

THE THIRUMBADI RUBBER COMPANY LIMITED

DIRECTORS

Mr. S.K. Bangur - Chairman (w.e.f. 08.11.2013)

Mrs. Shashi Devi Bangur

(Whole Time Director)

Mrs. Bharti Bangur

Mr. S.H. Jhaver

Mr. S.K. Poddar

Mr. Krishna Kumar Lohia (w.e.f. 08.11.2013)

Mr. M.K. Patwari

(Whole Time Director & Chief Financial Officer - w.e.f. 08.11.2013)

AUDITORS

Messrs. Dhandhanias & Associates

Chartered Accountants

BANKERS

Vijaya Bank

State Bank of Travancore

HDFC Bank Ltd.

Standard Chartered Bank

Bank of Baroda

State Bank of India

REGISTERED OFFICE

Thirumbadi Estate

Mokkam P.O. 673 602

Kozhikode Dist, Kerala

RUBBER DIVISION

Thirumbadi Estate

Mokkam P.O. 673 602

Kozhikode Dist, Kerala

TEA DIVISION

Kil Kotagiri Estate

Kil Kotagiri P.O.

The Nilgiris - 643 216, Tamilnadu

DATE OF INCORPORATION

23rd December, 1919

REGISTRAR & SHARE TRANSFER AGENT

M/s. S.K.D.C. Consultants Ltd.

Kanapathy Towers, 3rd Floor

1391/A-1, Sathy Road,

Ganapathy, Coimbatore - 641 006

Ph. No. : 0422 - 6549995, 2539835, 2539836

E-mail : info@skdc-consultants.com



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 94th Annual General Meeting of the Company will be held at its Registered Office of the Company at Thirumbadi Estate, Mokkal Post - 673602, Kozhikode District at 11.00 A.M on Friday, the 27th December 2013 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss for the year ended on that date and the reports of the Board of Directors and Auditors Report thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Smt. Bharti Bangur, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in the place of Shri. S.H. Jhaver, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

Special business

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

RESOLVED that Shri. S.K. Bangur who holds office as an Additional Director up to the date of this Annual General Meeting and in respect of whom a Notice under Section 257 of the Companies Act, 1956 has been received from the member signifying his intention to propose him as a candidate for the office of the Director of the Company be and is hereby appointed as a Director of the Company.

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

RESOLVED that Shri. Krishna Kumar Lohia who holds office as an Additional Director up to the date of this Annual General Meeting and in respect of whom a Notice under Section 257 of the Companies Act, 1956 has been received from the member signifying his intention to propose him as a candidate for the office of the Director of the Company be and is hereby appointed as a Director of the Company.

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

RESOLVED that in accordance with and subject to the provisions of Section 198, 309 and 269 read with Schedule XIII and other applicable provisions of Companies Act, 1956, Shri. M.K. Patwari be and is hereby appointed as the Whole Time Director & Chief Financial Officer of the Company for a period of three years with effect from 8th November, 2013 on the term and conditions as set out below and as duly approved by the Board of Directors at their meeting held on 8th November, 2013 and by the Remuneration Committee as its Meeting held on 8th November, 2013.

I SALARY

Salary of Rs. 50,000/- (Rupees Fifty thousand only) per month.

Compensatory Allowance (C A) - 50% of Salary ie Rs. 25,000/- per month.

(Annual increment in the Salary as the Board may decide from time to time subject to a maximum 10% of the total salary based on the recommendation of the Remuneration Committee.)

II. PERQUISITES

- a. **Special Allowance** : Rs. 6,250/- per month.
- b. **Car and Telephone** : Provision for use of car and telephone on Company's business will not be considered as Perquisites. Personal long distance call on Telephone and use of Car for private purpose shall be billed by the Company.
- c. **Provident Fund** : 12% of Salary and Compensatory Allowance.
- d. **Leave Travel Concession** : As per Rules of the Company.
- e. **Medical Reimbursement** : As per Rules of the Company.
- f. **Bonus** : One Month's Salary.
- g. **Leave Entitlement** : As per Rules of the Company.
- h. **Gratuity** : As per Rules of the Company.
- i. **Accommodation** : The Company shall provide furnished quarters.

OTHER TERMS & CONDITIONS

- i) **Termination**: Services can be terminated by giving 3 (three) months Notice on either side. However, the Company, at its sole discretion, may give three months salary in lieu of three months Notice.
- ii) Further Resolved that the Salary and Perquisites mentioned above shall be the minimum remuneration payable in the absence or inadequacy of profits in the financial year. However, the remuneration payable shall not exceed the limit specified in Section A of Part-II of the Schedule XIII of the Companies Act, 1956 or such other limits as may be notified by the Government from time to time as minimum remuneration.
- iii) Whole Time Director and Chief Financial Officer shall not be entitled to any Sitting Fee and Commission as applicable to other Directors of the Company.

NOTES

- a) **A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote in his stead and such a Proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.**
- b) The Register of Members and Share Transfer Books of the Company will remain closed from 24th December, 2013 to 27th December, 2013 (both days inclusive).
- c) The dividend recommended by the Board of Directors, if approved by the Members, will be paid to those members whose names appear in the Company's Register of Members, or, who are notified as beneficiaries by the Depositories viz., National Securities Depository and Central Depository Services (India) Limited at the close of business on 23rd December, 2013.
- d) Pursuant to Section 205 A (5) of the Companies Act, 1956 the Company has already transferred unclaimed dividends for the year ended 31st March, 2005 to the Investor Education & Protection Fund.

The amount of dividends remaining unclaimed for a period of Seven years shall be transferred to the Investor Education & Protection Fund of the Central Government.



- e) Members holding shares in physical form are requested to notify change of address if any to the Company's Registrar & Share Transfer Agent - M/s. S.K.D.C. Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391 / A-1 Sathy Road, Ganapathy, Coimbatore - 641 006 and those who hold shares in dematerialized form are requested to notify their Depository Participants (DP) of change in their address.
- f) Members are requested to quote ledger folio numbers in all correspondence with the Company.
- g) Members who are having multiple accounts are requested to intimate to the Company, the ledger folios of such accounts to enable the Company to consolidate all shareholdings into one account.
- h) Pursuant to the provisions of Section 109A of the Companies Act, 1956, Members are requested to file Nomination Forms in respect their shareholdings. Any Member wishing to avail this facility may submit to the Company's Registrar & Share Transfer Agent the prescribed Statutory Form 2B. Should any assistance be desired, Members should get in touch with the Company's Registrar & Share Transfer Agent.
- i) The Ministry of Corporate Affairs (vide circular nos. 17 / 2011 and 18 / 2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed Companies to share documents including Annual Report, Notices etc. with its share holders through an electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with M/s. S.K.D.C. Consultants Ltd., Coimbatore.

The Company's equity shares are listed in the following Stock Exchange:

Madras Stock Exchange Limited
No. 30, Second Line Beach
Chennai – 600 001

The Company has paid the annual listing fee for the year 2012 / 2013 to the aforesaid stock exchange.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item - 6

Shri.S.K.Bangur has been appointed as an Additional Director by the Board of Directors of the Company pursuant to Section 161 of the Companies Act, 2013 with effect from 8th November 2013 and holds the office up to the conclusion of the ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 from the member along with the deposit of Rs. 500/- signifying his intention to propose the candidature of Shri. S.K.Bangur for the office of Director.

Shri.S.K.Bangur is on the Board of Directors of several Companies and has about 43 years of wide experience of various industries like paper, newsprint, cables, chemicals, plantations, etc., He is the former President of Indian Paper Manufacturers' Association and Indian Chamber of Commerce, Kolkata. He is the Executive Committee Member of the Federation of Indian Chambers of Commerce & Industry (FICCI).

The Board has considered that having regard to the knowledge and experience of Shri.S.K.Bangur, it will be in the interest of the Company to appoint him as a Director of the Company.

Shri.S.K.Bangur has also been appointed as Non-Executive Chairman of the Company.

None of the Directors other than Shri.S.K.Bangur the appointee Director, Smt.Shashi Devi Bangur, Whole Time Director and Smt.Bharti Bangur, Director as relatives of the appointee Director are in any way, concerned or interested in this resolution.

Item - 7

Shri. Krishna Kumar Lohia has been appointed as an Additional Director by the Board of Directors of the Company pursuant to Section 161 of the Companies Act, 2013 with effect from 8th November, 2013 and holds the office up to the conclusion of the ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 from the member along with the deposit of Rs. 500/- signifying his intention to propose the candidature of Shri. Krishna Kumar Lohia for the office of Director.

Shri. Krishna Kumar Lohia has been associated with various industries like Jute, Paper, Steel, Plastics & Information Technology enabled services and having wide experience of various industries. He is the Ex-Chairman of Plastic and Linoleum Export Promotion Council and Indian Plastic Federation.

The Board has considered that having regard to the knowledge and experience Shri. Krishna Kumar Lohia, it will be in the interest of the Company to appoint him as a Director of the Company.

None of the Directors other than Shri. Krishna Kumar Lohia the appointee Director is in any way, concerned or interested in this resolution.

Item - 8

Shri. M.K. Patwari who holds office as a Non-Executive Director of the Company, has been appointed as a Whole Time Director and Chief Financial Officer of the Company. The Board of Directors has approved the appointment of Shri. M.K. Patwari for a period of 3 years with effect from 8th November, 2013 and also remuneration payable to him on the recommendation of the Remuneration Committee. The appointment and payment of remuneration to him is subject to the approval of the members of the Annual General Meeting.

Shri. M.K. Patwari is Commerce Graduate, An Associate Member of the Institute of Chartered Accountants of India (ACA) and An Associate Member of the Institute of Company Secretaries of India (ACS). He has good experience in finance, taxation and plantation management.

The Board has considered that having regard to the knowledge and experience of Shri. M.K. Patwari, it will be in the interest of the Company to appoint him as a Whole Time Director and Chief Financial Officer of the Company.

MEMORANDUM OF INTEREST

None of the Directors other than Shri. M.K. Patwari the appointee Whole Time Director and Chief Financial Officer is in any way, concerned or interested in this resolution.

This is to be treated as an abstract of Memorandum of Interest pursuant to Section 302 of the Companies Act, 1956.

Kolkata
8th November, 2013

For and on behalf of the Board
S.K. Bangur
Chairman



REPORT OF THE DIRECTORS TO THE MEMBERS

The Directors have pleasure in presenting the 94th Annual Report and Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

	31st March, 2013 Rs.	31st March, 2012 Rs.
Profit before Depreciation and Taxes	1,59,88,615	4,31,97,881
Less : Depreciation & Amortization Expenses	1,89,03,615	22,79,112
Profit / (Loss) after Depreciation	(29,15,000)	4,09,18,769
Less : Tax	61,10,649	79,56,888
Profit / (Loss) after Taxation	(90,25,649)	3,29,61,881
Add : Extra Ordinary items	38,30,855	—
Profit / (Loss) after Extra Ordinary items	(51,94,794)	3,29,61,881
Add : Balance Brought forward from previous year	4,11,76,713	2,48,90,290
Profit available for Appropriation before transfer of Reserve from KKTCL	3,59,81,919	5,78,52,171
Add : Transfer on account of Merger - KKTCL	2,86,11,572	—
Profit Available for Appropriation	6,45,93,491	5,78,52,171
Appropriations :		
a) Transfer to General Reserve	—	1,50,00,000
b) Proposed Dividend	8,36,930	14,41,595
c) Corporate Dividend Tax	1,42,236	2,33,863
	9,79,166	1,66,75,458
Balance carried to the Balance Sheet	6,36,14,325	4,11,76,713

AMALGAMATION OF THE KIL KOTAGIRI TEA & COFFEE ESTATES COMPANY LIMITED (KKTCL) WITH THE COMPANY

The Scheme of Amalgamation under Section 391 and 394 of the Companies Act, 1956 was sanctioned by the Hon'ble High Court at Madras and High Court at Kerala vide their orders dated 19/08/2013 and 04/09/2013 respectively and the same was filed with the Registrar of Companies, Coimbatore and Registrar of Companies, Ernakulam on 11/09/2013 and 04/10/2013 respectively. The effect of the merger has been given effect in the accounts as per the Scheme sanctioned.

As per the Scheme, The Kilkotagiri Tea & Coffee Estates Company Ltd (KKTCL) has been Amalgamated with the Company with effect from 01/04/2012. In accordance with the exchange ratio specified in the scheme 1,30,147 equity shares of Rs.10/- each of the Company are to be allotted to the share holders of The Kil Kotagiri Tea and Coffee Estates Company Limited (KKTCL), the transferor Company.

Consequent to the Scheme, the Authorised share capital of the Company has been increased to Rs. 2,40,00,000/- divided into 24,00,000 equity shares of Rs.10/- each and the paid-up share capital shall be increased to Rs. 41,84,660/- divided into 4,18,466 equity shares of Rs. 10/- each.

DIVIDEND

Your Directors are pleased to recommend a dividend of 20% on the paid up equity share capital of the Company for the year ended 31st March, 2013. This will absorb an amount of Rs.9,79,166/- inclusive of corporate tax on dividend payment. The dividend, after approval by the members, will be paid to members whose names appear in the Register of Members as on the book closure date.

2012 / 2013 – A REVIEW

OPERATIONS

RUBBER

The Rubber Crop harvested for the year under review was 6,63,848 Kgs. as against 4,84,977 Kgs. of last year. The increase in the crop is mainly attributable to better field practices, inputs and partly favorable weather condition. The Company also processed Bought Rubber of 47,375 Kgs. as against 29,333 Kgs. of last year, to take advantage of market and to utilize spare capacity of the factory.

The Rubber Market has shown a downward trend during the year. The Company overall average realization stands at Rs.190.96 per kg. as against Rs.211.81 per kg. of the last year.

TEA AND COFFEE

Indian Tea output in 2012 was marginally higher at 1126 Million Kgs, against 1116 Million Kgs. of last year. However, South India Tea Production remained lower at 240 million Kgs. against 241 million Kgs. of last year.

The newly constructed factory is fully operational and total tea produced during the year was 9,95,495 Kgs. (including bought leaf 3,23,248 Kgs.) Out of above, the Company has produced 51,754 Kgs. Green Tea against 28,609 Kgs. of last year. Our own Tea Production has been 6,72,247 Kgs. during the year under review as against 4,68,244 Kgs. of last year (last year 7,23,711 Kgs. of Green Leaf sold without process). The Company has also produced 3,23,248 Kgs. of Tea out of Bought Leaf in order to utilize the spare capacity.

The Tea market has shown significant improvement during the year in view of better demand. South India Tea average gone up to Rs. 87.55 per Kg. in 2012 against Rs.70.03 per Kg. of last year. Your Company average realization stands at Rs. 98.20 per Kg. against Rs. 72.98 per Kg. of last year.

The Coffee Crop during the year under review was 16.40 tons as against 19.49 tons of last year.

AWARDS AND DISTINCTIONS

Your Directors are happy to record that Company has won one award [for Orthodox – Fannings] at The Golden Leaf India Awards - Southern Tea Competition 2013 held at Coonoor, India.

DEVELOPMENT AND FUTURE PROSPECTS

The crop estimate for the current year is as follows:

Rubber Crop	-	6,60,000 Kgs.
Tea Crop	-	7,75,000 Kgs.
Coffee Crop	-	25,000 Kgs.

The Rubber market continues to be on a downward trend in view of slugging demand and overall economy slow down.

The Tea Market significantly improved during 1st half of the 2013 and South India average price improved from Rs.82.98 per Kg. in 2012 to Rs.103.51 per Kg. in 2013. However there was sharp decline in prices subsequently in view of excess supply. The prices of Orthodox tea expected to remain better in view of good demand. In view of recent wage increase and rising cost of inputs, the cost of production would increase to a great extent.

ACREAGE STATEMENT

Acreage Statement is given in Annexure I.

EMPLOYEES

The relationship with employees has been cordial and the Directors thank the employees and look forward for their continued support in future.

DIRECTORS

During the year Shri. S.K. Bangur and Shri. Krishna Kumar Lohia were appointed as Additional Directors of the Company and they hold office up to the date of the ensuing Annual General Meeting and are eligible for appointment . Shri. S.K. Bangur was appointed as Non-Executive Chairman of the Company with effect from 08/11/2013.

Smt. Shashi Devi Bangur was re-designated as “Whole Time Director” of the Company with effect from 08/11/2013



Shri. M.K. Patwari was appointed as Whole Time Director & Chief Financial Officer of the Company for a period of 3 Years with effect from 8th November, 2013 as per the terms and conditions set out in the agenda of the notice of the Annual General Meeting.

Smt. Bharti Bangur and Shri. S.H. Jhaver Directors, retire by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

FIXED DEPOSIT

The company has not accepted any Fixed Deposits from public during the year.

AUDITORS

The Auditors M/s. Dhandhanian & Associates, Chartered Accountants, Kolkata retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

COST AUDITOR

In terms of the provisions of Section 233B of the Act, the Board of Directors of your Company have appointed Sri.P.Mohan Kumar, Cost Accountant, Coimbatore as Cost Auditor, to conduct the cost audit of your Company for the financial year ending 31st March 2014, subject to the approval of the Central Government.

Pursuant to Rule 5 of the Companies (Cost Accounting Records) Rules, 2011, the Cost Compliance Report for the financial year ended 31st March, 2012 was submitted to the Central Government on 16th February, 2013.

STATUTORY STATEMENTS

Particulars under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure II to the Report. There is no employee attracting the Provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 it is hereby confirmed that:

1. In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. Such accounting policies have been selected and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that year;
3. 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;
4. The Annual accounts have been prepared for the financial year ended 31st March, 2013 on a 'going concern' basis.

CORPORATE GOVERNANCE

The Company needs to comply with the provision of Corporate Governance as per Clause 49 of the listing agreement for the year 2013 / 2014 as the total net worth of the Company exceed Rs. 25 Crores after the amalgamation of The Kil Kotagiri Tea & Coffee Estates Company Ltd. (KKTCL) with the Company.

The Company has initiated the process of compliances as required by clause 49 of listing agreement.

COMPLIANCE CERTIFICATE

In accordance with Section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules 2001, the Company has obtained a certificate from a Secretary in whole time practice and a copy of such Certificate is given in Annexure III to this report

For and on behalf of the Board

Kolkata
8th November, 2013

S.K. Bangur
Chairman

ANNEXURE - I

ACREAGE STATEMENT

Rubber Division

	As on 31 st March, 2013	
	Acres	Hectares
i) Mature Rubber : Budded & Clonal	1160.76	469.75
ii) Immature Rubber : Replanted - Budded [Inclusive of Teak Plantation of 3.30 Acres (1.33 Hects.)] in Current Year and Last Year	460.96	186.54
	1621.72	656.29
iii) Minor Products	2.17	0.88
iv) Power grid area uprooted and planted with other Crops	51.89	21.00
v) a) Buildings, Roads, Rocks, Helipads etc.	89.17	36.09
b) Under ravines and low lying area	24.17	9.78
	1789.12	724.04

Tea Division

	As on 31 st March, 2013	
	Acres	Hectares
i) Tea (Mature)	1195.72	483.90
ii) Tea (Immature)	60.81	24.61
iii) Coffee (Mature) & Minor Produce	441.69	178.75
iv) Fuel Clearings	103.44	41.86
v) Nurseries	4.27	1.73
vi) Buildings, Roads, Rocks, Ancillary products, wind belt etc.	200.45	81.12
	2006.38	811.97



ANNEXURE - II

Form 'A'

(See Rule 2)

Particulars with respect to Conservation of Energy

		Rubber Division		Tea Division	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
A. POWER & FUEL CONSUMPTION					
1. Electricity					
(a) Purchased :	KWH	2,01,096	1,99,554	6,02,796	3,73,386
Total Amount	Rs.	11,99,833	9,74,760	43,38,044	21,54,812
Rate per unit	Rs.	5.97	4.88	7.20	5.77
(b) Own Generation :					
Through Diesel Generator Purchased	KWH	27,393	13,611	31,219	32,306
Units per litre of Diesel	Units	2.96	2.70	3.36	1.64
Average cost	Rs.	16.16	15.37	13.99	25.28
2. Coal		—	—	—	—
3. Furnace Oil		—	—	—	—
4. Others (Firewood)					
Quantity	Kgs.	—	—	24,17,768	14,32,416
Total Cost	Rs.	—	—	65,28,392	39,30,363
Rate per Kg.	Rs.	—	—	2.70	2.74
B. CONSUMPTION PER UNIT OF PRODUCTION					
Product :					
Electricity	KWH	0.28	0.40	1.58	1.39
Coal	—	—	—	—	—
Furnace Oil	—	—	—	—	—
Firewood	Kgs.	—	—	0.41	0.39

Form 'B'

(See Rule 2)

Particulars with respect to Absorption

(A) RESEARCH AND DEVELOPMENT (R & D)

The Company does not have its own Research Department. However, the Rubber Research Institute of India, Kottayam is engaged in continuous research activities for development of new clones for higher yield, improvement in methods of tapping and processing. The United Planters Association of Southern India (UPASI), Research Institute also makes suggestion /recommendation from time to time on improved cultivation for higher productivity etc. Their advice on various matters is being implemented from time to time wherever feasible in addition to our own efforts for obtaining better results.

(B) ABSORPTION OF TECHNOLOGY

Absorption of Technology does not arise in the case of the Company.

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

Earned : Nil

Used : Rs. 2,71,758/-

For and on behalf of the Board

S.K. Bangur

Chairman

Kolkata

8th November, 2013

ANNEXURE - III
SECRETARIAL COMPLIANCE CERTIFICATE

To

The Members

THE THIRUMBADI RUBBER COMPANY LIMITED

I have examined the registers, records, books and papers of **Messrs. The Thirumbadi Rubber Company Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2013** (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure "B"** to this certificate, with the Registrar of Companies, Ernakulam, Kerala and Central Government with requisite Additional Fees wherever necessary for belated filing prescribed under the Act and the rules made thereunder. However, no forms or returns were required to filed with the Regional Director, Company Law Board or other authorities.
3. The Company, being a Listed Public Limited Company, has a paid up capital of Rs.28,83,190/- (Rupees Twenty Eight Lakhs Eighty Three Thousand One Hundred and Ninety only).
4. The Board of Directors duly met 5 times respectively on **30.05.2012, 06.08.2012, 14.11.2012, 17.01.2013 & 12.02.2013** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members, from 04.08.2012 to 08.08.2012 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31.03.2012 was held on 08.08.2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting(s) was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
 - i) delivered all the certificates on lodgment thereof for sub-division, transfer and transmission or any other purpose in accordance with the provisions of the Act.
 - ii) deposited the amount of dividend declared in a separate bank account on 10.08.2012 which is within five days from the date of declaration of such dividend.
 - iii) paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company within the stipulated time.
 - iv) no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to be Transferred to Investor Education and Protection Fund.
 - v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year.

15. The Company's paid-up capital being less than the prescribed Rs.5 Crores, it is not required to appoint a Managing Director / Whole Time Director / Manager. However, the Company has an Executive Chairperson who has been re-appointed on 14.11.2011 in compliance with the provisions of Section 269 read with Schedule XIII of the Act.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company has filed requisite application in e-Form 23C vide S08907040 dated 29th June 2012, pursuant to Section 233B (2) of the Companies Act, 1956, seeking approval of the Central Government for appointment of Cost Auditors for audit of cost records of the Company and the prior approval has been deemed to be granted since the Central Government has not raised any queries within 30 days from the date of filing of the requisite application.
Other than the above, the Company was not required to obtain any approvals of the Company Law Board, Regional Director and / or such other authorities prescribed under the various provisions of the Act during the financial year
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year. However, in accordance with the Scheme of Amalgamation of The Kil Kotagiri Tea & Coffee Estates Company Limited (KKTCL) with the Company 1,30,147 Equity Shares of Rs.10/- each fully paid-up are to be issued by the Company to the Shareholders of KKTCL in the ratio 1 (One) Equity Shares of Rs.10/- each of the Company for every 8 (Eight) Ordinary Share of Rs.10/- fully paid-up in KKTCL.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares / debentures and hence the question of redemption of preference shares or debentures during the financial year does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from Companies during the financial year ending 31.03.2013 are within the borrowing limits of the Company as specified in Section 293(1) (d) of the Act.
25. The Company has during the year, made loans / investments in other Bodies Corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. However the Company has not given guarantees or provided securities to other Bodies Corporate.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year under scrutiny.
31. There were no prosecution initiated against or show cause notices received by the Company, and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. Since Employees Provident Fund Act, 1952 is applicable to the Company, compliance of Section 418 does not arise.

Coimbatore
08th November, 2013

M.D. SELVARAJ
Practicing Company Secretary
C.P. 411 (FCS. 960)

THE THIRUMBADI RUBBER COMPANY LIMITED

ANNEXURE - 'A'

REGISTERS AS MAINTAINED BY THE COMPANY

1. Register of Charges under Section 143 & Copies of Instruments creating Charge under section 136.
2. Register of Members under Section 150 and Index of Members under Section 151.
3. Register and Returns under Section 163.
4. Register of particulars of contracts in which Directors are Interested under section 301(1) and under Section 301(3).
5. Register of Directors under Section 303.
6. Register of Director's Shareholdings under Section 307.
7. Register of Investments or Loans, Guarantee given or Security Provided under Section 372A.
8. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960.
9. Minutes Book of Board Meetings under Section 193
10. Minutes Book of General Meeting under Section 193
11. Minutes Book of Remuneration Committee.
11. Attendance Register of Board meeting.
12. Attendance Register of General Meeting.

ANNEXURE - 'B'

Forms and Returns as filed by the Company with Registrar of Companies, Ernakulam, Kerala, Regional Director, Central Government or other Authorities during the financial year ended 31st March, 2013.

REGISTRAR OF COMPANIES, ERNAKULAM

Sl. No.	Form No. Return	Filed under Section	For	Date of Filing & Receipt No.	Whether filed within prescribed Time Yes / No	If delay in filing whether requisite Additional Fee paid Yes / No
1.	Form 32 Dt: 14.11.2011	Section 303(2)	Smt. Shashi Devi Bangur Re-appointed as the Executive Chairperson of the Company	26.04.2012 B37763646	No	Yes
2.	Form 25C Dt: 14.11.2011	Section 269 (2) read with Schedule XIII	Mrs. Shashi Devi Bangur Re-appointed as the Executive Chairperson of the Company	26.04.2012 B37762739	No	Yes
3.	Form 66 Dt: 31.03.2012	Section 383(A)	Secretarial Compliance Certificate	17.08.2012 P88474663	No	Not Applicable
4.	Form 5 INV Dt: 26.08.2011	Rule 3 of the Investors Education & Protection Fund Rules, 2012	Statement of unclaimed and unpaid amounts for the financial year 31.03.2011	31.08.2012 S13940655	Yes	Not Applicable
5.	Form 20 B Dt: 08.08.2012	Section 159	Annual Return	05.09.2012 P88756788	Yes	Not Applicable

ANNEXURE - 'B' (Cont.)

Sl. No.	Form No. Return	Filed under Section	For	Date of Filing & Receipt No.	Whether filed within prescribed Time Yes / No	If delay in filing whether requisite Additional Fee paid Yes / No
6.	Form 1 (Statement of Account credited to Investor Education & Protection Fund)	Section 205	Unclaimed Dividend for the year 2004 / 2005 Rs. 19,036/-	12.12.2012 B63685804	Yes	Not Applicable
7.	Form 23 AC & ACA-XBRL Dt. 31.03.2012	Section 220	Balance sheet as at 31.03.2012	15.12.2012 Q04450532	Yes	Not Applicable
8.	Form 5 INV Dt: 08.08.2012	Rule 3 of the Investor Education & Protection Fund Rules, 2012	Statement of unclaimed and unpaid amounts for the financial year 31.03.2012	21.03.2013 S20602983	Yes	Not Applicable

REGIONAL DIRECTOR & OTHER AUTHORITIES

NIL

CENTRAL GOVERNMENT

Sl. No.	Form No. Return	Filed under Section	For	Date of Filing & Receipt No.	Whether filed within prescribed Time Yes / No	If delay in filing whether requisite Additional Fee paid Yes / No
1.	Form 23C Dt. 30.05.2012	Section 233B(2)	Appointment of Cost Auditor for the year 31.03.2013	29.06.2012 S08907040	Yes	Not Applicable
2.	Form A-XBRL Dt. 31.03.2012	Rule 5 of Companies Cost Accounting Records Rules, 2011	XBRL document in respect of Cost Compliance Report	16.02.2013 S20277307	Yes	Not Applicable

Coimbatore
08th November, 2013

M.D. SELVARAJ
Practicing Company Secretary
C.P. 411 (FCS. 960)

INDEPENDENT AUDITORS' REPORT

To the Members of

THE THIRUMBADI RUBBER COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **THE THIRUMBADI RUBBER COMPANY LIMITED**, ("the Company") as at 31st March 2013, which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2013;
- b) in the case of the Profit and Loss Account, of the **Loss** 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.

Emphasis of matter

We draw attention to following notes to the financial statements, in respect of which we have not qualified our opinion:

1. Note No. 29 and 30 which describes that the financial statements are prepared to give effect of Scheme of Amalgamation of The Kil Kotagiri Tea and Coffee Estates Company Limited with the Company, approved by Hon'ble High Courts at Madras and Kerala with effect from appointed date 1st April, 2012 vide order dated 19th August, 2013 and 4th September, 2013 respectively. The financial statements on standalone basis were adopted by Board of Directors of the Company and of The Kil Kotagiri Tea and Coffee Estates Company Limited in their meeting held on 27th May, 2013 and 29th May, 2013 respectively.
2. Note No. 32 (F) which describes that the Thirumbadi Division Land is leasehold land, on which the lessor has filed petition in Hon'ble Supreme Court at Delhi. The Hon'ble High Court at Kerala has given judgment in favour of company.

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 the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the Directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For and on behalf of
DHANDHANIA & ASSOCIATES
Chartered Accountants
Firm Registration No. 316052E
Sunil Oswal, FCA
Partner
Membership No. 071678

Kolkata
28th September, 2013

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- I. In respect of its fixed assets:
 - a) The Company is maintaining proper records to show full particulars, including quantitative details and situations of fixed assets.
 - b) As per the information and explanation given to us, management has physically verified fixed assets in accordance to the phased programme, designed to cover all items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As certified by the management, discrepancies noticed on such verification have been adjusted in the accounts.
 - c) During the year, in our opinion and according to the information and explanations given to us, substantial part of fixed assets have not been disposed off by the company and thus preparation of financial statements on a going concerns is not affected on this account.
- II. In respect of its inventories:
 - a) As per the information and explanation given to us, management is verifying inventory at regular intervals. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the Management, found reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion based on our examination of the records of inventory, the Company is maintaining proper records of inventory and as certified to us, no material discrepancies were noticed on such physical verification of inventory.
- III. In respect of the loans, secured or unsecured, granted and / or taken by the Company to and / or from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a) The Company has given loans to one company. In respect of said loans, the maximum amount outstanding at any time during the year was Rs.75 Lac and year end balance is Rs. Nil.
 - b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company.
 - c) The recovery of interest in respect of loan during the year has been as per stipulation.
 - d) The loan given is repayable on demand therefore, there was no overdue at any time during the year.
 - e) The Company has not taken any loans, secured or unsecured from the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore, paragraphs (III) (e) (f) and (g) of the order are not applicable.
- IV. In our opinion, and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of the goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.
- V. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - a) In our opinion and according to the information and explanation given to us, particulars of contracts and arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
 - b) In our opinion and according to the information and explanations given to us, Company has not entered into the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of Section 301 of the Companies Act, 1956 are at prices which are reasonable having regard to the prevailing market at the relevant time.
- VI. The Company has not accepted any deposit from public within the meaning of Section 58A, 58AA or any other relevant provision of the Act and the rules framed there under. Accordingly the provisions of Clause 4 (vi) the Order is not applicable to the Company.

- VII. The Company has appointed a Chartered Accountant Firm to conduct Internal Audit. In our opinion and according to information and explanation given to us, the coverage of internal audit is adequate and commensurate with the size of the Company and the 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 records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- IX. In respect of statutory dues:
- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Service Tax and other statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Sales-Tax, Income-Tax, Agricultural Income Tax, Kerala General Sales Tax and Provident fund as at 31st March, 2013 which have not been deposited on account of disputes are given in **Annexure – A**.
- X The Company does not have any accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- XI According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of any dues to Banks and Financial Institutions as at the Balance Sheet date.
- XII The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. So paragraph 4 (xii) of the Order is not applicable to the Company.
- XIII In our opinion, the Company is neither a chit fund nor a nidhi mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- XIV In our opinion the Company is not a dealer or trader in Shares, Securities, Debentures and other Investment. So paragraph 4 (xiv) of the Order is not applicable to the Company.
- XV In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks and Financial Institutions during the year.
- XVI In our opinion, and according to the information and explanations given to us, the Company has utilized Term Loan taken from the bank for the purposes for which it was taken by erstwhile KKTCL, which is merged with the Company w.e.f. appointed date 01.04.2012.
- XVII On the basis of our overall examination of the Balance Sheet, the funds raised on short-term basis have not been used for long-term investments.
- XVIII During the year under audit, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 except conversion of 1,03,500 fully convertible share warrants into 1,03,500 equity shares fully paid up in respect of erstwhile KKTCL.
- XIX The Company has not issued any debenture and hence clause 4 (XIX) of the Companies (Auditors' Report) Order 2004 is not applicable to the Company.
- XX The Company has not raised any money by public issues during the year. So the paragraph 4(xx) of the Order is not applicable to the Company.
- XXI According to the information and explanations given to us, no fraud on or by the Company has been reported during the year.

For and on behalf of
DHANDHANIA & ASSOCIATES
Chartered Accountants
Firm Registration No. 316052E
Sunil Oswal, FCA
Partner
Membership No. 071678

Kolkata
28th September, 2013

THE THIRUMBADI RUBBER COMPANY LIMITED

ANNEXURE-A

(REFER POINT NO. IX (b) OF THE ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT)

Name of the Statute	Nature of Dues	Amount (Rs.)	Period	Forum where the dispute is Pending
Kerala General Sales Tax	Disallowances arising in Assessment Proceedings	2,31,543	A/Y : 1999 / 2000	Kerala Sales - Tax Appellate Tribunal / Dy. Commissioner (Appeals) / Asst. Commissioner (Assessment)
Central Income Tax	Disallowances arising in Assessment Proceedings	55,02,543	A/Y : 2006 / 2007 A/Y : 2007 / 2008 A/Y : 2008 / 2009 A/Y : 2010 / 2011	Commissioner of Income tax, Appeals, Kochi
Central Income Tax	Disallowances arising in Assessment Proceedings	36,21,345	A/Y : 1998 / 1999 A/Y : 1999 / 2000 A/Y : 2000 / 2001	Company has filed SLP in Supreme Court against order of High Court.
Kerela Agriculture Income tax	Disallowances arising in Assessment Proceedings	10,04,548	A/Y : 2010 / 2011	Appeal is pending to be filed against the order.
KVAT	Tax on work contract	2,04,081	A/Y : 2008 / 2009	Appeal filed before DC Appeals, Kozhikode



BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31 st March, 2013 Rs.	As at 31 st March, 2012 Rs.
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
i) Share Capital	2	28,83,190	28,83,190
ii) Share Capital Suspense	2A	11,33,840	—
iii) Reserves and Surplus	3	23,93,83,030	15,10,05,097
iv) Monies received against Share Warrants		93,87,000	—
Non-Current Liabilities			
i) Long Term Borrowings	4	2,49,34,975	—
ii) Deferred Tax Liabilities (Net)	5	23,16,807	2,50,614
iii) Other Long Term Liabilities	6	57,77,596	53,18,158
iv) Long-Term Provisions	7	6,26,250	15,99,072
Current Liabilities			
i) Short-Term Borrowings	8	83,83,749	—
ii) Trade Payables	9	76,05,433	25,32,245
iii) Other Current Liabilities	10	2,15,43,252	40,07,050
iv) Short-Term Provisions	11	2,01,23,463	1,55,09,361
Total Equity & Liabilities		34,40,98,585	18,31,04,787
II. ASSETS			
Non-Current Assets			
i) Fixed Assets			
(a) Tangible Assets	12	14,78,60,747	1,35,82,806
(b) Intangible Assets		2,679	—
(c) Capital work in progress		33,96,700	—
ii) Non Current Investments	13	4,05,68,380	3,20,69,080
iii) Long Term Loans and Advances	14	3,32,88,312	4,71,41,692
iv) Other Non Current Assets	15	8,12,111	2,76,871
Current Assets			
i) Current Investments	16	5,80,14,233	4,18,84,963
ii) Inventories	17	3,35,80,382	1,54,46,306
iii) Trade Receivables	18	95,13,288	1,09,77,379
iv) Cash and Bank Balances	19	1,17,32,636	1,07,77,674
v) Short - Term Loans and Advances	20	25,64,782	78,61,188
vi) Other Current Assets	21	27,64,335	30,86,828
Total Assets		34,40,98,585	18,31,04,787

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Balance Sheet
This is the Balance Sheet referred to in our report of even date

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

Sunil Oswal, FCA

Partner

Membership No. 071678

Kolkata

28th September, 2013

Shashi Devi Bangur

Bharti Bangur

Directors

THE THIRUMBADI RUBBER COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No.	As at 31 st March, 2013 Rs.	As at 31 st March, 2012 Rs.
1. Revenue from operations	22	25,83,90,846	13,02,64,526
2. Other Income	23	1,11,24,099	95,35,998
3. Total Revenue		26,95,14,945	13,98,00,524
4. Expenses:			
Cost of materials consumed	24	6,19,54,838	1,35,21,008
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(51,62,278)	24,46,326
Employee Benefit Expense	26	11,87,30,896	4,98,16,861
Financial Costs	27	65,44,675	1,59,475
Depreciation and Amortization Expense		1,89,03,615	22,79,112
Manufacturing and Other expenses	28	7,14,58,199	3,06,58,973
Total Expenses		27,24,29,945	9,88,81,755
5. Profit / (Loss) before exceptional and Extra-Ordinary items and Tax (3 - 4)		(29,15,000)	4,09,18,769
6. Exceptional Items		—	—
7. Profit / (Loss) before extra-ordinary items and tax (5 - 6)		(29,15,000)	4,09,18,769
8. Extra-Ordinary Items			
Insurance Claim against Fire		38,30,855	—
9. Profit before tax (7 - 8)		9,15,855	4,09,18,769
10. Tax expense:			
(i) Current tax		60,00,000	80,00,000
(ii) MAT credit entitlement of earlier year		—	—
(iii) Deferred tax		(8,43,222)	(1,29,551)
11. Profit / (Loss) for the period from continuing operations (9-10)		(42,40,923)	3,30,48,320
12. Profit / (Loss) for the period from discontinuing operations		—	—
13. Tax Expenses of discontinuing operations		—	—
14. Profit / (Loss) for the period from discontinuing operations (after tax) (12-13)		—	—
15. Profit / Loss for the Period (11+14)		(42,40,923)	3,30,48,320
16. Earning per equity share:			
Basic and Diluted		(10.13)	114.62

Significant Accounting Policies

1

The notes referred to above form an integral part of the Statement of Profit and Loss

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

Sunil Oswal, FCA

Partner

Membership No. 071678

Kolkata

28th September, 2013

Shashi Devi Bangur

Bharti Bangur

Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	31 st March, 2013 Rs.	31 st March, 2012 Rs.
A. Cash Flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(29,15,000)	4,09,18,769
Adjustments for :		
Depreciation and amortisation	1,89,03,615	22,79,112
Finance costs	65,44,675	1,59,475
Interest income	(36,49,339)	(47,63,397)
(Profit) / Loss on sale of assets	(2,64,425)	24,309
Profit on Sale of Investments	(15,99,508)	(24,53,547)
Profit on Sale of Mutual Fund	(64,972)	—
Liabilities no longer required written back	—	(86,439)
Dividend on Investment & Mutual Fund	(1,73,820)	—
	<u>1,96,96,226</u>	<u>(48,40,487)</u>
Operating Profit / (Loss) before working capital changes	1,67,81,226	3,60,78,282
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(1,81,34,075)	22,53,122
Trade receivables	14,64,091	(59,75,795)
Short-term loans and advances	39,09,481	(35,95,131)
Other current assets	11,74,177	(26,10,392)
	<u>(1,15,86,326)</u>	<u>(99,28,196)</u>
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	50,73,188	(9,15,150)
Other current liabilities	2,04,45,615	8,16,859
Short-term provisions	53,10,356	65,26,601
	<u>3,08,29,159</u>	<u>64,28,310</u>
Cash generated from operations	3,60,24,059	3,25,78,396
Net income tax (paid) / refunds	(1,17,05,636)	(95,79,708)
Net cash flow from / (used in) operating activities (A)	<u>2,43,18,423</u>	<u>2,29,98,688</u>
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(15,91,58,449)	(31,45,431)
Proceeds from sale of fixed assets	28,41,938	7,000
Loans given	2,40,91,411	10,00,000
Others	(64,55,083)	(1,08,77,545)
Interest received	36,49,339	47,63,397
Long term provision	5,41,912	45,14,749
Investments-net	(2,27,90,269)	(77,22,088)
Net cash flow from / (used in) investing activities (B)	<u>(15,72,79,201)</u>	<u>(1,14,59,918)</u>

THE THIRUMBADI RUBBER COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	31 st March, 2013 Rs.	31 st March, 2012 Rs.
C. Cash flow from financing activities		
Repayment of Long Term Borrowings	2,49,34,975	—
Repayment of Short Term Borrowings	83,83,749	(31,00,000)
Dividend paid (including tax)	—	(15,12,924)
Increase in Capital on a/c of merger	11,33,840	—
Increase in reserve on a/c of merger	9,27,89,996	—
Finance cost	(65,44,675)	(1,59,475)
Share Application Money	93,87,000	—
Cash flow from extraordinary items		
Insurance Claim	38,30,855	—
Net cash flow from / (used in) financing activities (C)	13,39,15,740	(47,72,399)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	9,54,962	67,66,371
Cash and cash equivalents at the beginning of the year	1,07,77,674	40,11,303
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	—	—
Cash and cash equivalents at the end of the year	1,17,32,636	1,07,77,674
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Ref. Note. 19)	1,17,32,636	1,07,77,674
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	—	—
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 19	1,17,32,636	1,07,77,674
Add: Current investments considered as part of Cash and Cash equivalents (as defined in AS 3 Cash Flow Statements) (Ref. Note. 16 of Current Investment)	—	—
Cash and cash equivalents at the end of the year	1,17,32,636	1,07,77,674
Comprises:		
(a) Cash on hand	6,05,939	1,80,788
(b) Balances with banks In current accounts	1,11,26,697	1,05,96,886
	1,17,32,636	1,07,77,674
	1,17,32,636	1,07,77,674

See accompanying notes forming part of the financial statements
This is the Cash Flow referred to in our report of even date

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

Sunil Oswal, FCA

Partner

Membership No. 071678

Kolkata

28th September, 2013

Shashi Devi Bangur

Bharti Bangur

Directors



ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013

Notes annexed to and forming part of Financial Statements

NOTE : 1

SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual and prudent basis. These financial statements have been prepared to comply, in all material aspects, with the applicable Accounting Standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provision of the Companies Act, 1956. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of all assets and liabilities.

B. USE OF ESTIMATES

The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made, actual results could differ from those estimated. Any revision to accounting estimates is recognised prospectively in current and future periods.

C. FIXED ASSETS

a) Tangible Assets

Tangible Fixed Assets are stated at cost of acquisition or construction (net of duties and taxes that are subsequently recoverable from the taxing authorities) less accumulated depreciation. All costs that are directly attributable to the acquisition and installation of fixed asset are capitalised and include borrowing costs directly attributable to construction or acquisition of qualifying tangible fixed assets. Capital Subsidy received from the Tea / Rubber Board of India is reduced from the cost of the fixed assets. Profit or Losses on sale of fixed assets are included in the Statement of Profit and Loss and calculated as difference between the value realised and the written down value.

b) Intangible Assets

Intangible Assets are stated at cost of acquisition net of accumulated amortisation and accumulated impairment losses, if any. An impairment loss is recognised whenever the carrying amount of the intangible assets of a cash generating unit exceeds its net selling price or value in use, whichever ever is higher.

D. GOVERNMENT GRANTS

a) Recognition

Subsidy are recognised when there is reasonable assurance that the enterprise will comply with the conditions attached to them and the grants will be received.

b) Presentation

- i) Subsidy related to specific assets are adjusted with the value of the Fixed Assets.
- ii) Subsidy related to revenue items are taken as income.

Notes annexed to and forming part of Financial Statements NOTE : 1 (Cont.)

E. DEPRECIATION/AMORTISATION

a) Tangible Assets

Depreciation on all fixed assets other than those costing upto Rs. 5,000/- is provided on Written Down Value as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on assets purchased / acquired during the year is charged from the date of addition / purchase of the assets. Similarly, depreciation on assets sold / discarded during the year is charged up on the sale / discard of the assets.

b) Intangible Assets

Intangible Assets are amortized over a period of ten years from the date when the asset is ready for its intended use on straight line method.

F. INVESTMENTS

- i) Long Term / Non Current Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary nature. On disposal of an investment, the difference in between its carrying value and net disposal proceeds is charged to the statement of Profit and Loss.
- ii) Investments which are readily realisable and intended to be held for not more than one year from the date from which such investments are made, are classified as current investments. The portion of long term investments expected to be realised within twelve months after reporting date are disclosed under current investments.

G. INVENTORIES

- i) Stock-in-Trade is valued at lower of cost or net realisable value. Cost includes all expenses upto factory processing.
- ii) Stores & Spare parts and Loose Tools are valued at weighted average cost.
- iii) Silver Utensils and Nursery are valued at cost.

H. RETIREMENT BENEFITS

- i) The Company makes regular monthly contribution to Provident Fund based on percentage of salary and deposit with the appropriate Government authorities.
- ii) Gratuity is provided on the basis of actuarial valuation as at the year end and is funded.
- iii) Leave encashment liability being short term in nature, is accrued on the basis of amount payable as at the year end.

I. REVENUE RECOGNITION

- i) Sale of Rubber, Tea and Coffee are recorded at net of sales tax.
- ii) Sale of old rubber trees is recorded based on the agreement executed for the sale as standing rubber trees excluding Tax Collected at Source.
- iii) Revenue from intercropping license fees is recognised on accrual basis.
- iv) Interest income is recognised on accrual basis unless collectibility is in doubt.
- v) Dividend income is recognised as and when the right to receive the dividend is established.
- vi) Subsidies received from Tea Board of India and Rubber Board are accounted for on receipt basis.



Notes annexed to and forming part of Financial Statements NOTE : 1 (Cont.)

J. BORROWING COSTS

Borrowing costs, if attributable to qualifying assets i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale are capitalised, otherwise charged to Profit & Loss Account.

K. TAXES ON INCOME

- i) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.
- ii) Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are not recognised unless there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised.
- iii) Tax Credit is recognised in respect of Minimum Alternate Tax (MAT) as per provisions of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal Income-tax within the statutory time frame and is reviewed at each balance sheet date.

L. IMPAIRMENT

Impairment of Assets is recognized when there is an indication of impairment. On such indication the recoverable amount of the assets is estimated and if such estimation is less than carrying amount, the carrying amount is reduced to its recoverable amount.

M. PROVISIONS

A provision is recognised when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provision are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

N. CONTINGENCIES AND EVENTS OCCURING AFTER THE BALANCE SHEET DATE

Events, which are material, occurring after the date of Balance Sheet are considered up to the date of Approval of Accounts.

O. CONTINGENT LIABILITIES

Contingent liabilities, which are considered significant and material by the Company, not provided for in the books of accounts and are disclosed by way of notes to accounts.

P. PROPOSED DIVIDEND

Dividends including tax thereon is provided in the books of accounts as proposed by Directors, pending approval at the Annual General Meeting.

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
NOTE : 2 SHARE CAPITAL		
Authorized Capital		
24,00,000 Equity Shares of Rs. 10/- each. (Ref. Note No. 30 - merger)	<u>2,40,00,000</u>	<u>80,00,000</u>
Issued, Subscribed & Paid Up Capital		
2,88,319 Equity Shares of Rs. 10/- each	<u>28,83,190</u>	<u>28,83,190</u>

NOTE : 2 A SHARE CAPITAL SUSPENSE

*113384 Equity Shares of Rs.10 each fully paid up to be issued pursuant to Scheme of Amalgamation with out payment being received in cash.

[Ref. Note No. 30 (ii) (a)]

11,33,840

—

* Excluding share to be issued against the conversion of share warrant of KKTCL [Ref. Note No. 30 (ii) (d)]

Reconciliation of number of shares outstanding

Number of shares at the beginning	2,88,319	2,88,319
Add: Share issued during the year	—	—
Number of shares at the closing	2,88,319	2,88,319

Details of shares held by each shareholder holding more than 5% shares

Shree Satyanarayan Investments Limited	28,957	(10.04%)	28,957	(10.04%)
Veer Enterprises Limited	24,295	(8.43%)	24,295	(8.43%)
Life Insurance Corporation of India Limited	22,029	(7.64%)	22,029	(7.64%)
The Diamond Company Limited	18,031	(6.25%)	18,031	(6.25%)
The Kil Kotagiri Tea & Coffee Estates Company Limited	—	—	16,196	(5.62%)
Mahendra Girdharilal	14,727	(5.11%)	14,727	(5.11%)
Smt. Shashi Devi Bangur	22,792	(7.91%)	—	—

Shares Issued without consideration being received in Cash

The Company has not issued Equity Shares without consideration received in cash in the immediately preceding five financial years.

Terms and Rights attached to Equity Shares

The Company has one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share held and is entitled to dividend proposed by the Board of Directors subject to approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their share holding.

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS (Cont.)

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
NOTE : 3 RESERVE & SURPLUS		
Capital Reserve		
Opening Balance	1,64,25,322	1,64,25,322
Securities Premium Account		
Opening Balance	38,44,240	38,44,240
Add : Transfer of Balance of KKTCL on a/c of merger [Ref. Note No. 30 (iii) (b)]	1,53,83,640	—
Add : During the year on conversion of share warrant of KKTCL	72,45,000	—
Closing Balance	2,64,72,880	38,44,240
General Reserve		
Opening balance	8,94,63,399	7,44,63,399
Add : Transfer of Balance of KKTCL on a/c of merger [Ref. Note No. 30 (iii) (b)]	4,14,69,463	—
Add : Transfer from Profit & Loss account during the year	—	1,50,00,000
Add : Conversion of shares of KKTCL during the year [Ref. Note No. 30 (iii) (c)]	79,36,889	—
Less : Depreciation related to earlier year in respect of erstwhile KKTCL [Ref. Note No. 30 (v)]	(60,94,671)	—
	13,27,75,080	8,94,63,399
Rehabilitation and Development Reserve		
Opening Balance	95,423	95,423
Surplus / (Deficit) in Statement of Profit and Loss		
Profit / (Loss) brought forward from previous year	4,11,76,713	2,48,90,290
Add : Transfer of Balance of KKTCL on a/c of merger [Ref. Note No. 30 (iii) (b)]	2,86,11,572	—
Less : Prior period tax adjustment	(9,53,871)	(86,439)
Add : Profit / Loss for the period	(42,40,923)	3,30,48,320
Less : Transfer to General Reserve	—	(1,50,00,000)
Less : Proposed Dividend	(8,36,930)	(14,41,595)
Less : Dividend Distribution Tax	(1,42,236)	(2,33,863)
Closing Balance	6,36,14,325	4,11,76,713
	23,93,83,030	15,10,05,097

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS (Cont.)

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
NOTE : 4 LONG TERM BORROWINGS		
Term Loan		
- From Bank - Bank of Baroda	1,83,34,975	—
(Secured against equitable mortgage of land and factory buildings located in Denad village, Kadenamala village and in Kengarai village, Kil Kotagiri post, hypothecation of existing and proposed plant & machineries and hypothecation of stock and book debts)		
(Repayable in 85 months after a moratorium of 12 months in 73 equated monthly installments , first installment due in March 2012 as per terms of sanction)		
Other Long Term Loans	66,00,000	—
	<u>2,49,34,975</u>	<u>—</u>

NOTE : 5 DEFERRED TAX LIABILITY

On account of timing difference-Depreciation

Opening Balance of TRCL	2,50,614	3,80,165
Opening Balance of KKTCL	29,09,415	—
Charge / (Release)	(8,43,222)	(1,29,551)
Closing Balance	<u>23,16,807</u>	<u>2,50,614</u>

NOTE : 6 OTHER LONG TERM LIABILITIES

Deposits	43,28,836	50,98,031
Fractional Shares	6,709	—
Preference Shareholders	34,600	—
Sundry Creditors for Capital Goods	9,97,004	—
Other's	4,10,447	2,20,127
	<u>57,77,596</u>	<u>53,18,158</u>

NOTE : 7 OTHER LONG TERM PROVISION

Current Tax Provision (net of advances)	—	10,55,256
Wealth Tax Provision	3,12,942	2,38,512
Provision for Sales Tax	10,742	10,742
Other Provisions	3,02,566	2,94,562
	<u>6,26,250</u>	<u>15,99,072</u>

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS (Cont.)

(Amount in Rs.)

Particulars	As at 31st March, 2013	As at 31st March, 2012
NOTE : 8 SHORT TERM BORROWINGS		
Cash Credit From Bank of Baroda	83,83,749	—
(Secured by hypothecation of raw materials, stock in process, finished goods, stores & spares parts, hypothecation of book debts and equitable mortgage of land and factory building located in Denad village, Kedenamalai village and in Kengarai village, Kil Kotagiri Post, hypothecation of existing and proposed plant & machineries.)		
	<u>83,83,749</u>	<u>—</u>
NOTE : 9 TRADE PAYABLE		
Sundry Creditors for Material / Supplies	50,67,858	21,29,627
Sundry Creditors for Services	25,37,575	4,02,618
	<u>76,05,433</u>	<u>25,32,245</u>
NOTE : 10 OTHER CURRENT LIABILITIES		
Term Loan		
-From Bank (Installment due within one year)	45,91,344	—
Employee benefit payable	29,30,498	15,37,275
Providend fund payable	9,51,668	5,78,273
Tax deducted at source payable	4,36,952	1,33,130
Sales taxes payable	15,18,013	2,56,669
Interest payable	5,49,000	—
Short term deposits	10,40,371	10,21,668
Advance from Supplier	14,100	—
Unclaimed dividend (Liability towards Investor Protection Fund u/s 205C of the Companies Act, 1956 is Nil)	2,43,832	2,58,176
Other current liabilities	92,67,474	2,21,859
	<u>2,15,43,252</u>	<u>40,07,050</u>
NOTE : 11 SHORT TERM PROVISIONS		
Provision for Gratuity to Staff & Labour	1,05,06,098	46,76,773
Provision for Bonus	75,00,000	36,00,000
Provision for Leave Salary	11,38,199	1,83,136
Provision for Other Expenses	—	53,73,994
Proposed Dividend	8,36,930	14,41,595
Dividend Distribution Tax payable	1,42,236	2,33,863
	<u>2,01,23,463</u>	<u>1,55,09,361</u>

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Contd.)
NOTE : 12 FIXED ASSETS

(Amount in Rs.)

Sl. No	Particulars	Original Cost						Depreciation and Amortisation				Net Book Value		
		As at 31 st March 2012 Rs.	KKTCL Addition Rs.	Addition during the year Rs.	Deduction/ Sale during the year Rs.	As at 31 st March 2013 Rs.	As at 31 st March 2012 Rs.	Addition during the year Rs.	Deduction during the year Rs.	As at 31 st March 2013 Rs.	As at 31 st March 2012 Rs.			
A	Tangible Assets													
1.	Lands													
	(a) Freehold	1,82,928	13,89,885	-	-	15,72,813	-	-	-	-	-	-	15,72,813	1,82,928
	(b) Leasehold	27,505	-	-	-	27,505	-	-	-	-	-	-	27,505	27,505
	(c) Development	26,24,634	2,04,84,168	-	-	2,31,08,802	-	-	-	-	-	-	2,31,08,802	26,24,634
2.	Works													
	(a) Buildings	1,09,20,632	6,49,16,940	1,24,49,215	-	8,82,86,787	1,28,66,006	61,47,943	-	1,90,13,949	-	-	6,92,72,839	31,83,895
	(b) Machineries & Equipments	1,66,62,623	6,60,19,326	46,53,743	29,42,260	8,43,93,432	2,82,89,228	1,06,76,209	3,64,748	3,86,00,689	-	-	4,57,92,743	22,06,325
3.	Furniture & Fixtures & Office Equipments	43,80,495	25,33,897	14,02,564	-	83,16,956	47,97,393	6,43,394	-	54,40,787	-	-	28,76,169	13,33,277
4.	Vehicles	95,10,522	52,53,745	12,65,431	1,78,923	1,58,50,775	93,84,050	14,35,771	1,78,922	1,06,40,899	-	-	52,09,876	40,24,242
	SUBTOTAL(A)	4,43,09,339	16,05,97,961	1,97,70,953	31,21,183	22,15,57,070	5,53,36,677	1,89,03,317	5,43,670	7,36,96,324	14,78,60,747	1,35,82,806	14,78,60,747	1,35,82,806
	(Previous year)	4,27,05,887		20,10,352	4,06,900	4,43,09,339	2,84,92,113	22,79,112	44,691	3,07,26,534	1,35,82,806	-	1,35,82,806	-
B	Intangible Assets													
	(a) Computer Software	-	68,950	-	-	68,950	65,973	298	-	66,271	-	-	2,679	-
	SUBTOTAL(B)	-	68,950	-	-	68,950	65,973	298	-	66,271	-	-	2,679	-
C	Capital work-in-progress													
	SUBTOTAL(C)	-	1,36,97,248	14,29,884	1,17,30,432	33,96,700	-	-	-	-	-	-	33,96,700	-
	Total (A+B+C) (Current Year)	4,43,09,339	17,43,64,159	2,12,00,837	1,48,51,615	22,50,22,720	5,54,02,650	1,89,03,615	5,43,670	7,37,62,595	15,12,60,126	1,35,82,806	15,12,60,126	1,35,82,806
	(Previous Year)	4,27,05,887		20,10,352	4,06,900	4,43,09,339	2,84,92,113	22,79,112	44,691	3,07,26,534	1,35,82,806	-	1,35,82,806	-

Note: The sale amount under Plant & Machineries head includes subsidy of Rs.25,00,000/- and VAT input credit of Rs.74,796/-



NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE : 13 NON CURRENT INVESTMENTS

(Amount in Rs.)

Particulars	Nominal Value	1 st April, 2012		Additions during the year		Sale/deletions/redemptions		31 st March, 2013	
		Nos.	Amount (Rs)	Nos.	Amount (Rs)	Nos.	Amount (Rs)	Nos.	Amount (Rs)
OTHER THAN TRADE									
In Government Securities									
Seven Year National Savings Certificate		—	—	—	1,000	—	—	—	1,000
Quoted : (In fully paid Equity Shares)									
Akhivi Tea Plantations & Agro Industries Limited	10	25,000	53,750	25,000	53,750	—	—	50,000	1,07,500
Fort Gloster Industries Limited	10	2,250	1,58,935	1,200	120	—	—	3,450	1,59,055
Jayshree Chemicals Ltd	10	15,24,100	2,34,06,630	3,12,900	31,29,000	—	—	18,37,000	2,65,35,630
VCK Capital Market Services Ltd	10	—	—	10,000	1,00,000	—	—	10,000	1,00,000
The West Coast Paper Mills Ltd	2	—	—	4,64,200	70,57,644	—	—	4,64,200	70,57,644
The Kil Kotagiri Tea & Coffee Estates Co. Ltd.	10	30,455	23,00,810	30,726	24,58,080	61,181	47,58,890		—
			2,59,20,125		1,27,99,594		47,58,890		3,39,60,829
Less : Provision for diminuation in Investments			6,43,705		—		—		6,43,705
Sub Total			2,52,76,420		1,27,99,594		47,58,890		3,33,17,124
Aggregate Market Value of Quoted Investments			1,83,16,780						4,35,43,713
Unquoted:									
Share Warrants Fully Convertible (Partly Paid up The Kil Kotagiri Tea & Coffee Estates Co. Ltd)***	10	70,538	49,37,660		—	70,538	49,37,660		—
Sub Total			49,37,660		—		49,37,660		—
Unquoted:									
In fully paid Equity Shares :									
Orbit Udyog Private Limited	10	8,500	85,000	—	—	—	—	8,500	85,000
Veer Enterprises Ltd.	10	—	—	38,751	44,26,256	—	—	38,751	44,26,256
Shree Satyanarayan Investments Co. Ltd.,	100	5,500	5,50,000	7,500	7,50,000	—	—	13,000	13,00,000
In Partly Paid up Equity Shares									
Shree Satyanarayan Investments Co. Ltd., (Rs. 50/- Paid up)	100	24,400	12,20,000	4,400	2,20,000	—	—	28,800	14,40,000
Sub Total			18,55,000		53,96,256		—		72,51,256
Grand Total			3,20,69,080		1,81,95,850		96,96,550		4,05,68,380

*** The company had subscribed 95,000 Share Warrants of face value of Rs10/- each at a premium of Rs.70/- per warrant, fully convertible in preferential category. One warrant is convertible to one Equity share 30,726 (P.Y. 24,462) share warrants converted into Equity Shares during the year. Balance 39,812 share warrants has been sold without conversion.

NOTE : 14 LONG TERM LOANS AND ADVANCES

Particulars	As at	
	31 st March, 2013	31 st March, 2012
(Unsecured and Considered good by management)		
Loan & Advances	1,00,00,000	3,40,91,411
Advance payment of taxes (net of provision)	29,28,750	—
Sales tax advances	14,38,278	12,86,396
Deposit with NABARD	1,44,09,378	1,05,07,850
Security Deposits	26,86,779	12,56,035
Advance Agriculture Income Tax	7,02,316	—
Advance against Capital Goods	11,22,811	—
	3,32,88,312	4,71,41,692

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE : 15 OTHER NON-CURRENT ASSETS

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
Inventory	6,51,211	2,76,871
Advance against merger expenses	1,60,900	—
	<u>8,12,111</u>	<u>2,76,871</u>

NOTE : 16 CURRENT INVESTMENT

Particulars	Nominal Value (Rs)	1 st April, 2012		Additions during the year		Sale/deletions/redemptions		31 st March, 2013	
		Nos.	Amount	Nos.	Amount	Nos.	Amount	Nos.	Amount
Trade									
Investment in Mutual funds									
ICICI Prudential Flexible Income Plan Growth	100	24,439.48	45,00,000	11,436.00	25,00,000	1,891.96	3,48,363	33,983.52	66,51,637
ICICI Prudential Flexible Income Plan Regular Growth	100	1,01,938.21	1,13,00,000	—	—	1,01,938.21	1,13,00,000	—	—
Reliance Money Manager Fund- Retail Option Growth	10	948.27	12,16,872	2,928.68	43,00,000	804.66	10,32,581	3,072.29	44,84,291
Reliance Regular Saving Fund - Debt Plan Growth Option	10	1,73,288.54	22,21,680	—	—	—	—	1,73,288.54	22,21,680
Reliance Medium Term Fund - Retail Plan - Growth Option	10	6,54,703.64	1,41,46,411	—	—	—	—	6,54,703.64	1,41,46,411
Templeton India Short Term Income Retail Plan Growth	10	4,321.73	85,00,000	—	—	—	—	4,321.73	85,00,000
Canara Robeco Indigo Growth Fund	10	—	—	3,97,513.16	50,00,000	—	—	3,97,513.16	50,00,000
ICICI Prudential Income Plan	10	—	—	68,013.89	25,00,000	—	—	68,013.89	25,00,000
Reliance Income Fund Growth Plan	10	—	—	64,610.50	25,00,000	—	—	64,610.50	25,00,000
Reliance Dynamic Bond Fund	10	—	—	1,58,962.29	25,00,000	—	—	1,58,962.29	25,00,000
ICICI Prudential Income Opportunity Fund	10	—	—	3,25,765.61	48,80,295	—	—	3,25,765.61	48,80,295
ICICI Prudential Gilt Fund	10	—	—	1,21,662.93	46,29,919	—	—	1,21,662.93	46,29,919
Reliance Liquid Fund Treasury Retails-Growth	10	—	—	665.55	9,37,157	665.55	9,37,157	—	—
Total (Current Investments)			<u>4,18,84,963</u>		<u>2,97,47,371</u>		<u>1,36,18,101</u>		<u>5,80,14,233</u>
Aggregate Market Value of Current Investments (NAV)			4,48,08,457						6,38,35,581

NOTE : 17 INVENTORIES

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
Tools & Sundry Plants	4,90,747	2,56,133
General Stores & Spare Parts (as valued and certified by the management)	64,72,144	19,14,983
Tea Inventory	94,62,312	—
Coffee Inventory	19,61,200	—
Purchase Tea Stock	64,834	—
Nursery Stock of Tea	5,36,710	—
Rubber Stock-in-Trade	1,45,92,435	1,32,75,190
	<u>3,35,80,382</u>	<u>1,54,46,306</u>

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
NOTE : 18 TRADE RECEIVABLES		
Unsecured considered good by management		
Outstanding for more than six months	—	—
Others	95,13,288	1,09,77,379
	<u>95,13,288</u>	<u>1,09,77,379</u>
NOTE : 19 CASH & BANK BALANCES		
Cash-in-Hand		
Cash Balance (As certified by management)	6,05,939	1,80,788
Bank Balance		
In Current Accounts	33,83,018	43,38,710
In Dividend Accounts	2,43,679	2,58,176
In Fixed deposits (Due within one year)	75,00,000	60,00,000
	<u>1,17,32,636</u>	<u>1,07,77,674</u>
NOTE : 20 SHORT TERM LOANS AND ADVANCES		
Unsecured and considered good by management		
Loan repayable on demand	—	50,00,000
Advance against capital goods	—	14,65,979
Advance to suppliers & others	7,82,866	3,56,107
Advances to employees	16,62,100	8,46,145
Receivable from Gratuity fund	1,19,816	1,92,957
	<u>25,64,782</u>	<u>78,61,188</u>
NOTE : 21 OTHER CURRENT ASSETS		
Unsecured and considered good by management		
Prepaid Expenses	13,76,515	4,62,708
Receivable on account of intercropping	3,84,995	—
Other Current Assets	88,122	—
Interest Accrued & Due	9,14,703	26,24,120
	<u>27,64,335</u>	<u>30,86,828</u>

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
NOTE : 22 REVENUE FROM OPERATIONS		
Sales of Products		
Income from Rubber	13,21,16,060	11,44,16,067
Income from Tea		
Tea	9,36,07,748	—
Sale of Tea Waste	20,05,385	—
Less: Cess	<u>(3,30,328)</u>	—
Sales of Coffee	34,83,924	—
Sales of Pepper	48,900	—
	<u>23,09,31,689</u>	<u>11,44,16,067</u>
Other Operating revenues		
Slaughter Rubber	1,48,81,326	44,26,240
Orthodox Tea Subsidy	16,78,801	—
Replanting / Rejuvenation Subsidy on Tea	2,32,992	—
Profit / (Loss) on sale of Auction Purchase Tea	4,758	—
Other Operating Income	1,06,61,280	1,14,22,219
	<u>2,74,59,157</u>	<u>1,58,48,459</u>
	<u>25,83,90,846</u>	<u>13,02,64,526</u>

NOTE : 23 OTHER INCOME

Interest

Interest on Loan	23,06,233	40,54,420
Interest on Fixed Deposit and Others	5,66,018	3,78,027
Interest on NABARD	<u>7,77,088</u>	3,30,950
Profit / (Loss) on Sale of Assets	36,49,339	47,63,397
Profit / (Loss) on Sale of Investment	2,64,425	—
Intercropping License Fees	15,99,508	24,53,547
Profit / (Loss) on Sale of Mutual Fund	44,50,095	23,19,054
Dividend on Investment & Mutual Fund	64,972	—
Bonus Reserve written back	1,73,820	—
Sundry Receipt	8,56,730	—
	65,210	—
	<u>1,11,24,099</u>	<u>95,35,998</u>

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
NOTE : 24 COST OF MATERIAL CONSUMED		
Opening stock of Raw Material	—	—
Add : Rubber purchased	3,74,30,927	1,35,21,008
Add : Green Leaf Purchase (Tea)	2,45,23,911	—
Less : Closing Stock of Raw Material	—	—
Cost of Material Consumed	<u>6,19,54,838</u>	<u>1,35,21,008</u>

NOTE : 25 CHANGE IN INVENTORIES

Opening stock	1,32,75,190	1,57,21,516
Add : Stock Transfer from KKTCL on A/c of merger	75,78,479	—
Closing Stock	<u>2,60,15,947</u>	<u>1,32,75,190</u>
	<u>(51,62,278)</u>	<u>24,46,326</u>

NOTE : 26 EMPLOYMENT BENEFIT EXPENSES

Salaries Wages and Bonus	9,44,42,222	3,94,30,193
Contribution to Provident and Pension Fund	86,39,345	32,99,605
Contribution to Managerial Staff and Labour Gratuity Fund	1,05,06,098	46,50,211
Workmen and Staff Welfare Expenses	51,43,231	24,36,852
	<u>11,87,30,896</u>	<u>4,98,16,861</u>

NOTE : 27 FINANCIAL COST

Interest on Borrowing		
From Bank	48,94,020	12,702
From Others	9,30,920	65,205
Others		
Bank Charges	2,18,531	42,438
Interest on TDS / KVAT	—	2,230
Others	5,01,204	36,900
	<u>65,44,675</u>	<u>1,59,475</u>

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
NOTE : 28 MANUFACTURING AND OTHER EXPENSES		
Consumable Stores & Electricals	1,88,30,410	1,08,98,879
Power & Fuel	1,03,17,922	12,29,221
Slaughter Tapping Expenses	—	21,22,943
Rent	6,50,977	4,41,001
Rates & Taxes	7,91,750	4,65,892
Machinery Repairs & Maintenance	36,65,602	5,04,276
Building Repairs & Maintenance	69,57,567	44,47,630
Other Estate Expenditure		
Centrifuging and Crumb Expenses	6,81,070	4,68,744
General Contingencies	1,59,732	2,09,401
Spraying - Others	81,589	1,02,235
Sulphur Dusting	—	1,73,890
Upkeep Sundry Boundaries	15,79,001	1,78,949
Replanting Expenses - Others	11,448	1,69,712
Other Expenses	4,94,069	4,68,200
	30,06,909	17,71,131
Manufacturing Expenses - Bought Leaf	68,59,484	—
Office Expenses	26,41,332	6,62,414
Travelling Expenses	27,31,481	21,74,748
Insurance charges	12,48,588	7,87,465
Legal & Professional fees	24,69,029	33,14,052
Wealth Tax	3,12,942	2,38,512
General Charges	18,73,817	7,16,406
RTA fees, Listing fees and Other Expenses	1,28,779	58,963
Directors' Sitting Fees	34,000	22,500
Transporting (Outward)	67,87,610	5,22,338
Selling & Distribution Expenses	4,99,681	1,23,133
Car Running Expenses	2,31,623	—
Coffee Curing Expenses	64,092	—
Brokerage - Tea	7,58,857	—
TN Output VAT	47,272	—
Service Charge	75,390	—
Share Issue Expenses	24,159	—
Sundry Balance written off	1,78,812	—
Loss on sale of Fixed Assets / Fixed Assets written off	—	24,309
	7,11,88,085	3,05,25,813
Payment to Auditors		
Audit Fees	1,79,776	89,888
Tax Fees	33,708	16,854
Certification Fees	25,281	25,127
Other Capacity & Reimbursement of expenses	31,349	1,291
	2,70,114	1,33,160
	7,14,58,199	3,06,58,973

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

Sunil Oswal, FCA

Partner

Membership No. 071678

Kolkata

28th September, 2013

Shashi Devi Bangur

Bharti Bangur

Directors



NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

29. The standalone financial statements were audited by Statutory Auditors of respective companies and approved in the Board Meeting held on 27.05.2013 of The Thirumbadi Rubber Company Limited (TRCL) and 29.05.2013 of The Kil Kotagiri Tea and Coffee Estates Company Limited (KKTCL). The same were sent to the Stock Exchange in terms of clause 41 of Listing Agreement and published. These financial statements are prepared to give effect of court order and hence previous year figures are not comparable.

30. Amalgamation of The Kilkotagiri Tea & Coffee Estates Company Limited (KKTCL) with the Company

- i) Pursuant to the Scheme of Amalgamation (the Scheme) approved by the Shareholders and sanctioned by the Hon'ble High Court at Madras dated 19.08.2013 and Kerala High Court dated 04.09.2013, under the provisions of the Companies Act, 1956 ('the Act'), the Undertaking of KKTCL, the transferor Company, engaged in business of Tea, Coffee and Minor produce was transferred to and vested in the Company as a going concern with effect from 1st April 2012 (the Appointed Date) and accordingly, the Scheme had been given effect in these accounts. According to the said Scheme, with effect from the Appointment Date, KKTCL has carried out all their business and activities in trust for the Company till the Scheme becomes effective.
- ii)
 - a) In accordance with the Scheme, 1,13,384 Equity Shares of Rs.10/- each fully paid-up and ranking pari-passu with the existing Equity Shares are to be issued by the Company to the Ordinary Shareholders of KKTCL in the ratio of 1 (One) Equity Shares of Rs.10/- each of the Company for every 8 (Eight) Ordinary Share of Rs.10/- fully paid-up held in KKTCL.
 - b) As per scheme of Amalgamation approved by the Hon'able High Court of Kerala and Madras that in respect of fractional entitlement if any to which the member may be entitled on issue and allotment of share of the company. The Board shall consolidate such fractional entitlement there upon issue and allot equity share in lieu thereof to a Director or an officer of the Company or such other person as the Board of Director of the Company shall appoint in this behalf who shall hold the shares in trust on behalf of the member entitled to fractional entitlement with the express understanding that such Director(s) or officer(s) shall sell the same in the market at such time or times and at such price or prices in the market and to such person or persons as it/he/she/they deem fit and pay to the Company, the net sale proceed thereof, whereupon, the Company shall distribute such net proceed to the member in proportion to the respective fractional entitlement.
 - c) The Kil Kotagiri Tea & Coffee Estates Company Limited (KKTCL) has issued 3,20,000 fully convertible share warrants of face value of Rs. 10/- each at a premium of Rs. 70/- each on preferential basis to constituents of promoters and promoter group companies, as per SEBI (ICDR) regulations 2009 during 2011 / 2012. One share warrant is convertible in Equity Share of Rs.10/- each at a premium of Rs. 70/- each within a period of 18 months in a phased manner.
 - d) Out of the above, the KKTCL having pending conversion of 1,34,100 Equity Warrants into Equity Shares as on 31/03/2013 which has been converted on 11/05/2013. The same is also eligible for the issue of Shares by the Company as per the scheme approved by the High Courts in the ratio mentioned above. Including the above conversion in accordance with the Scheme, the Company has to issue total 1,30,147 Equity Shares of Rs.10/- fully paid-up.
- iii) Pursuant to the Scheme
 - a) All Assets and Liabilities of KKTCL as on the date immediately preceding the "Appointed Date" have been incorporated in the books of the Company at their respective book values (**after giving effect of change in accounting policy – refer 30 v below**) on the basis of audited books of account of KKTCL.
 - b) The Balance in Security Premium Rs. 1,53,83,640/-, General Reserve of Rs. 4,14,69,463/-, Credit balance in Profit and Loss Account Rs. 2,86,11,572/- of KKTCL as on the date immediately preceding the Appointed Date has been retained under same heads in the Company's Reserves and Surplus. Similiary the balances in other assets and liabilities account as on that date has been retained under the same head as it appear in the account of erstwhile KKTCL.

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

- c) Rs.79,36,889/- being the difference between the face value of additional share capital to be issued by the Company and the amount of share capital of KKTCL in lieu whereof such additional share capital issued has been adjusted with the Reserves of the Company.
- iv) Pending completion of relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Scheme as mentioned in paragraph 30 (iii) (a) above, such assets and liabilities remain included in the books of the Company under the name of the Transferor Company.
- v) **DEPRECIATION / AMORTISATION**

In case of transferor Company i.e. The Kil Kotagiri Tea & Coffee Estates Company Ltd (KKTCL), the Depreciation on Fixed Assets was provided on Straight Line Method as prescribed in Schedule XIV of the Companies Act, 1956. Whereas in case of transferee Company i.e. The Thirumbadi Rubber Company Ltd (TRCL) the depreciation provided on Written Down Value Method as prescribed in the schedule XIV of the Companies Act 1956. In order to maintain the uniform policy as to Depreciation / Amortisation, the depreciation policy in respect of KKTCL has been changed to Written Down Value Method with effect from 01.04.2011 in line with the TRCL. The effect of change in the policy for the year 2011 / 2012 is Rs. 60,94,671/- has been adjusted with Reserves and Surplus.

NOTE : 31 CAPITAL COMMITMENT

Capital and Other Commitment as at 31.03.2013 is Rs. 35 Lac (Previous year Rs. 40 Lac)

NOTE : 32 CONTINGENT LIABILITY NOT PROVIDED FOR

A. (Rs. In lacs)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
Uncalled liability on partly paid shares	14.40	12.20
On account of minimum wages	88.43	—
Liability against KSEB Penal Charges	—	4.42
Uncalled liability on partly paid Convertible Warrants	—	7.05
	102.83	23.67

B. Central Income Tax authorities raised demand for Rs. 55.02 Lac (Previous year Rs. 32.72 Lac) for the assessment years 2006 / 2007, 2007 / 2008, 2008 / 2009 & 2010 / 2011 which the Company has disputed and filed appeals with the Commissioner of Income tax, Kochi. Pending appeals no provision has been considered necessary by Management.

C. The company has filed Special Leave Petition (SLP) in the Hon'ble Supreme Court at New Delhi against the order of Hon'ble High Court at Kerala against the Income Tax demand of Rs. 36.21 Lac (Previous year Rs. 36.21 Lac) for assessment years 1997 / 1998 and 2000 / 2001. Management is of the opinion that the matter shall be settled in favour of the Company and no provision has been considered necessary.

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

- D.** Sales Tax Authorities has raised demand of Rs.2.31 Lac (Previous Year Rs.12.83 Lac) and Rs. 1.55 Lac (Previous Year 1.55 lacs) for assessment years 1999 / 2000 and 2008 / 2009 respectively. The Company has preferred appeal in Hon'ble High Court at Kerala and Dy. Commissioner. No provision has been considered necessary till disposal of appeals.
- E.** As an abundant caution, provisions have been made for Land Cess Rs. 7,300.45 and Land Rent Rs.703.75. Further, the total provision as on date for Land Cess is Rs. 2,84,245.86, Land Rent is Rs. 22,871.58.
- F.** Thirumbadi Division land is a leased property which is presently under dispute. Hon'ble High Court at Kerela has given judgement in favour of Company. However, the applicant has filed appeal in Hon'ble Supreme Court and matter is pending.

NOTE : 33 PROVISION FOR TAXATION

The provision for taxation has been provided based on merged financial account.

NOTE : 34 DISCLOSURE AS PER AS - 15 (Revised) 'Employee Benefits' for the year ended 31st March, 2013

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

Defined Contribution Plan

Contribution to Defined contribution plan, recognised are charged off for the year are as under: **(Rupees in lacs)**

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
Employer's Contribution to Provident Fund	86.39	33.00

Defined Benefit Plan

The Employees's Gratuity Fund Scheme is a defined benefit plan. The actuarial has used the Projected Unit Credit Method (PUC) to assess the Plan's liabilities, including those related to death-in-service and incapacity benefits.

Reconciliation of opening and closing balances of Defined Benefit Obligation	Amount (Rs.'000)	
Defined Benefit Obligation at the beginning of the year	36,679	12,942
Current Service Cost	1,643	811
Interest Cost	2,895	971
Benefits paid	(4,974)	(1,609)
Actuarial (Gain) / Loss	8,634	3,929
Defined Benefit obligation at the year end	44,877	17,044
Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at the beginning of the year	36,679	12,942
Expected return on plan assets	2,666	1,124
Employer contribution	10,506	5,711
Benefits paid	(4,974)	(1,609)
Actuarial Gain / (Loss)	—	(1,124)
Fair value of plan assets at year end	44,877	17,044

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

Particulars	Amount (Rs.'000)	
	As at 31 st March, 2013	As at 31 st March, 2012
Actual Return on Plan Assets		
Expected return on plan assets	2,666	1,124
Actuarial Gain (Loss) on plan assets	—	—
Actual return on Plan assets	2,666	1,124
Reconciliation of Fair Value of assets and obligations		
Fair value of Plan Assets as at 31 st March	44,877	17,044
Present value of obligations as at 31 st March	44,877	17,044
Amount recognised in Balance Sheet	Nil	Nil
Expenses recognized during the year (under the head payments to and Provisions for Employees)		
Current Service Cost	1,643	811
Interest Cost	2,895	971
Expected return on plan assets	(2,666)	(1,124)
Actuarial (Gain) / Loss	6,910	5,054
Net Cost	8,782	5,712
Investment Details	(in %age)	(in %age)
Government of India Securities	7.48	12.11
State Government Securities	8.72	8.07
Special Deposit Scheme	0.00	18.29
Others	83.80	61.53
Total	100.00	100.00
Actuarial Assumptions		
Mortality Table (L.I.C.)	Standard LIC (1994-96) Ultimate Table	
Discount Rate (per annum)	8.00 %	8.60%
Expected rate of return on Plan Assets (per annum)	7.50 %	7.50%
Attrition Rate	1.00 %	1.00%
Rate of Escalation in Salary (per annum)	4.00 %	2.00%
In view of Merger, the figure related to KKTCL has been added to the figure's of TRCL. The effect of change in assumption and consequently provision shall be considered as and when the same is carried out.		
The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.		
Particulars	As at 31 st March, 2013 Rs.	As at 31 st March, 2012 Rs.

NOTE : 35 EXPENDITURE IN FOREIGN CURRENCY

Foreign Currency used for foreign travel	2,71,758	81,724
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NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

(Amount in Rs.)

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
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NOTE : 36 SEGMENT REPORTING

SEGMENT REVENUE

Net Sale / Income from each segment

a) Rubber	14,78,89,028	13,02,64,526
b) Tea	11,05,01,818	—
Net Sale / Income from Operations	<u>25,83,90,846</u>	<u>13,02,64,526</u>

SEGMENT RESULT

Profit / (Loss) before tax and interest from each segment

a) Rubber	2,38,58,815	4,10,78,244
b) Tea	(1,63,98,285)	—
	<u>74,60,530</u>	<u>4,10,78,244</u>

Less:

i) Interest	65,44,675	1,59,475
ii) Other unallocable Expenditure net off other income	—	—
	<u>65,44,675</u>	<u>1,59,475</u>

Total Profit Before Tax

9,15,855 4,09,18,769

CAPITAL EMPLOYED

(Segment Assets - Segment Liabilities)

a) Rubber	15,15,77,090	16,10,56,131
b) Tea	13,48,65,598	—
	<u>28,64,42,688</u>	<u>16,10,56,131</u>

The Company has only one geographical segment viz, India. Hence, secondary segmentwise reporting is not applicable.

NOTE : 37 EARNINGS PER SHARE

Profit / (Loss) after Tax	Rs. (42,40,923)	3,30,48,320
Outstanding Equity Shares (Weighted Average)	Nos. 4,18,465	2,88,319
Basic and Diluted Earning Per Share(Face Value Rs.10/-) [Ref. Note No. 30 (ii) (d)]	Rs. (10.13)	114.62

NOTE : 38 TOTAL REMUNERATION TO EXECUTIVE CHAIRPERSON / EXECUTIVE DIRECTOR

Salaries	28,92,000	20,66,133
Contribution to Provident Fund	2,43,360	1,54,960
House rent allowance	2,35,200	—
LTA / Medical reimbursement	98,000	—
	<u>34,68,560</u>	<u>22,21,093</u>

The remuneration paid to Executive Chairperson / Executive Director is within the ceiling of Schedule-XIII of the Companies Act, 1956 and included under employee cost.

THE THIRUMBADI RUBBER COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

(Amount in Rs.)

NOTE : 39 RELATED PARTY DISCLOSURE

As required by Accounting Standard 18, " Related Parties Disclosure" and transactions with related parties are as follows:

Associate Companies : Akhivi Tea Plantations & Agro Industries Ltd.
Fort Gloster Industries Ltd.
Rama Newsprint and Papers Ltd.
Jayshree Chemicals Ltd.
The West Coast Paper Mills Ltd.
Shree Satyanarayan Investments Co. Ltd.

Key Management Personnel : 1. Smt. Shashi Devi Bangur – Executive Chairperson
2. Shri. R.K.Babaycon – Executive Director
(Upto 31.03.2013 and w.e.f. 01.04.2013 as a non Executive Director)

Nature of Transaction	Associate Company		Key Managerial Personnel		Outstanding as on	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Remuneration (Paid)	—	—	34,68,560	22,21,093	—	—
Interest Paid	3,20,920	—	—	—	—	—
Dividend Receipts	1,73,820	—	—	—	—	—
Loan Received	75,00,000	—	—	—	—	—
Loan repaid & given	98,00,000	95,00,000	—	—	1,00,00,000	2,40,91,411
Reimbursement of Expenses	—	14,583	—	—	—	—
Repayment of Loan given	—	1,05,00,000	—	—	—	—
Interest on Loan receipt	9,28,698	21,56,682	—	—	—	21,56,682
Power supply	1,22,074	—	—	—	1,22,074	—
Sale of Shares	—	—	47,52,523	—	—	—

Related parties are as identified by the Company and relied upon by the auditors. No amounts pertaining to related parties have been provided for as doubtful debts or written off / back. Inter-Company loan has been cancelled in view of merger of The Kil Kotagiri Tea & Coffee Estates Company Limited (KKTCL) with the Company.



NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS (Cont.)

NOTE : 40 EXTRA ORDINARY INCOME

The Insurance Company has finally settled Rs. 38,30,855/- during the year against fire claim and the same is accounted for as Extra Ordinary income.

NOTE : 41 PROVISION FOR DIMINUTION IN INVESTMENTS

The Company has not made provision for Rs.118.58 lacs for diminution of certain strategic long term investments as the management is of the opinion that it is temporary in nature.

NOTE : 42 IMPAIRMENT IN ASSET

The management has not noticed any impairment in the Fixed Assets after considering facts obtained through internal and external sources.

NOTE : 43 RECONCILIATION OF ACCOUNTS

Sundry Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation and are stated at the book balances thereof.

NOTE : 44 REALISATION OF CURRENT ASSETS

In the opinion of the Management, the Current Assets, Loans & Advances will fetch the amount as stated, if realized in the ordinary course of business.

NOTE : 45 GROUPING OF ACCOUNTS

Previous years' figures have been reclassified, regrouped and rearranged wherever considered necessary.

NOTE : 46 ROUNDING OFF

The figures have been rounded off to the nearest rupee.

Signatories to Notes 1 to 46

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

Sunil Oswal, FCA

Partner

Membership No. 071678

Kolkata

28th September, 2013

Shashi Devi Bangur

Bharti Bangur

Directors

THE THIRUMBADI RUBBER COMPANY LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(In terms of part IV schedule VI of the Companies Act, 1956.)

I. REGISTRATION DETAILS :

Registration No. (CIN) L01116KL1919PLC017342	State Code 9
Balance Sheet Date 31st March, 2013	

II. CAPITAL RAISED DURING THE YEAR : (Amount in Rs. '000)

Public Issue Nil	Rights Issue Nil
Bonus Issue Nil	Private Placement Nil

III. EQUITY AND LIABILITY : (Amount in Rs. '000)

SOURCES OF FUNDS :

Paid up Capital 2,883	Share Capital Suspense 1,134
Reserves & Surplus 2,39,383	Monies received against Share Warrants 9,387
Non-Current Liabilities 31,339	Deferred Tax Liability (Net) 2,316
Current Liabilities 57,656	

ASSETS

Net Fixed Assets 1,51,260	Non current investments 40,568
Long term Loans and Advances 33,288	Other non current assets 812
Current Assets 1,18,170	

IV. PERFORMANCE OF THE COMPANY : (Amount in Rs. '000)

Turnover (Including other Income) 2,69,515	Total Expenditure 2,72,430
Profit / (Loss) Before Tax after extraordinary item 916	Profit / (Loss) After Tax (4,241)
Earnings per Share in Rs. (10.13)	Dividend Rate % 20%

V. GENERIC NAME OF PRINCIPAL PRODUCT OF THE COMPANY :

(As per monetary term)

Item Code No. (ITC Code) 9.0230 4001	Product Description Tea Natural Rubber
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Kolkata

28th September, 2013

Shashi Devi Bangur

Bharti Bangur

Directors

COMPARATIVE RESULTS - 2004-2013

Year ended 31st March	CROP - RUBBER		EARNINGS			DIVIDENDS	
	Yield / Acre in Tapping Kgs	Harvested Kgs.	Profit / (Loss) before Tax Rs.	Percentage of earnings on Equity Capital	Profit / (Loss) after provision for tax and extra-ordinary items Rs.	Amount Distributed Rs.	Percentage Distributed Equity
2004	561	6,25,750	59,27,015	206	29,38,265	Nil	Nil
2005	540	6,37,597	53,73,131	186	54,16,172	7,20,798	25
2006	858	6,57,520	1,04,65,914	363	1,04,03,948	8,64,947	30
2007	592	6,45,010	1,88,12,459	652	1,85,16,120	11,53,276	40
2008	481	5,00,287	1,71,26,473	594	1,62,81,041	11,53,276	40
2009	519	5,79,872	1,17,83,806	409	1,08,77,633	11,53,276	40
2010	511	5,70,986	1,39,40,938	484	1,30,52,065	12,97,436	45
2011	456	5,08,999	3,27,21,790	1135	2,40,26,289	12,97,436	45
2012	456	4,84,977	4,09,18,769	149	3,29,61,881	14,41,595	50
2013	572	6,63,848	*(29,15,000)	*(101)	*(42,40,923)	*8,36,930	20

* After Amalgamation of accounts of The Kil Kotagiri Tea & Coffee Estates Company Limited (KKTCL)

THE THIRUMBADI RUBBER COMPANY LIMITED

Registered Office : Thirumbadi Estate, Mokkalam P.O. 673 602, Kozhikode Dist, Kerala

DP. Id*	
Client Id*	

PROXY

Master Folio No.	
No. of Shares	

I / We-----
of-----
being a member / members of the above-named Company hereby appoint -----
of----- or failing him -----
of----- as my / our proxy to vote for me / us on my / our behalf
at the Annual General Meeting of the Company to be held on Friday, 27th December 2013 at 11.00 a.m. at
Thirumbadi Estate, Mokkalam P.O. 673 602, Kozhikode Dist, Kerala and at any adjournment thereof.

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

Re. 1
Revenue
Stamp

* Applicable for Investors holding shares in dematerialised form

NOTE : An instrument appointing a proxy shall be deposited at the Registered Office of the Company
not less than Fortyeight hours before the time for holding the meeting.

A proxy need not be a member.

THE THIRUMBADI RUBBER COMPANY LIMITED

Registered Office : Thirumbadi Estate, Mokkalam P.O. 673 602, Kozhikode Dist, Kerala

DP. Id*	
Client Id*	

ATTENDANCE SLIP

Master Folio No.	
No. of Shares	

94TH ANNUAL GENERAL MEETING

I hereby record my presence at the 94th Annual General Meeting of the Company to be held on Friday,
27th December 2013 at 11.00 a.m. at Thirumbadi Estate, Mokkalam P.O. 673 602, Kozhikode Dist, Kerala

Member's / Proxy's Name in Block Letters

Member's / Proxy's Signature

* Applicable for Investors holding shares in dematerialised form

Note : Kindly bring the attendance slip when the member / proxy attends the meeting.