



| 29th ANNUAL
REPORT
| 2018 - 2019 |

The Kerala Cardamom Processing and
Marketing Company Limited



BOARD OF DIRECTORS

Mr. Johny Mathew (Chairman)
Mr. Raghavan Guhan (Vice Chairman)
Mr. Jojo George Pottemkulam (Managing Director)
Mr. K. Zia Ud Din Ahamed (Joint Managing Director)

Mr. K. I. Varkey
Mr. R. Sakthi Subramanian
Mr. Mohan Varughese
Mr. K. Sakthivel
Mr. Bobby Tom
Mrs. Susan Punnoose
Mrs. S. Jayakumary

AUDITORS

Mr. K. T. Thomas FCA, Ponkunnam
M/s. Rangamani & Co., Alleppy

BANKERS

ICICI Bank Ltd.
HDFC Bank Ltd.

REGISTERED OFFICE

K.P1/741 B, Spice House, Thekkady PO, PIN-685536
CIN: U15495KL1990PLC005656
e mail:info@kcpmc.com,
www.kcpmc.com

REGIONAL/DIVISIONAL OFFICES

Trade House, 1/138, Subbaraj Nagar,
Bodinayakanur, PIN-625513

N.H Bye-pass Road, Kalpetta,
Wayanadu, PIN-673121

Heavea House, Mannarkkayam,
Kanjirapally, PIN-686507

Dear Shareholders,

Good afternoon and extending to you all a warm welcome to the 29th Annual General Meeting of your company.

It is with mixed feelings that I address you today, in the wake of many events that will probably mark its place indelibly in the history of our nation, the state and also for the organization.

We have encountered the feared 'climate change' factor, which till date was a distant concern, until it dawned upon us in quick succession in the past couple of years. Though what remain fresh in our minds is the devastation caused by the floods of 2018 and thereafter in the current year, our community will remember the drought that preceded the floods. This quick succession of extreme drought and flood cycles have caused quite a bit of devastation in our farm circles and untold misery to our fellow farmers in our midst.

The evolving circumstances from these catastrophic events have resulted in production figures that are the lowest in the recent past for cardamom, and prices unprecedented in history. While it is true that majority of farmers were unable to reap the benefits of this price rise, it has provided some solace to the abysmally low production that most farmers face today. It will definitely take us a while to come out of this cycle of events.

We are also on the cusp of much that is happening with our nation. While the current government has come to power with a resounding majority, the nation faces a crisis in the form of extreme negative sentiments on most sectors of the economy, not to speak of growth. Agriculture continues to be a laggard among sectors that contribute to the economy, while it engages a majority of the population. Many will increasingly leave the sector in search of productive engagement elsewhere; but it is important for the nation to ensure that agriculture survives better. The sector provides maximum employment and will need to do that more efficiently for many years and more importantly so, since it feeds the nation. As food patterns change with increasing development, requirements in the nature of food will also change from subsistence focussed Cereals to nutrition focussed horticulture, meat, fish and dairy.

Many of the crops in the Kerala grows today have also become redundant and unviable. We therefore also need to drive the change required in-keeping with the times. We can no longer afford to blame it on circumstances, legislation etc., but take all necessary steps required to enable this change and if required even to influence policy as relevant for the time.

Cardamom with its ups and downs, still provides some solace as a crop among so many discouraging stories around. But we can be rest assured that we are not isolated.

Your organization has spread its operations to stitch together many aspects of the agriculture chain, integrating both forward and backward to ensure maximum value is derived from its operations and also to focus on creating a solid asset base.

KCPMC has also once again proven to be extremely resilient in its functioning in-spite of all that is happening around us. We have taken all efforts to ensure that value is generated from each and every small opportunity that even these adverse situations throw at us. Your organization has improved its performance in all the business verticals that it has engaged in. While we speak, we are also consolidating our asset base with investments that will generate new opportunities in the future.

Once again thanking you all for your unstinting support and cooperation and requesting your guidance and support in all our future endeavours.

Thank you,



Johny Mathew
Chairman

The Kerala Cardamom Processing and Marketing Company Limited

Registered Office –KP1/741 B-Spice House, Thekkady PO, Idukki - 685536

CIN: U15495KL1990PLC005656 www.kcpmc.com E-mail ID : info@kcpmc.com PH: 04869 222965

NOTICE TO THE SHAREHOLDERS

The Notice is hereby given that the 29th Annual General Meeting of The Kerala Cardamom Processing and Marketing Company Limited will be held at the registered office of the Company at KP1/741 B-Spice House, Thekkady PO, Idukki – 685536, on Friday the 27th September 2019 at 2.30 PM to transact the following business:

Ordinary Business

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2019 along with the Directors' Report, the Secretarial Audit Report and the Statutory Auditor's Report thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** the audited financial statement of the Company for the financial year ended 31st March, 2019 along with the Directors' Report, the Secretarial Audit Report and the Statutory Auditor's Report laid before this meeting, be and are hereby considered and adopted.”
2. To declare dividend on equity shares for the financial year ended 31st March, 2019 and in this regard, pass the following resolution as **Ordinary Resolution**:
“**RESOLVED THAT** dividend at the rate of Rs.4/- (Four rupees only) per equity share of Rs.10/- (Ten rupees) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2019 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2019.”
3. To appoint Mrs. SUSAN PUNNOOSE (DIN: 06981148), who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers herself for reappointment and in this regard, pass the following resolution as **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. SUSAN PUNNOOSE (DIN: 06981148), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”
4. To appoint Mr. MOHAN VARUGHESE (DIN: 06981109), who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for reappointment and in this regard, pass the following resolution as **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. MOHAN VARUGHESE (DIN: 06981109), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”
5. To appoint Mr. RAGHAVAN GUHAN (DIN: 06981128), who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for reappointment and in this regard, pass the following resolution as **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. RAGHAVAN GUHAN (DIN: 06981128), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”
6. To ratify the appointment of statutory auditor of the company, and to fix the remuneration and to pass the following resolution as an Ordinary Resolution.
“**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 30 September, 2015, the members hereby ratify the appointment of Mr. K T Thomas FCA, (Membership No. 022112) as Auditor of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting to be held in the calendar year 2020 and that the Board of Directors be and is hereby authorised to fix the remuneration payable to him for the financial year ending 31st March, 2020 as may be determined by the audit committee in consultation with the auditors”.

7. To reappoint M/s Rangamani & Co, Chartered Accountants (Firm Registration No.003050S) as Tax Auditors of the Company from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting, and to fix their remuneration.

“RESOLVED THAT pursuant to the applicable provisions of the Income Tax Act, 1961, pursuant to the recommendations of the Audit Committee of the Board of Directors, the members hereby approve the reappointment of M/s Rangamani & Co, Chartered Accountants (Firm Registration No.003050S) as Tax Auditors of the Company from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them for the financial year ending 31st March, 2020 as may be determined by the audit committee in consultation with the Tax Auditors”.

Special Business

8. To consider and if think fit, to pass, with or without modification, the following resolution as a special resolution:

“RESOLVED THAT in accordance with the provisions of Sections 149 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, or any amendment thereto or modification thereof, this meeting hereby approves the reappointment of Mr. Bobby Tom (DIN: 03589559) as an Independent director of the company for a period of five years with effect from 27.09.2019, or till such earlier date to confirm with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.”

9. To consider and if think fit, to pass, with or without modification, the following resolution as a special resolution:

“RESOLVED THAT in accordance with the provisions of Sections 149 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, or any amendment thereto or modification thereof, this meeting hereby approves the reappointment of Mr. Rajamanickam Sakthisubramanian (DIN: 06982076) as an Independent director of the company for a period of five years with effect from 27.09.2019, or till such earlier date to confirm with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.”

On behalf of The Board of Directors,
Sd/-

Johny Mathew
(DIN: 02503346)

Chairman
Pottamkulam House, Yendayar P.O.
Kottayam, Kerala- 686514

Thekkady
31-08-2019

NOTE:

- 1) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 3) In terms of Section 124 (5) read with Section 125 of the Companies Act, 2013, the dividends declared by the company, for earlier years, which remains unclaimed for a period of seven years will be transferred on due date to the Investor Education and Protection Fund (IEPF) established by the Central Government. Members who have not encashed their dividend cheques in respect of earlier years are requested to make their claim(s) by surrendering the unencashed cheques immediately to the company.
- 4) The dividend as recommended by the board, if approved at this meeting, will be paid within 30 days from the date of declaration, to those members whose names appear in the Register of Members as on 27th September 2019.
- 5) Members are requested to notify immediately any change in their address, if any, to the company at the Registered Office.

- 6) Members are requested to lodge their email ID's along with their Name and Folio No. to company. This will enable the company to send all future communications including Annual Reports through electronic mode.
- 7) Electronic voting facility for members:-
In compliance with provisions of Section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Rule, 2014, the Company is pleased to provide members facility to exercise their right to vote at 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Service provided by Central Depository Services (India) Limited (CDSL).
The facility for voting either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- 8) Electronic copy of the Annual Report and the Notice of the Annual General Meeting of the company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the company for communication process, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the above documents are being sent in the permitted mode.
- 9) The Route map for easy location of the venue of the Annual General Meeting is attached.
- 10) Members may also note that the notice of the Annual General Meeting and the Annual report will also be available at the company's website www.kcpmc.com for download. The physical copies of the aforesaid documents will also be available at the company's Registered Office at Thekkady for inspection during normal business hours on working days up to the date of the AGM.
- 11) Ms. Anjana Binu, Practicing Company Secretary, (CP No. 12866), Thripunithura, Ernakulam has been appointed by the board as scrutinizer for conducting the remote e-Voting process in a fair and transparent manner.
- 12) The Scrutinizer shall, with in a period not exceeding three working days from the conclusion of the e-voting unlock the votes through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and make, Scrutinizer's report of the total votes cast in favour or against, if any, to the chairman of the Company.
- 13) The results declared along with the Scrutinizer's report will be placed on the Company's notice board and at the website www.kcpmc.com and on the website of E-voting Agency.
<https://www.cdslindia.com/evoting/EvotingInstanceAndResults.aspx> or on www.evotingindia.com à eVoting Notices – Results and click on Live Instances Voting and Results.
All the resolutions, subject to receipt of requisite no. of votes, shall be deemed to be passed at the AGM scheduled to be held on 27th September 2019.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 24th September, 2019 at 9.00 AM and ends on 26th September, 2019 at 5.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:
- (ix) After entering these details appropriately, click on "SUBMIT" tab.

For Members holding shares in Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant The Kerala Cardamom Processing and Marketing Company Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

On behalf of The Board of Directors,
Sd/-

Johny Mathew
(DIN: 02503346)

Chairman
Pottamkulam House, Yendayar P.O.
Kottayam, Kerala- 686514

Thekkady
31-08-2019

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of the special business

Item No.8 and 9:

The members of the company on 25th September 2014 appointed Mr. Bobby Tom (DIN: 03589559) and Mr. Rajamanickam Sakthisubramanian (DIN: 06982076) as Independent directors on the Board of the company pursuant to the provision of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014. They hold offices as Independent Director upto the conclusion of the ensuing Annual General Meeting.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the performance evaluation of Independent Directors, has recommended the appointment of Mr. Bobby Tom (DIN: 03589559) and Mr. Rajamanickam Sakthisubramanian (DIN: 06982076) as Independent Director for a second term of 5 consecutive years on the Board of the company. They consider that, given the experience and contributions made by them during their tenure, the continued association of Mr. Bobby Tom (DIN: 03589559) and Mr. Rajamanickam Sakthisubramanian (DIN: 06982076) would be beneficial to the company and it is desirable to avail their services as Independent Director. Accordingly it is proposed to reappoint them as Independent Directors of the company, not liable to retire by rotation and to hold office for a second term of 5 consecutive years on the Board of the Company.

Mr. Bobby Tom (DIN: 03589559) and Mr. Rajamanickam Sakthisubramanian (DIN: 06982076) are not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Director. They have also given a declaration that they meet with the criteria of Independence as prescribed in the Act and have complied with the Code of Independent Directors prescribed in Schedule IV to the Act.

Interest of directors and KMP-

i) Every director and KMP: No financial interest, interest is only to the extent of shareholding because the directors are also the shareholders of the company.

ii) Relatives of the directors: The relatives of the director may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the company.

The Board recommends the Special Resolution set out in item 8 and 9 of the Notice for approval by the members.

ANNEXURE TO THE NOTICE DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Mrs. Susan Punnoose	
Age	67
Qualification	XII/SSLC/High/ Equivalent
Experience	Vast administrative experience
Terms and condition of appointment	1. Previous appointment: In terms of Section 152(6) of the Act, Mrs. Susan Punnoose was appointed as Whole time Director at the Annual General Meeting held on 25/09/2014, liable to retire by rotation at the meeting. 2. Re-appointment: On such terms as may be decided by the board.
Remuneration last drawn	Rs. 32000
Remuneration proposed to be paid	Eligible to receive sitting fee and travelling expenses as per the terms and conditions prescribed by the Board of Directors.
Date of first appointment on Board	25/09/2014
Shareholding in company as on March 31, 2019	7,800 shares of Rs. 10 each
Relationship with other Director/ Key Managerial Personnel	Not related to any director/ key managerial personnel
Number of meetings of the Board attended during the year	6
Directorships, Memberships / Chairmanships of Committees of other Boards as on March 31, 2019	-

Mr. Mohan Varughese	
Age	67
Qualification	Post Graduate/ Master/ Equivalent
Experience	Vast administrative experience
Terms and condition of appointment	1. Previous appointment: In terms of Section 152(6) of the Act, Mr. Mohan Varughese was appointed as Whole time Director at the Annual General Meeting held on 25/09/2014, liable to retire by rotation at the meeting. 2. Re-appointment: On such terms as may be decided by the board.
Remuneration last drawn	Rs.26000
Remuneration proposed to be paid	Eligible to receive sitting fee and travelling expenses as per the terms and conditions prescribed by the Board of Directors.
Date of first appointment on Board	25/09/2014
Shareholding in company as on March 31, 2019	20,400 shares of Rs. 10 each
Relationship with other Director/ Key Managerial Personnel	Not related to any director/ key managerial personnel
Number of meetings of the Board attended during the year	6
Directorships, Memberships / Chairmanships of Committees of other Boards as on March 31, 2019	-

Mr. Raghavan Guhan	
Age	48
Qualification	Post Graduate/ Master/ Equivalent
Experience	Vast administrative experience
Terms and condition of appointment	1. Previous appointment: In terms of Section 152(6) of the Act, Mr. Raghavan Guhan was appointed as Whole time Director at the Annual General Meeting held on 25/09/2014, liable to retire by rotation at the meeting. 2. Re-appointment: On such terms as may be decided by the board.
Remuneration last drawn	Rs.27000
Remuneration proposed to be paid	Eligible to receive sitting fee and travelling expenses as per the terms and conditions prescribed by the Board of Directors.
Date of first appointment on Board	25/09/2014
Shareholding in company as on March 31, 2019	20,750 shares of Rs. 10 each
Relationship with other Director/ Key Managerial Personnel	Not related to any director/ key managerial personnel
Number of meetings of the Board attended during the year	5
Directorships, Memberships / Chairmanships of Committees of other Boards as on March 31, 2019	-

Mr. Bobby Tom	
Age	42
Qualification	Graduation / Bachelor / Equivalent
Experience	Vast administrative experience
Terms and condition of appointment	As per resolution in item 8 read with explanatory statement in the notice of this meeting, Mr. Bobby Tom is proposed to be reappointed as Independent Director for a term of 5 years.
Remuneration last drawn	Rs.15000
Remuneration proposed to be paid	Eligible to receive sitting fee and travelling expenses as per the terms and conditions prescribed by the Board of Directors.
Date of first appointment on Board	25/09/2014
Shareholding in company as on March 31, 2019	12,600 shares of Rs. 10 each
Relationship with other Director/ Key Managerial Personnel	Not related to any director/ key managerial personnel
Number of meetings of the Board attended during the year	4
Directorships, Memberships / Chairmanships of Committees of other Boards as on March 31, 2019	- Mundakayam Club

Mr. Rajamanickam Sakthisubramanian	
Age	40
Qualification	Graduation / Bachelor / Equivalent
Experience	Vast administrative experience
Terms and condition of appointment	As per resolution in item 9 read with explanatory statement in the notice of this meeting, Mr. Rajamanickam Sakthisubramanian is proposed to be reappointed as Independent Director for a term of 5 years.
Remuneration last drawn	Rs.15000
Remuneration proposed to be paid	Eligible to receive sitting fee and travelling expenses as per the terms and conditions prescribed by the Board of Directors.
Date of first appointment on Board	25/09/2014
Shareholding in company as on March 31, 2019	2000 shares of Rs. 10 each
Relationship with other Director/ Key Managerial Personnel	Not related to any director/ key managerial personnel
Number of meetings of the Board attended during the year	4
Directorships, Memberships / Chairmanships of Committees of other Boards as on March 31, 2019	-

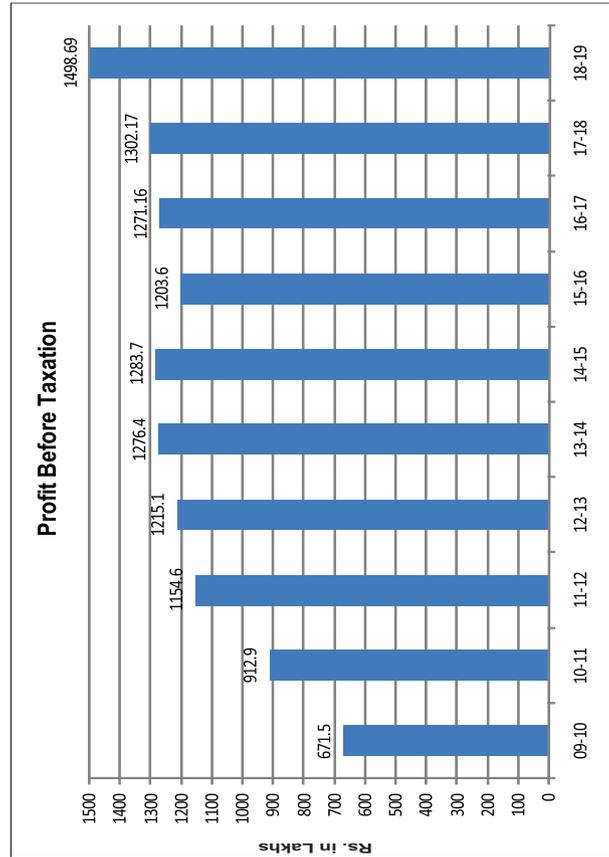
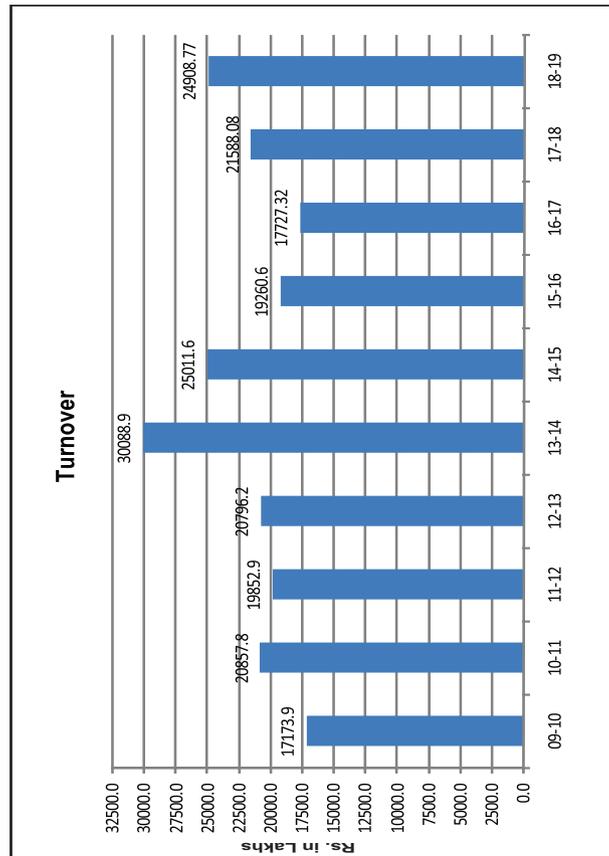
On behalf of The Board of Directors,
Sd/-

Johny Mathew
(DIN: 02503346)
Chairman

Pottamkulam House, Yendayar P.O.
Kottayam, Kerala- 686514

Thekkady
31-08-2019

FINANCIAL YEAR SUMMARY												
												(Rs.In Lakhs)
Particulars	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Sales	7200.3	7768.6	17173.9	20857.8	19852.9	20796.2	30088.9	25011.6	19260.6	17727.32	21588.1	24908.8
Profit before Taxation	226.3	503.4	671.5	912.9	1154.6	1215.1	1276.4	1283.7	1203.6	1271.16	1302.17	1498.69
Profit after Taxation	145.0	319.0	426.9	589.2	758.6	797.9	825.7	838.0	779.7	838.63	878.99	1090.72
Share Capital	199.99	199.99	199.99	399.98	399.98	399.98	399.98	399.98	399.98	399.98	399.98	399.98
Reserves	586.6	845.9	1201.6	1474.0	2093.1	2750.6	3410.5	4097.7	4732.9	5403.07	6113.57	7011.42
Gross Fixed Assets	595.0	597.7	715.2	782.9	914.0	1820.1	1853.7	1863.5	1908.1	2026.23	2045.52	2054.51
Dividend %	20.0	25.0	30.0	25.0	30.0	30.0	30.0	30.0	30.0	35.0	35.0	40.0



DIRECTORS' REPORT

Good afternoon and once again a warm welcome to all to this Annual General Meeting of your company.

While the previous year has been one that threw upon us events unprecedented, it is with mixed emotions that we stand before you today. In the wake of extremely concerning events in the environment that we live in, climatic and economic in nature, how we encounter these and progress in these difficult times will be a testament of our resilience.

Our endeavour to create an enterprise that will promote value and wealth in what we do, is even more relevant today, being in the Agriculture sector. In a sector of decreasing value, it will be our endeavour to create and carve out opportunities that are hard to emerge, but nevertheless forced to, owing to our commitment and also to address the large population engaged in this sector and community that we are in.

While we may direct activities to take advantages of technology and relevance from time to time, our commitment to Agriculture will remain focussed and undeterred. We will continue to focus our efforts on what is relevant and what will add value to the Organization and community – customers, society and shareholders.

It is my privilege to present before you the directors report and the financial performance of KCPMC Ltd. We can confidently say that this has been a year that each of our verticals have come of age. While the more senior ones consolidated their operations and performance, the more recent ones have also done commendably well this year.

As we speak work on our new processing facility for Cardamom processing is being completed and will be commissioned towards the end of the year. Operations of the trade division will no doubt gather pace in the months and years to come, to take advantages of the ever-increasing market and the need to get our produce to the market, in the shortest possible time, efficiently. We hope to be the 'one-stop Destination' for Indian cardamom for anyone across the country and the world. Efficiencies of scale and mechanisation will ensure that the produce is made available in markets across in most efficient manner possible at the most competitive prices.

In an era of 'safe agricultural practices' and efficient operations, your company hopes to make an example of the best in the field in terms of safe produce traceability and productivity from its farm operations. We will endeavour to bring out the finest Indian cardamom, in the best environments and in the most productive manner possible. As we speak we are in the process of completing the acquisition and ensuring lasting and efficient systems implemented in the plantations.

☒ With this we have completed the full suite of integrated services in cardamom;

- Plantations
- Input Supplies
- Advisory services
- Commodity Auctions
- Commodity processing and packaging operation
- Wholesale trade and export
- Branded retail

While some of these divisions will require continued focus, others have come of age and setting the bar higher on services and products that are a bench-mark of quality and value of the highest order.

While we understand the limitations of limited commodity focus, we will increasingly work to spread our focus across other commodities as well. There needs to be much to be achieved in other areas in agriculture that we have to expand our operations into. There need for moving out of commodities that are unviable and into ones that are more relevant and of more value. There also exist huge voids in marketing of produce and creation of viable production clusters which overcome the limitations of produce marketing and challenges of logistics.

As mentioned earlier all business verticals presented remarkable performances despite extremely challenging circumstances. Our focus on Agri-inputs supplies gather momentum in the number of customer outlets which are at 15 today and have increasingly proven to be the most effective touch-point for our valuable customer interactions. This supported by timely and efficient advisory services to the farmers have built in credibility in our operations thereby creating strong client relationships. While the revenues were at Rs.9311.23 Lakh, the bottom lines for the vertical showed an impressive segment result of Rs. 1364.78 Lakh for the year.

The cardamom auction business vertical continues to be embroiled in all sort of experiments, which have amounted to a large bit of uncertainty in operationally managing the business. While we did extremely well in our top and bottom lines (Rs.377.97 Lakh), what is worth the mention would be the completely automated 'paperless' operations and service trail that we have developed backed by technology. All operations from pooling of cardamom to sale, remittance of proceeds and despatch to buyers are completely paperless and follow streamlined operations making the initiative unique and super-efficient. We are proud to announce that this proprietary 'Cardamom Auction E-operations system' is a first in the industry and have brought about huge advantages and credibility to our auction process.

Though the cardamom market saw huge upheavals in prices, which make meaningful trade difficult and often risky, the division has presented a stellar performance. Revenues were are Rs.1635.40 Lakh and bottom lines at Rs.208.71 Lakh.

Natural rubber business too supported the kitty with a bottom line of Rs.96.18 Lakh.

Our performance again proves that investing in initiatives that add value to the community one exists in is always rewarding and will continue to enjoy the support and blessings of all stakeholders. We continue in our endeavour to create initiatives that are meaningful and contribute to the cause of the community and the society. Our biggest assets are our stakeholders and the enterprise will continue to support activities that support them.

HIGHLIGHTS OF THE YEAR'S PERFORMANCE:

FINANCIAL PERFORMANCE

Gross Turnover for the year improved by 15.38% to Rs. 24908.76 lakhs, mainly due to increase in trade volume in Cardamom. Agro-inputs division maintained the last year's sales figures and continued as the main contributor of company's bottom line. Auction division performed successfully well and posted an income of Rs.374.54 lakhs. The Rubber division showed a segment result of Rs. 96.18 lakhs for the year.

Particulars	2018-2019	2017-2018
Revenue from Operations	2592250796	2255184890
Other Income	40830222	36775607
Profit/Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	155890550	135626577
Less: Depreciation/ Amortization/ Impairment	4311547	4317173
Profit /Loss before Finance Costs, Exceptional items and Tax Expense	151579003	131309403
Less: Finance Costs	1709599	1091980
Profit /Loss before Exceptional items and Tax Expense	149869404	130217423
Add/(less): Exceptional items	-	-
Profit /Loss before Tax Expense	149869404	130217423
Less: Tax Expense	40797066	42317992
Profit /Loss for the year	109072338	87899431

As is customary preview of your Company's financial performance since 2003 is given below.

Rs.in Lakhs

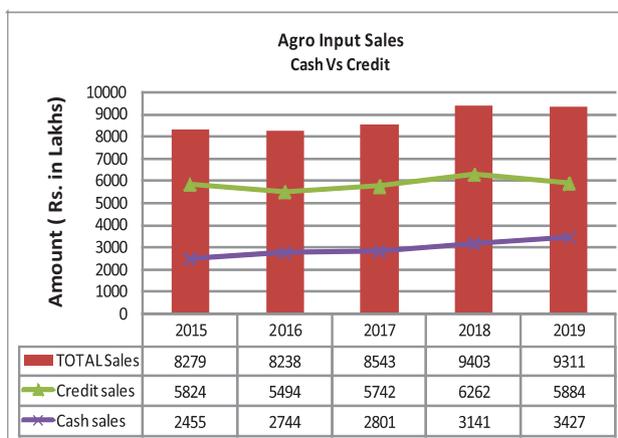
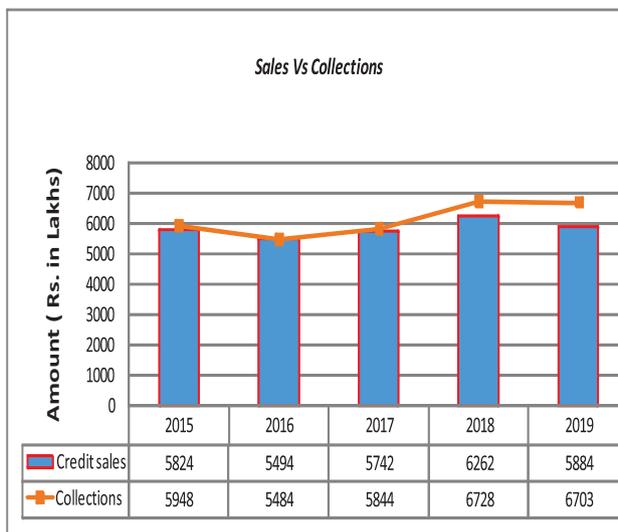
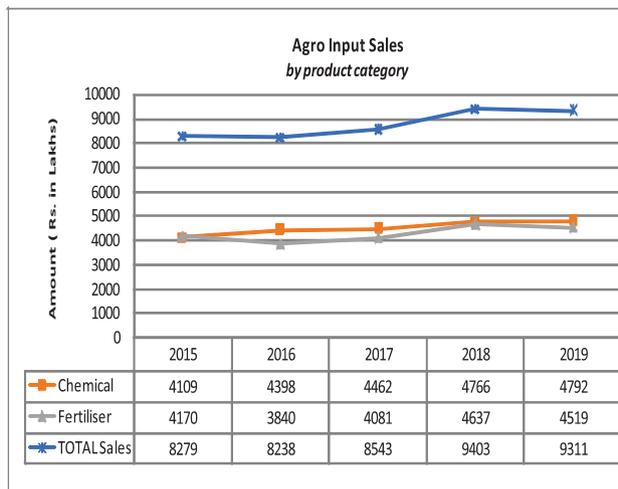
KCPMC : Financial Highlights 2003-2019 & prv.yr				
Particulars	2003	2019	% growth	Prv Yr (2018)
Sales	2624.87	24908.77	849	21588.08
Gross Income	2651.80	26330.81	893	22919.60
Net Profit	87.29	1498.69	1617	1302.17

As at 31st MARCH, 2019

A brief of each of the four divisions' performance is given below for your perusal.

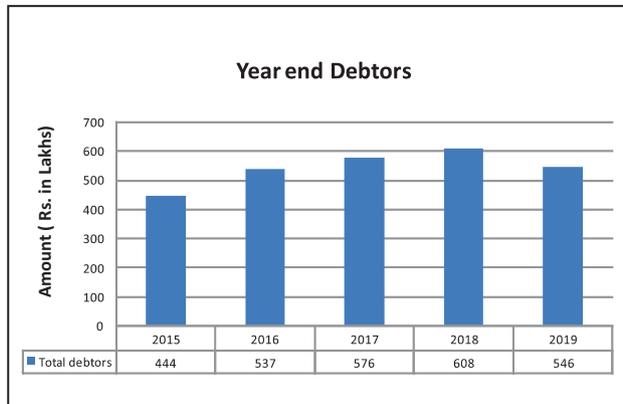
THE AGRO INPUTS DIVISION

Sales: The Agro Inputs division showed a total divisional turnover of Rs.93.11 Cr (94.03 Cr Previous. Yr).

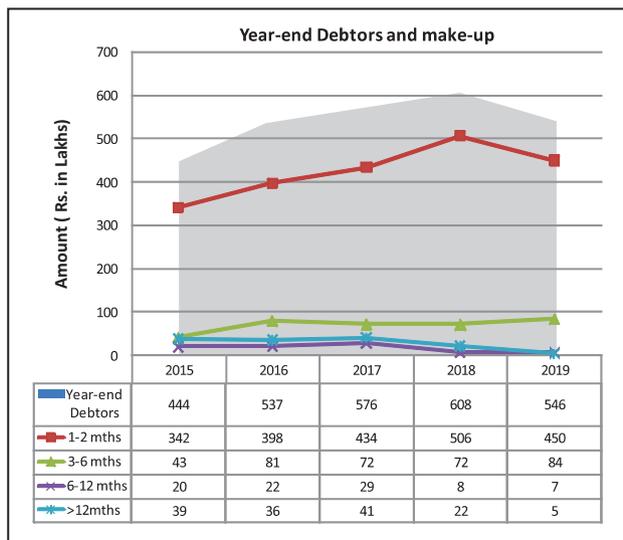


Credit and Collections:

Credit Sales and resultant Collections have also showed a commendable performance, in spite of the prevailing circumstances.

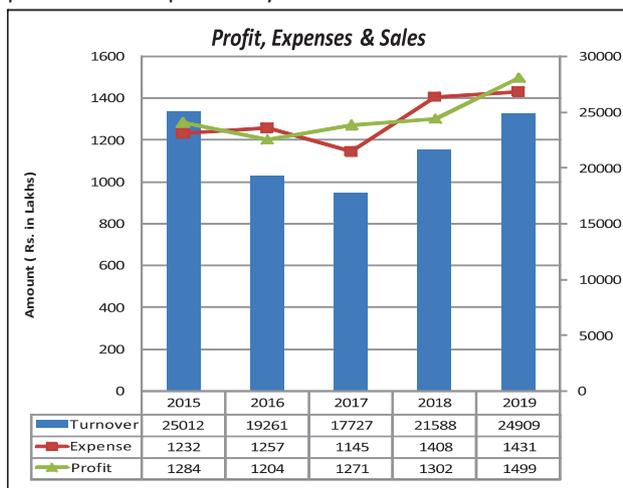


The Following figures give a break up of the book.



Financial performance:

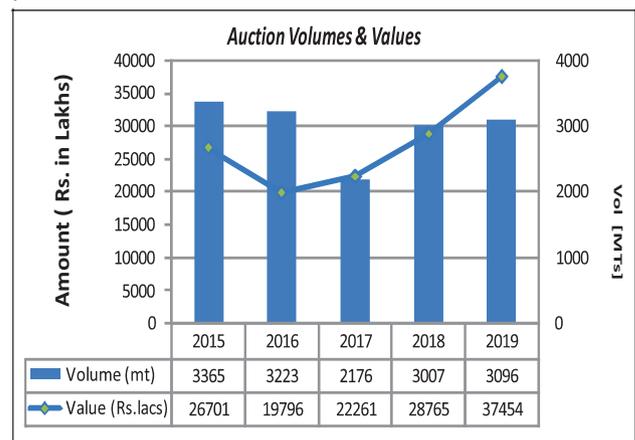
The following figures present a brief view on how we performed the previous years.



THE AUCTION DIVISION

Auction Volumes:

Auctions constitute a turnover of Rs. 374.54 Cr and 3096MTs (see chart below). From a rather modest figure of 17.43 Cr in 2001, we have been able to effectively manage the above levels as of now. We continue to face increasing competition in this field, but nevertheless maintain our position as a major Cardamom Auctioneer in the country today. Our service levels, professionalism and relationship with planters, continue to be our focus to improve our performance.

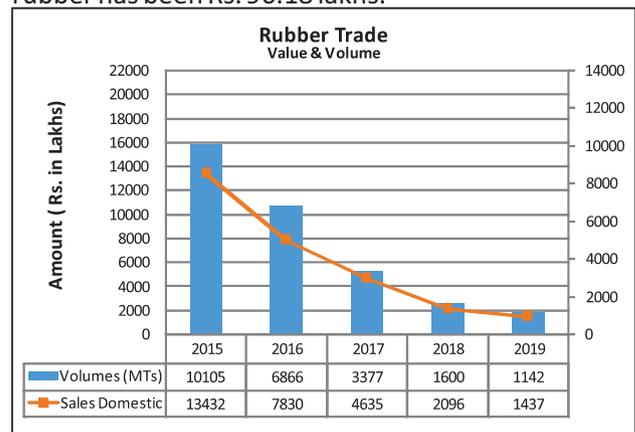


CARDAMOM TRADE DIVISION

The Cardamom Trade Division emerged as a major trader in domestic market from its modest volumes and also cater to the occasional export opportunity from time to time. We foresee a bright future in new organised business scenario.

RUBBER TRADE DIVISION

Domestic sales have been affected by the price of the product. The segment result from operations in rubber has been Rs. 96.18 lakhs.



RESERVES

The Directors propose to transfer Rs.9000000/- to General Reserve Account.

DIVIDEND

Considering the balance amount available to the credit of the Profit & Loss account after transfer of Rs.90000000/- to the General Reserve and after reserving the amount that might be required for future operations, the Board of Directors of your company is pleased to recommend a dividend of Rs.4/- per equity share of the face value of Rs.10 each (@40%), for the financial year ending March 31, 2019, payable to those Shareholders whose names appear in the Register of Members as on the Book Closure / Record Date, subject to the approval of shareholders in the ensuing Annual General Meeting.

An amount of Rs. 3288683/- would be paid as dividend distribution tax on the dividend.

CHANGE IN THE STATE OF THE COMPANY'S AFFAIRS AND THE NATURE OF BUSINESS

There were no changes during the year that took place in the state of affairs or in the nature of business carried on by the company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report

CAPITAL STRUCTURE

The Authorised Share Capital of the Company is Rs. 50000000/- (Rupees Five crore only).

The issued, subscribed and paid up capital of the company is Rs 39998000/- (Rupees Three crore ninety nine lakh ninety eight thousand only).

There were no changes in the capital structure of the company during the year under review.

CREDIT RATING

The Company continued to maintain credit rating from CRISIL at A-. Higher category ratings from CRISIL enables better borrowing and terms from financial institutions and will hold us in good stead in a larger industrial, regulatory or financial audience.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

No amount of dividend was transferred by the company to the IEPF during the year.

Chart 1. Status of unclaimed and unpaid dividend for different years:

Unclaimed Dividend for 2011-12 and thereafter	
Transfer of unpaid dividend	Will be transferred to IEPF on due date
Claims for unpaid dividend	Can be claimed from the Company within the time limits provided in Chart 2 given below

Chart 2. Information in respect of unclaimed and unpaid dividends declared for 2011-12 and thereafter

Financial year ended	Date of declaration of dividend	Amount lying in the unpaid dividend account	Last date for claiming unpaid dividend
March 31, 2012	September 27, 2012	Rs. 85500	September 27, 2019
March 31, 2013	August 29, 2013	Rs. 91800	August 29, 2020
March 31, 2014	September 25, 2014	Rs. 168150	September 25, 2021
March 31, 2015	September 30, 2015	Rs. 244800	September 30, 2022
March 31, 2016	September 27, 2016	Rs. 300000	September 27, 2023
March 31, 2017	September 26, 2017	Rs. 400400	September 26, 2024
March 31, 2018	September 27, 2018	Rs. 1204525	September 27, 2025

MANAGEMENT

Directors and Key Managerial Personnel

As on 31- March, 2019, the total strength of Board of Directors was 11 with a Chairman, Vice Chairman, Managing Director, Joint Managing Director, 2 Independent Directors and 2 Women Directors.

No directors were appointed/ ceased to be directors during the year under review.

Directors retiring by rotation

In terms of the provisions of sub-section (6) of Section 152 of the Companies Act 2013, two third (2/3rd) of the total number of Directors are liable to retire by rotation and out of which one third (1/3rd) retire by rotation at every Annual General Meeting.

At the ensuing Annual General Meeting, Mrs. Susan Punnoose (DIN: 06981148), Mr. Mohan Varughese (DIN: 06981109) and Mr. Raghavan Guhan (DIN: 06981128) retire by rotation and being eligible, offer themselves for re-appointment.

Independent Directors

Mr. Bobby Tom (DIN: 03589559) and Mr. Rajamanickam Sakthisubramanian (DIN: 06982076) are liable to hold offices as Independent Director upto the conclusion of the ensuing Annual General Meeting.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the performance evaluation of Independent Directors, has recommended the appointment of Mr. Bobby Tom (DIN: 03589559) and Mr. Rajamanickam Sakthisubramanian (DIN: 06982076) as Independent Director for a second term of 5 consecutive years on the Board of the company.

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and that they have complied with the Code of Independent Directors as prescribed in Schedule IV of the Act.

Meetings of the board

The Board met 6 times during the year and on the following dates 22/06/2018, 31/07/2018, 22/08/2018, 27/09/2018, 23/11/2018 and 06/02/2019. In respect of each meeting proper notices were given, the proceedings were properly recorded and signed in minute's book maintained for the purpose. The maximum time gap between the two board meetings was not exceeding 120 days.

The composition and category of the Directors along with their attendance at Board Meetings for the financial year 2018 - 19 are given below:

Sl no.	Name of the Director	Category of director	No of board meetings	
			Held during the tenure	Attended
1.	Mr. Johny Mathew	Chairman	6	6
2.	Mr. Raghavan Guhan	Vice Chairman	6	5
3.	Mr. Jojo George Pottemkulam	Managing director	6	5
4.	Mr. K. Zia Ud Din Ahamed	Joint Managing Director	6	4
5.	Mr. Bobby Tom	Independent director	6	4
6.	Mr. R. Sakthi Subramanian	Independent director	6	4
7.	Mr. Mohan Varghese	Director	6	6
8.	Mr. K. Sakthivel	Director	6	5
9.	Mr. K.I. Varkey	Director	6	5
10.	Mrs. Susan Punnoose	Women Director	6	6
11.	Mrs. S. Jayakumari	Women Director	6	6

Committees of the Board

In accordance with the provisions of the Companies Act, 2013 the Board has constituted (1) an Audit Committee, (2) a Corporate Social Responsibility Committee, (3) a Stakeholders Relationship Committee, (4) a Nomination and Remuneration Committee and (5) an Internal Complaints Committee.

The compositions of the above committees are detailed below;

Audit Committee

Audit Committee consists of Jojo George Pottemkulam (Chairman), Sakthi Subramanian (Member) and Bobby Tom (Member).

The Audit Committee met 5 times during the year on the following dates 22/06/2018, 22/08/2018, 27/09/2018, 23/11/2018 and 06/02/2019.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee consists of Johny Mathew (Chairman), Jojo George (Member), K. Zia Ud Din Ahamed (Member) and Bobby Tom (Member).

The Corporate Social Responsibility Committee met 5 times during the year on the following dates 22/06/2018, 22/08/2018, 27/09/2018, 23/11/2018 and 06/02/2019.

Stakeholders Relationship Committee

Stakeholders Relationship Committee consists of Johny Mathew (Chairman), K. Zia Ud Din Ahamed (Member) and Jojo George (Member).

The Stakeholders Relationship Committee met 1 time during the year on 22/08/2018.

Nomination and Remuneration Committee

Nomination and Remuneration committee consists of Bobby Tom (Chairman), Sakthi Subramanian (Member) and K. I. Varkey (Member).

The Nomination and Remuneration Committee met 1 time during the year on 22/08/2018.

Internal Complaints Committee

Internal Complaints Committee consists of Susan Punnoose (Chair Person), S. Jayakumari (Member) and Jojo George Pottemkulam (Member).

The Internal Complaints Committee met 1 time during the year on 31/07/2018.

Particulars of Employees

During the year under review, no employee of the Company was in receipt of remuneration requiring disclosure under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Company's Policy Relating to Directors Appointment, Payment of Remuneration and Discharge of Their Duties

On consulting with the Board, Nomination & Remuneration Committee framed a policy for selection and appointment of Directors including determining qualifications for independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013. The policy is attached herewith as Annexure I and II.

Performance Evaluation

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual directors (including independent directors) which include criteria for performance evaluation of Non-Executive directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, compliance with code of conduct, vision and strategy.

The board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairperson.

Directors Responsibility Statement

The Directors confirm that

- 1) In the preparation of annual accounts for the financial year 2018-2019, the applicable accounting standards have been followed and there are no material departures.
- 2) The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of 31st March, 2019 and of the profit of the Company for the year ended as on that date.
- 3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company for preventing and detecting fraud and other irregularities.
- 4) The Directors have prepared the annual financial statement on a going concern basis.
- 5) The directors have laid down internal financial controls to be followed by the Company. The financial controls are adequate and are operating effectively with reference to the financial statements.
- 6) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Systems and Their Accuracy

The Company has an adequate internal control system in place to safeguard assets and protect against losses from any unauthorised use or disposition. The system authorises, records and reports transactions and ensures that recorded data are reliable to prepare financial information and to maintain accountability of assets. The Company's internal controls are supplemented by an extensive programme of internal review by the management and documented policies, guidelines and procedures.

DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

The Company has no subsidiary, joint ventures or associate companies during the year under review.

DEPOSITS

The Company has not accepted any deposits.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

DETAILS OF CONTRACTS OF ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188

The transactions with regard to availing of services of Key Managerial Persons and payment of their remuneration are on the basis of their terms of appointment which are already approved by the shareholders of the Company. The remuneration split up is detailed in notes to accounts and MGT 9 attached to this Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company recognizes the responsibility assigned to it under Section 135 of the Companies Act 2013 to set apart 2% of its profit for conducting specified activities as a responsible Corporate Citizen, in the locality it operates.

In accordance with the provisions of the Companies Act, 2013 and rules made there under, the Company has formulated the CSR Policy and is identifying the suitable projects for implementing the policy under the supervision of the CSR Committee of the Board. The average net profit of the Company for the preceding three financial years is Rs.1258.98 lakhs. During the year the Company has set apart Rs.25.25 lakhs, which is 2% of the average net profit of the last three financial years. The Company's CSR Activities are carried out through the trust KCPMC CSR FOUNDATION specifically formed for this purpose. The Company is identifying and implementing the right projects for the betterment of the society in the local area and areas around it where it operates as a part of its Corporate Social Responsibility. The CSR Committee and Details of the policy are given in Annexure III.

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

a) Conservation of Energy, Technology Absorption

It has not much relevance to the Company as the Company is carrying on purely trading operations. However the Company is making all efforts to conserve energy in all possible ways and absorb technology. The Company is generating and using solar energy through Solar Power Plant.

b) Foreign Exchange Earnings and Outgo

Export Activities: During the year, the Company has exported 15.46 tonnes of Cardamom mainly to Middle East countries. Constant efforts are made by the Company to explore new export markets for the items dealt with by us. The Company arranged for import of Rubber from foreign countries by major consumers in India. Total Foreign Exchange earned is Rs.299.62 Lakhs

RISK MANAGEMENT

Risk management policy aims to identify the diverse risks faced by the Company and come up with appropriate mitigation strategies, managing risks in credit, interest rates and liquidity, form critical components of our risk management system.

• Operational Risk :

Risk of direct or indirect loss due to the failure of systems, people or processes or due to external events. It includes employee negligence, fraud, petty theft, burglary and embezzlement are in the nature of operational risks.

Company has instituted a series of checks and balances, including an operating manual, and both internal and external audit reviews to mitigate such risks.

• Interest Rate Risk :

Any increase in interest rate can affect the finance cost of the Company. To reduce such risks, dependence on debt is reduced to very minimum

• Competition Risk :

Company is always exposed to competition risk. The increase in competition can create pressure on margins, market share etc. By introducing new product range commensurate with demands, your Company plans to mitigate the risks so involved. Continuous efforts have been taken to enhance the brand image of the Company.

Furthermore, the following activities are also carried out to identify, monitor and mitigate the impact of risks.

- Conducting risk surveys across the function to get inputs on key risks.
- Periodic assessment of risks, their impact on the key business objectives relating to the growth, profitability, reputation etc.
- Monitoring key developments in regulatory environments.
- Studying direct and indirect economic impacts in the areas of our operations.

VIGIL MECHANISM

In compliance with the requirements of section 177(9) of the Companies Act, 2013 the audit committee shall oversee the vigil mechanism through the committee.

It provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or policy and also provide for adequate safeguards against victimisation of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. The

Company has also provided adequate safeguards against victimisation of employees and Directors who express their concerns.

MATERIAL ORDERS OF JUDICIAL BODIES/ REGULATORS

There are no material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

AUDIT AND AUDITORS

a) Statutory Auditor

The shareholders of the company at their Annual General Meeting held on 30th September 2015 have appointed Mr. K.T. Thomas, Chartered Accountant (Membership number : 022112) as Statutory auditor of the company for a period of six years, subject to ratification by the members at every Annual General Meeting. The Board recommends their appointment for ratification at the ensuing Annual General Meeting.

The auditor's observation in para vii. a) of Annexure A to the Independent Auditor's Report regarding ESI contribution is explained under clause c(iii) below.

b) Tax Auditor

The Board has appointed M/s. Rangamani & Co., as the Tax Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General meeting to be held in the year 2020.

c) Secretarial Auditor

The provision of Secretarial Audit is applicable to the company during the year under review. The Secretarial Audit report for the financial year ended 31st March 2019 is annexed herewith as Annexure IV to this report. The reply to the qualifications made by the Secretarial Auditor is as follows:

- i) The company has not made any fresh issue of shares or transfer of share after 02-10-2018. The company was taking necessary steps to get the shares dematerialized. Since the company is functioning in a remote place in a plantation area and all the shareholders are mostly farmers it took some time for us to make the shareholders aware of the provisions of dematerialization. The Company has been allotted ISIN for its equity shares (ISIN-INE0A1601018) on 9th August, 2019 and procedures for dematerialization are going on in full swing.
- ii) No amount from the unpaid dividend account is due to be transferred to the IEPF as per the time limits specified under section 124(5) of the Companies Act as on 31.03.2019. A review of the accounts and records of the company show that the company is consistently making efforts to pay the amount lying in the unpaid dividend account to the shareholders. During the year also the unpaid dividend of different years were paid off.
- iii) All the employees are covered under Medical Insurance Scheme/Group Personal Accident Policy arranged with M/s United India Insurance Company Limited from the year 2006 onwards and its benefits are comparable with ESI benefits. The ESI Act 1948 was made applicable to the company recently only. After it was made applicable the company has got registered under the ESI Act and the Company is taking steps to pay ESI dues with the appropriate authorities. No amount was recovered from the employees during the period. So their contributions are not remaining unpaid.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1, SS-2, SS-3 and SS-4 relating to Meeting of Board of Directors, General Meeting, dividend and report of the Board of Directors respectively have been duly followed by the company.

ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT-9 is annexed herewith as Annexure V to this report.

MAINTENANCE OF COST RECORD

The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies' Act, 2013 read with the Companies (Cost Records and Audit) Rules 2014, for any of the products dealt with/services rendered by the Company.

DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the sexual harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during the year:

- (a) Number of complaints pending at the beginning of the year- Nil
- (b) Number of complaints received during the year- Nil

(c) Number of complaints disposed off during the year- Nil

(d) Number of cases pending at the end of the year- Nil

DEMATERIALIZATION OF SHARES

The company has been allotted ISIN (International Securities Identification Number) on August 9, 2019 by the Central Depository Services (India) Limited. The ISIN allotted for our company is INE0A1601018 which has been made live in the CDSL system. The investors can now avail the depository services with the Depository Participant registered with CDSL. The company has sent intimations to the shareholders to open a Demat account and hence the company is under process to dematerialise its securities.

Description	No of shareholders	Shares	% of Equity
CDSL	-	-	-
NSDL	-	-	-
Physical	1121	3999800	100%
Total	1121	3999800	100%

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offences for the year ending March 31, 2019.

In Conclusion

As new circumstances evolve all around us both within the industry and the nation, we are hopeful that the governments' proactive endeavours to create structural drivers of rapid growth will augur well for the economy. Significant reforms such as GST have stabilised well and the various social schemes that are shaping 'Sabka Saath, Sabka Vikaas' point to an optimistic future. With rising incomes, a young demographic profile and concerted efforts to enhance agricultural & social development, let us hope that a New India is indeed being shaped.

KCPMC is sparing no effort to benefit from the anticipated acceleration in the growth trajectory whilst simultaneously making a meaningful contribution to the vision for inclusive socio-economic development.

As we traverse this journey together I am reassured by the sheer commitment of commendable team behind all our endeavours and the support and co-operation of our customers and shareholders.

We will look forward to your support and guidance, as always, to take this institution to even greater heights.

Best Regards,

Yours sincerely,

On Behalf of the Board of Directors
Sd/-

Johny Mathew
(DIN: 02503346)

Chairman

Pottamkulam House, Yendayar P.O.
Kottayam, Kerala- 686514

Thekkady
31.08.2019

Annexure I

Policy for selection of Directors and determining Director's independence

This policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of directors in case of their appointment as independent director of the company.

Qualification and criteria

- The Nomination and Remuneration Committee and the Board shall review on an annual basis, appropriate skills, knowledge and experience required of the Board and of its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.
- In evaluating the suitability of an individual Board member, the Nomination and Remuneration Committee may take into account the following factors:
 - General understanding of the Company's business dynamics, global business and social perspective;
 - Educational and professional background;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- The proposed appointee shall also fulfill the following requirements:
 - Shall possess a Director Identification Number (DIN);

- Shall not be disqualified under the Companies Act, 2013;
 - Shall give a written consent to act as a Director;
 - Shall endeavor to attend all Board Meeting and Committee meeting, if appointed as a Committee member;
 - Shall abide by the Code of Conduct
 - Shall disclose his concern in any company or companies or body corporate, firms or other association of individuals including his shareholding at the first Board meeting every financial year and thereafter whenever there is a change in the disclosures already made;
 - Such other requirements as may be prescribed from time to time, under the Companies Act, 2013.
4. The Nomination and Remuneration Committee shall evaluate each individual with an objective of having a group that best enables the success of the Company's business.

Criteria for independence

1. The Nomination and Remuneration Committee shall assess the independence of director at the time of appointment/ re-appointment and the board shall assess the same annually
2. The criteria of independence as laid down in Companies Act, 2013 is as follows:
An independent director in relation to a company, means a director other than a managing director or a whole time director or a nominee director,
 - a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
 - c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - d) none of whose relatives—
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:
Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
 - (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);
 - e) who, neither himself nor any of his relatives —
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding,

subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

f) who possesses such other qualifications as may be prescribed.

3. The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013

Other Directorship/ Committee Memberships:

1. The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance.
2. A director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
3. A director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all the companies in which he holds directorship.

On Behalf of the Board of Directors

Sd/-

Johny Mathew
(DIN: 02503346)

Chairman

Pottamkulam House, Yendayar P.O.
Kottayam, Kerala- 686514

Thekkady

31.08.2019

Annexure II

Remuneration policy for Directors, Key Managerial Personnel and other employees

This policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

Remuneration to Executive Directors and Key Managerial Personnel

1. The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
2. The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
3. The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:
 - (i) Basic Pay
 - (ii) Perquisites and Allowances
 - (iii) Annual Performance bonus

Remuneration to Non-Executive Directors

1. The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.
2. Non- Executive directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

Remuneration to other employees

1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill set, seniority, experience and prevailing remuneration levels for equivalent jobs.

On Behalf of the Board of Directors

Sd/-

Johny Mathew
(DIN: 02503346)

Chairman

Pottamkulam House, Yendayar P.O.
Kottayam, Kerala- 686514

Thekkady

31.08.2019

Annexure III

Corporate Social Responsibility Policy

1. A brief outline of the Company's CSR policy, including overview of the project or programs undertaken/ proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR policy approved by the Board of Directors has been uploaded on the Company's website.

Web link <http://www.kcpmc.com>

CSR Philosophy

KCPMC understands that the business enterprise is also an economic organ of society and draws on societal resources and the organization's performance should be measured not just by its economic parameters, but also should build on social and environmental capital and enhance its societal sustainability. We function in an environment that is delicate and sensitive in the core nature of the business and at the same time critical and elemental in the service that is deemed to provide.

We seek to undertake projects and initiatives that will continuously contribute to the community (special emphasis to the farming community) social initiatives and to the environment in a sustainable manner. Such Corporate Social Responsibility ("CSR") projects, we believe should be scalable and sustainable, independent (at later stages) and will help sustainable livelihood, improvement of social capital and environmental rejuvenation. Programmes, projects and activities (collectively "CSR Initiatives") to be carried out in this regard are the subject matter of this Policy.

CSR Policy

It is KCPMC's policy:

- 1) To direct KCPMC's CSR Initiatives, inter alia, towards achieving one or more of the following
 - providing farm support services and information on novel and sustainable farming methods;
 - services enhancing value of farm produce by establishing information and testing centres for produce and inputs;
 - enhancing environmental and natural capital – cleanliness missions and environmental sustainability projects;
 - activities involving the protection of flora and fauna;
 - supporting critical support for health care for economically backward sections;
 - rural development & education support;
 - providing preventive healthcare, providing sanitation and drinking water;
- 2) To develop the required capability and self-reliance of beneficiaries at the grass roots, in the belief that these are prerequisites for social and economic development;
- 3) To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
- 4) To pursue CSR Initiatives primarily in areas that falls within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;
- 5) To carry out CSR Initiatives in relevant local areas and also to fulfill commitments arising from requests by government/regulatory authorities and social organisations when needed and to earmark amounts of monies towards related activities and to spend such monies through CSR Cells of such administrative bodies of the government and/or others by way of developmental works in the local areas around which the Company operates;

Implementation

To implement the Company's CSR Initiatives directly or through Company founded trusts or other relevant bodies, or through external implementing agencies and Section 8 companies that may be established by the Company from time to time.

Activities / Initiatives earmarked for KCPMC – CSR Initiatives

KCPMC Farmers Centre: Fully recognizing the importance of the community that we work with, it has become imperative that the farming community is fully conversant with sustainable farming and environmental positive practices to be undertaken. To achieve this, the community needs information and tools that are economically unviable for individual farmers to obtain on a continuous basis. Some of the initiatives earmarked are as follows:

'Farm Information Centre': a public information centre that imparts information and knowledge on latest farm practices and sustainable farming methods and Package of Practices of crops based on localized environment and characteristics.

'Farm Services Centre': provides various support services for Soil & leaf testing, Inputs testing for efficacy and product genuineness and Product testing for content and residues.

KCPMC Social and Environment Centre: Understanding the relevance of the society and the environment that we exist and function in, we believe that continuous sustainable contributions are required both for environmentally sustainable activities and socially deserving causes both at individual and organizational levels;

- Medical endowment fund for critically and terminally ill patients
- Education fund for economically backward and deserving cases
- Environmental fund for environmentally sustainable activities.

KCPMC CSR FOUNDATION

As a part of our CSR initiative, during the year 2016 the Company formed a trust by the name KCPMC CSR FOUNDATION to implement the projects and contributed the entire amount set apart for CSR project during current year aggregating to Rs. 25.25 lakhs to the corpus of the Trust. During the year the Trust has spent Rs. 509105 for promoting Education, Rs. 262000 for providing Health Care, Rs. 1470087 for Rural Development and Rs. 909715 for Disaster relief. (Kerala Flood Relief)

2. Composition of the CSR Committee

Name of the Member	Designation
Johny Mathew	Chairman
Mr. Jojo George Pottamkulam	Member
Mr. K. Zia Ud Din Ahamed	Member
Mr. Bobby Tom	Member

3. Average net profit of the Company for last three financial years: Rs.1258.98 lakhs

4. Prescribed CSR expenditure (2% of the amount as in item 3 above): Rs.25.18 lakhs

5. Details of CSR spent for the financial year

(a) Total amount spent for financial year: Rs.25.25 lakhs

(b) Amount unspent if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

SL. No	CSR Project or Activity identified	Sector in which the project is covered	Project or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or program (2) Overheads:	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing agency
1	Contribution to the corpus of the Trust - KCPMC CSR FOUNDATION -created exclusively for undertaking the CSR activities of the Company	--	--	Rs.25.25 Lakhs	Rs.25.25 Lakhs	Rs.102.35 Lakhs	Contributed to the implementing Agency

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reason for not spending the amount in its Board report.

The Company has spent /utilized the prescribed percentage of the average net profits of the Company for CSR activities by contributing to the corpus of the Trust as detailed above.

7. The CSR Committee hereby confirms that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company and the applicable amount was contributed to the corpus of the CSR trust created exclusively for undertaking the CSR activities of the Company.

For The Kerala Cardamom Processing and Marketing Company Limited.

	Sd/- Johny Mathew Chairman (CSR Committee) DIN: 02503346 Pottamkulam House Yendayar P.O. Kottayam Kerala- 686514	Sd/- Jojo George Pottamkulam Managing Director DIN: 00050344 Pottamkulam House Kootickal P.O. Kottayam-686514	Sd/- K. Zia Ud Din Ahamed Joint Managing Director DIN: 00350688 26 Kulakkaran Street Theni District, Tamilnadu Cumbum-625516
Thekkady 31.08.2019			

Annexure IV

SECRETARIAL AUDIT REPORT OF THE KERALA CARDAMOM PROCESSING AND MARKETING COMPANY LIMITED FOR THE FINANCIAL YEAR ENDED 31-03-2019

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

To,
The Members
The Kerala Cardamom Processing and Marketing Company Limited
K.P1/741 B, Spice House, Thekkady P.O., PIN-685536

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Kerala Cardamom Processing and Marketing Company Limited (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of The Kerala Cardamom Processing and Marketing Company Limited’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31-03-2019 complied with the statutory provisions listed hereunder to the extent applicable to the Company and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31-03-2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; to the extent the same was applicable to the Company;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the Audit period);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not applicable to the Company during the Audit period);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the Audit period);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit period);

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from July 1st, 2015; and

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except for the below mentioned:

- i) The Company has not secured ISIN for its securities till the end of Financial Year 2018-19 as required under the provisions of Rule 9A(4) of Companies (Prospectus and Allotment of Securities) Rules, 2014
- ii) There are amounts pending in the unpaid dividend account which are not yet claimed by the shareholders till the end of Financial Year 2018-19

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company except for Employees' State Insurance Act, 1948 and its rules in which Company has defaulted in the payment of ESI dues with the appropriate authorities for the Financial Year ended 2018-19:

- Spices Board Act 1986 and Spices Board Rules 1987
- Spices Board (Regulation of Exporters) Regulations, 1989
- Spices Board (Quality Marketing) Regulation, 1992
- Spices Board (Registration of Exporters) Amendment Regulations 2011
- The Cardamom Licensing and Marketing Rules, 1987
- The Cardamom Licensing and Marketing Amendment Rules, 2014
- Insecticides Act, 1968
- Insecticides Rules, 1971
- The Rubber Act, 1947
- The Rubber Rules, 1955
- Labour Laws

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. I further report that there are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Thripunithura
31.08.2019

Sd/-
ANJANA BINU
COMPANY SECRETARY IN PRACTICE
Certificate of Practice No: 12866
Membership No: 10313

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2019

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U15495KL1990PLC005656
2	Registration Date	22-03-1990
3	Name of the Company	The Kerala Cardamom Processing and Marketing Company Limited
4	Category / Sub-Category of the Company	Company Limited by Shares
5	Address of the Registered office and contact details	KP1/741 B, Spice House, Thekkady P.O., Idukki District, Pin 685536. Ph: 04869-222865, 222097. E-mail: info@kcpmc.com
6	Whether listed Company	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl.No.	Name and Description of main products / services	NIC Code of The Product/ Service	% to total Turnover of the Company
1	Cardamom	46101	54.05 %
2	Fertilisers & Chemicals	46692	36.02 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

NIL

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

i) Category-wise ShareHolding

Category of Share holders	No of shares held at the beginning of the year				No of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1)Indian									
a) Individual/HUF	–	191166	191166	4.78	–	168666	168666	4.22	(0.56)
b) Central Govt.	–	–	–	–	–	–	–	–	–
c) State Govt. (s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	–	–	–	–	–	–	–	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (A) (1):-	–	191166	191166	4.78	–	168666	168666	4.22	(0.56)

Category of Share holders	No of shares held at the beginning of the year				No of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	-	191166	191166	4.78	-	168666	168666	4.22	(0.56)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2.Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	-	2101410	2101410	52.54	-	2077110	2077110	51.93	(0.61)
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	1707224	1707224	42.68	-	1754024	1754024	43.85	1.17
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):-	-	3808634	3808634	95.22	-	3831134	3831134	95.78	0.56
Total Public Share holding (B) = (B) (1) + (B) (2)	-	3808634	3808634	95.22	-	3831134	3831134	95.78	0.56
C. Shares held by Custodian for GDRs. & ADRs-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	3999800	3999800	100	-	3999800	3999800	100	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the Beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	KADAMAPUZHA MATHEW EAPEN	12600	0.32	0	12600	0.32	0	0
2	ZIAUDDIN AHAMED KADERMOHIDEEN	13900	0.35	0	13900	0.35	0	0
3	MALLIAH ARUNAN	10400	0.26	0	10400	0.26	0	0
4	GEORGE JOSEPH MATHEW	30566	0.76	0	30566	0.76	0	0
5	KARIMPANAL ITTIAVIRA VARKEY	26900	0.67	0	26900	0.67	0	0
6	K.I. ABRAHAM	32900	0.82	0	22900	0.57	0	(0.25)
7	SIVAKUMAR JAYAKUMARI	10200	0.26	0	10200	0.26	0	0
8	SAKTHIVEL KUMERSAN	8000	0.20	0	8000	0.20	0	0
9	R. KANNAMMAL	25400	0.63	0	25400	0.63	0	0
10	M.P.PUNNOOSE	7800	0.20	0	7800	0.20	0	0
	Total	178666	4.47	0	168666	4.22	0	(0.25)

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

Particulars	Shareholding at the Beginning of the year		Cumulative Shareholding During the year	
	No. of shares	% of Total Shares of the Company	No. of shares	% of Total Shares of the Company
At the beginning of the year	178666	4.47	178666	4.47
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	27/09/2018 - Transfer			
At the end of the year	178666	4.47	168666	4.22

(iv) Shareholding pattern of Top Ten share holders (other than directors, promoters & holders of GDR's & ADR's)

Sl. No.	Name of the Share Holder	Shareholding at the Beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of Total Shares of the Company	No. of shares	% of Total Shares of the Company
1	GRACE ABRAHAM	32900	0.82	32900	0.82
2	RAJESH GEORGE	32300	0.81	32300	0.81
3	JACOB PUNNOOSE	30000	0.75	30000	0.75
4	VARKEY GEORGE	31660	0.79	31660	0.79
5	Dr. PRASAD PUNNOOSE	26600	0.67	26600	0.67
6	MEERA GEORGE	25400	0.63	25400	0.63
7	LALITHA VARKEY	25000	0.63	25000	0.63
8	T. SIVAKUMAR	24060	0.60	24060	0.60
9	PONNAMMA JOSEPH	23400	0.59	23400	0.59
10	D. SAMBATH KUMAR	23400	0.59	23400	0.59

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Share Holder	Shareholding at the Beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of Total Shares of the Company	No. of shares	% of Total Shares of the Company
1	JOJO GEORGE POTTEMKULAM	32300	0.81	32300	0.81
2	ZIAUDDIN AHAMED KADERMOHIDEEN	13900	0.35	13900	0.35
3	KARIMPANAL ITTIAVIRA VARKEY	26900	0.67	26900	0.67
4	JOHNY MATHEW	14668	0.37	14668	0.37
5	SAKTHIVEL KUMERSAN	8000	0.20	8000	0.20
6	SIVAKUMAR JAYAKUMARI	10200	0.26	10200	0.26
7	SUSAN PUNNOOSE	7800	0.20	7800	0.20
8	MOHAN VARGHESE	20400	0.51	20400	0.51
9	RAGHAVAN GUHAN	20750	0.52	20750	0.52
10	BOBBY TOM	12600	0.32	12600	0.32
11	RAJAMANICKAM SAKTHISUBRAMANIAN	2000	0.05	2000	0.05

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	3641668	-	-	3641668
Reduction	-	-	-	-
Net Change	3641668	-	-	3641668
Indebtedness at the end of the financial year				
i) Principal Amount	3641668	-	-	3641668
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	10728.84	-	-	10728.84
Total (i+ii+iii)	3652396.84	-	-	3652396.84

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		JOJO GEORGE POTTEMKULAM	ZIAUDDIN AHAMED KADERMOHIDEEN	
1.	Gross salary			
	(a) Salary as per provisions Contained in section 17(1) of the Income-tax Act, 1961	725000	180000	905000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary Under section 17(3) Income-Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	-as % of profit			
	-others, specify			
5.	Others-Sitting Fee	27000	16000	43000
	Total(A)	752000	196000	948000
	Ceiling as per the Act	-	-	14986940

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		BOBY TOM	RAJAMANICKAM SAKTHI SUBRAMANIAN		
1.	Independent Directors				
	Fee for attending Board, Committee Meetings, Commission, Others, please specify	15000	15000		30000
	Total (1)	15000	15000		30000
2.	Other Non Executive Directors	KARIMPANAL ITTIAVIRA VARKEY	RAGHAVAN GUHAN	JOHNY MATHEW	
	Fee for attending Board, Committee Meetings, Commission, Others, please specify	27000	27000	32000	86000
		SUSAN PUNNOOSE	MOHAN VARUGHESE	SAKTHIVEL KUMERSAN	
	Fee for attending Board, Committee Meetings, Commission, Others, please specify	32000	26000	21000	79000
		SIVAKUMAR JAYAKUMARI			
	Fee for attending Board, Committee Meetings, Commission, Others, please specify	26000			26000
	Total (2)	85000	53000	53000	191000
	Total (B) = (1) + (2)	100000	68000	53000	221000
	Total Managerial Remuneration	852000	264000	53000	1169000
	Overall Ceiling as per the Act	-	-	-	16485634

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD–Not Applicable

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
The Kerala Cardamom Processing and Marketing Co. Ltd.
Thekkady

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of The Kerala Cardamom Processing and Marketing Co. Ltd., which comprise the balance sheet as at 31st March 2019, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profits, and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the [information included in the Director's report, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and meeting the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of matters taken on the basis of these financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that are of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, I give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, I report that:
 - a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
 - b. In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books and proper returns adequate for the purposes of my audit have been received from the branches not visited by me.
 - 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 accounts.
 - d. In my opinion the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls. Refer to my separate Report in Annexure B.
 - g. In my opinion and according to the information and explanations given to me, the remuneration paid by the company to its Directors during in the current year is in accordance with the provisions of section 197 read with Schedule V of the Companies Act 2013.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
 - i) the Company does not have any pending litigations which would impact its financial position
 - ii) the Company does not have any long-term contracts requiring a provision for material foreseeable losses.
 - iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.

Ponkunnam
31-08-2019

Sd/-
K. T. THOMAS
Chartered Accountant
(Membership No. 22112)
UDIN: 19022112AAAABK5019

**Annexure-A referred to in Paragraph 8 of my report of even date on the accounts of
The Kerala Cardamom Processing and Marketing Company Limited
for the year ended 31ST MARCH, 2019.**

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a regular program of physically verifying all the fixed asset at its Depots/Offices in a phased manner over a period of 3 years, which in my opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies as compared to book records were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company subject to Note No. 27 to the financial statements.
- (ii) (a) The inventories have been physically verified by the management during the year. According to the information given to me no material discrepancies were noticed on such verification.
- (iii) According to the explanations given to me and based on my information the company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Hence Clause a, b and c of paragraph (iii) of the Order are not applicable to the company.
- (iv) In my opinion and according to the information and explanation given to me the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans, investments, guarantees, and securities made/given.
- (v) According to the information and explanation given to me the company has not accepted any deposits from the public. Therefore, the provisions of clause (v) of the Para 3 of the order are not applicable to the company.
- (vi) In my opinion and according to the information and explanations given to me the central government has not prescribed maintenance of cost records under section 148(1) of the Companies' Act, 2013 read with the companies (Cost Records and Audit) Rules 2014, for any of the products dealt with/services rendered by the Company
- (vii) a) According to the records of the company, the company is generally regular in depositing undisputed statutory dues payable including Provident fund, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Customs duty, Excise Duty, Value Added Tax and Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to me, no undisputed amounts payable in respect of the above were in arrears for a period more than six months as at 31st March, 2019. The company was Registered under the ESI Act, 1948 from 01-02-2018. The amount of contribution to be remitted to the Corporation upto 31-03-2019 is Rs. 754735/-. The company has not recovered any contributions from the employees from the date of Registration towards the above amount.
- b) According to the information and explanations given to me and the records of the company, the dues of sales tax /income tax/customs duty/wealth tax/ service tax/goods and services tax/ excise duty/ Value Added Tax/ cess which have not been deposited on account of any dispute are as follows:

Name of the statutes	Nature of the dues	Amount Rs.	Period to which the Amount relates	Forum where dispute is pending
Finance Act 1994	Service Tax	8242256	2010-11 to 2013-14	Commissioner Appeals, Central Tax & Central Excise, Cochin
Finance Act 1994	Service Tax	5170980	2013-14 & 2014-15	Commissioner Appeals, Central Tax & Central Excise, Cochin
Finance Act 1994	Service Tax	1880879	2014-15	Commissioner Appeals, Central Tax & Central Excise, Cochin
Finance Act 1994	Service Tax	3048835	2015-16	Commissioner Appeals, Central Tax & Central Excise, Cochin

- viii) On the basis verification of records and according to the information and explanation given to me, the company has not defaulted in repayment of dues to the financial institution/ banks/ government. The company has not raised any monies against issue of debentures.
- (ix) The company has not raised moneys by way of any Public Offer or Term Loans during the year. Hence para (ix) of order is not applicable to the Company.
- (x) According to the information and explanation given to me by the company, no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanation given to me by the company and based on my review, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) The Company is not a Nidhi Company. Therefore, the paragraph (xii) of the order is not applicable to the Company.
- (xiii) In my opinion and according to the information and explanation given to me, the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to me, during the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence the provisions of paragraph (xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanation given to me, during the year company has not entered into any non-cash transactions with directors or persons connected with him. Hence the provisions of paragraph (xv) of the Order are not applicable to the Company.
- (xvi) In my opinion and according to the information and explanation given to me, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Ponkunnam
31-08-2019

Sd/-
K. T. THOMAS
Chartered Accountant
(Membership No. 22112)
UDIN: 19022112AAAABK5019

Annexure-B referred to in Paragraph 9(f) of my report of even date on the accounts of The Kerala Cardamom Processing and Marketing Company Limited for the year ended 31st March, 2019.

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

I have audited the internal financial controls over financial reporting of The Kerala Cardamom Processing and Marketing Company Limited, Thekkady ('the Company') as of 31st March, 2019 in conjunction with my audit of the financial statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at 31st March, 2019 based on the internal financial controls system over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Ponkunnam
31-08-2019

Sd/-
K. T. THOMAS
Chartered Accountant
(Membership No. 22112)
UDIN: 19022112AAAABK5019

BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	NOTE No.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
I EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
a)Share Capital	1	39998000	39998000
b)Reserves and Surplus	2	701141600	611357145
(2) NON - CURRENT LIABILITIES			
a)Deferred Tax Liabilities (Net)	3	(747517)	(277419)
b)Long Term Provisions	4	2108702	1671701
(3) CURRENT LIABILITIES			
a)Short - Term borrowings	5	3641668	-
b)Trade Payables	6	360266660	264388312
c)Other Current Liabilities	7	21548174	17411184
d)Short Term Provisions	8	64919147	63322128
TOTAL		1192876434	997871051
II ASSETS			
(1) NON-CURRENT ASSETS			
a)Fixed Assets			
i)Tangible Assets	9	163181131	165719932
ii)Capital work-in-progress	9	12617472	220000
b)Long-Term Loans and Advances	10	1815000	1500000
(2) CURRENT ASSETS			
a)Current Investments	11	213344450	89449900
b)Inventories	12	272199056	318898335
c)Trade Receivables	13	354640602	251142491
d)Cash and Cash Equivalents	14	97404749	86306183
e)Short-Term Loans and Advances	15	77673974	84634210
TOTAL		1192876434	997871051

Accompanying notes 1 to 35 form part of the financial statements

As per my separate audit report of even date attached

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam
UDIN: 19022112AAAABK5019

31-08-2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

PARTICULARS		NOTE No.	2018-2019 Rs.	2017-2018 Rs.
I	Revenue from operations	17	2592250796	2255184890
II	Other income	18	40830222	36775607
III	Total Revenue		2633081018	2291960497
IV	Expenses			
	Purchases of Stock-in-Trade	19	2289079289	2099189032
	Changes in Inventories of Stock-in-Trade	20	46699279	(82577444)
	Employee Benefits Expense	21	32945093	31393351
	Finance Costs	22	1709599	1091980
	Depreciation and Amortization Expense	9	4311547	4317173
	Other Expenses	23	108466807	108328982
	Total Expenses		2483211614	2161743074
V	Profit Before Tax		149869404	130217423
VI	Tax expense			
	1) Current tax		42100000	43300000
	2) Prior year's tax		(832837)	(851077)
	3) Deferred tax		(470097)	(130931)
VII	Profit for the year		109072338	87899431
VIII	Earnings per equity share			
	1)Basic		27	22
	2)Diluted		27	22

Accompanying notes 1 to 35 form part of the financial statements

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

31-08-2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

PARTICULARS	2018-2019 Rs.	2017-2018 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	149869404	130217423
Adjustments:		
Depreciation/Amortization	4311547	4317173
Finance Cost	1709599	1091980
(Profit)/Loss on sale of assets (net)	(584130)	(436872)
Net (gain)/loss of foreign currency translation	346860	(3518853)
Dividend received from short term liquid funds	(8506462)	(7604490)
Operating Profit before working capital changes A	<u>147146818</u>	<u>124066361</u>
Movements in working capital:		
Increase/(decrease) in trade payable	95878348	144647274
Increase/(decrease) in Short term borrowings	3641668	-
Increase/(decrease) in Long term borrowings	-	-
Increase/(decrease) in Long term provisions	437001	(786707)
Increase/(decrease) in Short term provisions	358364	113448
Increase/(decrease) in other current liabilities	3763116	3854432
Decrease/(increase) in trade receivables	(103498110)	(25816580)
Decrease/(increase) in inventories	46699278	(82577444)
Decrease/(increase) in long term loans and advances	(315000)	(1225000)
Decrease/(increase) in short term loans and advances	6960236	(22636199)
Net Decrease/(increase) in working capital B	<u>53924900</u>	<u>15573224</u>
Cash generated from/(used in) operations A+B	<u>201071718</u>	<u>139639585</u>
Direct Taxes paid (net of refunds)	(42467163)	(42548924)
Net cash flow from/(used in) operating activities	158604555	97090661
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(14351087)	(3046266)
Proceeds from sale of fixed assets / Subsidies	765000	900000
Purchase of short term liquid funds	(3095000000)	(1064449900)
Redemption of short term liquid funds	2979611912	982604490
Net cash flow from/(used in) investing activities	(128974175)	(83991675)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost paid	(1709599)	(1091980)
Dividend paid	(13625425)	(13578900)
Dividend Distribution Tax paid	(2849928)	(2849919)
Net cash flow from/(used in) financing activities	(18184952)	(17520799)
Net increase/(decrease) in cash and cash equivalents	11445427	(4421813)
Cash and cash equivalents as at the beginning of the Year	86306183	87209143
Net gain/(loss) of foreign currency translation	(346860)	3518853
Cash and cash equivalents as at the end of the Year	97404749	86306183

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

31-08-2019

Notes forming part of the financial statements for the year ended 31.03.2019		As at 31.03.2019 Rs.	As at 31.03.2018 Rs.	
I NOTES TO BALANCE SHEET				
(1) Share Capital				
(a) Authorized				
5000000 (5000000) Equity Shares of Rs.10/-Each		50000000	50000000	
(b) Issued, Subscribed & Fully paid up				
3999800 (3999800) Equity Shares of Rs.10/- Each		39998000	39998000	
(c) Reconciliation of Number of Shares				
	31.03.2019		31.03.2018	
	No.of Shares	Amount	No.of Shares	Amount
Opening Balance	3999800	39998000	3999800	39998000
Closing Balance	3999800	39998000	3999800	39998000
(d) Rights and preferences attached to each class of shares:- The paid up share capital of the Company consists of only equity shares with no differential rights, preferences and restrictions.				
(2) Reserves and Surplus				
(a) Revaluation Reserve				
		13979396	13979396	
(b) General Reserve				
As per last balance sheet		590774158	523274158	
Add: Transfer from Profit & Loss A/c		90000000	67500000	
		680774158	590774158	
(c) Surplus in Statement of Profit and Loss				
Opening Balance		6603591	3053388	
Add: Net profit for the current year		109072338	87899431	
Less: Proposed Dividend		15999200	13999300	
Less: Dividend Distribution Tax		3288683	2849928	
Less: Transfer to General Reserve		90000000	67500000	
		6388046	6603591	
TOTAL		701141600	611357145	

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

31-08-2019

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

Notes forming part of the financial statements for the year ended 31.03.2019	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
(3) Deferred tax liabilities/(Asset) (Net)		
The Deferred Tax Liabilities on taking into account the impact of timing differences between financial statements and estimated taxable income are as under.		
On account of Depreciation	(80523)	263543
On account of Grauity Provision	(666994)	(540962)
TOTAL	(747517)	(277419)
(4) Long Term Provisions		
For Employees Gratuity(Refer Note No.35(f)(ii))	2108702	1671701
(5) Short Term Borrowings		
Secured:-		
(a) Loans Repayable on demand		
From Banks	3641668	-
Refer Note No.24 for details of Security.		
(6) Trade Payables		
(a) Due to Micro and Small Enterprises	-	-
Refer Note No.25		
(b) Due to Others	358100542	263413622
(c) Creditors for Expenses	2166118	974690
TOTAL	360266660	264388312
(7) Other Current Liabilities		
(a) Unpaid Dividend	2495175	2121300
(b) Statutory Dues	14260806	11479565
(c) Advance Received from Customers	4792193	3800319
(d) Security Deposit	-	10000
TOTAL	21548174	17411184
(8) Short Term Provision		
(a) for Employee Benefits-Bonus & Ex Gratia	3531264	3172900
(b) for Taxation	42100000	43300000
(c) for Proposed Dividend	15999200	13999300
(d) for Dividend Distribution Tax	3288683	2849928
TOTAL	64919147	63322128
(10) Long Term Loans & Advances		
Unsecured considered good		
(a) Security Deposits	1815000	1500000

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

31-08-2019

(9) Fixed Assets

i) Tangible Assets

(Amount in Rupees)

PARTICULARS	ORIGINAL COST			DEPRECIATION / AMORTISATION			WRITTEN DOWN VALUE	
	As at 01.04.2018	Additions	(Sale/ Adjust ments)	As at 01.04.2018	For the Year	On (Sale/Adjust ments)	As at 31.03.2019	As at 01.04.2018
Freehold land	132712283	-	-	-	-	-	132712283	132712283
Buildings	37949566	-	-	16575061	1040939	-	20333566	21374505
Plant & Machinery	12276277	211542	-	6107811	1117142	-	5262866	6168466
Furniture & Fittings	3643397	-	-	3381156	47950	-	214291	262241
Motor Vehicles	11728255	689658	1055216	6966221	1623191	874346	3647631	4762034
Motor Cycles	443524	-	-	346651	24013	-	72860	96873
Computers and Data Processing Units	5798775	1052415	-	5455245	458311	-	937635	343530
TOTAL	20452077	1953615	1055216	38832145	4311547	874346	163181131	165719932
PREVIOUS YEAR	202625811	2826266	900000	34951844	4317173	436872	165719932	167673967

ii) Capital work-in-progress

Cardamom Processing Unit at Bodinayakanur in Tamilnadu	220000	12397472	-	12617472	-	-	12617472	220000
--	--------	----------	---	----------	---	---	----------	--------

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

31-08-2019

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant

Notes forming part of the financial statements for the year ended 31.03.2019	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
(11) Current Investments		
(a) ICICI MF Investment A/c	57668201	15631053
(b) HDFC Investment A/c	-	20221726
(c) RELIANCE MF	35479147	31864950
(d) SBI MF Investment A/C	120197102	21732171
TOTAL	213344450	89449900
(12) Inventories		
(a) Stock in Trade Refer Note No.35(b) for method of valuation	272199056	318898335
(13) Trade Receivables		
Unsecured considered good		
a) Debts outstanding for a period exceeding six months.	2574269	6268090
b) Other Debts	352066333	244874401
TOTAL	354640602	251142491
(14) Cash and Cash Equivalents		
(a) Balances with Banks *	66977500	56940701
(b) Unpaid Dividend Account Balance	2520545	2151164
(c) Cheques, Drafts on hand	19003043	19917436
(d) Cash on Hand	8903661	7296882
TOTAL	97404749	86306183
* Includes Rs.7600845.00 given as security for bank guarantee obtained, out of this fixed deposits worth Rs.6688651.00 are of maturity period of more than 12 months.		
(15) Short-Term Loans & Advances		
Unsecured considered good		
(a) Prepaid Insurance	1438795	1439220
(b) Income Tax Advance and TDS	39843848	39245227
(c) Security Deposit	6692389	6726968
(d) Advance Paid to Suppliers	5597919	14260935
(e) Other Advances	24101023	22961860
TOTAL	77673974	84634210
(16) Contingent Liabilities and Commitments:- To the extent not provided for		
(i) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debt:		
Service tax Demand	18342950	15294115
(b) Guarantees : The Company has given guarantee to ICICI Bank Ltd. for funded and non funded limits aggregates to Rs.5.75 Crores availed by The Cardamom Planters' and Marketing Co-Operative Society Limited. The Balance outstanding in the CC limit as on 31.03.2019 is Nil (Previous Year Nil). Bank Guarantee Rs.4.81 Crores (Previous Year Rs.4.81 Crores)		
(ii) Commitments		
(a) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for.	220190000	117312000

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

31-08-2019

Notes forming part of the financial statements for the year ended 31.03.2019	2018-2019 Rs.	2017-2018 Rs.
II NOTES TO STATEMENT OF PROFIT AND LOSS		
(17) Revenue from Operations		
(a) Sale of Products	2490876538	2158808004
(b) Other Operating Revenues		
Discount Received	63920006	66445538
Commission - Auction	37454252	28765163
Export Incentive	-	1166185
TOTAL	2592250796	2255184890
(18) Other Income		
(a) Dividend Income from short term liquid funds	8506462	7604490
(b) Net Gain/(Loss) on sale of Fixed Assets	584130	436872
(c) Transport & Handling charges collected	18353691	14598892
(d) Rent Received	2759412	2964012
(e) Net gain/loss of foreign currency translation and transaction	(346860)	3518853
(f) Interest Received on Security deposit	657432	970922
(g) Others (Refer Note No. 31)	10315955	6681566
TOTAL	40830222	36775607
(19) Purchases of Stock-in-Trade		
(a) Fertilisers & Neemcake	395021966	412006295
(b) Pesticides & Chemicals	440171826	397853768
(c) Rubber Sheet	119397934	249786240
(d) Gunnies	11542160	10771512
(e) Cardamom	1322945403	1028771217
TOTAL	2289079289	2099189032
(20) Changes in Inventories of Stock in Trade		
Opening Stock	318898335	236320891
Closing Stock	272199056	318898335
	46699279	(82577444)
(21) Employee Benefit Expense		
(a) Salaries & Wages	26457090	25203374
(b) Provident Fund Contribution	1908927	1881788
(c) Gratuity	2056551	1846972
(d) Medical Insurance Premium	1617525	1681217
(e) Salary to Directors	905000	780000
TOTAL	32945093	31393351

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

31-08-2019

Notes forming part of the financial statements for the year ended 31.03.2019	2018-2019 Rs.	2017-2018 Rs.
(22) Finance Cost		
(a) Interest Expense	316356	145921
(b) Other borrowing costs	927313	232500
(c) Bank charges	465930	713559
TOTAL	1709599	1091980
(23) Other Expenses		
(a) Freight and Handling	22683114	22429768
(b) Power & Fuel	871076	783907
(c) Rent	3655290	3319021
(d) Repairs to Building	1093152	1288626
(e) Repairs to Others	472616	897002
(f) Insurance	673970	605861
(g) Rates & Taxes	657333	546820
(h) Vehicle Running & Maintenance	4015709	3380255
(i) Grading and Packing Expense	12409558	12621355
(j) Travelling Expense	4282286	3549826
(k) Sitting fee to Directors	264000	250000
(l) Selling and Marketing Expense	25990218	20866157
(m) Books & Periodicals	95288	88056
(n) Postage and Telephone	949886	1065149
(o) Printing & Stationery	912883	936651
(p) Taxes Paid	39100	157175
(q) Service Tax paid	-	50130
(r) Brokerage and Commission	3645368	1226868
(s) Discount Paid	8444950	16841621
(t) Auction Expense	7103877	7786976
(u) Plantation expenses	345638	-
(v) Office Expense	2078413	2833406
(w) Other Expenses	2940048	2274421
(x) Professional Charges	2008034	1714931
(y) CSR Expenses	2525000	2525000
(z) Payment to Auditors		
As Auditor	250000	230000
For Taxation Matters	60000	60000
TOTAL	108466807	108328982

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

31-08-2019

III OTHER NOTES

- 24) The secured short term loans of the company are secured by hypothecation of inventories, book debts and movable fixed assets.
- 25) The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small or Medium Enterprises. Consequently the amount paid or payable to such parties during the year is NIL (Previous Year- Nil)
- 26) Some of the Sundry Debtors and Sundry Creditors are subject to confirmation balance.
- 27) Freehold Land under Fixed Assets include land without pattayam valued Rs.11,860 (Previous year Rs.11860) in respect of which transfer deed has not been registered in favour of this company.
- 28) F.O.B. value of Exports during the year Rs.19791784.50 (Previous year Rs.284001540)-Commission on Rubber (Export Service) Rs.10170586 (Previous Year Rs.2439193)
- 29) Expenditure in foreign currency - Foreign Travel -Rs.677417 (Previous Year – NIL) Total - Rs. 677417 (Previous year Rs.NIL)
- 30) The information required to be disclosed as per of Schedule III to the Companies Act, 2013 are disclosed only to the extent particulars are applicable to the Company which is a Trading Company.
- 31) The amount of 'Others' under Other Income in Note 18 consist of :-

	31.03.2019	31.03.2018
Service Tax Refund	–	337712
Profit /(Loss) on Future Trading	144470	(273381)
Commission on Rubber (Export Service)	10170585	2439193
Service Charge Collected	–	653296
Miscellaneous Income	–	11011
Bill Discounting	–	3,32,067
Leak And Damage Claim	900	24028
GST Transitional Credit	–	3157641
	10315955	6681566

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

31-08-2019

(32) SEGMENT INFORMATION

Particulars		2018-2019 Rs.	2017-2018 Rs.
1.	Segment Revenue		
	a) Agro Inputs	987791315	1006739048
	b) Cardamom Domestic	1403465487	710915211
	c) Cardamom Export	19791784	299174217
	d) Rubber Domestic	143747958	209591250
	e) Cardamom Auction	37454252	28765164
	Net Sale/Income from Operations	2592250796	2255184890
2.	Segment Results (Profit/(Loss) before Tax and Finance Cost)		
	a) Agro Input	136477857	144023449
	b) Cardamom	20871178	8565546
	c) Rubber	9617863	1872084
	d) Cardamom Auction	37797421	28595854
	Total	204764320	183056933
	Less:		
	(i) Finance Cost	1709599	1091980
	(ii) Other un-allocable expenditure net of un-allocable income	53185316	51747530
	Profit before Tax	149869404	130217423
	Less:		
	(1) Current tax	42100000	43300000
	(2) Prior year's tax	(832837)	(851077)
	(3) Defferred tax liability	(470097)	(130931)
	Profit after Tax	109072338	87899431
3.	Segment Assets		
	a) Agro Input	197253553	194919715
	b) Cardamom	247536962	277480288
	c) Rubber	18573562	41878248
	d) Cardamom Auction	174335350	97830016
	Total	637699427	612108267
	Un allocated corporate assets	555177007	385762784
	Total assets as per Balance Sheet	1192876434	997871051
4.	Segment Liabilities		
	a) Agro Input	145276025	98841097
	b) Cardamom	61221252	78623335
	c) Rubber	111847	-
	d) Cardamom Auction	156177661	72014007
	Total	362786785	249478439
	Un allocated Corporate Liabilities	88950049	97037467
	Share holders Funds	741139600	651355145
	Total Liabilities as per Balance Sheet	1192876434	997871051
5.	Capital Employed		
	a) Cardamom	14711095	2776317
	b) Un allocated Segment Capital Employed	726428505	648578828
	Total	741139600	651355145
6.	Capital Expenditure incurred		
	a) Cardamom (Capital Work in progress)	12397472	220000
	b) Un allocated Segment Capital Expenditure incurred (Net)	898399	1926266
	Total	13295871	2146266
7.	Depreciation		
	a) Cardamom	378946	462693
	b) Un allocated Segment Depreciation	3932601	3854480
	Total	4311547	4317173
8.	Segment Non Cash Expenditure	-	-

33) Previous year's figures have been regrouped or reclassified wherever necessary to compare with current year's figures.

34) RELATED PARTY DISCLOSURES

List of Related Parties where control exists and other related parties with whom the company had transactions and their relationships.

Sl.No	Name of the related party	Nature of Relationship
1	Mr. Jojo George Pottemkulam	Key Management Personnel
2	Mr. K. Zia Ud Din Ahamed	Key Management Personnel

Sl.No.	Name of the related party	Nature of Transactions	2018-19	2017-18
1	Mr. Jojo George Pottemkulam	Remuneration	725000	600000
		Sitting Fee	27000	25000
		Dividend Paid	113050	113050
2	Mr. K. Zia Ud Din Ahamed	Remuneration	180000	180000
		Sitting Fee	16000	20000
		Dividend Paid	48650	46900

35) SIGNIFICANT ACCOUNTING POLICIES:

(a) BASIS OF PREPERATION OF FINANCIAL STATEMENTS

The Financial Statements are prepared on historical convention except in the case of Fixed Assets being Free Hold Land acquired prior to 31.03.1996 which was revalued during the year 1996-1997. These Statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and in compliance with the provisions of the Companies Act 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006.

(b) INVENTORY

Inventories are valued at cost or net realisable value whichever is lower. The Cost is arrived on Weighted Average cost Basis.

(c) CASH FLOW STATEMENT

The Cash Flow Statement is prepared in accordance with the indirect method stated in Accounting Standard 3 on Cash Flow Statement and presents the cash flows by operating, investing and financing activities

(d) DEPRECIATION

Depreciation is charged at the rates based on the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013 on written down value basis. In respect of the additions to/sale of Fixed Assets during the year, depreciation is charged on pro-rata basis.

(e) REVENUE AND EXPENDITURE RECOGNITION

Revenue is recognised and expenditure is accounted for on their accrual, except in the case of credit notes received for special discounts, price difference, reimbursement of sales promotional expenses etc and export incentives which are accounted in the year of receipt / realisation. The Company is also an auctioneer of cardamom licensed by the Spices Board. The turnover of the Company excludes the auction turnover. Only the commission earned as auctioneer is recognised in the revenue.

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam

31-08-2019

(f) EMPLOYEE BENEFITS - POST EMPLOYMENT

i) PROVIDENT FUND

The Company is registered with the Regional Provident Fund Commissioner, for Provident Fund benefits and is contributing to the fund as per prescribed Law at a specified percentage of salary. The Contribution to the Fund is accounted on accrual basis.

ii) GRATUITY

Gratuity Payment is administered under a Group Gratuity Policy scheme with Life Insurance Corporation of India (LIC) managed by a separate trust created for the purpose and is administered as a Defined Benefit Plan. The annual Premium as intimated by the Administrator is paid by the company. The accrued Gratuity is ascertained as per actuarial valuation based on projected unit credit method. Contribution to the Gratuity Fund Rs.1619549.97 (Previous year Rs.2633678.80) and balance of accrued amount Rs.437001.00 (Previous year Rs.707881.20) aggregating to Rs.2056551. (Previous year Rs.1846972 is charged to the Statement of Profit and Loss

iii) Leave salary included in the Salary structure is paid every year

Disclosure as required by ACCOUNTING STANDARD 15

	31.03.2019	31.03.2018
1. Assumption		
Discount Rate	7.50%	7.50%
Salary Escalation	8.00%	8.00%
2. Changes in present value of Obligation:-		
Present value of obligations as at beginning of year	12971504	10559701
Interest cost	972863	844776
Current Service Cost	780522	649725
Benefits Paid	(1531442)	(84404)
Actuarial (gain)/ loss on obligations	1160947	1001706
Present value of obligations as at end of year	14354394	12971504
3. Changes in fair value of plan assets :-		
Fair value of plan assets at beginning of year	11299803	8101294
Expected return on plan assets	857781	649235
Contributions	1619550	2633679
Benefits Paid	(1531442)	(84404)
Actuarial gain/(loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	12245693	11299803
4. Fair value of plan assets:-		
Fair value of plan assets at beginning of year	11299803	8101294
Actual return on plan assets	857781	649235
Contributions	1619550	2633679
Benefits Paid	(1531442)	(84404)
Fair value of plan assets at the end of year	12245693	11299803
Funded status	(2108701)	(1671701)
Excess of Actual over estimated return on plan assets	NIL	NIL
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
5. Actuarial Gain/Loss recognized:-		
Actuarial (gain)/ loss on obligations	(1160947)	(1001706)
Actuarial (gain)/ loss for the year - plan assets	NIL	NIL
Actuarial (gain)/ loss on obligations	1160947	1001706
Actuarial (gain)/ loss recognized in the year	1160947	1001706

6. Amounts to be recognized in the balance sheet :-

Present value of obligations as at the end of year	14354394	12971504
Fair value of plan assets as at the end of the year	12245693	11299803
Funded status	(2108701)	(1671701)
Net asset/(liability) recognized in balance sheet	(2108701)	(1671701)

7. Expenses Recognised in statement of Profit and loss:-

Current Service cost	780522	649725
Interest Cost	972863	844776
Expected return on plan assets	(857781)	(649235)
Net Actuarial (gain)/ loss recognized in the year	1160947	1001706
Expenses recognised in statement of Profit and loss	2056551	1846972

(g) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are accounted at exchange rate prevailing on the date of transaction. Monetary assets relating to foreign currency transaction outstanding at the end of the year are translated at the exchange rate prevailing as on the date of the Balance Sheet. Exchange differences are accounted in the year of actual realisation/payment.

(h) SEGMENT REPORTING

Segment Reporting is made based on the number of segments identified by the Management, as per the requirements of Accounting Standard 17. The company has 4 business segments. The Export turnover is not very significant in the context of the total turnover. As such there are no reportable geographical segments.

(i) RELATED PARTY DISCLOSURES

Related Party Disclosure are made as per the requirements of Accounting Standard-18.

(j) TAXATION

Provision for tax is made for both current and deferred taxes as prescribed under Accounting Standard 22, issued by the Institute of Chartered Accountants of India.

(k) EARNINGS PER SHARE

Disclosure is made in the Profit and Loss Account as per the requirements of Accounting Standard 20.

(l) IMPAIRMENT OF ASSETS

The company assess at each Balance Sheet date, whether there is any indication of impairment of assets and impairment loss is recognised whenever the carrying amount of the assets exceeds the recoverable amount.

Sd/-
JOHNY MATHEW
(DIN: 02503346)
Chairman

Sd/-
JOJO GEORGE POTTEMKULAM
(DIN: 00050344)
Managing Director

Sd/-
K. ZIA-UD-DIN AHAMED
(DIN: 00350688)
Joint Managing Director

Sd/-
K. T. THOMAS
Chartered Accountant
Ponkunnam
UDIN: 19022112AAAABK5019

31-08-2019

The Kerala Cardamom Processing and Marketing Company Limited

Registered Office: K P 1/741 B, Spice House, Thekkady PO, Idukki District - 685 536

CIN: U15495KL1990PLC005656

Telephone: 04869-222865, 222097 E-mail: info@kcpmc.com Website: www.kcpmc.com

ATTENDANCE SLIP

I hereby record my presence at the 29th Annual General Meeting of the Company at 02.30 PM on Friday, the 27th September 2019 at the Registered office of the Company, KP1/741 B, Spice House, Thekkady PO, Idukki District-685 536

Folio No.				
-----------	--	--	--	--

.....
Full Name of the *Shareholder/proxy
(In block letters)

.....
signature of *shareholder/proxy

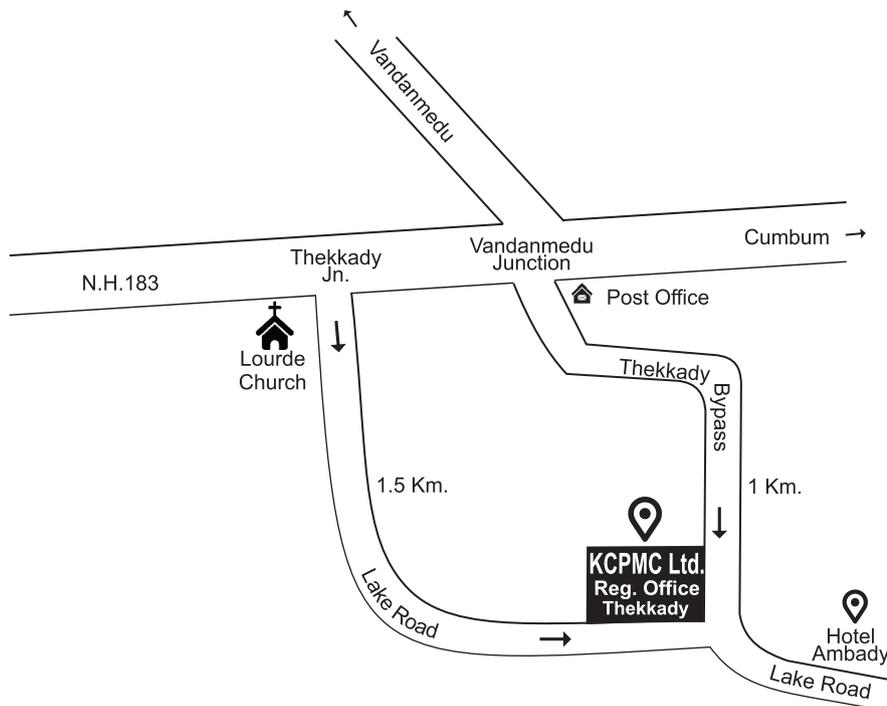
*strike out whichever is not applicable

E-mail ID

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

.....(Tear here).....

(Tear here)



Form No. MGT-11 PROXY FORM

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

CIN : U15495KL1990PLC005656
 Name of the Company : THE KERALA CARDAMOM PROCESSING AND MARKETING COMPANY LIMITED
 Registered Office : KP1/741 B, Spice House, Thekkady PO, Idukki District - 685 536
 Name of the member(s) :
 Registered Address :
 E- mail ID : Folio No :

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

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

2. Name :
 Address :
 E-mail Id : Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 29th Annual General Meeting of the Company, to be held on Friday, the 27th September 2019 at 02.30 PM at Registered office –KP1/741 B, Spice House, Thekkady PO, Idukki District- 685 536 and at any adjournment thereof in respect of such resolution as are indicated below.

Resolution item Nos.

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Adoption of financial statements together with the reports for the year ended 31.03.2019 2. Declaration of dividend 3. Re-appointment of Mrs. SUSAN PUNNOOSE (DIN: 06981148) as a director liable to retire by rotation. 4. Re-appointment of Mr. MOHAN VARUGHESE (DIN: 06981109) as a director liable to retire by rotation. | <ol style="list-style-type: none"> 5. Re-appointment of Mr. RAGHAVAN GUHAN (DIN: 06981128) as a director liable to retire by rotation. 6. Appointment of Statutory Auditor. 7. Appointment of Tax Auditor. 8. Re-appointment of Mr. Bobby Tom (DIN: 03589559) as an Independent director. 9. Re-appointment of Mr. Rajamanickam Sakthisubramanian (DIN: 06982076) as an Independent director |
|---|---|

Signed this day of.....2019

Signature of shareholder

Signature of Proxy holder(s)

Revenue
Stamp of
Re.1/-

1. Revenue stamp should be affixed to this and it should then be signed by the member.
- 2 This form of proxy in order to be effective should be duly completed and deposited at Registered Office of the Company, not less than 48 hours before the commencement of Meeting.

(Tear here)

The Kerala Cardamom Processing and Marketing Company Limited

"Spice House" Thekkady P.O., Idukki Dist., Kerala-685 536,

Telefax : 04869-222865, 222097

E-mail : info@kcpmc.com • www.kcpmc.com • www.indiancardamom.com

Regional / Divisional Offices

Kalpetta : 04936-203691

Bodinayakanur : 04546-280765/63

Kanijirappally : 04828 205338, 203469, 203041

Branches:

- Vandanmedu – 277014 • Kumily – 223482 • Kattappana – 273468 • Nedumkandam – 232438
- Bisonvalley – 285711 • Poopara – 247249 • Rajakumary – 243284 • Udumbanchola – 237427
- Anakkara – 282846 • Puliyanmala – 270872 • Rajakadu – 241469 • Anavilasom – 263585
- Elappara – 242565 • Adimaly – 296964 • Chettukuzhy – 277565