



CCL Products (India) Limited

(CIN: L15110AP1961PLC000874)

Registered Office: Duggirala Mandal, Guntur Dist. – 522 330, Andhra Pradesh

Ph: 08644-277294 / 277296 Fax: 08644-277295 E.mail: info@cclproducts.com Website: www.cclproducts.com

NOTICE

Notice is hereby given that the 53rd Annual General Meeting of the Members of CCL Products (India) Limited will be held on Saturday, the 19th day of July, 2014 at 10.30 A.M. at the Registered Office of the Company situated at Duggirala, Guntur District, Andhra Pradesh- 522 330 to transact the following items of business:

Ordinary Business:

1. To consider and adopt:
 - (a) the audited Profit and Loss Account for the financial year ended 31st of March, 2014 and the Balance Sheet as on that date together with the Report of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated Profit and Loss Account for the financial year ended 31st of March, 2014 and the Balance Sheet as on that date.
2. To declare dividend of ₹ 1.20/- per Equity Share of ₹ 2/- each to the shareholders for the financial year 2013-14.
3. To appoint a director in place of Mr. Jonathan T Feuer (holding DIN 00936864), who retires by rotation and being eligible, offers himself for re-appointment as a Director.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013, M/s. M. Anandam & Co, Chartered Accountants, (Registration No. 000125S), Hyderabad, be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Meeting for a period of 3 years, subject to ratification by the members at every Annual General Meeting, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ending March 31, 2015.”

Special Business:

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Zafar Saifullah (holding DIN 00178214), Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing that his term as an Independent Director be for a period of five years, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. I.J. Rao (holding DIN 00480778), Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing that his term as an Independent Director be for a period of five years, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Vipin K.Singal (holding DIN 00505339), Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing that his term as an Independent Director be for a period of five years, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

8. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K. Chandrahas (holding DIN 02994302), Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing that his term as an Independent Director be for a period of five years, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

9. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule

IV to the Companies Act, 2013, Mr. J.Rambabu (holding DIN 05271673), Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing that his term as an Independent Director be for a period of five years, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

10. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K.K.Sarma (holding DIN 06672873), Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing that his term as an Independent Director be for a period of five years, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 180(1) (c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of ₹ 500 Crores (Rupees Five Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.”

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 180(1) (a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to authorize the Board to mortgage and /or create charge to the extent of new Borrowing limits of the Board of Directors, of all or any of the movable or immovable properties both present and future or the whole or substantially the whole of the undertakings of the Company to or in favour of any Financial Institutions, Banks, NBFCs or any other Agencies to secure the term loans and / or other financial assistance that has been or may in future be granted by them to the Company from time to time.”

13. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and Rules thereon, M/s. Kapardi & Associates, Cost Accountants, (Registration No. 100231), Hyderabad, be and is hereby appointed as Cost Auditors to audit the cost records maintained by the Company for the financial year ending March 31, 2015, on a remuneration of ₹1,00,000/- (Rupees One Lakh only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified.”

By order of the Board of Directors
For **CCL Products (India) Limited**

Sd/-
Sridevi Dasari
Company Secretary

Place: Hyderabad
Date : 23rd May, 2014

NOTES FOR MEMBERS:

- 1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself and such proxy need not be a member of the Company.**
2. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from Monday, the 14th day of July, 2014 to Friday, the 18th day of July, 2014 (both days inclusive).
4. Statement as required under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
5. We would like to draw your attention to Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 (“Circular”) issued by Securities and Exchange Board of India (SEBI), to all listed companies to update bank details of their shareholders holding shares in demat mode and / or physical form, to enable usage of the electronic mode of remittance i.e ECS, NEFT etc., for distributing dividends and other cash benefits to the shareholders.

The circular further states that in cases where either the Bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc., that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the Bank, Companies or their Registrars and Transfer Agents (RTA) may use physical payment instructions for making cash payments to the investors. Companies shall mandatorily print the Bank account details of the investors on such payment instruments.

As you are aware, payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment / delay in transit etc.

In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate.

In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad - 500 018 by enclosing a photocopy of blank cancelled cheque of your bank account.

6. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad -500 018 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/ Company.
8. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
9. Members holding shares in physical form are informed to furnish their bank account details to the RTA to have printed the same on the dividend warrants so as to avoid any possible fraudulent encashment / misuse of dividend warrants by others.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. upto the date of the meeting.
11. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting.
12. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
13. Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India.

Members who haven't yet encashed their dividend warrants from the financial year 2006-07 onwards are requested to make their claims to the Company without any further delay.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA.
15. The Company has implemented the 'Green Initiative' as per Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. The email addresses indicated in your respective Depository Participant (DP) accounts are being periodically downloaded from NSDL/CDSL and will be deemed to be your registered email address for serving notices/ documents including those covered under Section 136 of the Companies Act, 2013 (corresponding provisions of Section 219 of the Companies Act, 1956). Members may also note that the Notice of the 53rd AGM and the Annual Report for FY 2013-14 copies of audited financial statements, directors' report, auditors' report etc. will also be available on the website of the Company, www.cclproducts.com for download. Members holding shares in electronic mode are therefore requested to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned in (5) above quoting their folio number(s).
16. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 53rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <https://www.evoting.nsdl.com/> during the following voting period:

Commencement of e-voting : From 9 A.M. on 09th July, 2014 to 6 P.M. on 11th July, 2014.

17. E-voting shall not be allowed beyond 6 P.M. on 11th July, 2014. During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on 20th June, 2014 may cast their vote electronically.
18. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.
19. The Company has appointed Mr. Y. Suryanarayana, Advocate, High Court of Judicature for the state of Telangana and Andhra Pradesh at Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Mr. Zafar Saifullah is a Non-Executive Independent Director of the Company. Mr. Zafar Saifullah is member of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Stakeholders Relationship Committee of the Board of Directors of the Company

Details of his other directorships are given in Directors' Report. Mr. Zafar Saifullah does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013, Mr. Zafar Saifullah being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from the ensuing Annual General Meeting. A notice has been received from a member proposing Mr. Zafar Saifullah as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Zafar Saifullah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is

independent of the management. Copy of the draft letter for appointment of Mr. Zafar Saifullah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Zafar Saifullah as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Zafar Saifullah as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Zafar Saifullah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 6

Mr. I.J. Rao is a Non-Executive Independent Director of the Company. Mr. I.J.Rao is Chairman of the Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and member of Audit Committee of the Board of Directors of the Company

Details of his other directorships are given in Directors' Report. Mr. I.J.Rao is holding 5000 shares in the Company.

In terms of Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013, Mr. I.J.Rao being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from the ensuing Annual General Meeting. A notice has been received from a member proposing Mr. I.J.Rao as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. I.J.Rao fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. I.J.Rao as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. I.J.Rao as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. I.J.Rao as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. I.J.Rao, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 7

Mr.Vipin K.Singal is a Non-Executive Independent Director of the Company. Mr.Vipin K.Singal is member of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Stakeholders Relationship Committee of the Board of Directors of the Company

Details of his other directorships are given in Directors' Report. Mr.Vipin K.Singal is holding 5000 shares in the Company.

In terms of Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013, Mr.Vipin K.Singal being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from the ensuing Annual General Meeting. A notice has been received from a member proposing Mr.Vipin K.Singal as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr.Vipin K.Singal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr.Vipin K.Singal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.Vipin K.Singal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr.Vipin K.Singal as an Independent Director, for the approval by the shareholders of the Company.

Except Mr.Vipin K.Singal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 8

Mr. K. Chandrahas is a Non-Executive Independent Director of the Company. Mr. K. Chandrahas is Chairman of Audit Committee and member of the Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Stakeholders Relationship Committee of the Board of Directors of the Company

Details of his other directorships are given in Directors' Report. Mr. K. Chandrahas is holding 2210 shares in the Company.

In terms of Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013, Mr. K. Chandrahas being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from the ensuing Annual General Meeting. A notice has been received from a member proposing Mr. K. Chandrahas as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. K. Chandrahas fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. K. Chandrahas as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. K. Chandrahas as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. K. Chandrahas as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. K. Chandrahas, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 9

Mr. J.Rambabu is a Non-Executive Independent Director of the Company. Mr. J.Rambabu is member of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Board of Directors of the Company

Details of his other directorships are given in Directors' Report. Mr. J.Rambabu does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013, Mr. J.Rambabu being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from the ensuing Annual General Meeting. A notice has been received from a member proposing Mr. J.Rambabu as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. J.Rambabu fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. J. Rambabu as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. J.Rambabu as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. J.Rambabu as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. J.Rambabu, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 10

Mr. K.K.Sarma is a Non-Executive Independent Director of the Company. Mr. K.K.Sarma is member of the Audit Committee, Nomination and Remuneration Committee,

Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Board of Directors of the Company

Details of his other directorships are given in Directors' Report. Mr. K.K.Sarma does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013, Mr. K.K.Sarma being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from the ensuing Annual General Meeting. A notice has been received from a member proposing Mr. K.K.Sarma as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. K.K.Sarma fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. K.K.Sarma as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. K.K.Sarma as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. K.K.Sarma as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. K.K.Sarma, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange

Item No. 11

The members of the Company at their 46th Annual General Meeting held on 29th September, 2007 approved by way of an Ordinary Resolution under Section 293(1) (d) of the Companies Act, 1956, authorising the Board to borrow over and above the aggregate of paid up share

capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹ 300 Crores (Rupees Three Hundred Crores).

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution. It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 11 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approvals of members is being sought to borrow money upto ₹ 500 Crores (Rupees Five Hundred Crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 11 except to the extent of shares held by them in the Company.

Item No. 12

The members of the Company at their 46th Annual General Meeting held on 29th September, 2007 approved by way of an Ordinary Resolution under Section 293(1) (a) of the Companies Act, 1956 authorising the Board to create charge on the immovable and movable property of the Company. The consent of the members was accorded authorising the Board to mortgage and /or create charge to the extent of new Borrowing limits of the Board of Directors, of all or any of the movable or immovable properties both present and future or the whole or substantially the whole of the undertakings of the Company to or in favour of any Financial Institutions, Banks or Agencies to secure the term loan and other financial assistance that has been or may in future be granted by them to the Company from time to time.

Section 180(1)(a) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, except with the consent of the Company accorded by way of a special resolution. It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 12 of the Notice, to enable to the Board of Directors to mortgage and /or create charge to the extent of new Borrowing limits of the Board of Directors, of all or any of the movable or immovable properties both present and future or the whole or substantially the whole of the undertakings of the company to or in favour of any Financial Institutions, Banks, NBFCs or Agencies to secure the term loan and other financial assistance that has been or may in future be granted by them to the Company from time to time.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 12 except to the extent of shares held by them in the Company.

Item No. 13

Pursuant to the recommendation of the Audit Committee, the Board of Directors had at its meeting held on 23rd May, 2014, approved the reappointment of the Cost Auditors, M/s. Kapardi & Associates, Cost Accountants (Registration No.100231) and remuneration payable to them, as set out in the Resolution under this Item of the Notice.

In accordance with Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment of and remuneration payable to the Cost Auditors requires ratification by the Shareholders and hence this resolution is put for the consideration of the shareholders.

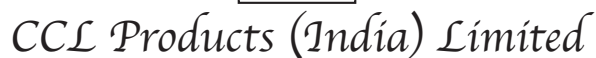
None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution.

Your Directors recommend the Resolution for your approval.

Information in respect of Directors seeking appointment / re-appointment as required under Clause 49 IV(G) of the Listing Agreement

Name of the Director	Mr. Jonathan T Feuer	Mr. Zafar Saifullah	Mr. J.J.Rao	Mr. Vipin K. Singal	Mr.K. Chandrahas	Mr.J.Rambabu	Mr.K.K.Sarma
Date of first appointment	12/04/1994	25/04/2007	30/09/2000	12/04/1994	07/09/2011	14/05/2012	03/07/2013
Date of Birth / Age	63	78	82	65	63	69	64
Expertise in specific Functional areas	International Coffee Marketing	Public Administration	Indirect Taxes	Business Administration	Direct Taxes	Public Administration	Management
Educational Qualifications	Undergraduate	F.C.A (Fellow Chartered Accountant)	M.A. Economics	B.Tech Agriculture	M.Sc	B.E Mechanical	B.Com
Chairman/Member of the Committee of the Board of Directors of the Company	Nil	Audit Committee - Member	Audit Committee - Member	Audit Committee - Member	Audit Committee - Chairman	Audit Committee - Member	Audit Committee - Member
		Nomination & Remuneration Committee - Member	Nomination & Remuneration Committee - Chairman	Nomination & Remuneration Committee - Member	Nomination & Remuneration Committee - Member	Nomination & Remuneration Committee - Member	Nomination & Remuneration Committee - Member
		Stakeholders Relationship Committee- Member	Stakeholders Relationship Committee- Chairman	Stakeholders Relationship Committee- Member	Stakeholders Relationship Committee- Member	Stakeholders Relationship Committee- Member	Stakeholders Relationship Committee- Member
		Corporate Social Responsibility Committee Member	Corporate Social Responsibility Committee Chairman	Corporate Social Responsibility Committee Member	Corporate Social Responsibility Committee Member	Corporate Social Responsibility Committee Member	Corporate Social Responsibility Committee Member
List of Directorships, Committee Chairmanship and Memberships held in other companies as on May 23, 2014	Nil	Good Earth Mining Private Limited	Pact Securities And Financial Services Ltd.	Delhi Express Travels Private Limited	Nil	Share Microfin Limited	Nil
		Shankara Infrastructure Materials Limited		BSRC Holdings Private Limited Senses Experience Advisors Private Limited			

THIS PAGE INTENTIONALLY LEFT BLANK



Registered Office: Duggirala Mandal, Guntur Dist. – 522 330, Andhra Pradesh

CCL Products (India) Limited

(CIN: L15110AP1961PLC000874)

Registered Office: Duggirala Mandal, Guntur Dist. – 522 330, Andhra Pradesh

Ph: 08644-277294 / 277296 Fax: 08644-277295

E.mail: info@cclproducts.com Website: www.cclproducts.com

Form No. MGT-11

Proxy form

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

CIN	:	L15110AP1961PLC000874		
Name of the company	:	CCL PRODUCTS (INDIA) LIMITED		
Registered office	:	Duggirala Mandal, Guntur Dist. – 522 330, Andhra Pradesh		
Name of the member(s)	:			
Registered Address	:			
Email Id	:			
Folio No / Client ID	:		DP ID :	

I / We, being the member(s) of _____ shares of the above named company, hereby appoint

1.	Name			
	Address			
	E-mail Id			Signature
	or failing him			
2.	Name			
	Address			
	E-mail Id			Signature
	or failing him			
3.	Name			
	Address			
	E-mail Id			Signature
	or failing him			

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 53rd Annual General Meeting of the Company, to be held on Saturday, the 19th day of July, 2014 at 10.30 A.M. at Duggirala Mandal, Guntur Dist. – 522 330, Andhra Pradesh and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolutions		For	Against
1.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Declaration of Dividend on Equity Shares		
3.	Re-appointment of Mr. Jonathan T Feuer who retires by rotation		
4.	Appointment of Auditors and fixing their remuneration		
5.	Appointment of Mr. Zafar Saifullah as an Independent Director		
6.	Appointment of Mr. I.J. Rao as an Independent Director		
7.	Appointment of Mr. Vipin K Singal as an Independent Director		
8.	Appointment of Mr. K. Chandahas as an Independent Director		
9.	Appointment of Mr. J. Rambabu as an Independent Director		
10.	Appointment of Mr. K.K Sarma as an Independent Director		
11.	Approval for authorising Board of Directors for borrowing powers as per Section 180 (1) (c) of Companies Act, 2013		
12.	Approval for authorising Board of Directors for mortgage and /or create charge on the assets of the Company as per Section 180 (1) (a) of Companies Act, 2013		
13.	Approval of the Remuneration of the Cost Auditors		

Signed this day of 2014.

Signature of shareholder : _____ Signature of Proxy holder(s) : _____

Affix
Revenue
Stamp

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

NOTES

CCL Products (India) Limited

(CIN: L15110AP1961PLC000874)

Registered Office: Duggirala Mandal, Guntur Dist. – 522 330, Andhra Pradesh

Ph: 08644-277294 / 277296 Fax: 08644-277295

E.mail: info@cclproducts.com Website: www.cclproducts.com

1. Name of the Sole / first named Shareholder :
2. Name(s) of the Joint Holder(s), (if any) :
3. Registered Folio Number/
DP ID No./Client ID No.* :
*(Applicable to investors holding
Shares in dematerialised form)
4. Number of Share(s) held :

Dear Member,

Subject : Process and manner for availing E-voting facility

Pursuant to provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company is pleased to offer e-voting facility to the members to cast their votes electronically as an alternative to participation at the 53rd Annual General Meeting to be held on Saturday, 19th July, 2014, at 10.30 A.M. at the Registered Office of the Company. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facilities. The e-voting facility is available at the link <https://www.evoting.nsdl.com/>

The electronic voting particulars are set out below:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
9 A.M. on Thursday, 09 th July, 2014	6 P.M. on Saturday, 11 th July, 2014

Please read the instructions printed overleaf before exercising the vote.

These details and instructions form integral part of the Notice for the 53rd Annual General Meeting.

Yours faithfully,
For **CCL Products (India) Limited**

Sd/-
Sridevi Dasari
Company Secretary

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the instructions below to cast their vote through e-voting:

- i. To use the following URL for e-voting: <https://www.evoting.nsdl.com/>
- ii. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date), 20th June, 2014, may cast their vote electronically. Shareholders who are not casting their vote electronically may only cast their vote at the Annual General Meeting.
- iii. Click on shareholder login.
- iv. Enter the login credentials [i.e., User ID and password as mentioned above]. Your Folio No/DP ID Client ID will be your user ID. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for login.
- v. After entering the details appropriately, click on LOGIN.
- vi. Password change menu appears. Change the password with new password, comprising of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii. You would be required to login again with the new credentials.
- viii. On successful login, the system will prompt you to select the EVENT i.e., CCL Products (India) Limited.
- ix. On the voting page, enter the number of shares as on the cut-off date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.
- x. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- xi. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
- xii. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- Xiii. Voting rights of shareholders shall be in proportion of their shares of the paid up equity share capital of the Company as on 20th June, 2014.
- xiv. The Portal will be open for voting from: 9 A.M. on Thursday 09th July, 2014 to 6 P.M. on Saturday 11th July, 2014.
- xv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://www.evoting.nsdl.com/>
- xvi. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail ID: suryacorporatelawyer@gmail.com with a copy marked to evoting@nsdl.com. You can also forward the documents at the Company's e-mail ID: companysecretary@cclproducts.com
- xvii. The Scrutinizer shall within a period not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- xviii. The results shall be declared on or after the AGM of the Company. The results declared along with the scrutinizer's report shall be placed on the website of the Company www.cclproducts.com within two days of passing of the resolutions at the AGM of the Company and communicated to the stock exchanges on which the shares of the Company are listed.

Registered Office of the Company:

CCL Products (India) Limited
Duggirala, Guntur
Andhra Pradesh - 522 330
Ph: 08644-277294 / 277296
Fax: 08644-277295
E.mail: info@cclproducts.com
Website: www.cclproducts.com

Share Transfer Agents:

M/s.Venture Capital and Corporate Investments Pvt Ltd
12-10-167, Bharat Nagar,
Hyderabad - 500 018
Ph: 040 23818475 / 76
Fax: 040 23868024
E.mail: info@vccilindia.com



CCL PRODUCTS (INDIA) LIMITED

ANNUAL REPORT 2013-14





53RD ANNUAL GENERAL MEETING

Saturday 19th July, 2014
at 10.30 A.M.,
Duggirala – 522 330
Guntur Dist.
Andhra Pradesh
INDIA

Contents

	Page No.
✧ Company Information	2
✧ Directors' Report	3
✧ Report on Management Discussion and Analysis	7
✧ Report on Corporate Governance	14
✧ Auditors' Report	30
✧ Balance Sheet	35
✧ Profit & Loss Account	36
✧ Cash Flow Statement	37
✧ Notes to Financial Statements	38
✧ Statement under Section 212 of the Companies Act, 1956	55

Consolidated Financial Statements

✧ Auditors' Report on Consolidated Financial Statements	56
✧ Consolidated Balance Sheet	58
✧ Consolidated Profit & Loss Account	59
✧ Consolidated Cash Flow Statement	60
✧ Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account	61



Company Information

Board of Directors

Mr. Zafar Saifullah, IAS (Retd.)
 Mr. J. Rambabu, IAS (Retd.)
 Mr. I. J. Rao, IRS (Retd.)
 Mr. K. Chandrahas, IRS (Retd.)
 Mr. Jonathan T. Feuer
 Mr. Vipin K. Singal
 Mr. K. K. Sarma
 Mr. B. Mohan Krishna
 Mr. Challa Srishant, Managing Director
 Mr. Challa Rajendra Prasad, Executive Chairman

Chief Financial Officer

Mr. K.V.L.N. Sarma

Company Secretary & Compliance Officer

Ms. Sridevi Dasari

Registered Office & Factory

Duggirala, Guntur Dist. - 522 330
 Andhra Pradesh, India.
 Ph : +91 8644-277294, Fax : +91 8644-277295
 E.mail : info@cclproducts.com
 www.cclproducts.com

Registrars & Share Transfer Agent (Physical & Demat)

M/s. Venture Capital & Corporate Investments Pvt. Ltd.
 12-10-167, Bharatnagar Colony,
 Hyderabad – 500 018, T.S., India
 Phone : +91 40 2381 8475 / 76
 Fax : +91 40 2386 8024
 E.mail : info@vccipl.com

Auditors

M/s. M. Anandam & Co.
 Chartered Accountants
 7 'A', Surya Towers
 Sardar Patel Road
 Secunderabad – 500 003, T.S., India.

Internal Auditors

M/s. Ramesh & Co.
 Chartered Accountants
 H.No: 6-3-661/B/1
 Sangeeth Nagar, Somajiguda
 Hyderabad – 500 082, T.S., India.

CIN No. L15110AP1961PLC000874

Bankers

ICICI Bank Ltd
 State Bank of India
 State Bank of Hyderabad
 Kotak Mahindra Bank Ltd

Secretarial Auditors

M/s. P. S. Rao & Associates
 Company Secretaries
 Flat No.10, 4th Floor, D. No.6-3-347/22/2
 Ishwarya Nilayam, Opp. Sai Baba Temple,
 Dwarakapuri Colony, Punjagutta,
 Hyderabad – 500 082, T.S., India

Board Committees

Audit Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee
Mr. K. Chandrahas - Chairman Mr. Zafar Saifullah Mr. I. J. Rao Mr. Vipin K. Singal Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna	Mr. I. J. Rao - Chairman Mr. Zafar Saifullah Mr. Vipin K. Singal Mr. K. Chandrahas Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna	Mr. I. J. Rao - Chairman Mr. Zafar Saifullah Mr. Vipin K. Singal Mr. K. Chandrahas Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna	Mr. I. J. Rao - Chairman Mr. Zafar Saifullah Mr. Vipin K. Singal Mr. K. Chandrahas Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna Mr. Challa Srishant



CCL PRODUCTS (INDIA) LIMITED

Directors' Report

Your Directors submit their report for the financial year ended 31.03.2014:

(₹ in Lakhs)

Particulars	2014	2013
Revenue from operations	61110	58482
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	12844	10866
Less:		
Interest	728	1196
Depreciation and other write offs	1297	1587
Provision for Taxation	3495	2624
Net Profit	7326	5459
Balance brought forward	4508	2822
Balance available for appropriation	11834	8281
Short provision for Income Tax earlier	-	-
Provision for dividend	1596	665
Provision for dividend tax	271	108
Transfer to General Reserve	3000	3000
Balance carried forward to Balance sheet	6967	4508

Company Performance

Your Company posted good financial results during the year under review. The production and sales of Instant Coffee were 13,808 M.Ts. and 13,840 M.Ts. as against 13,045 M.Ts. and 13,003 M.Ts. respectively in the preceding year. Turnover of the Company has increased from ₹ 58,482 Lakhs to ₹ 61,110 Lakhs and the net profit of the Company increased from ₹ 5,459 Lakhs to ₹ 7,326 Lakhs, registering a growth of 34%.

Dividend

Your Directors are pleased to recommend a dividend of ₹ 1.20/- per equity share of ₹ 2/- each for the year 2013-14 subject to the approval of shareholders.

Wholly Owned Subsidiaries

M/s. Ngon Coffee Company Limited, the step down subsidiary of the Company at Vietnam, achieved a turnover of ₹ 10,177 Lakhs in the first year of its commercial operations and expected to perform well during the financial year 2014-15.

As part of promoting sales in domestic market for various brands promoted by your Company, the Board has made M/s. Continental Coffee Private Limited as wholly owned subsidiary.



Service to the Community

In furtherance of its commitment to the society, during the year under review, your Company has donated ₹ 76.45 Lakhs to many welfare and philanthropic activities in the areas of education, sports, culture and other charitable purposes.

Statutory Auditors

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, on rotation of audit firms, and based on the recommendation of the Audit Committee, the Board has at its meeting held on May 23, 2014 recommended the re-appointment of M/s. M. Anandam & Co., Chartered Accountants, Hyderabad, as the Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting for a period of 3 years in accordance with the Act, subject to the ratification of shareholders at every Annual General Meeting. M/s. M. Anandam & Co., Chartered Accountants, Hyderabad, have confirmed that the appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013. Accordingly, the appointment of M/s. Anandam & Co., Chartered Accountants, Hyderabad, as the Statutory Auditors, is being proposed as an Ordinary Resolution.

Internal Auditors

The Board of Directors based on the recommendation of the Audit Committee have re-appointed M/s. Ramesh & Co., Chartered Accountants, Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

Cost Auditors

In accordance with Section 141 of the Companies Act, 2013 (corresponding Section 233B of the Companies Act, 1956) and the MCA General Circular No. 15/2011 dated April 11, 2011, (as amended vide General Circular No. 36/2012 dated November 6, 2012), the Audit Committee has recommended and the Board of Directors had appointed M/s. Kapardi & Associates, Cost Accountants, Hyderabad, being eligible and having sought re-appointment, as Cost Auditors of the Company, to carry out the cost audit of the products manufactured by the Company during the financial year 2014-15.

Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Jonathan T Feuer retires by rotation and being eligible, has offered himself for re-appointment.

Pursuant to provisions of Section 149 and other applicable provisions of the Companies Act, 2013 read with Rules thereon, all Independent Directors of the Company are seeking fresh appointment for five consecutive years commencing from the ensuing Annual General Meeting.

Fixed Deposits

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.



Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2013-14 and of the profit or loss of the Company for that period;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. The annual accounts for the year 2013-14 have been prepared on a going concern basis.

Management Discussion & Analysis

Pursuant to the provisions of Clause 49 of the Listing Agreement, a report on Management Discussion & Analysis is set out in Annexure - I attached to this report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

A statement of the particulars of the conservation of energy, technology absorption and foreign exchange earnings and outgoings as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is furnished in Annexure - II attached to this report.

Your Company recycles solid waste generated during the production of coffee as biomass fuel for energy input to the boilers, thus conserving scarce fossil fuel, and in turn reducing pollution to the environment.

Particulars of Employees

The particulars of employees required to be furnished under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this Report and is given as **Annexure – III**.

Corporate Governance

The Company has been making every endeavor to bring more transparency in the conduct of its business. As per the requirements of the Listing Agreement with the Stock Exchanges, a compliance report on Corporate Governance for the year 2013-14 and a Certificate from the Auditors of the Company are furnished which form part of this Annual Report.



Human Resources

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

Acknowledgments

Your Directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and co-operation extended by them.

Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

On behalf of the Board

Sd/-

Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 23rd May, 2014



Annexure - I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Soluble Instant coffee, more commonly referred to as instant coffee or coffee powder, is commercially prepared in solid form by either freeze-drying or spray- drying, after which it can be rehydrated. The latest version of instant coffee now becoming popular is in the form of concentrated liquid.

Instant coffees have now been on the market for many decades because of its convenience. Soluble coffee consumption accounts for over 20% of global coffee consumption. The instant coffee market has potential to be transformed away from traditional small glass jars and tins. Liquid coffee also makes the product more convenient to put in more retail locations with ease of use.

BUSINESS REVIEW

Your Company has already established its long standing presence in the international markets in the traditional Spray-Dried Instant Coffee segment and has also made a successful entry in the Freeze- Dried Coffee segment. Now, it is focusing to make a mark in the Indian domestic market which is very encouraging.

The Company's endeavours through its Quality Control Division to enhance the quality of products by a careful mix of various blends and essence and to give the products at best prices to the customer are showing results by taking the products to new competitive markets. Efforts to achieve the right mix of raw-materials are also giving advantage to the Company in achieving the best quality product at the most competitive price. Presently your Company is providing more than 70 varieties and blends of coffee to its customers.

The expanded capacity of the plant at Duggirala in Guntur District of Andhra Pradesh and also the multidimensional presence of the company will help cater to the increased demand for instant coffee in International markets.

During the year under review the sales of your Company grew from ₹ 58,482 lakhs to ₹ 61,110 lakhs. The Net Profit is at ₹ 7,326 lakhs as against ₹ 5,459 lakhs during the preceding financial year.

Earnings per share (EPS) (Face value of ₹ 2 per share) for the current year is ₹ 5.51.

INDUSTRY STRUCTURE AND DEVELOPMENTS

China took a conversion and emerging into coffee drinking from traditional tea drinking population. According to the Euromonitor analyst, China now ranks as the fourth-largest global market for RTD coffee in terms of volume, and fifth in terms of value, and its growth is largely a result of the attributes it shares with instant coffee, convenience and a malleable flavour profile.

Vietnam's instant coffee market is expected to continue to grow steadily in coming years due to a number of market trends. The growth of instant coffee stemmed from rising demand among adolescent consumers, who seek convenient and time saving methods for consuming hot drinks in tune with their busy lifestyle.

OUTLOOK

The modern times have witnessed evolution of coffee drinking from an everyday habit to a healthy lifestyle choice. Coffee has gained the status of being the most preferred beverage worldwide. Coffee is the second most traded commodity in the world. Consumption of instant coffee is more predominant in East, West and Northern regions of India.



The instant coffee sector outlook is bright as consumers increasingly value instant coffee's simplicity of preparation.

OPPORTUNITIES AND THREATS

The presence in Vietnam helps the Company to cater to the coffee needs of ASEAN countries and also this is in close proximity to many South-East Asian nations, Japan, Korea, China etc. Most of these countries have granted Vietnam a most favoured nation status with reduced or NIL duty structures in addition to having savings on logistics.

The huge potential in domestic market for soluble coffee made the Company concentrate even on domestic sales both in private label segment and through its established brands. The soluble coffee consumption in India is expected to witness a growth of 3.9% over the next 5 years and retail coffee sales are expected to reach ₹ 38 Billion by 2017. Your Company has made a successful entry in the retail market with its premium brands.

The major threat being faced by the Instant Coffee Industry is the increase in all the input costs and creation of huge additional capacities in several countries which is resulting in unhealthy competition and stress on prices. Your Company is making efforts to mitigate these threats by increased volumes of high quality products.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has appropriate internal control systems for business processes, efficiency in its operations, and compliance with all the applicable laws and regulations. Regular internal checks and audits ensure that the responsibilities are being effectively executed. In-depth review of internal controls, accounting procedures and policies of Company is conducted. Your company has adopted adequate internal control and audit system commensurate with its size and nature of business.

Internal audit is carried on a quarterly basis. Internal auditors work with all levels of management and the report is placed before the Audit Committee. The Audit Committee after reviewing the findings and suggestions directs the respective departments to implement the same.

INDUSTRIAL RELATIONS AND HUMAN RESOURCES MANAGEMENT

Employees are the valuable assets and the strength of an organisation in its growth, prosperity and development. Your Company has a team of qualified and dedicated personnel who have contributed to the growth and progress of the Company. Necessary training is being imparted to the employees and various seminars and workshops are being conducted to continuously hone their skills.

Your Company is continuously striving to create appropriate environment, opportunities and systems to facilitate identification, development, and utilization of their full potential and inculcating a sense of belongingness.

Your Company's industrial relations continued to be harmonious during the year under review.

CERTIFICATIONS

Your Company had upgraded its FSSC 22000:2005 certification to BRC Version 6.

Further more, your Company is certified by Fairtrade Labelling Organizations (FLO Certified) to produce Fair Trade coffees by Ecocert to produce Organic certified coffees and by Rainforest Alliance to produce Rainforest certified coffees. Consequently, your Company has the ability to produce dual and triple certified coffees.

Your Company is also Halal Certified as well as Kosher Certified.



CAUTIONARY STATEMENT

Statements in this management discussion analysis describing the Company's objectives, projections, estimates, expectations may be forward looking within the meaning of applicable securities-laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make difference to Company's operations include economic conditions affecting the domestic market and the overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

Annexure II
Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under the Disclosure of Particulars in the Board of Directors' Report Rules, 1988
A. Conservation of Energy:

Your Company is making investments to up-grade technology in various utilities equipment in the soluble coffee plant to conserve energy.

- | | |
|--|--|
| a) Energy conservation measures taken | <p>- The steam boiler continues to be a major energy conserver to the Company. CCL is continuously striving for the sustainability, conservative utilisation of energy available and to minimize the ecological footprint by finding out ways to best utilise the waste generated in the process of manufacturing instant coffee. Coffee is a product, where only 40% can be derived from the coffee beans for the productive usage and the rest 60% is the solid waste. This solid waste generated, on drying up, has greater calorific value.</p> <p>We, at CCL addressed this with detailed discussions with our boiler suppliers. The solid waste, on drying up, not only has good calorific value but is with very low ash content. Thus, jointly with the boiler suppliers – viz., Thermax, we have got the fuel system redesigned so as to enable using this solid waste as fuel for boilers. This has not only resulted in substantial savings on fuel costs but also is environmental friendly due to its very low ash content. Thus, this effort of the Company has not only served as a substitute for fossil fuel but also for effective waste disposal.</p> |
| b) Additional investments and proposals, if any, being implemented for reduction | <p>- The Company is making additional investments mainly to recycle solid waste generated to reduce consumption of fuel for the boiler. Substantial amounts have been invested in upgrading the ETP to ensure that the effluent water meets surface water parameters.</p> |
| c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods. | <p>- The Company has been continuously saving considerable fuel cost for its boiler by using rice husk and recycled solid waste as fuel</p> |
| d) Total energy consumption and as Per the list of Industries energy Consumption per unit of under Rule 2 of the Companies (Disclosure of production Particulars in the Report of the Board of Directors) Rules, 1988. | <p>- Not applicable.</p> |

**B) Technology Absorption**

The best technology available in the world for the manufacture of quality concentrates is being employed by your Company. Efforts made in technology absorption as per Form B are detailed below:

Form B**I. Research & Development**

- 1) Specific areas in which R&D was carried out by the Company : Nil
- 2) Benefits derived as a result of the above R&D : NA
- 3) Future plan of action : NA
- 4) Expenditure on R&D
 - a) Capital : Nil
 - b) Recurring Total : Nil
 - c) Total : Nil
 - d) Total R&D expenditure as a percentage of total turnover : NA

Your Company has a strong quality and assurance department which continuously strives to improve process methods, quality parameters etc which will result in better value added products, improvement in quantities etc. This department is part of the Company's routine operations and hence, no specific allocation to be identified under Research and development.

II. Technology Absorption

1. Efforts, in brief, made towards technology absorption - The technology imported in the past has been fully absorbed and adopted.
2. Benefits derived as a result of the above efforts e.g., product improvement, cost reduction, product development, import substitution etc. - Except the occasional visits of foreign collaborators, the plant operations are being carried out independently by the technical personnel of the Company.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:
 - a) Technology imported State of art Aroma Recovery System
 - b) Year of Import 2012
 - c) Has technology been fully absorbed Yes
 - d) If not fully absorbed, where this has not taken place, reasons therefore and future plans of action NA

C) Foreign Exchange Earnings and Outgo

Activities relating to exports - Being a 100% EOU, the main product of your Company, instant coffee in various private label brands and in bulk is sold in the international markets.

Initiatives taken to increase exports - The Company continuously strives to export its entire production. The Vietnam Plant is getting orders from new clients as well as existing clients.



CCL PRODUCTS (INDIA) LIMITED

Development of **new export markets** for products and services and export plans - The Company's instant coffee brands introduced earlier became familiar in some countries and the same effort will be made in future to introduce some brands keeping in view the traditions of the respective countries.

Export plans

It is an ongoing process for the Company to explore new markets to export instant coffee produced.

Total foreign exchange	₹ in Crores
Used	271.18
Earned	554.34

On behalf of the Board

Sd/-

Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 23rd May, 2014



CCL PRODUCTS (INDIA) LIMITED

Annexure-III

Particulars of Employees under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employee Rules), 1975 and forming part of the Directors' Report

Name, Qualification & Age	Designation/ Nature of Duties	Date of Commencement of Employment	Experience	Remuneration in ₹	Previous Employment Details
Mr.Challa Rajendra Prasad B.E.(Mech.) 62 Years	Executive Chairman	01-04-1994	38 Years	5,42,50,000	Asian Coffee Ltd. Managing Director
Mr.Challa Srishant B.A., B.L (Hons.) 31 Years	Managing Director	18-07-2005	10 Years	3,25,50,000	--

- 1 All appointments are on a contractual basis.
- 2 Mr. Challa Rajendra Prasad and Mr.Challa Srishant are related to each other.

On behalf of the Board

Sd/-

Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 23rd May, 2014



REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Code of Governance:

Over the years, CCL has shown a commitment towards effective corporate governance and has always been at the forefront of benchmarking its internal systems and policies with global practices. CCL believes that it needs to show a greater degree of responsibility and accountability. It is committed to provide fair, transparent and equitable treatment to all its stakeholders.

At CCL we have always sought to be a value driven organisation, where our growth and success is directed by our values.

A report on Corporate Governance as required by the Listing Agreement is as under:

BOARD OF DIRECTORS**SIZE OF THE BOARD**

The composition of Board is in consonance with the requirements of Clause 49 of the Listing Agreement. As on 31st March, 2014, CCL's Board consist of 10 Members. The Company has two Executive Directors, one of whom is the Executive Chairman, and the other in the capacity of Managing Director, who are the promoter Directors.

COMPOSITION AND CATEGORY OF DIRECTORS

Name of Director	Category	Designation	No.of shares held in the Company (%)
Mr. Zafar Saifullah	Independent Non-Executive Director	Director	Nil
Mr. I. J. Rao	Independent Non-Executive Director	Director	500 (0.004)
Mr.Vipin K. Singal	Independent Non-Executive Director	Director	500 (0.004)
Mr. Jonathan T. Feuer	Non-Executive Director	Director	Nil
Mr. K. Chandrahas	Independent Non-Executive Director	Director	2210 (0.004)
Mr. J. Rambabu	Independent Non-Executive Director	Director	Nil
Mr. K.K. Sarma	Independent Non-Executive Director	Director	Nil
Mr. B. Mohan Krishna	Non-Executive Director	Director	Nil
Mr. C.Rajendra Prasad	Promoter & Executive Director	Executive Chairman	7641960 (5.74)
Mr. C.Srishant	Promoter & Executive Director	Managing Director	8450893 (6.35)



CCL PRODUCTS (INDIA) LIMITED

Details of attendance of Directors at the AGM, Board Meetings with particulars of their Directorship and Chairmanship /Membership of Board /Committees in other Companies are as under:

Name	Attendance at AGM held on 03 rd August, 2013	Attendance in Board meetings		Other	
		Held	Present	Directorships (@)	Committee memberships
Mr. Zafar Saifullah	Present	6	4	1	4
Mr. I. J. Rao	Absent	6	5	1	4
Mr. Vipin K Singal	Present	6	6	--	4
Mr. Jonathan T Feuer	Present	6	1	--	--
Mr. K. Chandrahas	Present	6	6	--	4
Mr. J. Rambabu	Present	6	6	1	4
Mr. C.Rajendra Prasad	Present	6	6	--	--
Mr. C.Srishant	Present	6	6		1
Mr.K.K. Sarma	Present	6	5		4
Mr. B.Mohan Krishna	Present	6	5	--	4

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which they are Directors.

DATES OF BOARD MEETINGS:

The Board met 6 times in the financial year 2013-14 on the following dates, with a gap not exceeding 4 months between any two meetings:

24 th May, 2013	3 rd July, 2013	3 rd August, 2013	28 th October, 2013
27 th January 2014	4 th March, 2014		

Committees of the Board:

Currently, there are four Board Committees – The Audit Committee, The Nomination and Remuneration Committee, The Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board, Committee are convened by the Chairman of the respective Committees.

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

**Audit Committee:**

The Company has a Qualified and Independent Audit Committee comprising of 7 Non-executive Independent Directors, constituted in accordance with the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges and Section 177 of the Companies Act, 2013. The Committee is empowered with the powers as prescribed under the said Clause 49 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions if any given by the Board from time to time.

Details on composition of the Audit Committee and the attendance by each Member of the Audit Committee are as under:

Name of the Director	Category	No. of meetings held during the year	No. of meetings attended
Mr. K. Chandrahas	Chairman	4	4
Mr. I. J. Rao	Member	4	3
Mr. Vipin K Singal	Member	4	4
Mr. Zafar Saifullah	Member	4	3
Mr. J. Rambabu	Member	4	4
Mr. K.K.Sarma	Member	4	3
B.Mohan Krishna	Member	4	3

All the members of the Audit Committee are financially literate and have expertise in accounting/ financial management.

Mr. K.V.L.N.Sarma, Chief Financial Officer of the Company and representatives from M/s.Ramesh & Co, Internal Auditors and M/s. M. Anadam & Co., Statutory Auditors are invitees to the meetings of the Audit Committee. The Company Secretary of the Company acts as the Secretary of the said Committee.

Meetings of Audit Committee:

The Audit Committee met 4 times during the previous year, with a gap not exceeding four months between any two meetings. The said committee met at the following dates:

24 th May, 2013	3 rd August, 2013	28 th October, 2013	27 th January, 2014
----------------------------	------------------------------	--------------------------------	--------------------------------

Nomination and Remuneration Committee:

The nomenclature of Remuneration Committee has been changed to Nomination and Remuneration Committee in the Board Meeting held on 04th March, 2014. The Nomination and Remuneration Committee has been formed in compliance of Clause 49 of the Listing Agreement comprising of the following Directors:



CCL PRODUCTS (INDIA) LIMITED

Name of the Director	Category
Mr. I J Rao	Chairman
Mr. Zafar Saifullah	Member
Mr. Vipin K Singal	Member
Mr. K. Chandrahas	Member
Mr. J. Rambabu	Member
Mr.K.K.Sarma	Member
Mr.B.Mohan Krishna	Member

The main object of this Committee is to identify persons who are qualified to become Directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance, recommend the remuneration package of both the executive and the non-executive Directors on the Board. The Committee reviews the remuneration package payable to executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

Following are the details of sitting fees and commission paid to non-exective Directors during the year 2013-14:

Name of the Director	Sitting Fees Paid (₹)	Commission For the year 2013-14 in ₹
Mr. I. J. Rao	1,45,000	3,00,000
Mr. Vipin K Singal	1,80,000	3,00,000
Mr. Jonathan T Feuer	15,000	3,00,000
Mr. Zafar Saifullah	1,20,000	3,00,000
Mr. K. Chandrahas	1,80,000	3,00,000
Mr. J. Rambabu	1,80,000	3,00,000
Mr. K.K. Sarma	1,45,000	3,00,000
Mr. B. Mohan Krishna	1,45,000	3,00,000

Stakeholders Relationship Committee :

The nomenclature of Investor Grievances Committee has been changed to Stakeholders Relationship Committee in the Board Meeting held on 04th March, 2014. The Stakeholders Relationship Committee met four times during the previous year. The said committee met on the following dates:

24 th May, 2013	3 rd August, 2013	28 th October, 2013	27 th January, 2014
----------------------------	------------------------------	--------------------------------	--------------------------------

The composition of the Stakeholders Relationship Committee and the attendance of each Member of the said Committee are as under:



CCL PRODUCTS (INDIA) LIMITED

Name of the Director	Category	No. of meetings held during the year	No. of meetings attended
Mr. I.J. Rao	Chairman	4	3
Mr. Zafar Saifullah	Member	4	3
Mr. Vipin K Singal	Member	4	4
Mr. K. Chandrahas	Member	4	4
Mr. J. Rambabu	Member	4	4
Mr. K.K.Sarma	Member	4	3
Mr. B.Mohan Krishna	Member	4	3

The Committee reviews the security transfers/transmissions, process of dematerialization and the investors' grievances and the systems dealing with these issues.

In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the Board has authorised the Company Secretary, who is also the Compliance Officer, to approve share transfers / transmissions and comply with other formalities in relation thereto.

All investor complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

There were no complaints pending for redressal during the year under review. There were no pending transfers as on 31st March, 2013.

Corporate Social Responsibility

The Corporate Social Responsibility Committee has been formed in compliance of the provisions of Section 135 and Schedule VII of the Companies Act, 2013 in the Board Meeting held on 4th March, 2014.

As per the above provisions atleast 2% of the average net profits of the Company made during the three immediately preceding financial years shall be utilized for the areas that are identified in the Committee.

The Corporate Social Responsibility Committee comprises of the following Directors:

Name of the Director	Category
Mr. I J Rao	Chairman
Mr. Zafar Saifullah	Member
Mr. Vipin K Singal	Member
Mr. K. Chandrahas	Member
Mr. J. Rambabu	Member
Mr. K.K.Sarma	Member
Mr. B.Mohan Krishna	Member
Mr. Challa Srishant	Member

General Body Meetings:

Last 3 Annual General Meetings (AGMs) were held at **Registered Office at Duggirala, Guntur District, Andhra Pradesh** as detailed below:

Financial Year Ended	Date	Day	Time	Special Resolutions passed at the AGMs by the Shareholders
31 st March, 2013	03-08-2013	Saturday	11.00 A.M.	Increase in the authorized capital and further sub-division of nominal value of shares.
31 st March, 2012	29-09-2012	Saturday	11.00 A.M.	Payment of commission up to 1% of the net profits of the Company to the Non-Executive Directors of the Company
31 st March, 2011	10-08-2011	Wednesday	03.00 P.M.	Revision in the Remuneration of Mr. Challa Rajendra Prasad and Mr. Challa Srishant

All Special Resolutions moved at the last three AGMs were passed by show of hand by the shareholders unanimously.

Postal Ballot

During the year, the Company has successfully completed a Postal Ballot process in order to seek the consent of its members for the purpose of approval of appointment of Mr. Challa Rajendra Prasad as Executive Chairman of the Company, to appoint Mr. Challa Srishant as Managing Director of the Company and to amend the Articles of Association of the Company. Mr.K.Ramesh Babu, FCS, Company Secretary in Practice was appointed as scrutinizer to conduct the said Postal Ballot process in accordance with law in a fair and transparent manner. The said process was completed on 21st April, 2014, wherein all the resolutions were proposed and passed as Special Resolutions.

The result was announced on 21st April, 2014. The summary of voting Pattern as extracted from the Report of the Scrutinizer is hereunder:

Details of voting in respect of Resolution No. 1 through physical and electronic mode is given as under:

Description of Resolution No 1.		Special Resolution to appoint Mr.Challa Rajendra Prasad as Executive Chairman of the Company		
S. No.	Particulars	Physical	Electronic (E-Voting)	Total
1.	Total Postal Ballot Forms received	121	78	199
2.	Less: Invalid Postal Ballot Forms	16	Nil	16
3.	Valid Postal Ballot Forms	105	78	183
4.	Total No. of valid votes casted	48986260	24010670	72996930
5.	Total No. of votes assented to the resolution	48984410	23990580	72974990
6.	Total No. of votes dissented to the resolution	1850	20090	21940
7.	Percentage of valid votes casted in favour of the resolution	99.969%		
8.	Percentage of valid votes casted against the resolution	0.031%		
9.	Result	Passed with requisite majority		



CCL PRODUCTS (INDIA) LIMITED

Invalid for reasons such as, no mention of Assent / Dissent or voted for both Assent and Dissent or for any other valid reason.

Details of voting in respect of Resolution No. 2 through physical and electronic mode is given as under:

Description of Resolution No 2.		Special Resolution to appoint Mr.Challa Srishant as Managing Director of the Company		
S. No.	Particulars	Physical	Electronic (E-Voting)	Total
1.	Total Postal Ballot Forms received	121	79	200
2.	Less: Invalid Postal Ballot Forms	17	Nil	17
3.	Valid Postal Ballot Forms	104	79	183
4.	Total No. of valid votes casted	48985760	24010685	72996445
5.	Total No. of votes assented to the resolution	48983910	23988205	72972115
6.	Total No. of votes dissented to the resolution	1850	22480	24330
7.	Percentage of valid votes casted in favour of the resolution	99.966%		
8.	Percentage of valid votes casted against the resolution	0.034%		
9.	Result	Passed with requisite majority		

Invalid for reasons such as, no mention of Assent / Dissent or voted for both Assent and Dissent or for any other valid reason.

Details of voting in respect of Resolution No. 3 through physical and electronic mode is given as under:

Description of Resolution No 3.		Special Resolution to Amend the Articles of Association of the Company		
S. No.	Particulars	Physical	Electronic (E-Voting)	Total
1.	Total Postal Ballot Forms received	121	78	199
2.	Less: Invalid Postal Ballot Forms	19	Nil	19
3.	Valid Postal Ballot Forms	102	78	180
4.	Total No. of valid votes casted	48979760	24010735	72990495
5.	Total No. of votes assented to the resolution	48976760	24006715	72983475
6.	Total No. of votes dissented to the resolution	3000	4020	7020
7.	Percentage of valid votes casted in favour of the resolution	99.99%		
8.	Percentage of valid votes casted against the resolution	0.01%		
9.	Result	Passed with requisite majority		

Invalid for reasons such as, no mention of Assent / Dissent or voted for both Assent and Dissent or for any other valid reason.

Procedure for Postal Ballot :The procedure for Postal Ballot shall be as per the provisions contained in this behalf in the Companies Act,1956 and rules made there under, viz., Companies (Passing of the resolution by Postal Ballot) Rules, 2011 and any amendments thereof.

Information in respect of Directors seeking appointment / re-appointment as required under Clause 49 IV(G) of the Listing Agreement

Name of the Director	Mr. Jonathan T Feuer	Mr. Zafar Saifullah	Mr. I.J.Rao	Mr. Vipin K. Singal	Mr.K. Chandrahas	Mr.J.Rambabu	Mr.K.K.Sarma
Date of first appointment	12/04/1994	25/04/2007	30/09/2000	12/04/1994	07/09/2011	14/05/2012	03/07/2013
Date of Birth / Age	63	78	82	65	63	69	64
Expertise in specific Functional areas	International Coffee Marketing	Public Administration	Indirect Taxes	Business Administration	Direct Taxes	Public Administration	Management
Educational Qualifications	Undergraduate	F.C.A (Fellow Chartered Accountant)	M.A. Economics	B.Tech Agriculture	M.Sc	B.E Mechanical	B.Com
Chairman/Member of the Committee of the Board of Directors of the Company	Nil	Audit Committee - Member Nomination & Remuneration Committee - Member Stakeholders Relationship Committee- Member Corporate Social Responsibility Committee Member	Audit Committee - Member Nomination & Remuneration Committee - Chairman Stakeholders Relationship Committee- Chairman Corporate Social Responsibility Committee Chairman	Audit Committee - Member Nomination & Remuneration Committee - Member Stakeholders Relationship Committee- Member Corporate Social Responsibility Committee Member	Audit Committee - Chairman Nomination & Remuneration Committee - Member Stakeholders Relationship Committee- Member Corporate Social Responsibility Committee Member	Audit Committee - Member Nomination & Remuneration Committee - Member Stakeholders Relationship Committee- Member Corporate Social Responsibility Committee Member	Audit Committee - Member Nomination & Remuneration Committee - Member Stakeholders Relationship Committee- Member Corporate Social Responsibility Committee Member
List of Directorships, Committee Chairmanship and Memberships held in other companies as on May 23, 2014	Nil	Good Earth Mining Private Limited Shankara Infrastructure Materials Limited	Pact Securities And Financial Services Ltd.	Delhi Express Travels Private Limited BSRC Holdings Private Limited Senses Experience Advisors Private Limited	Nil	Share Microfin Limited	Nil

**Disclosures:**

The particulars of transactions between the Company and its related parties as per the mandatory accounting standard specified in Companies (Accounting Standard) Rules 2006, prescribed by the Central Government are set out at Notes to financial statements. However these transactions are not likely to have any conflict with the Company's interest.

There were no non-compliances during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by any Stock Exchange, SEBI or any other Statutory Authority.

The Company has posted the Code of Conduct for Directors and Senior Management on its website.

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement as entered with the Stock Exchanges.

Means of communication:

The Quarterly results of the Company are published in the newspapers within 48hrs from the conclusion of the Board Meeting.

Financial results and other information are displayed in the Investor Relations section on the Company's Website: www.cclproducts.com

No presentations were made to the Institutional Investors or to Analysts.

Management Discussion and Analysis Report forms part of Annual Report as an annexure to the Directors' Report.

General Shareholder Information

The 53rd Annual General Meeting of the Company will be held on **Saturday 19th July, 2014 at 10.30 A.M** at the Registered Office of the Company situated at Duggirala, Guntur Dist, Andhra Pradesh.

- | | | |
|----------------------------------|---|---|
| ◆ Financial Calendar | : | 1 st of April, 2014 to 31 st of March, 2015. |
| ◆ Results for the quarter ending | | |
| 30 th June 2014 | | Second/Third week of July, 2014 |
| 30 th September 2014 | | First/Second week of October, 2014 |
| 31 st December 2014 | | First/Second week of February, 2015 |
| 31 st March 2015 | | Second /Third week of May, 2015 |
| ◆ Date of Book closure | : | From 14 th July, 2014 to 18 th July, 2014 (both days inclusive) |
| ◆ Dividend Payment Date | : | Within fifteen workings days from the Date of AGM. |
| ◆ Listing on Stock Exchanges | : | 1) BSE Ltd,
Phiroze Jeejeebhoy Towers, Dalal Street,
MUMBAI -400001
2) National Stock Exchange of India Ltd.
'EXCHANGE PLAZA' 5 th Floor, Plot No.C/1,
G-Block, Bandra-Kurla Complex, Bandra(E),
MUMBAI-400051 |

◆ Stock Code

Name of the Stock Exchange	Stock Code
BSE Ltd	519600
National Stock Exchange of India Ltd.	CCL
ISIN no. for both NSDL and CDSL	INE421D01014

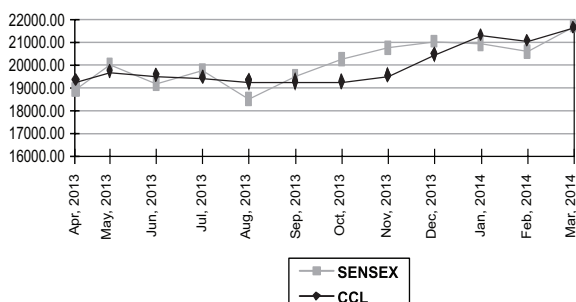
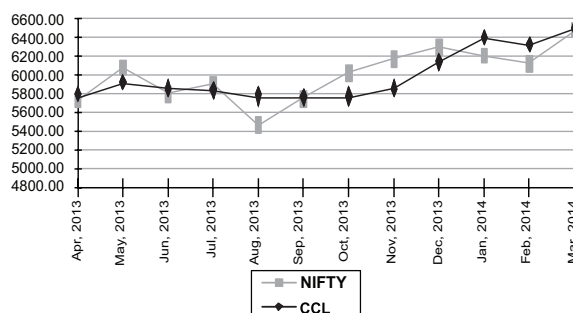
The Listing fees for the year 2014-2015 has been paid to both the above Stock Exchanges.

Market Price Data

High, low during each month and trading volumes of the Company's Equity Shares during the last financial year 2013-14 at The BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are as under:

DATE	BSE			NSE		
	High	Low	Qty Traded	High	Low	Qty Traded
April 2013	292.00	260.00	46,68,514	294.80	253.00	87,090
May 2013	345.05	271.10	1,89,07,415	347.80	271.00	3,18,576
June 2013	310.00	274.95	1,06,94,022	310.05	270.00	1,31,031
July 2013	324.00	245.50	4,41,13,048	323.95	247.50	5,81,166
August 2013	307.00	*24.05	2,47,07,901	305.00	*24.10	5,57,378
September 2013	*29.90	*24.35	61,32,882	*29.35	*24.50	6,94,586
October 2013	*31.00	*24.50	2,74,75,163	*30.90	*24.95	25,67,450
November 2013	*33.50	*26.30	2,65,17,623	*33.50	*26.25	30,02,414
December 2013	*42.60	*32.40	5,55,94,674	*42.60	*32.50	51,92,160
January 2014	*49.70	*38.75	12,67,83,510	*49.50	*38.60	62,63,884
February 2014	*46.90	*38.30	4,53,68,419	*46.90	*38.25	34,19,246
March 2014	*52.30	*42.00	30,36,65,956	*52.30	*41.75	1,36,76,886

* Share price post split of nominal value of share into ₹ 2/- each and bonus issue of 1:1.

SHARE PERFORMANCE BSE

SHARE PERFORMANCE NSE




CCL PRODUCTS (INDIA) LIMITED

Distribution Schedule:

Distribution Schedule as on 31-03-2014

S.No.	Range	No. of Shares	% to total Capital	No. of Share Holders	% to total Holders
1	Upto 500	1046147	0.79	5141	55.87
2	501 to 1000	1320771	0.99	1457	15.84
3	1001 to 2000	1378296	1.04	808	8.78
4	2001 to 3000	1103899	0.83	408	4.43
5	3001 to 4000	801361	0.60	213	2.31
6	4001 to 5000	1329609	1.00	272	2.96
7	5001 to 10000	3113557	2.34	383	4.16
8	10001 and above	122934280	92.41	518	5.64
	TOTAL	133027920	100	9200	100

- ◆ Dematerialization of shares and liquidity : The shares of the Company are under compulsory demat trading.
- The Company has made necessary arrangements with NSDL and CDSL for demat facility. 91.02% of the Company's Shares are dematerialised as on 31st March, 2014.
- ◆ Outstanding GDRs/ADRs/Warrants or any : Nil
convertible instruments, conversion date and likely impact on equity
- ◆ Plant Location : Duggirala, Guntur Dist,
Andhra Pradesh - 522 330, India.
Ph: +91 8644 277294 / 277296
Fax: +91 8644 277295
- ◆ Address for Correspondence & : The Company Secretary
Any query on Annual Report CCL Products (India) Ltd
7-1-24/2/D, Greendale,
Ameerpet, Hyderabad - 500 016, T.S., India
Ph: +91 40 23732455 Fax: +91 40 23732499
E.mail : info@cclproducts.com
www.cclproducts.com
- ◆ Registrar and Transfer Agents : Venture Capital and Corporate
Investments Pvt Ltd
12-10-167, Bharat Nagar,
Hyderabad - 500 018, T.S., India
E.mail : info@vccipl.com
- Contact Person : Mr. E. S. K. Prasad, Chief Executive
Ph: +91 40 23818475 / 76
Telefax: +91 40 23868024



CCL PRODUCTS (INDIA) LIMITED

-
- | | | |
|---|---|---|
| ◆ Share Transfer System | : | The Share transfers are effected within one month from the date of lodgement for transfer, transmission, sub-division consolidation, renewal etc. Such modified share certificates are delivered to the shareholders immediately. |
| ◆ Transfer of unpaid/unclaimed dividend amounts to Investor Education and Protection Fund | : | Members are requested to claim any unclaimed dividends, for the year 2006 - 2007 as the same will be credited to Investor Education & Protection Fund (IEPF) pursuant to Section 124(5) of the Companies Act, 2013 read with the rules prescribed thereunder |
| ◆ Compliance Certificate | : | Certificate from the Statutory Auditors of the Company M/s M Anandam & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to the Directors' Report and forms part of this 53 rd Annual Report. |

Shareholding Pattern as on 31.03.2014

Category Code	Category of Shareholders	Number of Share holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a Percentage of (A+B)	As a % Percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV)*100
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	6	48236353	48236353	36.26%	36.26%	-	-
(b)	Central Government / State Government (s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (A)(1)	6	48236353	48236353	36.26%	36.26%	-	-
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	1	11010890	11010890	8.28%	8.28%	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (A)(2)	1	11010890	11010890	8.28%	8.28%	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	7	59247243	59247243	44.54%	44.54%	-	-
(B)	Public Shareholding							
(1)	Institutions							
(a)	Mutual Funds / UTI	1	12719350	12719350	9.56%	9.56%	-	-
(b)	Financial Institutions / Banks	2	55445	55445	0.04%	0.04%	-	-
(c)	Central Government / State Government (s)	0	0	0	0.00%	0.00%	-	-
(d)	Venture Capital Funds	0	0	0	0.00%	0.00%	-	-
(e)	Insurance Companies	0	0	0	0.00%	0.00%	-	-
(f)	Foreign Institutional Investors	0	0	0	0.00%	0.00%	-	-
(g)	Foreign Venture Capital Investors	0	0	0	0.00%	0.00%	-	-
(h)	Qualified Foreign Investor	0	0	0	0.00%	0.00%	-	-
(i)	Any Other (specify)	0	0	0	0.00%	0.00%	-	-
	Sub-Total (B)(1)	3	12774795	12774795	9.60%	9.60%	-	-
(2)	Non-institutions							
(a)	Bodies Corporate	281	8868383	8768383	6.67%	6.67%	-	-
(b)	Individuals - (i) Individual shareholders holding nominal share capital up to Rs.1 lakh.	8383	15773480	14394520	11.86%	11.86%	-	-
	(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	84	17673383	17369383	13.29%	13.29%	-	-
(c)	Qualified Foreign Investor	0	0	0	0.00%	0.00%	-	-
(d)	Any Other (specify)				0.00%	0.00%	-	-
	- Non-resident Indians	151	10397824	6951654	7.82%	7.82%	-	-
	- Foreign Collaborators	8	6828620	118220	5.13%	5.13%	-	-
	- Trust	2	12500	12500	0.01%	0.01%	-	-
	- Clearing Members	281	1451692	1451692	1.09%	1.09%	-	-
	Sub-Total (B)(2)	9190	61005882	49066352	45.86%	45.86%	-	-
	Total Public Shareholding (B)=(B)(1)+(B)(2)	9193	73780677	61841147	55.46%	55.46%	-	-
	TOTAL (A)+(B)	9200	133027920	121088390	100.00%	100.00%	-	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00%	0.00%	-	-
(1)	Promoter and Promoter Group	0	0	0	0.00%	0.00%	-	-
(2)	Public	0	0	0	0.00%	0.00%	-	-
	GRAND TOTAL (A)+(B)+(C)	9200	133027920	121088390		100.00%	-	-



CEO/CFO Certification

We, Challa Srishnat, Managing Director and K V L N Sarma, Chief Financial Officer, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended March 31, 2014 and that these statements:
 - i. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d. We have disclosed, wherever applicable, to the auditors and the Audit Committee:
 - i. significant changes in the internal control over financial reporting during the year;
 - ii. significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For CCL Products (India) Limited

Sd/-
Challa Srishant
Managing Director

For CCL Products (India) Limited

Sd/-
K V L N Sarma
Chief Financial Officer

Place: Hyderabad
Date : 23rd May, 2014



DECLARATION BY CEO OF THE COMPANY ON CODE OF CONDUCT

I hereby declare that:

Code of Conduct prepared for the Board Members and Senior Management of the Company was approved by the Board of Directors and the same was adopted by the Company

Code of Conduct adopted by the Company was circulated to the members of the Board and Senior Management of the Company and also posted in the website of the Company.

All the members of the Board and Senior Management of the Company have complied with all the provisions of the Code of Conduct.

For CCL Products (India) Ltd

Sd/-

Challa Srishant
Managing Director

Place: Hyderabad
Date : 23rd May, 2014



AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Members,
CCL Products (India) Limited

We have examined the compliance of conditions of Corporate Governance by CCL Products (India) Limited for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

For M.Anandam & Co.,
Chartered Accountants.
(Firm Regn No: 000125S)

Sd/-
(M.V.Ranganath)
Partner
M.No.028031

Place : Hyderabad
Date : 23rd May, 2014



INDEPENDENT AUDITORS' REPORT

To
The Members of
CCL Products (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of CCL Products (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated 4th April, 2014 issued by Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with General Circular 8/2014 dated 4th April, 2014 issued by Ministry of Corporate Affairs;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **M.ANANDAM & CO.,**
Chartered Accountants
(Firm Regn No: 000125S)

Place: Hyderabad
Date : 23rd May, 2014

Sd/-
(M.V. Ranganath)
Partner
M.No.028031

Annexure**Re: CCL Products (India) Limited****Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date**

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such physical verification.
 - (c) As per information and explanation given by management during the year the company has not disposed of major part of fixed assets having effect on going concern.
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. (a) The company has not granted any loans to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
 - (b) The company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301, of the Companies Act, 1956. As the company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301, of the Companies Act, 1956, paragraphs (iii) (f) and (g) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control systems.
- v. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.



- vi. The Company has not accepted any deposits from the public.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the cost records maintained by the company pursuant to the companies (Cost Accounting records) Rules 2011 prescribed by the central Government under section 209 (1) (d) of the companies Act, 1956, and are of the opinion that prima facie the prescribed cost record have been maintained.
- ix. (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excised-duty, cess and other statutory dues applicable to it. No undisputed amount was outstanding as at 31st March, 2014 for a period more than six months from the date they become payable.
- (b) According to the information and explanations given to us and records of the company examined by us, the particulars are of sales tax, income tax, customs duty, excised duty, service tax and wealth tax, as on 31st March, 2014 which have not been deposited on account of dispute pending, are as under:

Name of the Statute	Nature of dues	Relevant Financial Year	Amount (₹ in lakhs)	Forum where dispute is pending
Central Excise Act, 1944	Customs Duty	1996-97	31.76	CESTAT, Bangalore
Central Excise Act, 1944	Service Tax	2007-08	550.66	CESTAT, Bangalore

- x. The company has no accumulated losses and it has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii. According to the information and explanations given to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute as specified under paragraph (xiii) of the Order are not applicable to the company.
- xiv. In our opinion and according to the information and explanations given to us the company is not a dealer or trader in shares, securities, debentures and other investments.
- xv. According to the information and explanations given to us the company has given corporate guarantee to its subsidiaries for loans taken from banks, the terms and conditions whereof are not prejudicial to the interest of the company.
- xvi. In our opinion and according to the information and explanations given to us the term loans have been applied for the purpose for which they were raised.



CCL PRODUCTS (INDIA) LIMITED

- xvii. According to the cash flow statement and other records examined by us and information and explanations given to us, on an overall basis, funds raised on short term basis have prima facie not been used during the year for long term investment.
- xviii. The company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. As the company has not issued any debentures during the year, paragraph (xix) of the Order is not applicable.
- xx. The company has not raised any money through public issues during the year.
- xxi. Based upon the audit procedures performed and information and explanations given 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 **M.ANANDAM & CO.,**
Chartered Accountants
(Firm Regn No: 000125S)

Sd/-
(M.V. Ranganath)
Partner
M.No.028031

Place: Hyderabad
Date : 23rd May, 2014



CCL PRODUCTS (INDIA) LIMITED

BALANCE SHEET AS AT 31st MARCH, 2014

(₹ in Lakhs)

	Note	2014	2013
EQUITY AND LIABILITIES			
Shareholders' funds:			
(a) Share Capital	2.1	2,660.56	1,330.28
(b) Reserves and Surplus	2.2	32,787.34	28,659.47
Non- current liabilities			
(a) Long term borrowings	2.3	446.83	1,565.21
(b) Deferred tax liabilities (Net)	2.4	2,332.25	2,287.49
Current Liabilities			
(a) Short-term borrowings	2.5	10,547.68	12,289.29
(b) Trade payables	2.6	1,696.64	2,508.59
(c) Other current liabilities	2.7	1,938.81	2,062.39
(d) Short-term provisions	2.8	2,145.72	789.39
TOTAL		54,555.83	51,492.11
ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	2.9	17,477.01	18,076.30
(ii) Capital work-in-progress		20.65	-
(b) Non-current investments	2.10	13,862.29	8,004.07
(c) Long term loans and advances	2.11	272.94	2,915.65
Current assets			
(a) Inventories	2.12	11,384.85	12,560.64
(b) Trade receivables	2.13	7,448.29	7,175.84
(c) Cash and Cash equivalents	2.14	498.49	240.00
(d) Short-term loans and advances	2.15	3,551.53	2,492.22
(e) Other current assets	2.16	39.78	27.39
TOTAL		54,555.83	51,492.11

Significant accounting policies and
Notes on Financial Statements

1 & 2

As per our report of even date
For **M.ANANDAM & CO.,**
Chartered Accountants

By order of the Board

Sd/-
(M.V.Ranganath)
Partner
M.No.028031

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 23rd May, 2014

Sd/-
K.V.L.N. Sarma
Chief Financial Officer

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director



CCL PRODUCTS (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

(₹ in Lakhs)

	Note	2014	2013
Income			
Revenue from operations	2.17	61,109.59	58,482.52
Other Income	2.18	91.19	141.77
Total Revenue		61,200.78	58,624.29
Expenses			
Cost of Materials Consumed	2.19	35,725.19	35,324.51
Changes in inventories	2.20	(207.31)	(38.27)
Employee benefits expense	2.21	2,187.00	1,747.35
Finance Cost	2.22	728.18	1,196.21
Depreciation	2.9	1,296.50	1,587.55
Other expenses	2.23	10,650.68	10,723.31
Total Expenses		50,380.24	50,540.66
Profit before tax		10,820.54	8,083.63
Tax expense:			
(1) Current tax		3,450.00	2,506.00
(2) Deferred tax		44.76	118.60
Profit after tax		7,325.78	5,459.03
Earnings per equity share:	2.29		
(1) Basic		5.51	41.04
(2) Diluted		5.51	41.04
Significant accounting policies and Notes on Financial Statements	1 & 2		

As per our report of even date
For **M.ANANDAM & CO.,**
Chartered Accountants

By order of the Board

Sd/-
(M.V.Ranganath)
Partner
M.No : 028031

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 23rd May, 2014

Sd/- **K.V.L.N. Sarma** Chief Financial Officer
Sd/- **Sridevi Dasari** Company Secretary

Sd/- **I.J. Rao** Director
Sd/- **Challa Srishant** Managing Director



CCL PRODUCTS (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (₹ in Lakhs)

Particulars	2014	2013
Cash Flows from Operating Activities		
Net profit before tax and extraordinary items	10,820.54	8,083.63
Adjustments for :		
Depreciation	1,296.50	1,587.55
Finance charges	728.18	1,196.21
Loss/Profit on sale of assets	2.23	(0.46)
Interest income	(74.19)	(68.56)
Dividend on Investments	(15.92)	(11.06)
Other Income	(1.08)	(61.69)
Operating profit before working capital changes	12,756.26	10,725.62
Adjustments for :		
Trade Receivables	(272.45)	(553.65)
Inventories	1,175.79	(1,824.35)
Loans and Advances	(1,009.92)	(306.89)
Trade and Other payables	(438.88)	887.84
Cash generated from operations	12,210.80	8,928.57
Interest paid on working capital	(548.56)	(918.21)
Interest received on Deposits	74.19	68.56
Direct Taxes Paid	(3,200.00)	(2,490.00)
Net Cash from operating activities	8,536.43	5,588.92
Cash flows from Investing Activities		
Purchase of Fixed Assets (Include CWIP)	(723.26)	(848.09)
Sale of Assets	3.17	(0.31)
Investment in Subsidiary	(3,277.29)	(4,248.67)
Dividend Received	15.92	11.06
Other Income Received	1.08	61.69
Net Cash flow from Investing Activities	(3,980.38)	(5,024.32)
Cash flows from Financing Activities		
Proceeds from Long term borrowings	96.71	2,350.12
Repayment of Long term borrowings	(1,700.00)	(1,807.71)
Reduction from Short-term borrowings	(1,741.61)	(251.69)
Interest paid on term loans	(179.62)	(278.00)
Dividend paid	(665.14)	(665.14)
Corporate Dividend tax	(107.90)	(107.90)
Net Cash Flow from Financing Activities	(4,297.56)	(760.32)
Net Increase in cash and cash equivalents	258.49	(195.73)
Cash and Cash equivalents at the beginning of the year	240.00	435.73
Cash and Cash equivalents at the ending of the year	498.49	240.00

As per our report of even date

For **M.ANANDAM & CO.,**
Chartered Accountants

Sd/-

(M.V.Ranganath)

Partner

M.No.: 028031

Sd/-

K.V.L.N. Sarma

Chief Financial Officer

Sd/-

Sridevi Dasari

Company Secretary

Sd/-

I.J. Rao

Director

Sd/-

Challa Rajendra Prasad

Executive Chairman

Sd/-

Challa Srishant

Managing Director

Place : Hyderabad

Date : 23rd May, 2014

1 Significant Accounting Policies

1.1 Basis for preparation of financial statements

The financial statements are prepared under the historical cost convention in accordance with accounting principles generally accepted in India. The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards, notified u/s 211(3C) of the Companies Act, 1956, read with General Circular No.8/2014, dated 4th April, 2014 issued by Ministry of Corporate Affairs and the relevant provisions of the Companies Act 1956.

1.2 Fixed Assets

Tangible Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes freight, duties and taxes applicable and other expenses related to acquisition and installation.

1.3 Depreciation

Depreciation is charged in the accounts as under:

- On Fixed Assets on Straight Line Method, applying the rates in Schedule XIV to the Companies Act, 1956.
- For Assets acquired or disposed off during the year, on prorata basis with reference to the month of acquisition or disposal.

1.4 Impairment Losses

Impairment losses are provided to the extent the carrying amount exceeds their recoverable amounts, recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of an asset at arm's length transaction between knowledgeable and willing parties less cost of disposal.

1.5 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for this intended use. All other borrowing costs are charged to revenue.

1.6 Investments

Investments of long term nature are stated at cost, less adjustment for any diminution, other than temporary, in the value thereof. Current Investments are stated at a lower of cost and fair market value.



1.7 Inventories

Raw materials, stores, spares and packing material are valued at Weighted average cost. Finished goods and Work-in-Progress are valued at cost or net realizable value whichever is lower.

1.8 Revenue Recognition

Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of the products are transferred to the customer.

Revenue from product sales is stated inclusive of excise duty applicable trade discounts and allowances. Revenue from services is recognized as per the terms of the contract with the customers when the services are performed.

1.9 Translation of Foreign Currency items

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. Gain/Loss arising out of fluctuations in exchange rates are accounted for realization.

Current Assets and Current Liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the resultant gain/loss is recognized in the financial statements.

To account for profit/loss arising on cancellation or renewal of forward exchange contracts as income/expense for the period.

To account for profit/loss arising on settlement or cancellation of currency option as income/expense for the period.

To recognize the net mark to market loss in the Profit and Loss Account on the outstanding portfolio of options as at the Balance Sheet date, and to ignore the net gain, if any.

1.10 Employee Benefits

The Company accounts for Gratuity liability of its employees on the basis of actuarial valuation carried out by an independent actuary. Defined benefit plans for Gratuity is maintained by the company with the Life Insurance Corporation of India.

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company accounts for Leave Encashment liability of its employees on the basis of actuarial valuation carried out by an independent actuary.

1.11 Taxes on Income

Deferred tax liabilities and deferred tax assets are recognized for the tax effect on the difference between taxable income and accounting income which are not permanent in nature subject to the consideration of prudence in the case of deferred tax assets.



CCL PRODUCTS (INDIA) LIMITED

2 Notes on Financial Statements for the year ended 31st March, 2014

2.1 Share Capital

(₹ in Lakhs)

	2014		2013	
Authorized Share Capital				
150,000,000 Equity Shares of ₹ 2 each		3,000.00		2,000.00
(Previous year :20,000,000 Equity Shares of ₹ 10 each)				
Issued Subscribed and Paid up Share Capital				
133,027,920 Equity Shares of ₹ 2 each, fully paid up		2,660.56		1,330.28
(Previous year :13,302,792 Equity Shares of ₹ 10 each, fully paid up)				
		2,660.56		1,330.28
Details of shareholders holding more than 5% shares :	No. of shares	% Holding	No. of shares	% Holding
1. Challa Rajendra Prasad	7,641,960	5.74%	701,005	5.27%
2. Challa Shantha Prasad	18,140,000	13.64%	1,800,000	13.53%
3. Challa Srishant	8,450,893	6.35%	787,990	5.92%
4. Challa Soumya	14,003,500	10.53%	1,400,000	10.52%
5. Sudha Koneru	11,010,890	8.28%	600,000	4.51%
6. Reliance Capital Trustee Co. Ltd.	12,719,350	9.56%	1,296,885	9.75%

Reconciliation of Number of Shares

	2014	2013
Balance at the beginning of the year (Face Value of ₹10/- each)	13,302,792	13,302,792
Add: Fresh allotment of shares/adjustment for sub-division of shares during the year		
(i) Addition on account of sub-division of shares of ₹10/- face value into shares of ₹ 2/- face value (on 21 st August, 2013)	53,211,168	-
(ii) Bonus Shares issued during the year	66,513,960	-
Balance at the end of the year	133,027,920	13,302,792

Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 2 /- each (Previous Year ₹ 10/-). Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.



CCL PRODUCTS (INDIA) LIMITED

2.2 Reserves and Surplus (₹ in Lakhs)

	2014	2013
General Reserve		
Opening Balance	24,150.98	21,150.98
Less: Transferred for bonus issue of shares	1,330.28	-
Add: Transferred from Statement of Profit and Loss	3,000.00	3,000.00
	25,820.70	24,150.98
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	4,508.49	2,822.50
Add: Net profit transferred from Statement of Profit and Loss	7,325.78	5,459.03
	11,834.27	8,281.53
Less: Appropriations		
Proposed Dividend	1,596.34	665.14
Dividend Tax	271.30	107.90
Amount transferred to General Reserve	3,000.00	3,000.00
	4,867.63	3,773.04
Closing Balance	6,966.64	4,508.49
	32,787.34	28,659.47

2.3 Long term Borrowings

	2014	2013
Term Loans from Banks	446.83	1,550.12
Deferred payment liabilities	-	15.09
	446.83	1,565.21

a) Details of security:

The Term Loan of Kotak Mahindra Bank Ltd is secured by First Charge on the Fixed Assets and second charge on the current assets of the company, along with the personal guarantee of Mr.C.Rajendra Prasad (Executive Chairman).

The Buyer's Credit of ₹ 446.83 Lakhs from Yes Bank Limited is secured by exclusive charge on the asset purchased along with personal guarantee of Mr.C.Rajendra Prasad (Executive Chairman). The Buyer's Credit is repayable in single instalment in 2015-16.

2.4 Deferred tax liability

	2014	2013
Opening Balance	2,287.49	2,168.89
Add : Depreciation	44.76	118.60
Closing Balance	2,332.25	2,287.49

2.5 Short-term Borrowings

	2014	2013
Secured Loans From Bank		
Packing credit	10,547.68	12,272.21
Cash Credit	-	17.08
	10,547.68	12,289.29



CCL PRODUCTS (INDIA) LIMITED

Details of security:

Working Capital Facilities by State Bank of India, State Bank of Hyderabad, ICICI Bank Limited and Kotak Mahindra Bank Ltd under consortium are secured by way of first paripassu charge on current assets and second paripassu charge on fixed assets of the company.

2.6 Trade payables

(₹ in Lakhs)

	2014	2013
Due to Micro and Small Enterprises	-	-
For Raw material	1,408.55	1,764.72
For Packing material	60.98	246.41
For Stores and Consumables	56.57	100.14
For Capital goods	1.37	119.05
For Services	169.17	278.27
	1,696.64	2,508.59

There are no transactions with Micro and Small enterprises, hence disclosures are not given as required under MSMED Act, 2006.

2.7 Other current liabilities

	2014	2013
Current maturities of long-term debt	800.00	1,300.00
Salaries and employee benefits	898.06	606.54
Withholding and other taxes payable #	36.44	22.17
Interest accrued and due on borrowings	8.88	25.86
Interest accrued but not due on borrowings	2.58	3.37
Other payables	158.57	56.18
Unclaimed dividends ##	21.18	21.07
Advance received from customers	13.10	27.20
	1,938.81	2,062.39

Withholding and other taxes payable include Sales Tax deferment amounting to ₹ 15.09 Lakh (Previous Year ₹ 6.79 lakh) {refer note 2.3 (c) }

These Figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund

2.8 Short-term provisions

	2014	2013
For Employee Benefits		
Leave Encashment	9.02	7.23
Others		
Proposed Dividend	1,596.34	665.14
Corporate Dividend tax	271.30	107.90
Provision for Income tax (net of advance tax)	269.07	9.12
	2,145.72	789.39

2.9 FIXED ASSETS - TANGIBLE ASSETS (₹ in Lakhs)

Name of the Asset	Gross Block			Depreciation			Net Block	
	As on 01-04-2013	Additions	Deletions/ Adjustment	As on 31-03-2014	As on 01-04-2013	Depreciation Adjustments	As on 31-03-2014	As on 31-03-2013
Land	119.00	-	-	119.00	-	-	119.00	119.00
Buildings	3,518.05	20.44	-	3,538.49	951.27	101.02	2,486.20	2,566.78
Plant & Equipment	24,671.22	509.18	-	25,180.40	9,628.23	1,140.44	14,411.73	15,042.99
Lab Equipment	74.28	-	-	74.28	66.31	1.62	6.35	7.97
Material Handling Equipment	58.22	8.18	-	66.40	41.80	4.99	19.61	16.42
Fire Fighting Equipment	12.66	-	-	12.66	9.77	1.31	1.58	2.89
Vehicles	339.06	102.27	19.73	421.60	116.31	34.40	285.22	222.75
Office Equipment	175.78	62.00	-	237.78	99.01	10.14	128.63	76.77
Furniture & Fixtures	66.23	0.54	-	66.77	45.50	2.58	18.69	20.73
Total	29,034.50	702.61	19.73	29,717.38	10,958.20	1,296.50	17,477.01	18,076.30
Previous Year				Capital Work-in- Progress			20.65	-
							17,497.66	18,076.30
							18,076.30	21,395.91



CCL PRODUCTS (INDIA) LIMITED

2.10 Non-current investments (₹ in Lakhs)

	2014	2013
Quoted Trade Investments:		
Andhra Bank (5,300 Equity Shares Face value of Rs.10/- each) (5,300 Equity Shares Market value of Rs.65.10/- each) (Previous Year : 5,300 Equity Shares Market value of Rs.93.85/- each)	1.78	1.78
Unquoted Non Trade Investments:		
Coffee Futures Exchange India Ltd (Equity Subscription for Membership as Ordinary member - 1 share of ₹10,000)	0.10	0.10
Associated Coffee Merchants (Intl) Ltd (1,87,400 Preference Shares Face value of GBP 1/-each)	147.91	147.91
Subsidiary (Wholly owned)		
Jayanti Pte Ltd (2,80,84,784 Equity Shares Face Value of S\$ 1/- each) (Previous Year : 2,11,72,992 Equity Shares Face Value of S\$ 1/- each)	11,125.57	7,854.28
Ngon Coffee Company (1,04,14,00,00,000 Equity Shares Face Value of VND 1/- each)	2,580.93	-
Continental Coffee Private Limited (60,000 Equity Shares Face Value of Rs.10/- each)	6.00	-
	13,862.29	8,004.07

2.11 Long-term loans and advances

	2014	2013
(Unsecured, considered good)		
Advances for Capital goods/services	101.86	162.52
Electricity and Other Security Deposits	145.92	145.70
Rental Deposits	25.16	26.50
Ngon Coffee Company	-	2,580.93
	272.94	2,915.65



CCL PRODUCTS (INDIA) LIMITED

2.12 Inventories

(₹ in Lakhs)

	2014	2013
(As certified by the management)		
Raw materials	5,664.26	8,197.26
Raw materials in Transit	3,117.81	1,828.52
Work-in-progress	172.49	114.87
Finished goods	1,487.05	1,337.36
Stores, spares and consumables	390.17	430.67
Packing material	553.07	651.96
	11,384.85	12,560.64

2.13 Trade receivables

	2014	2013
(Unsecured, considered good)		
Outstanding for a period exceeding six months	128.28	97.65
Others	7,320.01	7,078.19
	7,448.29	7,175.84

2.14 Cash and Bank Balances

	2014	2013
a) Cash and Cash equivalents		
i) Cash on hand	1.58	3.03
ii) Balances with banks		
- Current Accounts	314.17	56.81
	315.75	59.84
b) Other Bank Balances		
i) Unclaimed Dividend Account	21.18	21.07
ii) Margin Money deposits (against Bank Guarantee)	161.56	159.09
	182.74	180.16
	498.49	240.00



CCL PRODUCTS (INDIA) LIMITED

2.15 Short-term loans and advances

(₹ in Lakhs)

	2014	2013
(Unsecured, considered good)		
Prepaid Expenses	51.79	49.08
Deposits with Statutory Authorities	2,729.35	2,072.67
Advance Tax (Net of Provision for tax)	452.75	78.35
Input tax and other taxes receivables	209.48	114.46
Loans to Employees	19.92	19.83
Tender and other deposits	29.38	30.49
Other advances	37.85	54.63
Subsidiary - Jayanti Pte Ltd	21.01	72.71
	3,551.53	2,492.22

2.16 Other current assets

	2014	2013
Interest accrued but not due on deposits	39.78	27.39
	39.78	27.39

2.17 Revenue from Operations

	2014	2013
Revenue from :		
Sale of Products	59,633.64	57,212.45
Sale of Trade Licences	1,904.39	1,664.08
Incentives	41.17	66.23
Revenue from operations (Gross)	61,579.20	58,942.76
Less: Excise Duty	469.61	460.24
Revenue from operations (Net)	61,109.59	58,482.52

2.18 Other income

	2014	2013
Interest on Deposits	74.19	68.56
Dividend Income on long-term investments	15.92	11.06
Profit on sale/(Transfer) of assets (Net)	-	0.46
Interest on Loan to Subsidiary	-	61.69
Miscellaneous Income	1.08	-
	91.19	141.77



CCL PRODUCTS (INDIA) LIMITED

2.19 Raw material consumed (₹ in Lakhs)

	2014	2013
Purchases	33,192.19	37,086.02
Add: Opening Stock	8,197.26	6,435.75
	41,389.45	43,521.77
Less: Closing Stock	5,664.26	8,197.26
	35,725.19	35,324.51

2.20 Changes in inventories

	2014	2013
Work-in-progress		
Opening	114.87	220.96
Closing	172.49	114.87
	(57.62)	106.09
Finished goods		
Opening	1,337.36	1,193.00
Closing	1,487.05	1,337.36
	(149.69)	(144.36)
	(207.31)	(38.27)

2.21 Employee benefits expense

	2014	2013
Salaries, Wages and Bonus	1,017.22	908.24
Directors' Remuneration	868.00	592.59
Contribution to provident and other funds	172.38	129.30
Staff welfare	129.40	117.22
	2,187.00	1,747.35

2.22 Finance Cost

	2014	2013
Interest Expense	501.18	865.38
Other Finance Charges	227.00	330.83
	728.18	1,196.21



CCL PRODUCTS (INDIA) LIMITED

2.23 Other expenses (₹ in Lakhs)

	2014	2013
Packing material consumed	3,296.02	3,279.00
Stores and Consumable consumed	497.66	281.07
Power and fuel	3,373.07	3,714.87
Repairs and Maintenance to Machinery	792.90	1,203.32
Repairs and Maintenance to Other assets	31.19	26.39
Transportation, Ocean Freight, Clearing and Forwarding	915.86	950.60
Insurance	52.36	47.98
Rent	33.32	34.25
Rates and Taxes	36.35	50.46
Directors' Sitting Fee	11.10	3.36
Non-whole time Directors' Commission	24.00	12.00
Selling Expenses	114.24	77.72
Commission on Sales	170.04	149.44
Traveling and Conveyance	60.11	53.39
Communication Expenses	32.16	25.49
Printing and Stationery	6.91	8.98
Office Maintenance	117.46	102.31
Donations	76.45	16.39
Professional Fees & Expenses	79.03	37.41
Subscription and Membership fee	5.10	4.65
Auditor's Remuneration	13.90	20.99
Foreign Exchange Loss (Net)	901.36	620.54
Loss on Sale of Fixed Assets	2.23	-
Miscellaneous expenses	7.85	2.70
	10,650.68	10,723.31

2.24 Contingent Liabilities and Commitments

	2014	2013
(I) Contingent Liabilities		
(A) Claims against the company/ disputed liabilities not acknowledged as debts :		
- Income Tax (*)	-	1,950.54
- Excise & Customs	31.76	31.76
- Service Tax	550.66	550.66
(B) Guarantees		
- Bank Guarantees (includes Corporate Guarantees)	18,874.84	16,369.02
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	23.54	-
(*) The company has deposited disputed Tax under protest, however the proceedings are pending before Hon'ble High Court of Andhra Pradesh.		



2.25 Employee Benefits-Disclosures as per AS-15

(₹ in Lakhs)

a) Gratuity

Principal actuarial assumptions:

	2014	2013
1. Discount Rate	8.00%	8.00%
2. Salary Escalation	4.00%	4.00%
Reconciliation of Opening and Closing Balances of the present value of the obligations :		
Present value of obligation as at beginning of year	95.04	76.26
Interest Cost	7.60	6.10
Current Service Cost	6.09	5.10
Benefits paid	(5.12)	(1.71)
Actuarial Gain/Loss on obligations	14.09	9.29
Present value of obligation as at end of year	117.70	95.04
Reconciliation of Opening and Closing Balances of the fair value of plan assets :		
Fair value of plan assets at beginning of year	116.83	93.93
Actual return on plan assets	11.14	8.66
Contributions	39.71	15.95
Benefits paid	(5.12)	(1.71)
Fair value of plan assets at the end of year	162.56	116.83
Amounts recognized in the balance sheet		
Present value of obligations as at the end of year	117.70	95.04
Fair value of plan assets as at the end of the year	162.56	116.83
Funded status	44.86	21.79
Net Asset/Liability recognized in balance sheet (Payment made as per the Group Gratuity Scheme, LIC and the disclosures are made as per the Actuarial Valuation).	(44.86)	(21.79)
Amounts recognized in the Profit and loss :		
Current Service Cost	6.09	5.10
Interest Cost	7.60	6.10
Expected return on plan assets	(11.14)	(8.66)
Net Actuarial (gain)/Loss recognized in the year	14.09	9.29
Expenses recognized in statement of Profit & Loss	16.64	11.83



CCL PRODUCTS (INDIA) LIMITED

b) Leave encashment

(₹ in Lakhs)

Principal actuarial assumptions:

	2014	2013
1. Discount Rate	8.00%	8.00%
2. Salary Escalation	4.00%	4.00%
Reconciliation of Opening and Closing Balances of the present value of the obligations :		
Present value of obligation as at beginning of year	7.23	5.61
Interest Cost	0.58	0.45
Current Service Cost	0.53	0.49
Benefits Paid	-	-
Actuarial Gain/Loss on obligations	(0.67)	(0.69)
Present value of obligation as at end of year	9.01	7.24
Amounts recognized in the balance sheet		
Present value of obligations as at the end of year	9.01	7.24
Fair value of plan assets as at the end of the year	-	-
Funded status	-	-
Net Asset/Liability recognized in balance sheet *	(9.01)	(7.24)
Amounts recognized in the Profit and loss :		
Current Service Cost	0.53	0.49
Interest Cost	0.58	0.45
Expected return on plan assets	-	-
Net Actuarial (gain)/Loss recognized in the year	(0.67)	(0.69)
Expenses recognized in statement of Profit & Loss	1.78	1.63

2.26 Value of Imports on CIF basis:

	2014	2013
Raw material	26,070.54	30,071.84
Components and Spare parts	546.16	329.47
Capital goods	442.00	556.93

2.27 Cost of Raw Material Consumed and Packing Material, Stores & Spares Consumed

(₹ in Lakhs)

	2014		2013	
	Value	% of Total Consumption	Value	% of Total Consumption
Raw Material				
Imported	29,041.35	81.29	25,965.29	73.51
Indigenous	6,683.84	18.71	9,359.22	26.49
Total	35,725.19	100.00	35,324.51	100.00
Packing Material, Stores & Spares				
Imported	518.79	11.31	329.47	6.92
Indigenous	4,067.79	88.69	4,433.93	93.08
Total	4,586.59	100.00	4,763.40	100.00

2.28 Auditor's Remuneration

	2014	2013
Statutory Audit	9.00	9.00
Tax Audit	2.00	2.00
Tax Matters	-	7.00
Certification Fee	2.60	2.70
Out-of Pocket Expenses	0.30	0.29
Total	13.90	20.99

2.29 Basic and Diluted Earnings per share :

	2014	2013
Earnings per share has been computed as under:		
a) Net Profit after Tax attributable to shareholders	7,325.78	5,459.03
b) Weighted Average Number of Equity Shares	133,027,920	13,302,792
c) Basic and Diluted Earnings per share (a)/(b)	5.51	41.04
d) Face Value per equity share	2.00	10.00

2.30 Expenditure in foreign currency :

	2014	2013
Travel Expenses	-	5.81
Interest	6.43	5.07
Professional Fees	4.42	2.47
Other expenses	-	4.13



CCL PRODUCTS (INDIA) LIMITED

2.31 Earnings in foreign currency :

(₹ in Lakhs)

	2014	2013
FOB value of Exports	55,418.31	52,874.40
Dividend	15.60	10.76

2.32 Remittance in foreign currency on account of Dividend

The Company has paid dividend in respect of shares held by Non-Residents on repatriation basis. The exact amount of dividend remitted in Foreign Currency cannot be ascertained. The total amount remittable in this respect is given herein below :

	2014	2013
a) Number of Non-Resident Shareholders	17	21
b) Number of Equity Shares held by them	962,605	1,464,049
c) i) Amount of Dividend Paid (Gross) (Rs.in Lakhs)	48.13	73.20
ii) Tax Deducted at Source	-	-
iii) Year to which Dividend relates	2012-13 (Final Dividend)	2011-12 (Final Dividend)

2.33 Segment Reporting

Based on the guiding principles given in Accounting Standard on `Segment Reporting (AS-17) issued by the Institute of Chartered Accountants of India the Company's primary business segment is Instant Coffee.

Segment accounting policies

In addition to the significant accounting policies applicable to the business segment as set out in Note 1 of the notes to the Financial Statements the accounting policies in relation to segment accounting are as under:

a) Segment assets and liabilities

All segment assets and liabilities are directly attributable to the segment.

Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include investments, inter corporate deposits, reserves and surplus, borrowings, provision for contingencies and income tax (both current and deferred).

b) Segment revenue and expenses:

Segment revenue and expenses are directly attributable to the segment. Segment revenue and expenses do not include interest income on inter-corporate deposits, profit on sale of investments, interest expense, provision for contingencies and income tax.



CCL PRODUCTS (INDIA) LIMITED

Financial information about the primary business segment is presented in the table given below:

(₹ in Lakhs)

	2014	2013
a) Revenue		
External Sales	61,109.59	58,482.52
Total Revenue	61,109.59	58,482.52
b) Result		
Segment result / operating profit	11,548.72	9,279.84
Interest expense	728.18	1,196.21
Provision for taxes	3,494.76	2,624.60
Net Profit	7,325.78	5,459.03
c) Other Information		
Segment assets	40,693.54	43,488.04
Investments and inter corporate deposits including interest accrued thereon	13,862.29	8,004.07
Total Assets	54,555.83	51,492.11
Segment liabilities	3,602.81	4,520.68
Share capital and reserves	35,447.90	29,989.75
Long-term & Short-term borrowings	11,003.53	13,861.73
Interest accrued on borrowings	11.46	29.23
Unclaimed dividends	21.18	21.07
Provision for taxation, Dividend and Dividend Tax	2,136.70	782.16
Provision for deferred Tax	2,332.25	2,287.49
Total liabilities	54,555.83	51,492.11
Capital expenditure including capital work in progress	723.26	848.09
Depreciation (including impairment loss on fixed assets and deficit on fixed assets sold / scrapped)	1,296.50	1,587.55



CCL PRODUCTS (INDIA) LIMITED

2.34 Related Party disclosures

As per AS-18, the disclosures of transactions with the related parties are given below:

(i) Details of the related party transactions

	2014	2013
a) Key managerial personnel and their relatives		
Remuneration & Commission	868.00	592.59
Rent	32.98	32.98
b) Subsidiaries		
Jayanti Pte. Ltd., Singapore		
Interest Income	-	61.69
Loans & Advances	21.01	72.71
Equity Investment	3,271.29	4,248.67
Grandsaugreen SA, Switzerland		
Sale of Instant Coffee	4,217.38	5,318.96
Ngon Coffee Company, Vietnam		
Sale of Fixed Assets	-	2,580.93

(ii) Names of related parties and description of their relationship:

- Key Management Personnel
 - Mr.Challa Rajendra Prasad, Executive Chairman
 - Mr.Challa Srishant, Managing Director
- Relatives of Key Management Personnel
 - Mrs.Challa Shantha Prasad
(Spouse of Mr.Challa Rajendra Prasad, Executive Chairman)
 - Ms.Challa Soumya
(Daughter of Mr.Challa Rajendra Prasad, Executive Chairman)
- Subsidiary Companies
 - M/s. Jayanti Pte Ltd., Singapore
 - M/s. Continental Coffee Pvt Ltd., India
 - M/s. Grandsaugreen SA, Switzerland
(Subsidiary of Jayanti Pte. Ltd., Singapore)
 - M/s. Ngon Coffee Company Ltd., Vietnam
(Subsidiary of Jayanti Pte. Ltd., Singapore)

2.35 Previous Year's figures are regrouped/rearranged/recasted wherever considered necessary to conform the current year figures

As per our report of even date
For **M.ANANDAM & CO.,**
Chartered Accountants

By order of the Board

Sd/-
(M.V. Ranganath)
Partner
M.No.028031

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 23rd May, 2014

Sd/-
K.V.L.N. Sarma
Chief Financial Officer

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director



CCL PRODUCTS (INDIA) LIMITED

INTEREST IN SUBSIDIARY COMPANY STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956.

Sl No	Particulars	Jayanti Pte Ltd	Grandsaugreen SA	Ngon Coffee Company Limited
1	The Financial Year of the Subsidiary Company ended on	: 31 st March, 2014	31 st March, 2014	31 st March, 2014
2	Year from which it became Subsidiary Company	: 2009-10	2009-10	2010-11
3	a) Number of shares held by CCL Products (India) Ltd along with its nominees in the Subsidiary at the end of the financial year of the Subsidiary Companies	: 28084784 Equity Shares of S\$ 1 each	1134995 Equity Shares of CHF 1 each	301648633286 Equity Shares of VND 1 each
	b) Extent of interest of Holding Company at the end of the financial year of the Subsidiary Companies	: 100.00%	100.00%	100.00%
4	Net aggregate amount of Profit/(Loss) of the Subsidiary for the financial year ended 31 st March, 2014 so far as they concern to members of CCL Products (India) Ltd.			
	a) Dealt with in the account of CCL Products (India) Limited (₹ in Lakhs)	: Nil	Nil	Nil
	b) Not Dealt with in the accounts of CCL Products (India) Limited (₹ in Lakhs)	: 7.67	(441.34)	(450.29)
5	Net aggregate amount of Profit/(Loss) for Previous financial years of the Subsidiary since they became subsidiaries so far as they concern members of CCL Products (India) Limited.			
	a) Dealt with in the account of CCL Products (India) Limited (₹ in Lakhs)	: NA	NA	NA
	b) Not Dealt with in the accounts of CCL Products (India) Limited (₹ in Lakhs)	: 53.92	(1,012.37)	(539.49)
6	Change in the interest of CCL Products (India) Limited in the Subsidiary between the end of the financial year of the subsidiary and that of CCL Products (India) Limited.	: Nil	Nil	Nil
7	Material changes between the end of the financial year of the subsidiary and end of the financial year of CCL Products (India) Limited in respect of the Subsidiary fixed assets, investments lending and borrowing for the purpose other than meeting their current liabilities.	: NA	NA	NA
8	Remarks	: Nil	Nil	Nil

By order of the Board

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad	Sd/- K.V.L.N. Sarma	Sd/- Sridevi Dasari	Sd/- I.J. Rao
Date : 23 rd May, 2014	Chief Financial Officer	Company Secretary	Director
			Sd/- Challa Srishant
			Managing Director



INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors
CCL Products (India) Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of CCL Products (India) Limited and its subsidiaries Jayanti Pte Ltd, Singapore, Grandsaugreen SA, Les Verrieres and Ngon Coffee Company Limited, Vietnam (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2014 and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a. In the case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014; and
- b. In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended as on that date and
- c. In the case of the Consolidated Cash Flow Statement, of the Cash Flows for the year ended on the date.

Other Matters

We did not audit the financial statements of the subsidiaries, Jayanti Pte Ltd, Singapore, Grandsaugreen SA, Les Verrieres and Ngon Coffee Company Limited, Vietnam whose financial statements reflect the total assets of ₹ 48,203.48 Lakhs as at 31st March 2014 and total revenues of ₹14,662.38 Lakhs for the year ended 31st March, 2014. The financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries, is based solely on the report of the other auditors.

For **M.Anandam & Co.,**
Chartered Accountants
(Firm Regn No: 000125S)

Sd/-
M.V.Ranganath
Partner
M.No. 028031

Place : Hyderabad
Date : 23rd May, 2014



CCL PRODUCTS (INDIA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014 (₹ in Lakhs)

	Note	2014	2013
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds			
(a) Share Capital	2.1	2,660.56	1,330.28
(b) Reserves and Surplus	2.2	32,618.48	26,507.90
Non- current liabilities			
(a) Long term borrowings	2.3	13,490.90	12,477.66
(b) Deferred tax liabilities (Net)	2.4	2,332.25	2,287.49
Current Liabilities			
(a) Short-term borrowings	2.5	10,547.68	13,319.03
(b) Trade payables	2.6	2,050.79	2,821.55
(c) Other current liabilities	2.7	6,655.90	7,115.44
(d) Short-term provisions	2.8	2,145.72	793.11
TOTAL		72,502.28	66,652.46
<u>ASSETS</u>			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	2.9	36,113.35	33,440.39
(ii) Capital work-in-progress		3,887.77	-
(b) Non-current investments	2.10	155.79	149.79
(c) Long term loans and advances	2.11	407.72	3,108.29
Current assets			
(a) Inventories	2.12	13,794.88	15,550.54
(b) Trade receivables	2.13	10,675.33	8,716.67
(c) Cash and Cash equivalents	2.14	3,432.45	934.95
(d) Short-term loans and advances	2.15	3,989.67	4,724.44
(e) Other current assets	2.16	45.32	27.39
TOTAL		72,502.28	66,652.46

Significant accounting policies and
Notes on Financial Statements 1 & 2

As per our report of even date
For **M.ANANDAM & CO.**,
Chartered Accountants

By order of the Board
Sd/-
Challa Rajendra Prasad
Executive Chairman

Sd/-
(M.V.Ranganath)
Partner
M.No. 028031

Sd/-
K.V.L.N. Sarma
Chief Financial Officer

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director

Place : Hyderabad
Date : 23rd May, 2014



CCL PRODUCTS (INDIA) LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lakhs)

	Note	2014	2013
Income			
Revenue from operations	2.17	71,682.15	65,073.45
Other Income	2.18	263.54	187.94
Total Revenue		71,945.69	65,261.39
Expenses			
Cost of Materials Consumed	2.19	41,997.86	39,668.47
Changes in inventories	2.20	508.16	(1,215.14)
Employee benefits expense	2.21	2,582.92	2,122.45
Finance Costs	2.22	1,705.83	2,065.71
Depreciation	2.9	2,910.38	2,863.75
Other expenses	2.23	12,283.72	12,371.53
Total Expenses		61,988.87	57,876.77
Profit before tax		9,956.82	7,384.62
Tax expense:			
(1) Current tax		3,470.23	2,523.42
(2) Deferred tax		44.76	118.60
Profit after tax		6,441.83	4,742.60
Earnings per equity share:	2.25		
(1) Basic		4.84	35.65
(2) Diluted		4.84	35.65
Significant accounting policies and Notes on Financial Statements	1 & 2		

As per our report of even date
For **M.ANANDAM & CO.,**
Chartered Accountants

By order of the Board

Sd/-
Challa Rajendra Prasad
Executive Chairman

Sd/-
(M.V.Ranganath)
Partner
M.No. 028031

Sd/-
K.V.L.N. Sarma
Chief Financial Officer

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director

Place : Hyderabad
Date : 23rd May, 2014



CCL PRODUCTS (INDIA) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (₹ in Lakhs)

	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extraordinary items	9,956.82	7,384.62
Adjustments for :		
Depreciation	2,910.38	2,863.75
Finance charges	1,705.83	2,065.71
Loss/Profit on sale of assets	2.23	(0.46)
Foreign Exchange Translation	(6.16)	83.08
Interest on Deposits	(124.02)	(163.72)
Dividend on Investments	(15.92)	(11.06)
Other Income	(123.60)	(12.70)
Operating profit before working capital changes	14,305.56	12,209.22
Adjustments for :		
Trade Receivables	(1,958.66)	(1,675.14)
Inventories	1,755.66	(3,835.28)
Loans and Advances	3,417.41	(2,779.77)
Trade and Other payables	(1,184.28)	2,178.75
Cash generated from operations	16,335.69	6,097.78
Interest paid on working capital	(781.21)	(1,261.13)
Interest received on Deposits	124.02	163.72
Direct Taxes Paid	(3,200.00)	(2,490.00)
Net Cash from operating activities	12,478.50	2,510.37
Cash flows from Investing Activities		
Purchase of Fixed Assets (Include CWIP)	(5,966.93)	(3,776.49)
Sale of Assets	3.17	(0.31)
Dividend Received	15.92	11.06
Other Income Received	123.60	12.70
Net Cash flow from Investing Activities	(5,830.24)	(3,753.04)
Cash flows from Financing Activities		
Proceeds from Long term borrowings	5,897.13	7,697.96
Repayment of Long term borrowings	(5,578.86)	(3,459.61)
Increase/ (Decrease) in Short-term borrowings	(2,771.35)	(1,047.37)
Interest paid on term loans	(924.62)	(804.58)
Dividend paid	(665.14)	(665.14)
Corporate Dividend tax	(107.90)	(107.90)
Net Cash Flow from Financing Activities	(4,150.76)	1,613.36
Net Increase in cash and cash equivalents	2,497.50	370.68
Cash and Cash equivalents at the beginning of the year	934.95	564.27
Cash and Cash equivalents at the ending of the year	3,432.45	934.95

As per our report of even date

For **M.ANANDAM & CO.,**

Chartered Accountants

By order of the Board

Sd/-
(M.V.Ranganath)

Partner

M.No. 028031

Place : Hyderabad

Date : 23rd May, 2014

Sd/-

K.V.L.N. Sarma

Chief Financial Officer

Sd/-

Sridevi Dasari

Company Secretary

Sd/-

I.J. Rao

Director

Sd/-

Challa Rajendra Prasad

Executive Chairman

Sd/-

Challa Srishant

Managing Director

1) Notes on Consolidated Financial Statements
I. Principles of Consolidation

1.1 The Consolidated Financial statements comprises the financial statements of CCL Products (India) Limited (The company) and its Subsidiaries (collectively known as the 'Group'). The consolidated financial statements have been prepared on the following basis in line with Accounting Standard-21, Consolidated Financial Statements issued by ICAI, read with General Circular No.8/2014, dated 4th April, 2014 issued by Ministry of Corporate Affairs and the relevant provisions of the Companies Act 1956.

- a) The financial statements of the Company and its subsidiary companies are combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and unrealized profit/losses resulting from the same.
- b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Company.
- d) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

1.2 In case of foreign subsidiaries, being non-integral foreign operations, the exchange adjustments have been carried out on following basis, as per Accounting Standard 11– Accounting for effects of changes in Foreign Exchange Rates.

- a) the summarized revenue and expense transaction at the year end reflected in profit and loss account of the foreign subsidiaries which are stated in the currency of their domicile are translated into Indian Rupees at average exchange rate prevailing during the year.
- b) All monetary and non –monetary items reflected in the balance sheet of the foreign subsidiaries are translated into Indian Rupees at the year end closing exchange rate.
- c) The resultant exchange gain/loss are disclosed as Foreign Exchange Translation Reserve in Reserves & Surplus.

d) Enterprises included in Consolidation :

Name of the company	Share holding/ Controlling interest
M/s. Jayanti Pte Ltd ("Jayanti")	100.00%
M/s. Grandsaugreen SA (Subsidiary of Jayanti)	100.00%
M/s. Ngon Coffee Company Limited (Subsidiary of Jayanti)	100.00%

The Company has not consolidated the financial results of Continental Coffee Pvt Ltd, India since the operations not yet commenced.



II. Significant Accounting Policies

These are set out under "Significant Accounting policies" as given in the Company's separate financial statements.

2) Notes on Financial Statements for the year ended 31st March, 2014

2.1 Share Capital

(₹ in Lakhs)

	2014	2013
Authorized Share Capital 150,000,000 Equity Shares of ₹ 2 each (Previous year : 20,000,000 Equity Shares of ₹ 10 each)	3,000.00	2,000.00
Issued Subscribed and Paid up Share Capital 133,027,920 Equity Shares of ₹ 2 each, fully paid up (Previous year : 13,302,792 Equity Shares of ₹ 10 each, fully paid up)	2,660.56	1,330.28
	2,660.56	1,330.28

Reconciliation of Number of Shares :

	2014	2013
Balance at the beginning of the year (Face Value of ₹10/- each)	13,302,792	13,302,792
Add: Fresh allotment of shares/adjustment for sub-division of shares during the year		
(i) Addition on account of sub-division of shares of ₹10/- face value into shares of ₹ 2/- face value (on 21 st August, 2013)	53,211,168	-
(ii) Bonus Shares issued during the year	66,513,960	-
Balance at the end of the year	133,027,920	13,302,792

2.2 Reserves and Surplus

	2014	2013
General Reserve		
Opening Balance	24,150.98	21,150.98
Less: Transferred for bonus issue of shares	1,330.28	-
Add: Transferred from Statement of Profit and Loss	3,000.00	3,000.00
	25,820.70	24,150.98
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	3,669.05	2,699.49
Add: Net profit transferred from Statement of Profit and Loss	6,441.83	4,742.60
	10,110.88	7,442.09



CCL PRODUCTS (INDIA) LIMITED

(₹ in Lakhs)

Less: Appropriations		
Proposed Dividend	1,596.34	665.14
Dividend Tax	271.30	107.90
Amount transferred to General Reserve	3,000.00	3,000.00
	4,867.63	3,773.04
Closing Balance	5,243.25	3,669.05
Capital Reserve	(5.95)	(5.95)
Foreign Currency Translation Reserve		
Opening Balance	(1,306.18)	(1,200.66)
Additions during the year	2,866.66	(105.52)
Closing Balance	1,560.48	(1,306.18)
	32,618.48	26,507.90

2.3 Long term Borrowings

	2014	2013
Term Loans from Banks	13,490.90	12,462.57
Deferred payment liabilities	-	15.09
	13,490.90	12,477.66

a) Details of security:

The Term Loan of Kotak Mahindra Bank Ltd is secured by First Charge on the Fixed Assets and second charge on the current assets of the company, along with the personal guarantee of Mr.C.Rajendra Prasad (Executive Chairman).

The Buyer's Credit of Rs.446.83 Lakhs from Yes Bank Limited is secured by exclusive charge on the asset purchased along with personal guarantee of Mr.C.Rajendra Prasad (Executive Chairman). The Buyer's Credit is repayable in single instalment in 2015-16.

The Term Loans of Ngon Coffee Company Limited, Vietnam are secured by all existing and future acquired movable assets.

b) Details of Term Loan Borrowings

Institution	Maturity Profile			
	2015-16	2016-17	2017-18	2018-19
CCL Products (India) Limited - India :				
Yes Bank limited	446.83	-	-	-
Ngon Coffee Company - Vietnam				
Export-Import Bank of India (Exim)	2,006.82	2,006.82	1,121.46	236.10
International Finance Corporation (IFC)	2,360.72	2,656.08	2,656.08	-
Total	4,814.37	4,662.90	3,777.54	236.10



CCL PRODUCTS (INDIA) LIMITED

2.4 Deferred tax liability (₹.in Lakhs)

	2014	2013
Opening Balance	2,287.49	2,168.89
Add : Depreciation	44.76	118.60
Closing Balance	2,332.25	2,287.49

2.5 Short-term Borrowings

	2014	2013
Secured Loans From Bank		
Packing credit/ Buyers' credit	10,547.68	12,272.21
Cash Credit	-	1,046.82
	10,547.68	13,319.03

Details of security:

Working Capital Facilities by State Bank of India, State Bank of Hyderabad, ICICI Bank Limited and Kotak Mahindra Bank Ltd under consortium are secured by way of first paripassu charge on current assets and second paripassu charge on fixed assets of the company.

2.6 Trade payables

	2014	2013
Due to Micro and Small Enterprises	-	-
For Raw material	1,762.70	2,077.68
For Packing material	60.98	246.41
For Stores and Consumables	56.57	100.14
For Capital goods	1.37	119.05
For Services	169.17	278.27
	2,050.79	2,821.55

2.7 Other current liabilities

	2014	2013
Current maturities of long-term debt	5,167.54	4,407.45
Salaries and employee benefits	898.06	618.58
Withholding and other taxes payable	39.62	22.23
Interest accrued and due on borrowings	8.88	25.86
Interest accrued but not due on borrowings	2.58	3.37
Other payables	504.94	1,989.68
Unclaimed dividends #	21.18	21.07
Advance received from customers	13.10	27.20
	6,655.90	7,115.44

These Figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund

2.8 Short-term provisions

	2014	2013
For Employee Benefits		
Leave Encashment	9.02	7.23
Others		
Proposed Dividend	1,596.34	665.14
Corporate Dividend tax	271.30	107.90
Provision for Income tax (net of advance tax)	269.07	12.84
	2,145.72	793.11

2.9 FIXED ASSETS - TANGIBLE ASSETS (₹ in Lakhs)

Name of the Asset	Gross Block			Depreciation			Net Block	
	As on 01-04-2013	Additions	Deletions/ Adjustments	As on 31-03-2014	Adjustments*	As on 01-04-2013	As on 31-03-2014	As on 31-03-2013
Land	707.04	-	-	348.61	-	-	1,055.65	707.04
Buildings	9,538.29	364.86	-	1,518.83	-	1,375.96	9,531.49	8,162.33
Plant & Equipment	35,455.15	1,487.10	31.00	2,057.95	-	11,294.91	24,952.43	24,160.24
Lab Equipment	74.28	-	-	-	-	66.31	6.35	7.97
Material Handling Equipment	58.22	8.18	-	-	-	41.80	19.61	16.42
Fire Fighting Equipment	12.66	-	-	-	-	9.77	1.58	2.89
Vehicles	378.18	114.73	19.73	11.87	-	127.07	323.22	251.11
Office Equipment	196.87	103.75	-	2.39	-	101.85	180.45	95.02
Furniture & Fixtures	100.34	0.54	-	27.89	-	62.97	42.57	37.37
Total	46,521.03	2,079.16	50.73	52,517.00	16,403.65	13,080.64	36,113.35	33,440.39
Previous Year				Add: Capital Work-In-Progress			3,887.77	-
							40,001.12	33,440.39
							33,440.39	25,741.99

* Adjustments represents the increase/decrease in value consequent to Foreign Exchange Fluctuation



CCL PRODUCTS (INDIA) LIMITED

(₹ in Lakhs)

2.10 Non-current investments

	2014	2013
Quoted Trade Investments:		
Andhra Bank Shares (5,300 Equity Shares Face value of ₹ 10/- each) (5,300 Equity Shares Market value of ₹ 65.10/- each) (Previous Year : 5,300 Equity Shares Market value of ₹ 93.85/- each)	1.78	1.78
Unquoted Non Trade Investments:		
Coffee Futures Exchange India Ltd (Equity Subscription for Membership as Ordinary member - 1 share of ₹ 10,000)	0.10	0.10
Associated Coffee Merchants (Intl) Ltd (1,87,400 Preference Shares Face value of GBP 1/- each)	147.91	147.91
Continental Coffee Private Limited (60,000 Equity Shares Face Value of ₹ 10/- each)	6.00	-
	155.79	149.79

2.11 Long-term loans and advances

	2014	2013
(Unsecured, considered good)		
Advances for Capital goods	228.22	347.88
Electricity and Other Security Deposits	154.34	152.98
Rental Deposits	25.16	26.50
Ngon Coffee Company	-	2,580.93
	407.72	3,108.29

2.12 Inventories

	2014	2013
(As certified by the management)		
Raw materials	6,740.35	9,396.56
Raw materials in Transit	3,117.81	1,828.52
Work-in-progress	172.49	312.12
Finished goods	2,467.75	2,836.28
Stores, spares and consumables	717.16	489.43
Packing material	579.32	687.63
	13,794.88	15,550.54



CCL PRODUCTS (INDIA) LIMITED

2.13 Trade receivables (₹ in Lakhs)

	2014	2013
(Unsecured, considered good)		
Outstanding for a period exceeding six months	128.28	97.65
Others	10,547.05	8,619.02
	10,675.33	8,716.67

2.14 Cash and Bank Balances

	2014	2013
a) Cash and Cash equivalents		
i) Cash on hand	9.56	6.85
ii) Balances with banks		
- Current Accounts	3,240.15	747.94
	3,249.71	754.79
b) Other Bank Balances		
i) Unclaimed Dividend Account	21.18	21.07
ii) Margin Money deposits (against Bank Guarantee)	161.56	159.09
	182.74	180.16
	3,432.45	934.95

2.15 Short-term loans and advances

	2014	2013
(Unsecured, considered good)		
Prepaid Expenses	51.79	49.08
Deposits with Statutory Authorities	2,729.35	2,072.67
Advance Tax (Net of Provision for tax)	452.75	78.35
Input tax and other taxes receivables	209.48	114.46
Loans to Employees	19.92	19.83
Tender and other deposits	29.38	30.49
Other advances	497.00	2,359.56
	3,989.67	4,724.44



CCL PRODUCTS (INDIA) LIMITED

2.16 Other current assets (₹ in Lakhs)

	2014	2013
Interest accrued but not due on deposits	45.32	27.39
	45.32	27.39

2.17 Revenue from Operations

	2014	2013
Revenue from:		
Sale of Products	70,206.20	63,803.38
Sale of Trade Licences	1,904.39	1,664.08
Incentives	41.17	66.23
Revenue from operations (Gross)	72,151.76	65,533.69
Less: Excise Duty	469.61	460.24
Revenue from operations (Net)	71,682.15	65,073.45

2.18 Other income

	2014	2013
Interest on Deposits	124.02	163.72
Dividend Income on long-term investments	15.92	11.06
Profit on sale/(Transfer) of assets (Net)	-	0.46
Miscellaneous Income	123.60	12.70
	263.54	187.94

2.19 Raw material consumed

	2014	2013
Purchases	39,341.65	42,629.28
Add: Opening Stock	9,396.56	6,435.75
	48,738.21	49,065.03
Less: Closing Stock	6,740.35	9,396.56
	41,997.86	39,668.47



CCL PRODUCTS (INDIA) LIMITED

2.20 Changes in inventories

(₹ in Lakhs)

	2014	2013
Work-in-progress		
Opening	312.12	220.96
Closing	172.49	312.12
	139.63	(91.16)
Finished goods		
Opening	2,836.28	1,712.30
Closing	2,467.75	2,836.28
	368.53	(1,123.98)
	508.16	(1,215.14)

2.21 Employee benefits expense

	2014	2013
Salaries, Wages and Bonus	1,341.63	1,238.95
Directors' Remuneration	880.22	601.44
Contribution to provident and other funds	172.38	129.30
Staff welfare	188.69	152.76
	2,582.92	2,122.45

2.22 Finance Cost

	2014	2013
Interest Expense	1,473.18	1,722.79
Other Finance Charges	232.65	342.92
	1,705.83	2,065.71

2.23 Other expenses

	2014	2013
Packing material consumed	3,463.27	3,384.79
Stores and Consumable consumed	729.75	315.91
Power and fuel	3,833.68	4,095.38
Repairs and Maintenance to Machinery	814.31	1,273.93
Repairs and Maintenance to Other assets	41.84	53.04
Transportation, Ocean Freight, Clearing and Forwarding	915.86	950.60
Insurance	70.50	51.57
Rent	44.28	47.64
Rates and Taxes	37.88	369.59
Directors' Sitting Fee	11.10	3.36
Non-whole time Directors' Commission	24.00	12.00
Selling Expenses	340.64	287.55
Commission on Sales	170.04	149.44



CCL PRODUCTS (INDIA) LIMITED

	(₹ in Lakhs)	
Traveling and Conveyance	120.97	111.21
Communication Expenses	32.16	25.49
Printing and Stationery	6.91	8.98
Office Maintenance	371.71	204.14
Donations	76.45	16.39
Professional Fees & Expenses	79.03	37.41
Subscription and Membership fee	5.10	4.65
Auditor's Remuneration	23.54	25.44
Foreign Exchange Loss (Net)	1,046.81	928.36
Loss on Sale of Fixed Assets	2.23	-
Miscellaneous expenses	21.66	14.66
	12,283.72	12,371.53

2.24 Contingent Liabilities and Commitments

	2014	2013
(I) Contingent Liabilities		
(A) Claims against the company/ disputed liabilities not acknowledged as debts :		
- Income Tax (*)	-	1,950.54
- Excise & Customs	31.76	31.76
- Service Tax	550.66	550.66
(B) Guarantees		
- Bank Guarantees (includes Corporate Guarantees)	18,874.84	16,369.02
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	23.54	-
(*) The company has deposited disputed Tax under protest, however the proceedings are pending before Hon'ble High Court of Andhra Pradesh.		

2.25 Basic and Diluted Earnings per share :

	2014	2013
Earnings per share has been computed as under:		
a) Net Profit after Tax attributable to shareholders	6,441.83	4,742.60
b) Weighted Average Number of Equity Shares	133,027,920	13,302,792
c) Basic and Diluted Earnings per share (a)/(b)	4.84	35.65
d) Face Value per equity share	2.00	10.00



2.26 Segment Reporting

Based on the guiding principles given in Accounting Standard on `Segment Reporting (AS-17) issued by the Institute of Chartered Accountants of India the Company's primary business segment is Coffee.

Financial information about the primary business segment is presented in the table given below
(₹ in Lakhs)

	2014	2013
a) Revenue		
External Sales	71,682.15	65,073.45
Total Revenue	71,682.15	65,073.45
b) Result		
Segment result / operating profit	11,662.65	9,450.33
Interest expense	1,705.83	2,065.71
Provision for taxes	3,514.99	2,642.02
Net Profit	6,441.83	4,742.60
c) Other Information		
Segment assets	72,346.49	66,502.67
Investments and inter corporate deposits including interest accrued thereon	155.79	149.79
Total Assets	72,502.28	66,652.46
Segment liabilities	8,674.05	9,886.69
Share capital and reserves	35,279.04	27,838.18
Long-term & Short-term borrowings	24,047.60	25,803.92
Interest accrued on borrowings	11.46	29.23
Unclaimed dividends	21.18	21.07
Provision for taxation, Dividend and Dividend Tax	2,136.70	785.88
Provision for deferred Tax	2,332.25	2,287.49
Total liabilities	72,502.28	66,652.46
Capital expenditure including capital work in progress	5,966.93	3,776.49
Depreciation (including impairment loss on fixed assets and deficit on fixed assets sold / scrapped)	2,910.38	2,863.75



CCL PRODUCTS (INDIA) LIMITED

2.27 Related Party disclosures

As per AS-18, the disclosures of transactions with the related parties are given below:

(i) Details of the related party transactions: (₹ in Lakhs)

	2014	2013
Key managerial personnel and their relatives		
Remuneration & Commission	868.00	592.59
Rent	32.98	32.98

(ii) Names of related parties and description of their relationship:

- | | | |
|---|--------------------------------------|---|
| 1 | Key Management Personnel | Mr.Challa Rajendra Prasad, Executive Chairman
Mr.Challa Srishant, Managing Director |
| 2 | Relative of Key Management Personnel | Mrs.Challa Shantha Prasad
(Spouse of Mr.Challa Rajendra Prasad, Executive Chairman)
Ms.Challa Soumya
(Daughter of Mr.Challa Rajendra Prasad, Executive Chairman) |

2.28 Previous Year's figures are regrouped/rearranged/recasted wherever considered necessary to conform the current year figures

As per our report of even date
For **M.ANANDAM & CO.,**
Chartered Accountants

Sd/-
(M.V. Ranganath)
Partner
M.No.028031

Sd/-
K.V.L.N. Sarma
Chief Financial Officer

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

By order of the Board
Sd/-
Challa Rajendra Prasad
Executive Chairman

Sd/-
Challa Srishant
Managing Director

Place : Hyderabad
Date : 23rd May, 2014



CCL PRODUCTS (INDIA) LIMITED

SUBSIDIARY COMPANY FINANCIAL HIGHLIGHTS – 2013-14

SI No	Particulars	Jayanti Pte. Ltd.	Grandsaugreen SA	Ngon Coffee Company Ltd
1	Capital	21,779,131	11,134,995	301,648,633,286
2	Reserves	103,127	(2,211,500)	(36,069,619,284)
3	Total Assets	21,980,298	10,440,869	906,529,272,011
4	Total Liabilities	21,980,298	10,440,869	906,529,272,011
5	Turnover	23,370	7,099,926	379,736,760,715
6	Profit/(Loss) before Taxation	13,403	(676,120)	(16,801,979,809)
7	Provision for Taxation	-	32,474	-
8	Profit/(Loss) after Taxation	13,403	(708,594)	(16,801,979,809)
9	Dividend	-	-	-
10	Investment	-	-	-
	Reporting Currency	USD	CHF	VND
	Exchange Rate used for Conversion :			
	- Average Yearly Rates for Profit and Loss Account Items	57.2446	62.2845	0.00268
	- Year end rates for Balance Sheet Items	60.0998	67.3610	0.00280

[illegible]

[illegible]

[illegible]

Continental Coffee

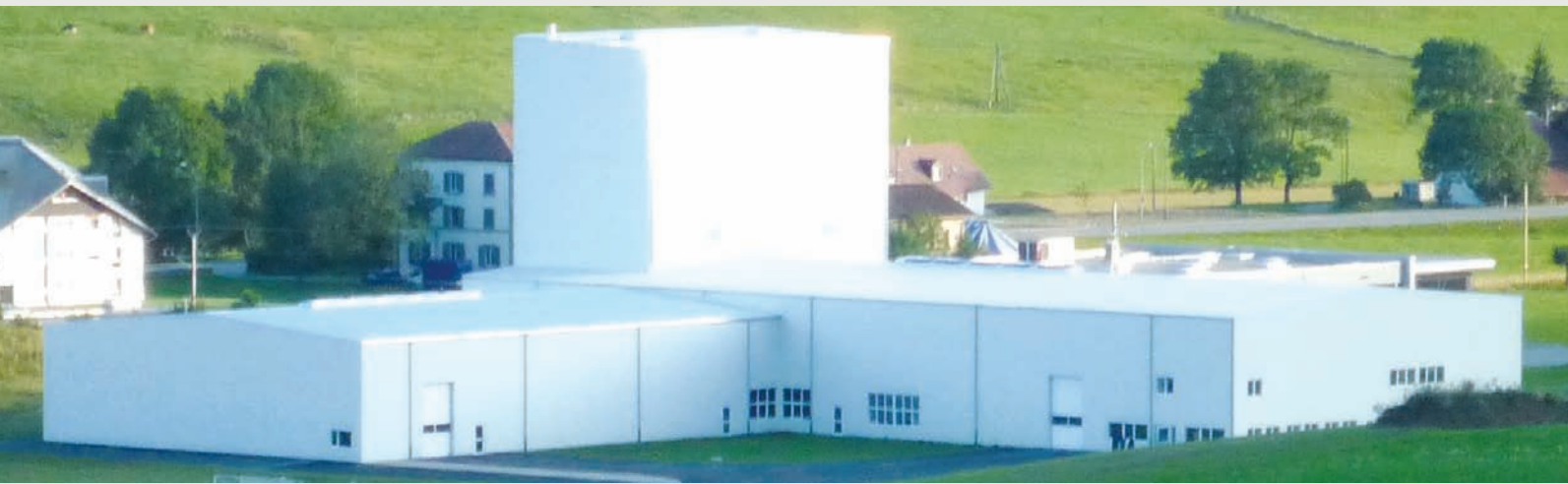
INSTANT COFFEE



Factory in India



Factory in Switzerland



Factory in Vietnam



CCL Group Headquarters :

CCL Products (India) Ltd

7-1-24/2/D, "Greendale", Ameerpet, Hyderabad-500 016

Tel: +91-40-23732455, Fax: +91-40-23732499

E-mail: info@cclproducts.com, Website: www.cclproducts.com