Register of Directors, Managing Director, Manager and Secretary under Section 303
11. Register of Director's Shareholding under Section 307
12. Register of Investments or Loans made, Guarantee given or Security provided under Section 372A
13. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (issue of share Certificate) Rules, 1960

Annexure -"B"

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ended on 31st March, 2012.

Sl. No.	Form No./ Return	Filed u/s	For	Date of filing	Whether filed within prescribed time Yes / No	If delay in filing whether requisite additional fee paid Yes / No
1.	8	135	Modification of Charge	09.06.2011	Yes	N.A.
2.	8	132	Creation of Charge	21.09.2011	Yes	N.A.
3.	66	383A	Compliance Certificate as on 31.03.2011	15.10.2011	Yes	N.A.
4.	20B	159	Filing of Annual Return	14.11.2011	Yes	N.A.
5.	23AC/23ACA XBRL	220	Balance Sheet/Profit & Loss Account as on 31.03.2011	23.12.2011	Yes	N.A.
6.	23	192	Special Resolution	03.02.2012	Yes	N.A.



AUDITORS' REPORT

To
The Members of
The Cochin Malabar Estates and Industries Limited

We have audited the attached Balance Sheet of **THE COCHIN MALABAR ESTATES AND INDUSTRIES LIMITED** as at 31st March 2012, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order 2003 (as amended) issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to above, 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 purposes of our audit; except to the extent indicated in paragraph (f) below
 - b) In our opinion, proper books of Accounts as required by law have been kept by the Company so far as appears from our examination of such books except to the extent indicated in paragraph (f) below.
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by the report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956;

- e) On the basis of the written representations received from the directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act' 1956.
- f) Reference is invited to the following observations, impact of which on the Company's Profit is stated in the respective notes below :
 - i) *We are unable to express an opinion about the profitability of Kinalur estate, the physical condition of the assets of the estate and adjustment arising out of cancellation of contract as detailed in additional note appended to Note No. 2.8 of the financial statements.*
 - ii) *Additional Note appended to Note No. 2.9 of the financial statements regarding non-provision of Depreciation in respect of Rubber Wood Division and Kinalur Estate of Rubber Division amounting to ₹ 13.19 Lacs (cumulative depreciation unprovided upto 31-03-2012 ₹ 78.92 Lacs).*

Subject to our comments in para 2 (f) above and read together with the other Notes thereon, the said financial statements, in our opinion, and to the best of our information and according to the explanations given to us, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the Accounting principles generally accepted in India;

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
- ii) In the case of the Statement of Profit & Loss, of the Profit of the Company for the year ended on that date, and
- iii) In the case of the Cash Flow Statement of the Cash flows of the Company for the year ended on that date.

For **SINGHI & CO.**
Chartered Accountants
Firm Registration No. 302049E
Sudesh Choraria

Place : Chennai
Dated: 12th November, 2012
Membership No. 204936

Annexure TO THE AUDITORS' REPORT

(Referred to in our Report of even date on the Accounts of THE COCHIN MALABAR ESTATES AND INDUSTRIES LIMITED as at and for the year ended 31st March, 2012)

1. (i) The Company has maintained proper records to show full particulars including quantitative details and situation of its Fixed Assets.
- (ii) Some of the Fixed Assets of the Company were physically verified during the year by the management in accordance with the programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals except in the case of Kinalur Estate Division. According to the information and explanations given to us no material discrepancies were noticed on physical verification carried on by the management.
- (iii) The Company has not disposed off any substantial part of fixed assets during the year and the going concern status of the company is not affected.
2. (i) The inventories have been physically verified during the year by the management at all its locations other than the Rubber Wood Division and Kinalur Estate of Rubber Division which were non-operational. In our opinion, the frequency of verification is reasonable.
- (ii) The procedures of physical verification of inventories, followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business.
- (iii) The Company is maintaining proper records of inventory. As far as we can ascertain and according to the information and the explanations given to us, the discrepancies noticed between the physical stocks and book stocks were not material and the same have been properly dealt with in the books of account.
3. a) As per the information & explanations provided to us, the Company has granted unsecured Loan to its subsidiary company listed in the register maintained under Section 301 of the Companies Act, 1956. However, the terms and conditions are not prejudicial to the interest of the Company. The maximum balance during the year is ₹ 249,718 and the closing balance as on 31st March 2012 is ₹ 249,718.
- b) The company has taken loans, secured and unsecured, from the companies listed in the register maintained under Section 301 of the Companies Act, 1956 as per details given below. However the terms and conditions are not prejudicial to the interest of the company.

Particulars	No. of Parties	Aggregate of Balance outstanding as on 31st March, 2012 (₹ in Lacs)	Aggregate of Maximum Balance during the year (₹ in Lacs)	Rate of Interest	Security Details
Secured Loan from Joonktolee Tea & Industries Ltd.	1	524.27	524.27	Nil	Secured against first charge on Kinalur, Chemoni and Pudukad Estates, Rubber Wood Factory and Properties at Goa
Unsecured Loans taken	5	Nil	1,480.00	13%	



Annexure TO THE AUDITORS' REPORT

- c) The payment of the principal amount and interest are regular.
4. On the basis of checks carried out during the course of audit and as per explanations given to us, in our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of Inventory and Fixed Assets and for the sale of goods and services. During the course of our Audit, no major weakness has been noticed in the internal controls in these respects.
5. As per the information and explanations given to us, no transactions have been undertaken during the year in pursuance of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956;
6. The company has not accepted any deposits from the public during the year, to which the provisions of Section 58-A, 58-AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under apply;
7. The company has an Internal Audit System commensurate with the size and nature of its business;
8. On the basis of records produced, we are of the opinion that, prima facie, the Cost records and books of accounts prescribed by the Government of India under Section 209 (1) (d) of the Act have been maintained. We have broadly reviewed the records, books of accounts and have not carried out any detailed examination of such records and accounts.
9. a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities;
- b) According to the information and explanations given to us and the books and records examined by us, there was no undisputed amount outstanding as on 31st March, 2012 in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other statutory dues for a period of more than six months from the date they became payable;
- c) According to the records of the company and as per the information and explanations provided to us, the dues (net of advances) outstanding in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Cess etc., on account of any dispute, are given below :
- | Name of the Statute | Nature of Dues | Amount (₹) | Period to which the amount relates | Forum where dispute pending |
|-------------------------|-------------------------|------------|------------------------------------|-----------------------------|
| Central Sales Tax, 1956 | CST Levy on Rubber Cess | 213,331 | 1988-89 to 1992-93 | Supreme Court of India |
10. In our opinion, the accumulated losses of the company are not less than fifty percent of its net worth and it has not incurred cash losses in the current financial year and in the immediately preceding financial year.
11. Based on our audit procedures, and as per the information and explanations given to us by the management, the company has not defaulted in repayment of dues to financial institutions and banks;
12. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities;
13. The provisions of any special statute applicable to chit fund, nidhi or mutual benefit fund/societies are not applicable to the Company;

Annexure TO THE AUDITORS' REPORT

14. In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments, and hence, the requirements of Para 4 (xiv) of the above Order are not applicable to the Company;
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions;
16. According to the information and explanations given to us by the management, the term loans availed by the Company have been applied for the purpose for which they were raised;
17. According to the information and explanations given to us, in our opinion, short term funds have not been used for long term purposes or vice versa.
18. During the year, the Company has not made any preferential allotment of shares.
19. The Company has not issued debentures during the year.
20. The Company has not raised any money by way of public issue during the year;
21. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Place : Chennai

Dated: 12th November, 2012

Membership No. 204936



Balance SHEET

As at March 31, 2012

(Amount in ₹)

	Note	As at 31st March, 2012		As at 31st March, 2011	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2.1	17,719,080		17,719,080	
Reserves and Surplus	2.2	276,266,064	293,985,144	223,767,919	241,486,999
Non-current Liabilities					
Long-Term Borrowings	2.3	96,177,001		52,507,008	
Other Long-Term Liabilities	2.4	–		100,000	
Long-Term Provisions	2.5	–	96,177,001	–	52,607,008
Current Liabilities					
Short-Term Borrowings	2.6	3,805,139		165,500,000	
Trade Payables	2.7	23,172,323		9,209,013	
Other Current Liabilities	2.8	175,792,198		171,292,454	
Short-Term Provisions	2.5	51,917,603	254,687,263	36,506,979	382,508,446
TOTAL			644,849,408		676,602,453
ASSETS					
Non-Current Assets					
Fixed Assets :	2.9				
Tangible Assets		561,747,822		547,461,939	
Intangible Assets		1,772,794		1,619,127	
Capital Work-in-Progress		2,046,989	565,567,605	1,800,477	550,881,543
Non-Current Investments	2.10	749,641		749,641	
Long-Term Loans and Advances	2.11	4,125,038		63,063,756	
Other Non-Current Assets	2.12	–	4,874,679	–	63,813,397
Current Assets					
Inventories	2.13	44,900,968		32,172,896	
Trade Receivables	2.14	3,364,462		9,412,588	
Cash and Bank Balances	2.15	1,156,779		5,950,674	
Short-Term Loans and Advances	2.11	24,938,867		12,429,300	
Other Current Assets	2.12	46,048	74,407,124	1,942,055	61,907,513
TOTAL			644,849,408		676,602,453

Significant Accounting Policies 1

The accompanying notes 1 and 2.1 to 2.25 form an integral part of the Financial Statements

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Membership No. 204936

Place : Chennai

Dated : 12th November, 2012

H. Bangur

Chairman

P. J. Bhide

Director

K. C. Mohta

Director

B. L. Dhanuka

Director

Statement of PROFIT & LOSS

For the year ended March 31, 2012

(Amount in ₹)

	Note	For the year ended 31st March, 2012	For the year ended 31st March, 2011
INCOME			
Revenue from Operations (Gross)	2.16	239,531,295	204,414,373
Less : Excise Duty		–	–
Revenue from Operations (Net)		239,531,295	204,414,373
Other Income	2.17	7,145,032	2,564,303
Total Revenue		246,676,327	206,978,676
EXPENSES			
Cost of Raw Materials Consumed	2.18	11,863,245	15,934,027
Purchases of Traded Goods	2.19	–	1,170,060
(Increase)/ Decrease in Inventories of Finished Goods	2.20	(13,617,072)	(6,121,802)
Employee Benefits Expenses	2.21	130,621,045	100,480,096
Finance Costs	2.22	13,300,841	16,552,032
Other Expenses	2.23	46,518,535	39,571,929
		188,686,594	167,586,342
Profit before Tax, Depreciation and Amortisation		57,989,733	39,392,334
Depreciation and Amortisation Expenses	2.24	5,079,602	5,447,160
Profit before Tax		52,910,131	33,945,174
Tax Expense :			
Current Tax		–	–
Deferred Tax		–	–
Profit for the year		52,910,131	33,945,174
Basic & Diluted Earnings Per Share		29.86	19.16
(Face Value of ₹ 10/- each) (Refer Note No. 2.25.H)			

Significant Accounting Policies

1

The accompanying notes 1 and 2.1 to 2.25 form an integral part of the Financial Statements

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Membership No. 204936

Place : Chennai

Dated : 12th November, 2012

H. Bangur

Chairman

P. J. Bhide

Director

K. C. Mohta

Director

B. L. Dhanuka

Director



Cash Flow STATEMENT

For the year ended March 31, 2012

(Amount in ₹)

	2011-12	2010-11
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax and extraordinary items	52,910,131	33,945,174
Adjustments for :		
Depreciation	5,079,602	5,447,160
Interest Paid	13,300,841	16,552,032
Interest Received	(57,497)	(122,082)
Loss on Fixed Assets Sold/Discarded	698,648	581,020
Bad Debts/Advances Written off	583,044	10,861
Income from Investments	(31,482)	(26,839)
Operating Profit before Working Capital Changes	72,483,287	56,387,326
Adjustments for :		
Trade and Other Receivables	53,790,240	(67,651,614)
Inventories	(12,728,072)	(4,887,935)
Trade and Other Payables	27,884,016	(6,872,077)
Cash generated from Operations	141,429,471	(23,024,300)
Less : Direct Taxes	–	–
Net Cash from Operating Activities	141,429,471	(23,024,300)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets/Subsidy Received	1,025,406	–
Sale/(Purchase) of Investments	–	(500,000)
Capital Work-in-Progress	(246,512)	1,949,147
Dividend Received	31,482	26,839
Interest Received	57,497	37,903
Purchase of Fixed Assets	(21,655,192)	(21,989,838)
Net Cash Flow from Investing Activities	(20,787,319)	(20,475,949)

Cash Flow STATEMENT

For the year ended March 31, 2012

(Amount in ₹)

	2011-12	2010-11
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long-Term Borrowings	50,000,000	–
Repayment of Long-Term Borrowings	(440,344)	(623,598)
Short-Term Borrowings	3,805,139	59,000,000
Repayment of Short-Term Borrowings	(165,500,000)	–
Interest Paid	(13,300,841)	(16,552,032)
Dividend Paid	–	–
	(125,436,046)	41,824,370
Equivalents (A+B+C)	(4,793,894)	(1,675,879)
Cash and Cash Equivalents as on 31-03-2012	1,156,779	5,950,674
Less : Cash and Cash Equivalents as on 31-03-2011	5,950,674	7,626,553
	(4,793,895)	(1,675,879)

This is the Cash Flow referred to in our report of even date

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Membership No. 204936

Place : Chennai

Dated : 12th November, 2012

H. Bangur

Chairman

P. J. Bhide

Director

K. C. Mohta

Director

B. L. Dhanuka

Director



Notes to the FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting

The accounts are prepared on historical cost convention (with the exception of certain land and plant & machinery which were revalued) based on Accrual Method of Accounting and applicable Accounting Standards and on Going Concern Basis in accordance with accounting standards and the relevant provisions of the Companies Act, 1956.

The financial statements has been prepared and presented as per the requirement of Revised Schedule VI as notified under the Companies Act, 1956 with effect from current year. The adoption of Revised Schedule VI does not have any impact on recognition and measurement principles as consistently followed by the company.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria specified in the Revised Schedule VI to the Companies Act, 1956. The Company has presently determined 12 months as the normal Operating cycle for the purpose of classification of current and non current Assets and Liabilities.

ii) Use of Estimates

The preparation of financial statements are in conformity with generally accepted accounting principles which requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialized.

iii) Fixed Assets

- a) Fixed Assets are stated at cost inclusive of interest on borrowings attributable to acquisition of tangible fixed assets and increased by revaluation of assets at their fair market values as on 31/03/1993 as determined by approved valuers, less depreciation except in respect of Rubberwood Division and Kinalur Estate of Rubber Division for which no depreciation is provided during the year.
- b) Subsidies received in respect of fixed assets are deducted from the cost of respective assets.
- c) Items of machinery spares to be used in connection with an item of fixed assets are amortized over the useful life of the assets.
- d) Fixed Assets taken on lease (other than land taken on perpetual lease) are not capitalized and the annual lease rentals are absorbed in the Statement of Profit & Loss. The excess of lease rentals paid over the amount accrued in respect thereof is treated as prepaid lease rental.

iv) Investments

Long-term and Unquoted Investments are stated at cost unless there is a permanent decline in value thereof, in which case, adequate provision is made in the accounts. Cost includes brokerage, stamp duty and other financial charges directly attributable to their acquisition.

v) Inventories

- a) Stock of Finished Rubber, Tea and other minor produce are valued at the lower of cost (determined on weighted average method) and net realizable value.
- b) Stock of Stores and spare parts are valued at cost using the weighted average cost basis.
- c) Loose tools etc. are amortized over a period of 3 years.

Notes to the FINANCIAL STATEMENTS

vi) Retirement Benefits

Retirement benefits to employees are ascertained and provided in the accounts as per AS 15 "Employees Benefits".

a) Gratuity :

Company has taken group gratuity policy for future payment of gratuity with the Life Insurance Corporation of India (LIC). Incremental liability for gratuity has been provided in the accounts based on actuarial valuation.

b) Superannuation Fund :

This is a defined contribution plan. The Company contributes under the defined contribution plan, managed by Life Insurance Corporation of India. The Company has no further obligations for future superannuation benefits other than its annual contributions and recognized such contribution as expenses in the year in which the same was incurred.

c) Provident Fund :

This is a defined contribution plan and contributions made to the fund are charged to revenue. The Company has no further obligations for future provident fund benefits other than annual contribution.

vii) Revenue Recognition

Sales comprise of sales of goods, net of discounts and sales return, Sales Tax and Excise Duty wherever applicable. Sale of standing trees is accounted as and when they are removed and the proceeds are credited to the Statement of Profit & Loss.

Dividends from companies are accounted as income in the year in which they are received.

viii) Depreciation & Amortisation Expenses

Depreciation on assets other than relating to Rubberwood Division are provided under WDV method at the rates specified under Schedule XIV of the Companies Act, 1956. However, depreciation is not provided for the year in respect of Rubberwood Division and Kinalur Estate of Rubber Division since these Divisions are not in operation.

Value of lease hold land taken on perpetual lease and development expenditure thereto are not amortised. Depreciation on the incremental value on revaluation is debited to the Fixed Assets Revaluation Reserve account.

Intangible Assets are amortized over a period of 5 years.

ix) Replanting Expenses

Replanting expenditure is charged to the Statement of Profit & Loss of the year in which they are incurred except for Replanting expenses of Tea Division for the reasons explained in Note No. 2.25 E below.

x) Foreign Currency Transaction

There were no foreign currency transactions made during the year under audit.

xi) Taxation

No provision for taxation for current year is made in view of carried forward losses. The Company has significant unabsorbed depreciation and carried forward losses. In the absence of virtual certainty of realization of unabsorbed depreciation and carry forward losses, no Deferred Tax Assets has been recognized, which is not quantified.



Notes to the FINANCIAL STATEMENTS

xii) Impairment of Assets

At each Balance Sheet date, the carrying values of the tangible assets are reviewed to determine whether there is any indication that those assets have suffered on impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the company estimates the recoverable amount of the group of assets as a whole to determine the value of impairment.

xiii) Borrowing Cost

Borrowing cost relating to acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost are charged to revenue.

xiv) Segment Reporting

As the entire operation of the Company's products relate to "Plantation" as single primary reportable segment, in the opinion of management no separate segment reporting is required under The Accounting Standard Rules, 2006.

xv) Cash Flow

Cash Flow Statement has been prepared in accordance with the Indirect Method as per Accounting Standard 3 prescribed in "The Accounting Standard Rules, 2006."

Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.1 SHARE CAPITAL		
Authorised :		
4,950,000 Equity Shares of ₹ 10/- each	49,500,000	49,500,000
5,000, 12% Cumulative Preference shares of ₹ 100/- each	500,000	500,000
	50,000,000	50,000,000
Issued :		
1,771,908 Equity Shares of ₹ 10/- each fully paid-up (Previous year 1,771,908 Equity Shares of ₹ 10/- each)	17,719,080	17,719,080
Subscribed and Paid-up :		
1,771,908 Equity Shares of ₹ 10/- each fully paid-up (Previous year 1,771,908 Equity Shares of ₹ 10/- each)	17,719,080	17,719,080
	17,719,080	17,719,080

- a) There is no movement in the equity shares outstanding at the beginning and at the end of the year.
- b) The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
- c) By virtue of control over the Board of the Company, Joonktollee Tea & Industries Limited is the holding Company of the Company
- d) Details of shareholders holding more than 5% shares in the Company :

	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	%	No. of Shares	%
Equity Shares of ₹ 10/- each fully paid-up				
Joonktollee Tea & Industries Limited	406,420	22.94	406,420	22.94
Life Insurance Corporation of India	304,442	17.18	304,442	17.18
The Oriental Company Limited	232,693	13.13	183,022	10.33
The Cambay Investment Corporation Ltd.	221,475	12.50	221,475	12.50
Kettlewell Bullen & Company Limited	95,656	5.40	95,656	5.40

- e) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- f) No shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- g) No securities convertible into Equity/Preference shares issued by the Company during the year.
- h) No calls are unpaid by any Director or Officer of the Company during the year.



Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.2 RESERVES AND SURPLUS		
Capital Reserves		
As per the last Financial Statements	103,531,628	103,531,628
Capital Redemption Reserve		
As per the last Financial Statements	113,300	113,300
Revaluation Reserve		
As per the last Financial Statements	416,060,772	416,504,656
Less : Transferred to Statement of Profit & Loss	411,986	443,884
	415,648,786	416,060,772
Surplus		
As per the last Financial Statements	(295,937,781)	(329,882,955)
Add : Profit for the year	52,910,131	33,945,174
Net Surplus	(243,027,650)	(295,937,781)
Total Reserves and Surplus	276,266,064	223,767,919

	Non-Current portion		Current Maturities	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.3 LONG-TERM BORROWINGS				
Secured				
From Banks	43,750,001	-	6,249,999	-
- Against hypothecation of vehicles	-	80,008	80,008	340,344
Loan from Holding Company	52,427,000	52,427,000	-	-
Total Secured Borrowings	96,177,001	52,507,008	6,330,007	340,344
Amount disclosed under the head "Other Current Liabilities" (Note 2.8)	-	-	6,330,007	340,344
	96,177,001	52,507,008	-	-

Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

Security and Repayment Terms

Nature of Loan and Security	Amount (₹)	Rate of Interest	Repayment year
i) Loan from Bank is secured against equitable mortgage of Pullikanam Estate and hypothecation of Company's entire current assets	50,000,000	11.00%	₹ 6,249,999/- payable in 2012-13 and ₹ 8,333,332/- payable in each subsequent years thereafter till the entire loan is repaid
ii) Vehicle loan secured against hypothecation of Asset	80,008	13.01%	Entire amount payable in 2012-13
iii) Loan from Holding Company is secured against equitable mortgage of Kinalur, Chemoni and Pudukad Estates, Rubber wood Factory and landed properties at Goa	52,427,000	Nil	Loan from holding company represents financial investments made by the holding Company in earlier years. Such financial investments by the holding Company do not form part of "Cochin Plantation Division" of the company which is proposed to be demerged to the holding Company. At the request of the holding Company, the company has entered into a fresh revival agreement granting holding company the management rights of Kinalur Estate, forming part of its retained undertaking, for a period of ten years with effect from 1st April 2011. The terms of repayment of the above loan shall be governed by the terms of revised agreement.

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.4 OTHER LONG TERM LIABILITIES		
Trade and Security Deposits	–	100,000
	–	100,000

	Long-Term		Short-Term	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.5 PROVISIONS				
Provision for Employee Benefits				
Gratuity	–	–	42,754,658	27,289,000
Bonus	–	–	3,430,830	3,488,051
Other Provisions				
Provisions for Taxation (Net of Advance)	–	–	5,732,115	5,729,928
Total	–	–	51,917,603	36,506,979



Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.6 SHORT TERM BORROWINGS		
Secured		
From Banks	3,805,139	–
Unsecured		
Loan from Body Corporates	–	165,500,000
	3,805,139	165,500,000

Security and Repayment Terms

Nature of Loan and Security	Amount (₹)	Rate of Interest	Repayment year
i) Cash Credit facilities from Bank is secured against equitable mortgage of Pullikanam estate and hypothecation of Company's entire current assets	10,000,000	12.50%	–

	As at March 31, 2012	As at March 31, 2011
2.7 TRADE PAYABLES		
For Goods and Services	5,608,951	7,011,693
For Salary & Wages	17,563,372	2,197,320
	23,172,323	9,209,013

	As at March 31, 2012	As at March 31, 2011
2.8 OTHER CURRENT LIABILITIES		
Current maturities of Long-Term Debt (Refer Note 2.3)	6,330,007	340,344
Interest accrued but not due on borrowings	552,648	–
Unclaimed Redeemed Preference Shares	14,200	14,200
Statutory Dues	7,010,846	10,466,490
Trade and Security Deposits	2,000	509,000
Advances Received from Customers	2,385,246	465,169
Advance against sale of Land (Refer Note below)	159,497,251	159,497,251
	175,792,198	171,292,454

Note : The Memorandum of Understanding for sale of Kinalur Estate to Mr. P. K. C. Ahmed Kutty has been terminated by the Company and other statutory bodies in earlier years due to non-fulfillment of obligations on his part. As mentioned in previous year, the Hon'ble High Court of Kerala vide its Order and Judgment both dated 25th November, 2009 dismissed the suit and closed all interlocutory applications in respect of Kinalur Estate of the Company and accordingly the Receiver appointed was also released. Aggrieved by the High Court Order, some of the Applicants have filed Appeal before the Division Bench of the High Court. Also some other Applicants have filed suit before the Sub-Court, Koyilandy and Kozhikode against Mr. P. K. C. Ahmed Kutty in respect of Kinalur estate impleading the Company.

Pending finalization of the matter the amount so received continues to be shown under 'Other Current Liabilities'.

Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

Particulars of Assets	Gross Block				Accumulated Depreciation/Deductions				Net Block	
	Balance as at 31.03.2011	Additions	Disposals/Transfer	Balance as at 31.03.2012	Balance as at 31.03.2011	Depreciation charge for the year	Deductions during the year	Balance as at 31.03.2012	Balance as at 31.03.2012	Balance as at 31.03.2011
Tangible Assets										
Land :										
- Free hold	216,131,893	-	-	216,131,893	-	-	-	-	216,131,893	216,131,893
- Lease hold	217,825,113	-	-	217,825,113	-	-	-	-	217,825,113	217,825,113
Development	34,010,828	17,279,262	667,010	50,623,080	-	-	-	-	50,623,080	34,010,828
Buildings	99,312,179	2,480,319	-	101,792,498	49,411,826	1,461,690	-	50,873,516	50,918,982	49,900,353
Roads and Bridges	4,717,782	269,791	-	4,987,573	2,094,336	85,428	-	2,179,764	2,807,809	2,623,446
Plant and Equipment	57,524,130	974,396	1,030,606	57,467,920	33,687,538	2,799,742	21,067	36,466,213	21,001,707	23,847,530
Office Equipments	742,404	22,264	-	764,668	673,011	10,939	-	683,950	80,718	69,393
Furniture and Fixtures	3,310,932	116,015	4,499	3,422,448	2,643,089	116,836	4,498	2,755,427	667,021	656,905
Vehicles	8,994,133	-	160,000	8,834,133	6,597,655	657,475	112,496	7,142,634	1,691,499	2,396,478
Total	642,569,394	21,142,047	1,862,115	661,849,326	95,107,455	5,132,110	138,061	100,101,504	561,747,822	547,461,939
Previous Year	622,957,965	20,192,449	581,020	642,569,394	89,394,673	5,712,782	-	95,107,455	547,461,939	
Intangible Assets										
Computer software	1,797,389	513,145	-	2,310,534	178,262	359,478	-	537,740	1,772,794	1,619,127
Total	1,797,389	513,145	-	2,310,534	178,262	359,478	-	537,740	1,772,794	1,619,127
Previous Year	-	1,797,389	-	1,797,389	-	178,262	-	178,262	1,619,127	
Capital Work-in-Progress	1,800,477	246,512	-	2,046,989	-	-	-	-	2,046,989	1,800,477
Total	1,800,477	246,512	-	2,046,989	-	-	-	-	2,046,989	1,800,477
Grand Total	646,167,260	21,901,704	1,862,115	666,206,849	95,285,717	5,491,588	138,061	100,639,244	565,567,605	550,881,543

Note :

- In view of no operations in Rubberwood Division and Kinalur Estate of Rubber Division, depreciation amounting to ₹ 13.19 Lacs for the year has not been provided in the accounts (cumulative amount not provided till 31.03.2012 ₹ 78.92 Lacs).
- Gross Block includes ₹ 483,866,013/- on revaluation in 1993 (2011/12 - ₹ 415,648,787/-).



Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

2.10 NON CURRENT INVESTMENTS

As at 31st March, 2012		As at 31st March, 2011		As at 31st March, 2012		As at 31st March, 2011	
Number of Shares				Amount in ₹			
		(Fully Paid up Equity Shares of ₹ 10 each, unless otherwise stated)					
		Long-Term (Valued at Cost)					
		Trade Investment					
		In Subsidiary Company - Unquoted					
50,000	50,000	- Cochin Estates Limited		500,000		500,000	
		Other Investments					
		In other Companies - Quoted					
3,345	3,345	- The Periakaramalai Tea and Produce Co. Ltd.		136,057		136,057	
270	270	- Aspinwall & Co. Ltd.		275		275	
20	20	- The Kailas Rubber Co. Ltd.		311		311	
100	100	- The Rajagiri Rubber & Produce Co. Ltd.		1,410		1,410	
80	80	- The Malankara Rubber & Produce Co. Ltd.		1,013		1,013	
720	720	- Joonktolee Tea & Industries Ltd.		38,593		38,593	
327	327	- The Thirumbadi Rubber Co. Ltd.		13,463		13,463	
665	665	- Graphite India Ltd. (Face Value of ₹ 2/Share)		3,087		3,087	
100	100	- Shree Synthetics Ltd.		2,432		2,432	
500	500	- Kings International Aqua Marine Exports Ltd.		5,000		5,000	
1,200	1,200	- LKP Merchants Finance Ltd.		48,000		48,000	
		Total Non-Current Investment		749,641		749,641	
		Aggregate Book Value of Non-Current Quoted Investments		249,641		249,641	
		Aggregate Book Value of Non-Current Unquoted Investments		500,000		500,000	
		Aggregate Market Value of Non-Current Quoted Investments*					
		* Latest market value for quoted shares is not available					

(Amount in ₹)

	Long-Term		Short-Term	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.11 LOANS & ADVANCES				
Capital Advances				
Unsecured, considered good	2,635,000	61,490,918	-	-
	2,635,000	61,490,918	-	-
Security Deposits				
Unsecured, considered good	1,200,305	1,195,605	-	-
	1,200,305	1,195,605	-	-

Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	Long-Term		Short-Term	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.11 LOANS & ADVANCES (Contd.)				
Loans and Advances to Related Party				
To a Subsidiary (Maximum amount outstanding during the year ₹ 249,718/-)	–	–	249,718	221,538
	–	–	249,718	221,538
Other Loans and Advances (Unsecured, Considered good unless otherwise stated)				
Advance against supply of Goods and Services	–	–	637,268	240,400
Prepaid Expenses	–	–	593,860	608,680
Loan/Advance to Employees	–	–	508,002	434,271
Balances with Government & Statutory Authorities	–	–	167,037	97,864
Other Deposits and Advances				
Advance for lease rent	289,733	377,233	87,500	87,500
Payment under protest	–	–	22,694,150	10,689,008
Others	–	–	1,332	50,039
	289,733	377,233	24,689,149	12,207,762
	4,125,038	63,063,756	24,938,867	12,429,300

	Non-Current		Current	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.12 OTHER ASSETS				
Interest accrued on deposits	–	–	4,556	91,413
Assets held for disposal	–	–	41,492	41,492
Incentive and Subsidy Receivable	–	–	–	1,809,150
	–	–	46,048	1,942,055



Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.13 INVENTORIES		
(As valued and certified by the Management)		
Finished Goods	30,664,098	22,435,010
Semi-Finished Goods	6,643,380	1,255,396
Stores and Spares	6,228,817	7,041,696
Loose Tools & Others	399,828	477,501
Nursery Stock	964,845	963,293
	44,900,968	32,172,896
Details of Inventories :	Finished/Semi Finished Goods	
Rubber - Finished	25,025,878	17,904,450
Rubber - Semi Finished	6,643,380	1,255,396
Tea - Finished	5,638,220	4,126,856
Coffee	-	403,704
	37,307,478	23,690,406

	Non-Current		Current	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.14 TRADE RECEIVABLES				
Outstanding for a period exceeding six months				
Unsecured, considered good	-	-	7,752	152,872
Other Receivables				
Unsecured, considered good	-	-	3,356,710	9,259,716
	-	-	3,364,462	9,412,588

	As at March 31, 2012	As at March 31, 2011
2.15 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks :		
- In Current/Cash Credit Account	1,062,777	3,175,725
- In Fixed Deposit Accounts with original maturity of less than three months	-	2,500,000
Cash-on-Hand	84,002	244,949
	1,146,779	5,920,674
Other Bank Balances		
Fixed Deposit with Banks held as margin money	10,000	30,000
	10,000	30,000
	1,156,779	5,950,674

Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	For the year ended March 31, 2012	For the year ended March 31, 2011
2.16 REVENUE FROM OPERATIONS		
Sales of Finished Goods	204,307,249	194,187,335
	<u>204,307,249</u>	<u>194,187,335</u>
Other Operating Revenues		
Income from sale of Trees	34,653,617	10,048,492
Income from sale of Minor Produce	570,429	178,546
	<u>35,224,046</u>	<u>10,227,038</u>
	<u>239,531,295</u>	<u>204,414,373</u>
Details of Sale of Products		
Processed Rubber	181,652,133	171,453,692
Traded Rubber	–	1,239,570
Tea	22,655,116	21,494,073
	<u>204,307,249</u>	<u>194,187,335</u>
2.17 OTHER INCOME		
Interest Income		
On Bank Deposits	2,859	84,179
Other Deposits	54,638	37,903
Dividend Income		
On Long-Term Investments	31,482	26,839
Other Non-Operating Income		
Rent	1,224	2,024
Excess Liabilities and Unclaimed Balances written back	4,766,333	593,655
Miscellaneous Income	2,288,496	1,819,703
	<u>7,145,032</u>	<u>2,564,303</u>
2.18 COST OF MATERIALS CONSUMED		
Purchase of Latex	11,863,245	15,934,027
Note : As the green leaf is harvested in the Company's own garden as Agriculture Produce involving integrated activities of Nursery, Cultivation, growth etc and utilised in the manufacture of tea, its value at the intermediate stage could not be ascertained		
2.19 PURCHASE OF TRADED GOODS		
Traded Goods : Rubber	–	1,170,060
	<u>–</u>	<u>1,170,060</u>



Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	For the year ended March 31, 2012	For the year ended March 31, 2011
2.20 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED/SEMI-FINISHED GOODS		
Inventories at the end of the year		
Rubber	31,669,258	19,159,846
Tea	5,638,220	4,126,856
Coffee	–	403,704
	37,307,478	23,690,406
Inventories at the beginning of the year		
Rubber	19,159,846	11,304,079
Tea	4,126,856	6,264,525
Coffee	403,704	–
	23,690,406	17,568,604
Net (Increase)/Decrease	(13,617,072)	(6,121,802)
2.21 EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	101,210,242	83,559,712
Contribution to Provident Funds and Others	7,868,895	5,876,263
Contribution to Gratuity Fund	15,836,463	4,821,986
Contribution to Superannuation Fund	235,080	170,784
Staff Welfare Expenses	5,470,365	6,051,351
	130,621,045	100,480,096
2.22 FINANCE COST		
Interest Expenses		
On Corporate Loans	8,935,019	16,330,453
On Vehicle Loan	107,814	142,151
On Bank & Others	4,258,008	79,428
	13,300,841	16,552,032
2.23 OTHER EXPENSES		
Manufacturing Expenses		
Stores, Spare Parts & Packing Materials Consumed	23,214,259	21,108,006
Power & Fuel	5,380,561	5,490,782
Repairs to Buildings	707,690	549,901
Repairs to Machinery	498,408	223,203
	29,800,918	27,371,892

Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	For the year ended March 31, 2012	For the year ended March 31, 2011
2.23 OTHER EXPENSES (Contd.)		
Selling and Administration		
Commission, Brokerage & Discount etc	234,139	189,084
Freight and Forwarding Charges	963,635	931,068
Vehicle Maintenance Expenses	2,106,078	2,068,717
Rent	401,834	412,705
Insurance	563,878	492,056
Rates & Taxes (Duty & Cess)	825,024	868,112
Auditors' Remuneration -		
Statutory Auditors :		
- Statutory Audit Fees	135,000	135,000
- Tax Audit Fees	35,000	35,000
- For Certification	80,000	80,000
- Reimbursement of Expenses	97,190	21,527
Printing & Stationery, Subscription Postage and Other Charges	1,556,807	1,217,996
Legal and Professional Charges	4,044,948	1,572,285
Travelling Expenses	1,369,873	690,880
Donation	-	80,000
Directors Sitting Fees	40,000	32,000
Prior Period Expenses	127,158	822,678
Bad Debts/Advances written off	583,044	10,861
Miscellaneous Expenses	2,855,361	1,959,048
Loss on Fixed Assets sold/discarded	698,648	581,020
	16,717,617	12,200,037
	46,518,535	39,571,929
2.24 DEPRECIATION AND AMORTISATION EXPENSES		
On Tangible Fixed Assets	5,132,110	5,712,782
Less : Transferred from Revaluation Reserve	(411,986)	(443,884)
On Intangible Assets	359,478	178,262
	5,079,602	5,447,160



Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	2011-12	2010-11
2.25 ADDITIONAL NOTES		
A. Contingent Liabilities not provided for in respect of :		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
b) Commitments towards future lease rentals (net of advances)	377,233	464,733
c) Claims against the company not acknowledged as debts :		
i) Central Sales Tax	213,331	213,331
ii) Claims of Creditors/Workers	2,039,725	2,525,057
iii) Seigniorage Charges (Kerala Forest Dept.) (Paid under protest)	17,602,033	8,402,033
iv) P. F. Damages	6,241,601	6,241,601
v) Lease Rent (**)	4,692,117	1,886,975

(**) The Government of Kerala has increased the Lease Rent payable in respect of Chemoni and Pudukad Estates from ₹ 2/- per Acre to ₹ 1,350/- per Hectare with effect from 25-11-2009. The Company filed Writ Petition before the Hon'ble High Court of Kerala challenging the increase and the case is pending. The Company has paid the increased Lease rent under protest.

- B. The Board of Directors, in their meeting held on 12.11.2011 had approved a Scheme of Demerger by which the Cochin Plantation Division comprising of Chemoni, Pudukad, Ichipara and Sampaji Rubber Estates and Pulikanam & Kolhalmedu Tea Estates of the Company shall demerge from the Company and merge with Joonktollee Tea & Industries Ltd, the Holding company w.e.f. 1st April 2011. As the petition for merger of the Cochin Plantation Division with the Holding company is pending before the Hon'ble High Court at Calcutta, these accounts have been prepared without considering impact of the scheme.
- C. The Rubberwood Factory has not been in operation for nearly 14 years pursuant to notice received from the Deputy Conservator of Forests (Protection), Trivandrum. The representation made earlier to the Chief Divisional Officer is still pending. The Company is making fresh representation to the Forest Officials concerned for withdrawal of ban imposed on the Company, as the same is not applicable in our case.
- D. Sundry Debtors, Loans & Advances and Deposits include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the values stated in the accounts.
- E. From 2009-10 onwards the Company had taken up a plan to replant over the next seven years, a substantial part of the Tea estate abandoned in earlier years as the existing Tea plants could not be revived. The expenditure incurred for replanting as per the said plan has been capitalized as the benefit of the same shall accrue over a very long period of time.

Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(₹ in Lacs)

	2011-12		2010-11	
	Gratuity		Gratuity	
	Funded	Unfunded	Funded	Unfunded
F. Disclosure as per Accounting Standard - 15 related to Employees Benefits				
Expenses recognized in the Statement of Profit & Loss for the year ended 31st March, 2012				
Current Service Cost	20.97		19.42	
Interest Cost	25.24		24.84	
Expected return on Plan Assets	(3.95)		(5.62)	
Actuarial (Gain)/Losses	115.05		5.30	
Past Service Cost	–		–	
Expenses recognized in Statement of Profit & Loss	157.31	1.05	43.94	4.28
Present Value of the Defined Benefit Obligation	(461.89)		(330.21)	
Fair value of Plan Assets	34.35		57.32	
Net (Asset)/Liabilities recognized in Balance Sheet	(427.54)		(272.89)	
Present value of Defined Benefit Obligations at 1st April, 2011	330.21		340.18	
Current Service Cost	20.97		19.42	
Past Service Cost	–		–	
Interest Cost	25.24		24.84	
Actuarial (Gain)/Losses	115.00		5.06	
Benefits Paid	(29.53)		(59.29)	
Present Value of Obligation as at 31st March, 2012	461.89		330.21	
Fair Value of Plan Assets as at 1st April, 2011	57.32		72.95	
Expected return on Plan Assets	3.95		5.62	
Actuarial Gain/(Losses)	(0.05)		(0.24)	
Benefits Paid	(29.53)		(59.29)	
Contributions	2.66		38.28	
Fair Value of Plan Assets as at 31st March, 2012	34.35		57.32	
Principal Actuarial Assumptions used				
Discount rates as at 31st March, 2012	8.60%		8%	
Expected returns on Plan Assets	9%		9%	
Expected salary increase rates	8%		5%	
Monthly Rates	LIC (94-96) Ultimate Rate		LIC (94-96) Ultimate Rate	
Major categories of Plan Assets as a percentage of Fair Value of Plan Assets	LIC 100%		LIC 100%	



Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

G. Disclosure of related party transaction as per AS 18 "Related Party Disclosures" prescribed in "The Accounting Standards Rules, 2006."

Relationship :

a) **Holding Company :**

Joonktollee Tea & Industries Ltd. (JTI)

b) **Subsidiary Company :**

Cochin Estates Limited (CEL)

c) **Other Enterprises over which the Key Managerial Personnel/Relatives are able to exercise significant influence :**

Credwyn Holdings (India) Pvt. Ltd. (CHI)

Wind Power Vinimay Pvt. Ltd. (WPV)

PDGD Investments & Trading Pvt. Ltd. (PDGD)

Kettlewell Bullen & Co. Ltd. (KBC)

Kherapati Vanijya Ltd. (KVL)

d) **Key Managerial Personnel :**

Mr. Hemant Bangur - Chairman

The following transactions were carried out with the Related Parties in the ordinary course of business : (₹ in Lacs)

Particulars	JTI	CEL	CHI	WPV	PDGD	KBC	KVL
Dividend Received	0.01	-	-	-	-	-	-
Previous Year	0.01	-	-	-	-	-	-
Interest Paid	-	-	17.57	17.64	5.79	29.12	12.63
Previous Year	-	-	71.76	55.25	10.38	14.24	7.63
Loan Received/(Refunded) :							
- During The Year	-	-	(430.00)	(425.00)	(100.00)	(300.00)	(225.00)
- Previous Year	-	-	(160.00)	-	50.00	300.00	225.00
- Closing Balance	524.27	-	-	-	-	-	-
- Previous Year	524.27	-	430.00	425.00	100.00	300.00	225.00
Loans & Advances Closing Balance	-	2.50	-	-	-	-	-
Investments - Closing Balance	0.38	5.00	-	-	-	-	-

Notes to the FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	2011-12	2010-11
H. Earnings Per Share :		
a) Profit/(Loss) after tax as per Statement of Profit & Loss (₹)	52,910,131	33,945,174
b) Number of Equity shares outstanding (Nos.)	1,771,908	1,771,908
c) Basic and Diluted Earning Per Share (in ₹) (Face value ₹ 10/- per share)	29.86	19.16

I. The company has no overdue amounts due to supplier under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED as at 31.03.2012). The disclosure required under the said Act is hereunder:

	2011-12	2010-11
i) Principal amount due to supplier under MSMED Act and remaining unpaid	Nil	Nil
ii) Interest due to supplier on above	Nil	Nil
iii) Any payment made to suppliers beyond appointed date (under Section 16 of the Act)	Nil	Nil
iv) Interest due and payable to supplier under MSMED Act	Nil	Nil
v) Interest accrued and remaining unpaid as at 31.03.2012	Nil	Nil
vi) Interest remaining due and payable as per Section 23 of the Act	Nil	Nil

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	2011-12	2010-11
J. Value of Stores & Spare parts Consumed (100% indigenous)	23,214,259	21,108,006

K. The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Membership No. 204936

Place : Chennai

Dated : 12th November, 2012

H. Bangur

Chairman

P. J. Bhide

Director

K. C. Mohta

Director

B. L. Dhanuka

Director



Statement regarding **SUBSIDIARY COMPANY**

PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Financial Year Ended — Holding Company's Interest

SECTION 212 (1) (e)

Name of the Subsidiary Company

Cochin Estates Limited	31st March, 2012	100.00%
------------------------	------------------	---------

SECTION 212 (3) (b)

Net aggregate amount of Subsidiary's Profit which concerns the members of the Holding Company and not dealt with in the accounts of the Company

**For the Financial
year ended
31st March, 2012
(₹)**

For the previous
Financial
Years
(₹)

Cochin Estates Limited	(52,106)	(282,284)
------------------------	-----------------	-----------

SECTION 212 (3) (c)

Net aggregate amount of Subsidiary's Profit dealt with in the accounts of the Company

Cochin Estates Limited	Nil	Nil
------------------------	------------	-----

SECTION 212 (5)

The Financial Year of the Subsidiary coincides the financial year of the Holding Company and as such Section 212(5) of the Act is not applicable.

H. Bangur *Chairman*

P. J. Bhide *Director*

K. C. Mohta *Director*

B. L. Dhanuka *Director*

Place : Chennai

Dated : 12th November, 2012

Consolidated AUDITORS' REPORT

To

The Board of Directors of

The Cochin Malabar Estates and Industries Limited

1. We have audited the attached Consolidated Balance Sheet of **THE COCHIN MALABAR ESTATES AND INDUSTRIES LIMITED** (the Company) and its subsidiary (the Company and its subsidiary constitutes the Group) as at 31st March, 2012, and the Consolidated Statement of Profit & Loss and Consolidated Cash Flow Statement of the Group for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared on the basis of the separate financial statements and other financial information regarding its components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), as notified under the Companies (Accounting Standards) Rules, 2006.
4. *Reference is invited to the following observations, impact of which on the Company's Consolidated Profit is stated in the respective notes below :*
 - i) *We are unable to express an opinion about the profitability of Kinalur Estate, the physical condition*

of the assets of the estate and adjustment arising out of cancellation of contract as detailed in additional note appended to Note No. 2.8 of the financial statements.

- ii) *Additional Note appended to Note No. 2.9 of the financial statements regarding non provision of Depreciation in respect of Rubberwood Division and Kinalur Estate of Rubber Division amounting to ₹ 13.19 Lacs (cumulative depreciation unprovided upto 31-03-2012 ₹ 78.92 Lacs).*
5. Subject to our comments in para 4 (i) & (ii) above, based on our audit and on consideration of the separate audit reports on individual financial statements of the Company and its subsidiary, and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) In the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2012.
 - ii) In the case of the Consolidated Statement Profit & Loss, of the consolidated Profit of the Group for the year ended on that date, and
 - iii) In the case of the Consolidated Cash Flow Statement of the consolidated Cash flows of the Group for the year ended on that date.

For **SINGHI & CO.**
Chartered Accountants
Firm Registration No. 302049E
Sudesh Choraria

Place : Chennai

Dated: 12th November, 2012

Partner

Membership No. 204936



Consolidated Balance SHEET

As at March 31, 2012

(Amount in ₹)

	Note	As at 31st March, 2012		As at 31st March, 2011	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2.1	17,719,080		17,719,080	
Reserves and Surplus	2.2	275,983,780	293,702,860	223,537,741	241,256,821
Non-Current Liabilities					
Long-Term Borrowings	2.3	96,177,001		52,507,008	
Other Long-Term Liabilities	2.4	–		100,000	
Long-Term Provisions	2.5	–	96,177,001	–	52,607,008
Current Liabilities					
Short-Term Borrowings	2.6	3,805,139		165,500,000	
Trade Payables	2.7	23,196,599		9,221,013	
Other Current Liabilities	2.8	175,792,198		171,292,454	
Short-Term Provisions	2.5	51,917,603	254,711,539	36,506,979	382,520,446
TOTAL			644,591,400		676,384,275
ASSETS					
Non-Current Assets					
Fixed Assets :	2.9				
Tangible Assets		561,747,822		547,461,939	
Intangible Assets		1,772,794		1,619,127	
Capital Work-in-Progress		2,046,989	565,567,605	1,800,477	550,881,543
Non-Current Investments	2.10	249,641		249,641	
Long-Term Loans and Advances	2.11	4,125,038		63,063,756	
Other Non-Current Assets	2.12	–	4,374,679	–	63,313,397
Current Assets					
Inventories	2.13	44,900,968		32,172,896	
Trade Receivables	2.14	3,364,462		9,412,588	
Cash and Bank Balances	2.15	1,642,757		6,454,034	
Short-Term Loans and Advances	2.11	24,689,149		12,207,762	
Other Current Assets	2.12	51,780	74,649,116	1,942,055	62,189,335
TOTAL			644,591,400		676,384,275

Significant Accounting Policies

1

The accompanying notes 1 and 2.1 to 2.25 form an integral part of the Consolidated Financial Statements

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Membership No. 204936

Place : Chennai

Dated : 12th November, 2012

H. Bangur

Chairman

P. J. Bhide

Director

K. C. Mohta

Director

B. L. Dhanuka

Director

Consolidated Statement of PROFIT & LOSS

For the year ended 31st March, 2012

(Amount in ₹)

	Note	For the year ended 31st March, 2012	For the year ended 31st March, 2011
INCOME			
Revenue from Operations (Gross)	2.16	239,531,295	204,414,373
Less : Excise Duty		–	–
Revenue from Operations (Net)		239,531,295	204,414,373
Other Income	2.17	7,150,764	2,564,303
Total Revenue		246,682,059	206,978,676
EXPENSES			
Cost of Raw Materials Consumed	2.18	11,863,245	15,934,027
Purchases of Traded Goods	2.19	–	1,170,060
(Increase)/ Decrease in Inventories of Finished Goods	2.20	(13,617,072)	(6,121,802)
Employee Benefits Expenses	2.21	130,621,045	100,480,096
Finance Costs	2.22	13,300,841	16,552,032
Other Expenses	2.23	46,576,373	39,802,107
		188,744,432	167,816,520
Profit before Tax, Depreciation and Amortisation		57,937,627	39,162,156
Depreciation and Amortisation Expenses	2.24	5,079,602	5,447,160
Profit before Tax		52,858,025	33,714,996
Tax Expense :			
Current Tax		–	–
Deferred Tax		–	–
Profit for the year		52,858,025	33,714,996
Basic & Diluted Earnings Per Share		29.83	19.03
(Face Value of ₹10/- each) (Refer Note No. 2.25.J)			

Significant Accounting Policies

1

The accompanying notes 1 and 2.1 to 2.25 form an integral part of the Consolidated Financial Statements

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Membership No. 204936

Place : Chennai

Dated : 12th November, 2012

H. Bangur

Chairman

P. J. Bhide

Director

K. C. Mohta

Director

B. L. Dhanuka

Director



Consolidated Cash Flow STATEMENT

For the year ended 31st March, 2012

(Amount in ₹)

	2011-12	2010-11
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax and extraordinary items	52,858,025	33,714,996
Adjustments for :		
Depreciation	5,079,602	5,447,160
Interest Paid	13,300,841	16,552,032
Interest Received	(57,497)	(122,082)
Loss on Fixed Assets Sold /Discarded	698,648	581,020
Bad Debts/Advances Written off	583,044	10,861
Income from Investments	(31,482)	(26,839)
Operating Profit before Working Capital Changes	72,431,181	56,157,148
Adjustments for :		
Trade and Other Receivables	53,757,688	(67,460,076)
Inventories	(12,728,072)	(4,887,935)
Trade and Other Payables	27,896,291	(6,860,077)
Cash generated from Operations	141,357,088	(23,050,940)
Less : Direct Taxes	–	–
Net Cash from Operating Activities	141,357,088	(23,050,940)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets/Subsidy Received	1,025,406	–
Sale/(Purchase) of Investments	(400,000)	–
Capital Work-in-Progress	(246,512)	1,949,147
Dividend Received	31,482	26,839
Interest Received	57,497	37,903
Purchase of Fixed Assets	(21,655,192)	(21,989,838)
Net Cash Flow from Investing Activities	(21,187,319)	(19,975,949)

Consolidated Cash Flow STATEMENT

For the year ended 31st March, 2012

(Amount in ₹)

	2011-12	2010-11
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long-Term Borrowings	50,000,000	–
Repayment of Long-Term Borrowings	(440,344)	(623,598)
Short-Term Borrowings	3,805,139	59,000,000
Repayment of Short-Term Borrowings	(165,500,000)	–
Interest Paid	(13,300,841)	(16,552,032)
Dividend Paid	–	–
	(125,436,046)	41,824,370
EQUIVALENTS (A+B+C)	(5,266,277)	(1,202,519)
Cash and Cash Equivalents as on 31-03-2012	1,157,757	6,424,034
Less : Cash and Cash Equivalents as on 31-03-2011	6,424,034	7,626,553
	(5,266,277)	(1,202,519)

This is the Cash Flow referred to in our report of even date

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Membership No. 204936

Place : Chennai

Dated : 12th November, 2012

H. Bangur

Chairman

P. J. Bhide

Director

K. C. Mohta

Director

B. L. Dhanuka

Director



Notes to Consolidated FINANCIAL STATEMENT

As at and for the year ended 31st March, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting

The accounts are prepared on historical cost convention (with the exception of certain land and plant & machinery which were revalued) based on Accrual Method of Accounting and applicable Accounting Standards and on Going Concern Basis in accordance with accounting standards and the relevant provisions of the Companies Act, 1956.

The financial statements has been prepared and presented as per the requirement of Revised Schedule VI as notified under the Companies Act, 1956 with effect from current year. The adoption of Revised Schedule VI does not have any impact on recognition and measurement principles as consistently followed by the Company.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria specified in the Revised Schedule VI to the Companies Act, 1956. The Company has presently determined 12 months as the normal Operating cycle for the purpose of classification of current and non-current Assets and Liabilities.

ii) Use of Estimates

The preparation of financial statements are in conformity with generally accepted accounting principles which requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialized.

iii) Fixed Assets

- a) Fixed Assets are stated at cost inclusive of interest on borrowings attributable to acquisition of tangible fixed assets and increased by revaluation of assets at their fair market values as on 31/03/1993 as determined by approved valuers, less depreciation except in respect of Rubberwood Division and Kinalur Estate of Rubber Division for which no depreciation is provided during the year.
- b) Subsidies received in respect of fixed assets are deducted from the cost of respective assets.
- c) Items of machinery spares to be used in connection with an item of fixed assets are amortized over the useful life of the assets.
- d) Fixed Assets taken on lease (other than land taken on perpetual lease) are not capitalized and the annual lease rentals are absorbed in the Statement of Profit & Loss. The excess of lease rentals paid over the amount accrued in respect thereof is treated as prepaid lease rental.

iv) Investments

Long-term and Unquoted Investments are stated at cost unless there is a permanent decline in value thereof, in which case, adequate provision is made in the accounts. Cost includes brokerage, stamp duty and other financial charges directly attributable to their acquisition.

v) Inventories

- a) Stock of Finished Rubber, Tea and Other Minor Produce are valued at the lower of cost (determined on weighted average method) and net realizable value.
- b) Stock of Stores and spare parts are valued at cost using the weighted average cost basis.
- c) Loose tools etc. are amortized over a period of 3 years.

Notes to Consolidated FINANCIAL STATEMENT

As at and for the year ended 31st March, 2012

vi) Retirement Benefits

Retirement benefits to employees are ascertained and provided in the accounts as per AS 15 "Employees Benefits".

a) Gratuity :

Company has taken group gratuity policy for future payment of gratuity with the Life Insurance Corporation of India (LIC). Incremental liability for gratuity has been provided in the accounts based on actuarial valuation.

b) Superannuation Fund :

This is a defined contribution plan. The Company contributes under the defined contribution plan, managed by Life Insurance Corporation of India. The Company has no further obligations for future superannuation benefits other than its annual contributions and recognized such contribution as expenses in the year in which the same was incurred.

c) Provident Fund :

This is a defined contribution plan and contributions made to the fund are charged to revenue. The Company has no further obligations for future provident fund benefits other than annual contribution.

vii) Revenue Recognition

Sales comprise of sales of goods, net of discounts and sales return, Sales Tax and Excise Duty wherever applicable. Sale of standing trees is accounted as and when they are removed and the proceeds are credited to the Statement of Profit & Loss.

Dividends from companies are accounted as income in the year in which they are received.

viii) Depreciation & Amortisation Expenses :

Depreciation on assets other than relating to Rubberwood Division are provided under WDV method at the rates specified under Schedule XIV of the Companies Act, 1956. However, depreciation is not provided for the year in respect of Rubberwood Division and Kinalur Estate of Rubber Division since these Divisions are not in operation.

Value of lease hold land taken on perpetual lease and development expenditure thereto are not amortised. Depreciation on the incremental value on revaluation is debited to the Fixed Assets Revaluation Reserve account.

Intangible Assets are amortized over a period of 5 years.

ix) Replanting Expenses

Replanting expenditure is charged to the Statement of Profit & Loss of the year in which they are incurred except for Replanting expenses of Tea Division for the reasons explained in Note No. 2.25G below.

x) Foreign Currency Transaction

There were no foreign currency transactions made during the year under audit.

xi) Taxation

No provision for taxation for current year is made in view of carried forward losses. The Company has significant unabsorbed depreciation and carried forward losses. In the absence of virtual certainty of realization of unabsorbed depreciation and carry forward losses, no Deferred Tax Assets has been recognized, which is not quantified.



Notes to Consolidated FINANCIAL STATEMENT

As at and for the year ended 31st March, 2012

xii) Impairment of Assets

At each Balance Sheet date, the carrying values of the tangible assets are reviewed to determine whether there is any indication that those assets have suffered on impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the Company estimates the recoverable amount of the group of assets as a whole to determine the value of impairment.

xiii) Borrowing Cost

Borrowing cost relating to acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost are charged to revenue.

xiv) Segment Reporting

As the entire operation of the Company's products relate to "Plantation" as single primary reportable segment, in the opinion of management no separate segment reporting is required under The Accounting Standard Rules, 2006.

xv) Cash Flow

Cash Flow Statement has been prepared in accordance with the Indirect Method as per Accounting Standard 3 prescribed in "The Accounting Standard Rules, 2006."

Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.1 SHARE CAPITAL		
Authorised :		
4,950,000 Equity Shares of ₹ 10/- each	49,500,000	49,500,000
5,000, 12% Cumulative Preference shares of ₹ 100/- each	500,000	500,000
	50,000,000	50,000,000
Issued :		
1,771,908 Equity Shares of ₹ 10/- each fully paid-up (Previous year 1,771,908 Equity Shares of ₹ 10/- each)	17,719,080	17,719,080
Subscribed and Paid-up :		
1,771,908 Equity Shares of ₹ 10/- each fully paid-up (Previous year 1,771,908 Equity Shares of ₹ 10/- each)	17,719,080	17,719,080
	17,719,080	17,719,080

- a) There is no movement in the equity shares outstanding at the beginning and at the end of the year.
- b) The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
- c) By virtue of control over the Board of the Company, Joonktollee Tea & Industries Limited is the holding Company of the Company
- d) Details of shareholders holding more than 5% shares in the Company :

	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	%	No. of Shares	%
Equity Shares of ₹ 10/- each fully paid-up				
Joonktollee Tea & Industries Limited	406,420	22.94	406,420	22.94
Life Insurance Corporation of India	304,442	17.18	304,442	17.18
The Oriental Company Limited	232,693	13.13	183,022	10.33
The Cambay Investment Corporation Ltd.	221,475	12.50	221,475	12.50
Kettlewell Bullen & Company Limited	95,656	5.40	95,656	5.40

- e) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- f) No shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- g) No securities convertible into Equity/Preference shares issued by the Company during the year.
- h) No calls are unpaid by any Director or Officer of the Company during the year.



Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.2 RESERVES AND SURPLUS		
Capital Reserves		
As per the last Financial Statements	103,531,628	103,531,628
Capital Redemption Reserve		
As per the last Financial Statements	113,300	113,300
Revaluation Reserve		
As per the last Financial Statements	416,060,772	416,504,656
Less : Transferred to Statement of Profit & Loss	411,986	443,884
	415,648,786	416,060,772
Surplus		
As per the last Financial Statements	(296,167,959)	(329,882,955)
Add : Profit for the year	52,858,025	33,714,996
Net Surplus	(243,309,934)	(296,167,959)
Total Reserves and Surplus	275,983,780	223,537,741

2.3 LONG-TERM BORROWINGS

	Non-Current portion		Current Maturities	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
Secured				
From Banks	43,750,001	–	6,249,999	–
– Against hypothecation of vehicles	–	80,008	80,008	340,344
Loan from Holding Company	52,427,000	52,427,000	–	–
Total Secured Borrowings	96,177,001	52,507,008	6,330,007	340,344
Amount disclosed under the head "Other Current Liabilities" (Note 2.8)	–	–	6,330,007	340,344
	96,177,001	52,507,008	–	–

Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

Security and Repayment Terms

Nature of Loan and Security	Amount (₹)	Rate of Interest	Repayment year
i) Loan from Bank is secured against equitable mortgage of Pullikanam estate and hypothecation of Company's entire current assets	50,000,000	11.00%	₹ 6,249,999/- payable in 2012-13 and ₹ 8,333,332/- payable in each sub-sequent years thereafter till the entire loan is repaid
ii) Vehicle loan secured against hypothecation of Asset	80,008	13.01%	Entire amount payable in 2012-13
iii) Loan from Holding Company is secured against equitable mortgage of Kinalur, Chemoni and Pudukad Estates, Rubber wood factory and landed properties at Goa	52,427,000	Nil	Loan from holding company represents financial investments made by the holding Company in earlier years. Such financial investments by the holding Company do not form part of "Cochin Plantation Division" of the company which is proposed to be demerged to the holding Company. At the request of the holding Company, the company has entered into a fresh revival agreement granting holding company the management rights of Kinalur Estate, forming part of its retained undertaking, for a period of ten years with effect from 1st April 2011. The terms of repayment of the above loan shall be governed by the terms of revised agreement.

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.4 OTHER LONG TERM LIABILITIES		
Trade and Security Deposits	–	100,000
	–	100,000

	Long Term		Short Term	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.5 PROVISIONS				
Provision for Employee Benefits				
Gratuity	–	–	42,754,658	27,289,000
Bonus	–	–	3,430,830	3,488,051
Other Provisions				
Provisions for Taxation (Net of Advance)	–	–	5,732,115	5,729,928
Total	–	–	51,917,603	36,506,979



Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.6 SHORT TERM BORROWINGS		
Secured		
From Banks	3,805,139	–
Unsecured		
Loan from Body Corporates	–	165,500,000
	3,805,139	165,500,000

Security and Repayment Terms

Nature of Loan and Security	Amount (₹)	Rate of Interest	Repayment year
i) Cash Credit facilities from Bank is secured against equitable mortgage of Pullikanam estate and hypothecation of Company's entire current assets	10,000,000	12.50%	

	As at March 31, 2012	As at March 31, 2011
2.7 TRADE PAYABLES		
For Goods and Services	5,633,227	7,023,693
For Salary & Wages	17,563,372	2,197,320
	23,196,599	9,221,013

	As at March 31, 2012	As at March 31, 2011
2.8 OTHER CURRENT LIABILITIES		
Current maturities of Long-Term Debt (Refer Note 2.3)	6,330,007	340,344
Interest accrued but not due on borrowings	552,648	–
Unclaimed Redeemed Preference Shares	14,200	14,200
Statutory Dues	7,010,846	10,466,490
Trade and Security Deposits	2,000	509,000
Advances Received from Customers	2,385,246	465,169
Advance against sale of Land (Refer Note below)	159,497,251	159,497,251
	175,792,198	171,292,454

Note : The Memorandum of Understanding for sale of Kinalur Estate to Mr. P. K. C. Ahmed Kutty has been terminated by the Company and other statutory bodies in earlier years due to non-fulfillment of obligations on his part. As mentioned in previous year, the Hon'ble High Court of Kerala vide its Order and Judgment both dated 25th November, 2009 dismissed the suit and closed all interlocutory applications in respect of Kinalur Estate of the Company and accordingly the Receiver appointed was also released. Aggrieved by the High Court Order, some of the Applicants have filed Appeal before the Division Bench of the High Court. Also some other Applicants have filed suit before the Sub-Court, Koyilandy and Kozhikode against Mr. P. K. C. Ahmed Kutty in respect of Kinalur estate impleading the Company.

Pending finalization of the matter the amount so received continues to be shown under 'Other Current Liabilities'.

Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

2.9 FIXED ASSETS		(Amount in ₹)									
		Gross Block					Accumulated Depreciation/Deductions				
Sl. No.	Fixed Assets	Balance as at 31.03.2011	Additions	Disposals/Transfer	Balance as at 31.03.2012	Balance as at 31.03.2011	Depreciation charge for the year	Deductions during the year	Balance as at 31.03.2012	Balance as at 31.03.2012	Balance as at 31.03.2011
i)	Tangible Assets										
	Land										
	- Free hold	216,131,893	-	-	216,131,893	-	-	-	-	216,131,893	216,131,893
	- Lease hold	217,825,113	-	-	217,825,113	-	-	-	-	217,825,113	217,825,113
	Development	34,010,828	17,279,262	667,010	50,623,080	-	-	-	-	50,623,080	34,010,828
	Buildings	99,312,179	2,480,319	-	101,792,498	49,411,826	1,461,690	-	50,873,516	50,918,982	49,900,353
	Roads and Bridges	4,717,782	269,791	-	4,987,573	2,094,336	85,428	-	2,179,764	2,807,809	2,623,446
	Plant and Equipment	57,524,130	974,396	1,030,606	57,467,920	33,687,538	2,799,742	21,067	36,466,213	21,001,707	23,847,530
	Office Equipments	742,404	22,264	-	764,668	673,011	10,939	-	683,950	80,718	69,393
	Furniture and Fixtures	3,310,932	116,015	4,499	3,422,448	2,643,089	116,836	4,498	2,755,427	667,021	656,905
	Vehicles	8,994,133	-	160,000	8,834,133	6,597,655	657,475	112,496	7,142,634	1,691,499	2,396,478
	Total	642,569,394	21,142,047	1,862,115	661,849,326	95,107,455	5,132,110	138,061	100,101,504	561,747,822	547,461,939
	Previous Year	622,957,965	20,192,449	581,020	642,569,394	89,394,673	5,712,782	-	95,107,455	547,461,939	
ii)	Intangible Assets										
	Computer Software	1,797,389	513,145	-	2,310,534	178,262	359,478	-	537,740	1,772,794	1,619,127
	Total	1,797,389	513,145	-	2,310,534	178,262	359,478	-	537,740	1,772,794	1,619,127
	Previous Year	-	1,797,389	-	1,797,389	-	178,262	-	178,262	1,619,127	
iii)	Capital Work-in-Progress	1,800,477	246,512	-	2,046,989	-	-	-	-	2,046,989	1,800,477
	Total	1,800,477	246,512	-	2,046,989	-	-	-	-	2,046,989	1,800,477
	Grand Total	646,167,260	21,901,704	1,862,115	666,206,849	95,285,717	5,491,588	138,061	100,639,244	565,567,605	550,881,543

Note :

- In view of no operations in Rubberwood Division and Kinalur Estate of Rubber Division, depreciation amounting to ₹ 13.19 Lacs for the year has not been provided in the accounts (cumulative amount not provided till 31.03.2012 ₹ 78.92 Lacs).
- Gross Block includes ₹ 4,838,66,013/- on revaluation in 1993 (2011/12 - ₹ 415,648,787/-).



Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

2.10 NON CURRENT INVESTMENTS

As at 31st March, 2012	As at 31st March, 2011		As at 31st March, 2012	As at 31st March, 2011
		Number of Shares	Amount in ₹	
		(Fully Paid up Equity Shares of ₹ 10 each, unless otherwise stated)		
		Long-Term (Valued at Cost)		
		Other Investment		
		Quoted		
3,345	3,345	- The Periakaramalai Tea and Produce Co. Ltd.	136,057	136,057
270	270	- Aspinwall & Co. Ltd.	275	275
20	20	- The Kailas Rubber Co. Ltd.	311	311
100	100	- The Rajagiri Rubber & Produce Co. Ltd.	1,410	1,410
80	80	- The Malankara Rubber & Produce Co. Ltd.	1,013	1,013
720	720	- Joonktolee Tea & Industries Ltd.	38,593	38,593
327	327	- The Thirumbadi Rubber Co. Ltd.	13,463	13,463
665	665	- Graphite India Ltd. (Face Value of ₹ 2/Share)	3,087	3,087
100	100	- Shree Synthetics Ltd.	2,432	2,432
500	500	- Kings International Aqua Marine Exports Ltd.	5,000	5,000
1,200	1,200	- LKP Merchants Finance Ltd.	48,000	48,000
		TOTAL NON-CURRENT INVESTMENT	249,641	249,641
		Aggregate Book Value of Non-Current Quoted Investments	249,641	249,641
		Aggregate Book Value of Non-Current Unquoted Investments		
		Aggregate Market Value of Non-Current Quoted Investments*		
		* Latest market value for quoted shares is not available		

(Amount in ₹)

	Long-Term		Short-Term	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.11 LOANS & ADVANCES				
Capital Advances				
Unsecured, considered good	2,635,000	61,490,918	-	-
	2,635,000	61,490,918	-	-
Security Deposits				
Unsecured, considered good	1,200,305	1,195,605	-	-
	1,200,305	1,195,605	-	-

Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	Long-Term		Short-Term	
	As at 31st	As at 31st	As at 31st	As at 31st
	March, 2012	March, 2011	March, 2012	March, 2011
2.11 LOANS & ADVANCES (Contd.)				
Other Loans and Advances				
(Unsecured, Considered good unless otherwise stated)				
Advance against supply of Goods and Services		–	637,268	240,400
Prepaid Expenses	–	–	593,860	608,680
Loan/Advance to Employees	–	–	508,002	434,271
Balances with Government & Statutory Authorities	–	–	167,037	97,864
Other Deposits and Advances				
Advance for lease rent	289,733	377,233	87,500	87,500
Payment under protest	–	–	22,694,150	10,689,008
Others	–	–	1,332	50,039
	289,733	377,233	24,689,149	12,207,762
	4,125,038	63,063,756	24,689,149	12,207,762

	Non-Current		Current	
	As at 31st	As at 31st	As at 31st	As at 31st
	March, 2012	March, 2011	March, 2012	March, 2011
2.12 OTHER ASSETS				
Interest accrued on deposits	–	–	10,288	91,413
Assets held for disposal	–	–	41,492	41,492
Incentive and Subsidy Receivable	–	–	–	1,809,150
	–	–	51,780	1,942,055



Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	As at March 31, 2012	As at March 31, 2011
2.13 INVENTORIES		
(As valued and certified by the Management)		
Finished Goods	30,664,098	22,435,010
Semi-Finished Goods	6,643,380	1,255,396
Stores and Spares	6,228,817	7,041,696
Loose Tools & Others	399,828	477,501
Nursery Stock	964,845	963,293
	44,900,968	32,172,896
Details of Inventories	Finished/Semi Finished Goods	
Rubber - Finished	25,025,878	17,904,450
Rubber - Semi Finished	6,643,380	1,255,396
Tea - Finished	5,638,220	4,126,856
Coffee	-	403,704
	37,307,478	23,690,406

	Non-Current		Current	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
2.14 TRADE RECEIVABLES				
Outstanding for a period exceeding six months				
Unsecured, considered good	-	-	7,752	152,872
Other Receivables				
Unsecured, considered good	-	-	3,356,710	9,259,716
		-	3,364,462	9,412,588

	As at March 31, 2012	As at March 31, 2011
2.15 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances with Banks :		
- In Current/Cash Credit Account	1,070,387	3,675,085
- In Fixed Deposit Accounts with original maturity of less than three months	-	2,500,000
Cash-on-Hand	87,370	248,949
	1,157,757	6,424,034
Other Bank Balances		
Fixed Deposit with Banks (lien ₹ 85,000 held as margin money)	485,000	30,000
	485,000	30,000
	1,642,757	6,454,034

Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	For the year ended March 31, 2012	For the year ended March 31, 2011
2.16 REVENUE FROM OPERATIONS		
Sales of Finished Goods	204,307,249	194,187,335
	204,307,249	194,187,335
Other Operating Revenues		
Income from sale of Trees	34,653,617	10,048,492
Income from sale of Minor Produce	570,429	178,546
	35,224,046	10,227,038
	239,531,295	204,414,373
Details of Sale of Products		
Processed Rubber	181,652,133	171,453,692
Traded Rubber	–	1,239,570
Tea	22,655,116	21,494,073
	204,307,249	194,187,335
2.17 OTHER INCOME		
Interest Income		
On Bank Deposits	8,591	84,179
Other Deposits	54,638	37,903
Dividend Income		
On Long-term investments	31,482	26,839
Other Non-Operating Income		
Rent	1,224	2,024
Excess Liabilities and Unclaimed Balances written back	4,766,333	593,655
Miscellaneous Income	2,288,496	1,819,703
	7,150,764	2,564,303
2.18 COST OF MATERIALS CONSUMED		
Purchase of Latex	11,863,245	15,934,027
Note : As the green leaf is harvested in the Company's own garden as Agriculture Produce involving integrated activities of Nursery, Cultivation, growth etc and utilised in the manufacture of tea, its value at the intermediate stage could not be ascertained.		
2.19 PURCHASE OF TRADED GOODS		
Traded Goods : Rubber	–	1,170,060
	–	1,170,060



Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	For the year ended March 31, 2012	For the year ended March 31, 2011
2.20 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED/SEMI-FINISHED GOODS		
Inventories at the end of the year		
Rubber	31,669,258	19,159,846
Tea	5,638,220	4,126,856
Coffee	–	403,704
	37,307,478	23,690,406
Inventories at the beginning of the year		
Rubber	19,159,846	11,304,079
Tea	4,126,856	6,264,525
Coffee	403,704	–
	23,690,406	17,568,604
Net (Increase)/Decrease	(13,617,072)	(6,121,802)
2.21 EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	101,210,242	83,559,712
Contribution to Provident Funds and Others	7,868,895	5,876,263
Contribution to Gratuity Fund	15,836,463	4,821,986
Contribution to Superannuation Fund	235,080	170,784
Staff Welfare Expenses	5,470,365	6,051,351
	130,621,045	100,480,096
2.22 FINANCE COST		
Interest Expenses		
On Corporate Loans	8,935,019	16,330,453
On Vehicle Loan	107,814	142,151
On Bank & Others	4,258,008	79,428
	13,300,841	16,552,032
2.23 OTHER EXPENSES		
Manufacturing Expenses		
Stores, Spare Parts & Packing Materials Consumed	23,214,259	21,108,006
Power & Fuel	5,380,561	5,490,782
Repairs to Buildings	707,690	549,901
Repairs to Machinery	498,408	223,203
	29,800,918	27,371,892

Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	For the year ended March 31, 2012	For the year ended March 31, 2011
2.23 OTHER EXPENSES (Contd.)		
Selling and Administration		
Commission, Brokerage & Discount etc	234,139	189,084
Freight and Forwarding Charges	963,635	931,068
Vehicle Maintenance Expenses	2,106,078	2,068,717
Rent	425,834	412,705
Insurance	563,878	492,056
Rates & Taxes (Duty & Cess)	825,024	868,112
Auditors' Remuneration -		
Statutory Auditors :		
- Statutory Audit Fees	135,000	135,000
- Tax Audit Fees	35,000	35,000
- For Certification	80,000	80,000
- Reimbursement of Expenses	97,190	21,527
Printing & Stationery, Subscription Postage and Other Charges	1,557,939	1,217,996
Legal and Professional Charges	4,055,784	1,572,285
Travelling Expenses	1,369,873	690,880
Donation	-	80,000
Directors Sitting Fees	40,000	32,000
Prior Period Expenses	127,158	822,678
Bad Debts/Advances written off	583,044	10,861
Miscellaneous Expenses	2,877,231	2,189,226
Loss on Fixed Assets sold/discarded	698,648	581,020
	16,775,455	12,430,215
	46,576,373	39,802,107
2.24 DEPRECIATION AND AMORTISATION EXPENSES		
On Tangible Fixed Assets	5,132,110	5,712,782
Less : Transferred from Revaluation Reserve	(411,986)	(443,884)
On Intangible Assets	359,478	178,262
	5,079,602	5,447,160



Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

2.25 ADDITIONAL NOTES

A. The Consolidated Financial Statement have been prepared by the Company in accordance with the requirement of Accounting Standard - 21 on "Consolidated Financial Statement" as notified under the Companies Accounting Standard Rules, 2006 and represents consolidation of Accounts of The Cochin Malabar Estates & Industries Limited and its subsidiary as detailed below :

Name of the Company	Country of Incorporation	Proportion of Ownership	Reporting Period and Date
Cochin Estates Limited (CEL)	India	100%	Year ended 31st March, 2012

B. The Consolidated financial statements have been prepared using the same accounting policies as that of The Cochin Malabar Estates & Industries Limited. (Amount in ₹)

	2011-12	2010-11
C. Contingent Liabilities not provided for in respect of :		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	-	-
b) Commitments towards future lease rentals (Net of Advances)	377,233	464,733
c) Claims against the company not acknowledged as debts :		
i) Central Sales Tax	213,331	213,331
ii) Claims of Creditors/Workers	2,039,725	2,525,057
iii) Seigniorage Charges (Kerala Forest Dept.) (Paid under protest)	17,602,033	8,402,033
iv) P. F. Damages	6,241,601	6,241,601
v) Lease Rent (**)	4,692,117	1,886,975

(**) The Government of Kerala has increased the Lease Rent payable in respect of Chemoni and Pudukad Estates from ₹ 2/- per Acre to ₹ 1,350/- per Hectare with effect from 25-11-2009. The Company filed Writ Petition before the Hon'ble High Court of Kerala challenging the increase and the case is pending. The Company has paid the increased Lease rent under protest.

D. The Board of Directors, in their meeting held on 12.11.2011 had approved a Scheme of Demerger by which the Cochin Plantation Division comprising of Chemoni, Pudukad, Ichipara and Sampaji Rubber Estates and Pulikanam & Kolhalmedu Tea Estates of the Company shall demerge from the Company and merge with Joonktollee Tea & Industries Ltd., the Holding company w.e.f. 1st April 2011. As the petition for merger of the Cochin Plantation Division with the Holding company is pending before the Hon'ble High Court at Calcutta, these accounts have been prepared without considering the impact of the scheme.

E. The Rubberwood Factory has not been in operation for nearly 14 years pursuant to notice received from the Deputy Conservator of Forests (Protection), Trivandrum. The representation made earlier to the Chief Divisional Officer is still pending. The Company is making fresh representation to the Forest Officials concerned for withdrawal of ban imposed on the Company, as the same is not applicable in our case.

Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

F. Sundry Debtors and Loans and Advances and Deposits include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the values stated in the accounts.

G. From 2009-10 onwards the Company had taken up a plan to replant over the next seven years, a substantial part of the Tea estate abandoned in earlier years as the existing Tea plants could not be revived. The expenditure incurred for replanting as per the said plan has been capitalized as the benefit of the same shall accrue over a very long period of time.

H. Disclosure as per Accounting Standard - 15 related to Employees Benefits (₹ in Lacs)

	2011-12		2010-11	
	Gratuity		Gratuity	
	Funded	Unfunded	Funded	Unfunded
Expenses recognized in the Statement of Profit & Loss for the year ended 31st March, 2012				
Current Service Cost	20.97		19.42	
Interest Cost	25.24		24.84	
Expected return on Plan Assets	(3.95)		(5.62)	
Actuarial (Gain)/Losses	115.05		5.30	
Past Service Cost	–		–	
Expenses recognized in Statement of Profit & Loss	157.31	1.05	43.94	4.28
Present Value of the Defined Benefit Obligation	(461.89)		(330.21)	
Fair value of Plan Assets	34.35		57.32	
Net (Asset)/Liabilities recognized in Balance Sheet	(427.54)		(272.89)	
Present value of Defined Benefit Obligations at 1st April, 2011	330.21		340.18	
Current Service Cost	20.97		19.42	
Past Service Cost	–		–	
Interest cost	25.24		24.84	
Actuarial (Gain)/Losses	115.00		5.06	
Benefits Paid	(29.53)		(59.29)	
Present Value of Obligation as at 31st March, 2012	461.89		330.21	
Fair Value of Plan Assets as at 1st April, 2011	57.32		72.95	
Expected return on Plan Assets	3.95		5.62	
Actuarial Gain/(Losses)	(0.05)		(0.24)	
Benefits Paid	(29.53)		(59.29)	
Contributions	2.66		38.28	
Fair Value of Plan Assets as at 31st March, 2012	34.35		57.32	



Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

	2011-12		2010-11	
	Gratuity		Gratuity	
	Funded	Unfunded	Funded	Unfunded
Principal Actuarial Assumptions used				
Discount rates as at 31st March, 2012	8.60%		8%	
Expected returns on Plan Assets	9%		9%	
Expected salary increase rates	8%		5%	
Monthly Rates	LIC(94-96) Ultimate Rate		LIC(94-96) Ultimate Rate	
Major categories of Plan Assets as a percentage of Fair Value of Plan Assets	LIC 100%		LIC 100%	

I. Disclosure of related party transaction as per AS 18 "Related Party Disclosures" prescribed in "The Accounting Standards Rules, 2006."

Relationship :

- Holding Company** : Joonktolee Tea & Industries Ltd. (JTI)
- Other Enterprises over which the Key Managerial Personnel/Relatives are able to exercise significant influence** :
 - Credwyn Holdings (India) Pvt. Ltd. (CHI)
 - Wind Power Vinimay Pvt. Ltd. (WPV)
 - PDGD Investments & Trading Pvt. Ltd. (PDGD)
 - Kettlewell Bullen & Co. Ltd (KBC)
 - Kherapati Vanijya Ltd. (KVL)
- Key Managerial Personnel** : Mr. Hemant Bangur - Chairman

The following transactions were carried out with the Related Parties in the ordinary course of business : (₹ in Lacs)

Particulars	JTI	CHI	WPV	PDGD	KBC	KVL
Dividend Received	0.01	-	-	-	-	-
Previous Year	0.01	-	-	-	-	-
Interest Paid	-	17.57	17.64	5.79	29.12	12.63
Previous Year	-	71.76	55.25	10.38	14.24	7.63
Loan Received/(Refunded)						
- During the Year	-	(430.00)	(425.00)	(100.00)	(300.00)	(225.00)
- Previous Year	-	(160.00)	-	50.00	300.00	225.00
- Closing Balance	524.27	-	-	-	-	-
- Previous Year	524.27	430.00	425.00	100.00	300.00	225.00
Loans & Advances Closing Balance	-	-	-	-	-	-
Investments - Closing Balance	0.38	-	-	-	-	-

Notes to Consolidated FINANCIAL STATEMENTS

As at and for the year ended March 31, 2012

(Amount in ₹)

	2011-12	2010-11
J. Earnings Per Share :		
a) Profit/(Loss) after Tax as per Statement of Profit & Loss (₹)	52,858,025	33,714,996
b) Number of Equity shares outstanding (Nos.)	1,771,908	1,771,908
c) Basic and Diluted Earning Per Share (in ₹) (Face value ₹ 10/- per share)	29.83	19.03
K. The Company has no overdue amounts due to supplier under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED as at 31.03.2012). The disclosure required under the said Act is hereunder:		
	2011-12	2010-11
i) Principal amount due to supplier under MSMED Act and remaining unpaid	Nil	Nil
ii) Interest due to supplier on above	Nil	Nil
iii) Any payment made to suppliers beyond appointed date (under Section 16 of the Act)	Nil	Nil
iv) Interest due and payable to supplier under MSMED Act	Nil	Nil
v) Interest accrued and remaining unpaid as at 31.03.2012	Nil	Nil
vi) Interest remaining due and payable as per Section 23 of the Act	Nil	Nil

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

- L. The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

As per our report of even date annexed

For **SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

Sudesh Choraria

Partner

Membership No. 204936

Place : Chennai

Dated : 12th November, 2012

H. Bangur

Chairman

P. J. Bhide

Director

K. C. Mohta

Director

B. L. Dhanuka

Director



Statement Containing Brief Financial Details of **SUBSIDIARY OF THE COMPANY**

In terms of General Circular No: 02/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, a statement containing brief details of the subsidiary for the year ended 31st March, 2012 is given hereunder :

Name of the Subsidiary	Cochin Estates Limited
Country of Incorporation	India
Item	(Amount in ₹)
1. Capital	500,000
2. Reserves	(282,284)
3. Total Assets	491,710
4. Total Liabilities	273,994
5. Investments	-
6. Turnover	-
7. Profit before Taxation	(52,106)
8. Provision for Taxation	-
9. Profit after Taxation	(52,106)
10. Proposed Dividend	-
11. Reporting Currency	INDIAN RUPEES

The Annual Accounts of the Subsidiary and the related detailed information will be made available to any member of the Company seeking such information at any point of time and are also available for inspection by any member of the Company at the Registered Office of the Company. The Annual Accounts of the said Subsidiary will also be available for inspection as above, at the Registered Office of the Subsidiary.



THE COCHIN MALABAR ESTATES AND INDUSTRIES LIMITED
www.cochinmalabar.in

THE COCHIN MALABAR ESTATES & INDUSTRIES LIMITED

Regd. Office : 21, Strand Road, Kolkata - 700 001

PROXY FORM

Folio No./DP ID & Client ID :

No. of Shares held :

I / We
of
..... being a member / members of The Cochin Malabar
Estates & Industries Limited, hereby appoint
of
or failing him
or as my / our proxy
to attend and vote for me / us on my / our behalf at the 82nd Annual General Meeting of the Company to be held at Shripati
Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020 on Friday, the 21st December, 2012 at 1.15 P.M. and at
any adjournment thereof.

As witness my / our hand / hands this day of 2012

Signature.....

Affix ` 1/-
Revenue
Stamp

Note :

- 1. Please do not fail to put proper revenue stamp and your signature, when sending this form to the Company.
- 2. The Proxy must be returned so as to reach the Registered Office of the Company not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.

THE COCHIN MALABAR ESTATES & INDUSTRIES LIMITED

Regd. Office : 21, Strand Road, Kolkata - 700 001

ATTENDANCE SLIP

Folio No./DP ID & Client ID :

No. of Shares held :

I/We hereby record my/our presence at the 82nd Annual General Meeting of the Company to be held at Shripati Singhania Hall,
Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020 on Friday, the 21st December, 2012 at 1.15 P.M.

Name of the Shareholder
(in Block Letters)

Signature of the Shareholder

Name of Proxy
(in Block Letters)

Signature of the Proxy

You are requested to sign and hand over this at the entrance to the Meeting Venue.

Notice of ANNUAL GENERAL MEETING

NOTICE is hereby given that the 82nd Annual General Meeting of the Members of the Company will be held at Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020, on **Friday, the 21st December, 2012 at 1.15 P.M.** for transacting the following Business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, the Statement of Profit & Loss as on that date and the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Shri B. L. Dhanuka who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri B. R. Bhansali who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

Registered Office :

21, Strand Road
Kolkata - 700 001
Date : 12th November, 2012

By Order of the Board

B. L. Dhanuka
Director

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be deposited with the Company/Registrar not less than 48 hours before commencement of the Annual General Meeting.
2. Corporate Members are requested to send to the Company/Registrar & Share Transfer Agent, a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books in respect of Equity Shares of the Company will remain

closed Saturday, the 15th December, 2012 to Friday, the 21st December, 2012 (both days inclusive).

4. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company for admission to the Meeting hall.
5. Members are requested to -
 - (a) inform the Company/Registrar & Share Transfer Agent, the changes, if any;
 - (b) Quote their Folio Numbers in all correspondence with the Company.
6. In terms of Circular No.MRD/DoP/Cir - 05/2009 dated 20th May, 2009 issued by the Securities and Exchange Board of India (SEBI), it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or its RTA for registration of transfer of shares. Shareholders are requested to furnish copy of PAN card at the time of transferring physical shares.
7. Members who wish to obtain any information on the Company or the Accounts for the financial year ended 31st March, 2012 may send their queries to the Company at the Registered Office of the Company at least 10 days before the Annual General Meeting.
8. Pursuant to Section 109A of the Companies Act, 1956, Shareholders can make nomination in respect of shares held by them in Physical form in the prescribed Form 2B (in duplicate).
9. The Company's Equity Shares are listed at The Bombay Stock Exchange Ltd. at 25th Floor, P. J. Towers, Dalal Street, Mumbai - 400 001 and Madras Stock Exchange Ltd. at Stock Exchange Building, 11, Second Line Beach, Chennai - 600 001 and upto date listing fees have been paid in time.
10. Members who are holding Shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holding in one folio. The Share Certificates will be returned to the Members after making requisite changes thereon.
11. **MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT TO THE MEETING.**