



CCL PRODUCTS (INDIA) LIMITED
ANNUAL REPORT 2016 - 17



56TH ANNUAL GENERAL MEETING

Tuesday, 11th July, 2017
at 11.00 A.M.
Duggirala – 522 330
Guntur Dist.
Andhra Pradesh
INDIA

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Company Information

Board of Directors

Mr. Challa Rajendra Prasad, Executive Chairman
Mr. I. J. Rao, IRS (Retd.)
Mr. J. Rambabu, IAS (Retd.)
Mr. Vipin K. Singal
Mr. K. K. Sarma
Mr. K. Chandrahas, IRS (Retd.)
Mr. G.V. Krishna Rau, IAS (Retd.)
Ms. Shantha Prasad Challa
Ms. Kulsoom Noor Saifullah
Dr. Lanka Krishnanand
Mr. B. Mohan Krishna
Mr. Challa Srishant, Managing Director

Chief Financial Officer

Mr. K.V.L.N. Sarma

Company Secretary & Compliance Officer

Ms. Sridevi Dasari

Registered Office & Factory

Duggirala, Guntur Dist. - 522 330
Andhra Pradesh, India.
Ph : +91 8644-277294, Fax : +91 8644-277295
E.mail : info@cclproducts.com
www.cclproducts.com
CIN No. L15110AP1961PLC000874

Share Transfer Agent

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

Auditors

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

Internal Auditors

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

Bankers

State Bank of India
ICICI Bank Ltd
Citi Bank N.A.
State Bank of Hyderabad

Secretarial Auditors

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



Board Committees	
Audit Committee	Stakeholders Relationship Committee
Mr. K. Chandrahas - Chairman Mr. I. J. Rao Mr. Vipin K. Singal Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna (up to 22 nd May, 2017) Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Dr. Lanka Krishnanand	Mr. I. J. Rao - Chairman Mr. Vipin K. Singal Mr. K. Chandrahas Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna (up to 22 nd May, 2017) Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Dr. Lanka Krishnanand
Nomination and Remuneration Committee	Corporate Social Responsibility Committee
Mr. I. J. Rao - Chairman Mr. Vipin K. Singal Mr. K. Chandrahas Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna (up to 22 nd May, 2017) Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Ms. Shantha Prasad Challa Dr. Lanka Krishnanand	Mr. I. J. Rao - Chairman Mr. Vipin K. Singal Mr. K. Chandrahas Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Mr. Challa Srishant Ms. Shantha Prasad Challa Dr. Lanka Krishnanand
Risk Management Committee	
Mr. Challa Srishant- Chairman Mr. I. J. Rao Mr. Vipin K. Singal Mr. K. Chandrahas Mr. J. Rambabu Mr. K. K. Sarma Mr. B. Mohan Krishna	Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Ms. Shantha Prasad Challa Dr. Lanka Krishnanand Mr. K. V. L. N. Sarma Ms. Sridevi Dasari Mr. N. Sudhakar



NOTICE

Notice is hereby given that the 56th Annual General Meeting of the Members of CCL Products (India) Limited will be held on 11th July, 2017 at 11.00 A.M. at the Registered Office of the Company situated at Duggirala, Guntur District, Andhra Pradesh- 522 330 to transact the following items of business:

Ordinary Business:

1. To consider and adopt:
 - (a) the audited Financial Statement of the Company for the year 2016-17 together with the Report of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated Financial Statement of the Company for the year 2016-17.
2. To declare final dividend of ₹ 2.50/- per Equity Share of ₹ 2/- each to the shareholders for the financial year 2016-17.
3. To appoint a director in place of Mr.B. Mohan Krishna (DIN 03053172), who retires by rotation and being eligible, offers himself for re-appointment as a Director.
4. To appoint a director in place of Ms. Shantha Prasad Challa (DIN 00962582), who retires by rotation and being eligible, offers herself for re-appointment as a Director.
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 139, 141 and 142 of the Companies Act, 2013, M/s. Ramanatham & Rao, Chartered Accountants, (Registration No. 002934S), Secunderabad, be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this meeting till the conclusion of 61st Annual General Meeting, subject to ratification by the members at every Annual General Meeting, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ending March 31, 2018.”

Special Business:

6. Appointment of Mr. B. Mohan Krishna (DIN 03053172), as a Whole Time Director

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.B. Mohan Krishna (DIN 03053172), be and is hereby appointed as Whole Time Director of the Company for a period of two years with effect from 01st June, 2017, being designated as Director- Operations whose office is liable to retire by rotation on the terms of remuneration stated as under:

- a) Salary : ₹ 3,00,000/- per month along with other perquisites as per the Rules of the Company and
- b) Commission : In addition to the salary and perquisites, calculated in such a way that the salary and commission shall not exceed 2% of the net profits of the Company computed in terms of Sections 197 & 198 of the Companies Act, 2013.”



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“FURTHER RESOLVED THAT the above mentioned salary and perquisites shall be paid as minimum remuneration.”

7. Ratification of Remuneration to Cost Auditors

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable for the year 2017-18 to M/s. Kapardi & Associates, Cost Accountants, (Registration No. 100231), Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2018, amounting to ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified.

8. Increase of FII/FPI holding in the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and all other applicable rules, regulations, guidelines and laws (including any statutory modifications or re-enactment thereof for the time being in force) and all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any concerned authorities while granting such approvals, permissions, sanctions which may be agreed to by the Board of Directors of the Company (herein after referred to as the “Board”, which terms shall include a duly authorized committee of Directors for the time being exercising the powers conferred by the Board of Directors), consent of the Company be and is hereby accorded to the Board of Directors of the Company to permit Foreign Institutional Investors (the “FIIs”), sub-accounts, Foreign Portfolio Investors to acquire and hold on their own account, equity shares upto an aggregate limit of 40% of the paid up capital of the Company for the time being provided, however, that the equity shareholding of each FII / FPI / sub-account as well as FIIs / FPIs / sub-accounts forming part of the same investor group shall not exceed such limits as are or as may be prescribed, from time to time, under applicable laws, rules and regulations.”

“FURTHER RESOLVED THAT the Board of Directors of the Company (including duly constituted and authorized committee thereof) be and is hereby authorized to do such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto including delegating all or any of the powers conferred herein to any committee of Directors or any Director(s) or officer(s) of the Company.”

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

Sd/-

Sridevi Dasari

Company Secretary & Compliance Officer

Place: Hyderabad
Date : 30th May, 2017



NOTES FOR MEMBERS:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself/herself and such proxy need not be a member of the Company.
2. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from Thursday, 6th July, 2017 to Tuesday, 11th July, 2017 (both days inclusive).
4. Statement as required under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
5. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate.

In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad - 500 018 by enclosing a photocopy of blank cancelled cheque of your bank account.
6. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad -500 018 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.
8. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
9. Members holding shares in physical form are informed to furnish their bank account details to the RTA to have printed the same on the dividend warrants so as to avoid any possible fraudulent encashment / misuse of dividend warrants by others.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the company on all working days, between 11.00 A.M. to 1.00 P.M. up to the date of the meeting.
11. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting.
12. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.



13. Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India.

Members who haven't yet encashed their dividend warrants from the financial year 2009-10 onwards are requested to make their claims to the Company without any further delay.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA.

E-VOTING

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 56th Annual General Meeting. The Company has engaged the services of Central Depository Services India Limited (CDSL) to provide the e-voting facility.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on 5th July, 2017 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Saturday, 8th July, 2017 (09:00 hrs) and will end on Monday, 10th July, 2017 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

The Company has appointed Mr. Y. Suryanarayana, Advocate to act as Scrutinizer to conduct and scrutinize the electronic voting process and poll at the Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

PROCEDURE FOR E-VOTING:

Instructions for members for voting electronically are as under:

A. In case of members receiving e-mail (for members whose e-mail address are registered with the Company/Registrars)

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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. (The sequence number is printed on the address leaf of the Annual Report)• 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)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <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 (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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 the 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



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- (x) Click on the EVSN for the relevant Company, i.e., CCL Products (India) Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) 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.
- (xviii) 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 Corporate.
 - 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 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.
- (xix) 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.
- B. In case of members receiving the physical copy of notice of 56th Annual General meeting by courier (for members whose e-mail ids are not registered with the Company/Depositories):**
- i. Please follow all the steps from S.No.(i) to S.No. (xvii) to cast vote



C. General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 5th July, 2017.
- ii. Members can opt for only one mode of voting, i.e., either by Poll at the venue of AGM or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Poll will be treated as invalid.
- iii. The facility for voting through polling paper shall also be made available at the meeting and the members attending the meeting and who have not already cast their vote by e-voting shall be able to exercise their right at the meeting.
- iv. The member who cast their vote by e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
- v. Any query regarding e-voting/Poll may be addressed to the Company Secretary, Ms. Sridevi Dasari, 7-1-24/2/D, Greendale, Ameerpet, Hyderabad - 500 016, Tel : +91 40 - 23732455, Fax : +91 40 23732499, E-mail : companysecretary@cclproducts.com.
- vi. The Scrutinizer, after scrutinising the votes cast at the meeting through poll and through remote e-voting will, not later than two days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.cclproducts.com and on the website of www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- vii. The result of the voting on the resolutions at the meeting will be announced by the Chairman or any other person authorized by him within two days of the AGM.

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

Item No. 6

In accordance with the provisions of Section 152 of the Companies Act, 2013, appointment of Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. B. Mohan Krishna be appointed as Whole Time Director on the Board, whose office is liable to retire by rotation.

The Board of Directors appointed Mr. B. Mohan Krishna as whole time director of the Company in their meeting held on 22nd May, 2017, subject to the approval of the members in the ensuing Annual General Meeting. Except Mr. Challa Rajendra Prasad, Executive Chairman, Mr. Challa Srishant, Managing Director and Ms. Shantha Prasad Challa, Director of the Company and Mr. B. Mohan Krishna, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Mr. B. Mohan Krishna

Mr. B. Mohan Krishna, age 36 years, is a Civil Engineer with more than 12 years of varied experience in the field of implementation of Civil, Mechanical and Electrical Projects. He is acquainted with the latest technological innovations in the field of Civil Engineering. He is the Managing Director of M/s. Helical Tubes and Ducts Pvt. Ltd.



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He has hands on experience dealing with various issues involved in obtaining of approvals from various Government Departments and overseeing implementation of the projects on turnkey basis.

As a Director of the Company, he is actively involved in ongoing operations of the factories and also implementation of the new Freeze Drying Plant which is being set up as SEZ Unit by the Company.

Your Directors recommend the Resolution for your approval.

Item No. 7

Pursuant to the recommendation of the Audit Committee, the Board of Directors had at its meeting held on 22nd May, 2017, approved the reappointment of the Cost Auditors, M/s. Kapardi & Associates, Cost Accountants (Registration No.100231) and remuneration payable to them, as set out in the Resolution under this Item of the Notice.

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

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

Your Directors recommend the Resolution for your approval.

Item No. 8

Considering the continuous increase in the holding of FIIs/FPIs, it is anticipated that FIIs/FPIs may further buy the shares of the Company more than the prescribed limit of 24% as per the FDI Policy. FIIs/FPIs play a crucial role in unfolding the Company's value to further levels. In view of this and considering various advantages in attracting institutional investors which would be beneficial to the Company in the long run, it is proposed to increase the aggregate limit for holding shares by the FIIs/FPIs and SEBI registered Foreign Investors including their sub-accounts to 40% from the existing 24%.

As per the FDI policy, the Company shall obtain the approval of its shareholders by way special resolution to increase the said limits with a prior intimation to Reserve Bank India. The members are, therefore, requested to accord their approval, for the purpose of increasing the aggregate limits as set out in the resolution.

None of the Directors, any other Key Managerial Person(s) of the Company and their relatives is, in any way, concerned or interested in the said resolution.

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

Sd/-

Sridevi Dasari

Company Secretary & Compliance Officer

Place: Hyderabad
Date : 30th May, 2017

**Directors' Report**

Your Directors submit their report for the financial year ended 31.03.2017:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Revenue from operations	70,739	67,719
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	17,050	14,040
Less:		
Interest	683	430
Depreciation and other write offs	1067	984
Provision for Taxation	5,431	4,432
Net Profit	9,869	8,194
Balance brought forward	13,189	8,998
Balance available for appropriation	23,058	17,192
Provision for dividend	-	3,326
Provision for dividend tax	-	677
Transfer to General Reserve	-	-
Balance carried forward to Balance sheet	23,058	13,189

Company Performance

Your Company posted good financial results during the year under review. Turnover of the Company has increased from ₹ 67,719 Lakhs to ₹ 70,739 Lakhs and the net profit of the Company increased from ₹ 8,194 Lakhs to ₹ 9,869 Lakhs.

Transfer of amount to General Reserve

No amount has been transferred to reserves during the year.

Dividend

Your Directors are pleased to recommend a final dividend of ₹ 2.50/- per equity share of ₹ 2/- each for the year 2016-17 subject to the approval of shareholders.

Subsidiaries**Jayanti Pte Limited (Singapore)**

Jayanti Pte Limited is a wholly owned subsidiary of the Company incorporated in Singapore for the purpose of promoting instant coffee projects in various countries. This is only an investment Company, hence no operational performance is reported.

Grandsaugreen SA (Switzerland)

Grandsaugreen SA is a wholly owned subsidiary of Jayanti Pte Limited and step down subsidiary of the Company incorporated in Switzerland. This is an agglomeration and packing unit and a brief operational performance of the Company is as below:



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(₹ in Lakhs)

Particulars	2016-17	2015-16
Revenue from operations	2,282	8,572
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	(54)	159
Less:		
Interest	14	22
Depreciation and other write offs	483	480
Provision for Taxation	21	32
Net Profit/Loss	(572)	(375)

Ngon Coffee Company Limited (Vietnam)

Ngon Coffee Company Limited is a wholly owned subsidiary, jointly owned by CCL and Jayanti Pte Limited. This is an instant coffee manufacturing unit and a brief operational performance is as below:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Revenue from operations	26,353	24,376
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	6,711	6,405
Less:		
Interest	421	629
Depreciation and other write offs	1,774	1,375
Provision for Taxation	-	-
Net Profit/Loss	4,516	4,401

Continental Coffee Private Limited

Continental Coffee Private Limited is a wholly owned subsidiary of the Company, which has been established with an objective of promoting instant coffee brands of the Company in the domestic market and a brief operational performance is as below:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Revenue from operations	277	12
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	(371)	(2)
Less:		
Interest	-	-
Depreciation and other write offs	-	-
Provision for Taxation	-	-
Net Profit/Loss	(371)	(2)



The statement containing the salient features of the financial statement of subsidiaries as per sub-section (3) of Section 129 of the Companies Act, 2013 in Form AOC-1 is herewith annexed as 'Annexure I' to this report.

Corporate Social Responsibility

The Company as part of its Corporate Social Responsibility (CSR) initiative, undertook many projects like promotion of education in rural areas, infrastructure and sanitation development, welfare of girl child, facilitating pure drinking water to the identified rural areas in and around the factory at Duggirala, Guntur District, Andhra Pradesh and also rural women empowerment and rural youth skill development programmes in rural areas around Hyderabad.

The Annual Report on CSR activities is annexed herewith as 'Annexure II' to this report. The CSR Policy is posted on the website of the Company and the web link is <http://cclproducts.com/assets/csr-policy22.pdf>

Internal Control Systems & their adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Statutory Auditors

The Shareholders in their meeting held on 19th July, 2014 approved the appointment M/s. M. Anandam & Co., Chartered Accountants, Hyderabad, as the Statutory Auditors of the Company to hold office till the conclusion of 56th Annual General Meeting. The Board of Directors based on the recommendation of Audit Committee considered the appointment of M/s. Ramanatham & Rao, Chartered Accountants, Secunderabad (Registration No. 002934S) as Statutory Auditors of the Company from the conclusion of 56th Annual General Meeting till the conclusion of 61st Annual General Meeting, subject to approval of shareholders in the 56th Annual General Meeting and thereafter ratification of their appointment by the members in every Annual General Meeting. Accordingly, a resolution seeking Members' appointment for M/s. Ramanatham & Rao, Chartered Accountants, as the Statutory Auditors of the Company is included in the Notice convening the Annual General Meeting for approval of the shareholders.

Internal Auditors

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

Cost Auditors

In accordance with Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Cost Records and Audit) Rules, 2014 the Audit Committee has recommended and the Board of Directors had appointed M/s. Kapardi & Associates, Cost Accountants, Hyderabad, being eligible and having sought re-appointment, as Cost Auditors of the Company, to carry out the cost audit of the products manufactured by the Company during the financial year 2017-18 on a remuneration of ₹ 1,50,000/-. The remuneration payable to the cost auditor is required to be placed before the Members in the general meeting for their ratification. Accordingly, a Resolution seeking Members ratification for the remuneration payable to M/s. Kapardi & Associates, Cost Accountants, is included in the Notice convening the Annual General Meeting.



Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. P.S.Rao & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as 'Annexure III' to this report.

Directors and Key Managerial Personnel

Based on the recommendation of Nomination and Remuneration Committee and subject to approval of the shareholders in the ensuing Annual General Meeting, the Board of Directors have appointed Mr. B.Mohan Krishna as Whole Time Director of the Company for a period of two years, designated as Director-Operations, whose office is liable to retire by rotation. Accordingly, resolutions seeking approval of Shareholders are included in the Notice convening the Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Ms. Shantha Prasad Challa and Mr.B.Mohan Krishna, Directors of the Company retire by rotation and being eligible, have offered themselves for re-appointment.

All the Independent Directors have given declarations stating that they meet the criteria of independence as per the provisions of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There was no resignation / appointment and removal of any Key Managerial Personnel during the year.

A Brief Profile of the Directors of the Company is annexed with as 'Annexure IV' to this report.

Meetings of the Board

Four meetings of the Board of Directors were held during the year. The details of the Board and Committee meetings are given in the Corporate Governance Report which form part of this Annual Report.

Audit Committee

The Board has constituted Audit Committee as per the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition, attendance, powers and role of the Audit Committee are included in Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

Policy on Director's Appointment, Remuneration and other matters

(a) Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee has been formed pursuant to and in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.



CCL PRODUCTS (INDIA) LIMITED

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The remuneration determined for Executive/Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are compensated by way of profit sharing Commission and the Non-Executive Directors are entitled to sitting fees for the Board/Committee Meetings. The remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company.

The Nomination and Remuneration Policy and other matters provided in Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of this Report.

(b) Familiarisation/Orientation program for Independent Directors: A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and web link is <http://cclproducts.com/assets/familiarization-programme-for-independent-directors-123.pdf>

Annual Evaluation of Board Performance and Performance of its Committees and of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.



Fixed Deposits

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

Capex

The Company has spent ₹1719.62 Lakhs towards plant & machinery and other equipment during the year.

Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2016-17 and of the profit or loss of the company for that period;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts for the year 2016-17 have been prepared on a going concern basis.
- v) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Vigil Mechanism / Whistle Blower Policy

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company and the web link is <http://cclproducts.com/assets/whistle-blower-policy4.pdf>

Risk Management

The Company has constituted a Risk Management Committee and formulated a policy on the Risk Management. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. The Risk Management Policy of the Company is posted on the website of the Company and the web link is <http://cclproducts.com/assets/risk-management-policy4.pdf>



Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the transactions which are of a foreseen and repetitive nature. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions.

None of the transactions with related parties falls under the scope of section 188(1) of the Companies Act, 2013. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in 'Annexure V' in Form AOC-2 and forms part of this report.

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company and the web link is <http://cclproducts.com/assets/policy-on-related-party-transactions22.pdf>

Policy on Material Subsidiaries

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of the Company and the web link is <http://cclproducts.com/assets/policy-on-material-subsiary4.pdf>

Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as 'Annexure VI' to this report.

Management Discussion & Analysis

Pursuant to the provisions of Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a report on Management Discussion & Analysis is herewith annexed as "Annexure VII" to this report.

Particulars of Employees

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is herewith annexed as 'Annexure VIII' to this report.

Corporate Governance

The Company has been making every endeavor to bring more transparency in the conduct of its business. As per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a compliance report on Corporate Governance for the year 2016-17 and a Certificate from the Auditors of the Company are furnished which form part of this Annual Report.



Human Resources

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

Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work place:

Your Company strongly supports the rights of all its employees to work in an environment free from all forms of harassment. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has also constituted an Internal Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action.

The Company has not received any complaint on sexual harassment during the year.

Energy conservation, technology absorption and foreign exchange earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure IX' to this report.

Significant and material orders passed by the regulators or courts

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Material Changes and Commitments

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2016-17 of the Company and the date of the report.

Acknowledgments

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

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

On behalf of the Board

Sd/-

Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad

Date : 22nd May, 2017



CCL PRODUCTS (INDIA) LIMITED

Annexure - I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

SI No	Particulars	Continental Coffee Private Limited	Jayanti Pte. Ltd.	Grandsaugreen SA	Ngon Coffee Company Ltd
1	Capital	3,00,00,000	2,17,79,131	1,11,00,000	3,44,56,46,33,286
2	Reserves	(3,73,38,450)	82,658	(40,15,692)	3,57,47,14,00,861
3	Total Assets	1,18,16,124	2,18,69,410	80,59,363	8,87,55,19,23,947
4	Total Liabilities	1,18,16,124	2,18,69,410	80,59,363	8,87,55,19,23,947
5	Turnover	-	-	34,17,525	9,19,81,34,24,986
6	Profit/(Loss) before Taxation	(3,71,03,446)	(8,190)	(7,62,785)	1,62,39,42,67,822
7	Provision for Taxation	-	-	31,924	-
8	Profit/(Loss) after Taxation	(3,71,03,446)	(8,190)	(7,94,710)	1,62,39,42,67,822
9	Dividend	-	-	-	-
10	Investment	-	-	-	-
	Reporting Currency	INR	USD	CHF	VND
	Exchange Rate used for Conversion :				
	- Average Yearly Rates for Profit and				
	Loss Account Items	-	65.5858	66.7836	0.002865
	- Year end rates for Balance Sheet Items	-	64.8386	64.9136	0.002810

Part "B": Associates and Joint Ventures - NA

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

By order of the Board

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

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 22nd May, 2017

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

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director



Annexure - II
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. The CSR is being reported from 1st April, 2016 to 31st March, 2017.
2. This report does not include the information about subsidiary companies.
3. This report does not include the information about any other entities
4. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

A. CSR Policy:

CSR Vision Statement & Objective

CSR Vision:

In alignment with its vision, as a socially responsible corporate citizen, CCL will continue to enhance value creation in the society and community in which it operates. Through its conduct, services, and CSR initiatives it will strive to promote sustained growth in the surrounding environs.

Objective:

To operate its business in a sustainable manner respecting the society and the environment, while recognising the interests of all its stakeholders.

To also take up directly or indirectly programmes that will benefit the communities in and around its factories which will over a period of time enhance the quality of life and economic well being of the local residents.

Through its regular services and additionally through its CSR initiatives, CCL will generate community goodwill and create a positive image of CCL as a socially responsible corporate.

Resources:

2% of the average net profits of the Company made during the three immediately preceding financial years
Any income arising therefrom
Surplus arising out of CSR activities.

Identification of CSR works:

The applications, representations received from community representatives, NGO's, or Panchayat requesting assistance for a work to be taken up or CCL on its own identifying a work for execution, will be listed.

Areas Identified for CSR activities:

The areas where the company intends to focus its CSR activity are listed below. This is not an exclusive list and the Company may include other activities, based on the areas identified and felt need for improvement by the CSR Committee-

1. Eradicating extreme hunger and poverty
2. Infrastructure Development (village roads, culverts, bus shelters, solar lighting etc)
3. Ensuring environmental sustainability
4. Drinking water / Sanitation
5. Healthcare
6. Community Development
7. Education and vocational training
8. Skill Development
9. Child care and nutrition



CCL will engage in the above activities independently or in such manner that it will complement the work being done by local authorities where ever necessary in such a manner that, the work executed by CCL will offer a multi fold benefit to the community.

Implementation Process:

A CSR Cell will be formed at Factory and at Corporate Office to identify the various projects / programmes suitable as per the policy of the Company. These identified projects / programmes will be scrutinized by the CSR Committee and select for implementation.

Monitoring:

The Co-ordinators periodically inspect & report the progress of work commissioned every quarter and submit a report to CSR Committee.

Weblink:<http://cclproducts.com/assets/csr-policy22.pdf>

B. Composition of the CSR Committee:

- Mr. I J Rao, Chairman (Independent Director)
- Mr. Vipin K Singal (Independent Director)
- Mr. K. Chandrahas (Independent Director)
- Mr. J. Rambabu (Independent Director)
- Mr. K. K. Sarma (Independent Director)
- Mr. B. Mohan Krishna (Non-executive Director)
- Mr. G.V. Krishna Rau (Independent Director)
- Ms. Kulsoom Noor Saifullah (Non-executive Director)
- Ms. Shantha Prasad Challa (Non-executive Director)
- Dr. Lanka Krishnanand (Non-executive Director)
- Mr. Challa Srishant (Managing Director)

C. Average net profit of the Company for last three financial years:

Average net profit: ₹ 116.24 Crores

D. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend ₹ 2.32 Crores towards CSR.

E. Details of CSR spend for the financial year:

a. Total amount spent for the financial year: ₹ 2.34 Crores (out of which, ₹ 0.27 Crores pertains to the amount that has to be spent for the year 2015-16.)

b. Amount unspent, if any:

₹ 0.25 Crores

c. Reason for not spending:

The amount of ₹ 0.25 Crores is already allocated for promotion of health in rural areas and this amount will be spent in financial year 2017-18

d. Manner in which the amount spent during the financial year is detailed below:

d. Manner in which the amount spent during the financial year is detailed below:

S.No	CSR project or Activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local Area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise.	Amount Spent on the projects or programs Subheads (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative expenditure upto the reporting period.	Spent: Direct or through implementing Agency.
1	Contribution to Old Age Homes	Helping Old people	Guntur District	141250	141250	141250	By the Company
2	Contribution to Orphanages	Child development	Guntur District	308750	308750	308750	By the Company
3	Building R O Plant	To provide Safe Drinking Water	Guntur District	443180	443180	443180	By the Company
4	Promoting Education	Education	Tenali, Hyderabad rural, Guntur rural	7646607	7646607	7646607	By the Company
5	Providing tree guards	Environment	Guntur Rural	5128680	5128680	5128680	By the Company
6	Improving sanitation facilities in rural villages	Health and Hygiene	Guntur Rural	2668624	2668624	2668624	By the Company
7	Contribution to health centres and medicines	Health and Hygiene	Guntur Rural, East Godavari Rural	2682845	182845	182845	By the Company
8	Providing infrastructure facilities in rural areas	Development of infrastructure	Guntur rural	3802487	3802487	3802487	By the Company
9	Self employment skill development	Woman empowerment and Youth Skill development	Rural areas of Hyderabad	3149534	3149534	3149534	By the Company
	Total			25971957	23471957	23471957	

F. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and Policy of the Company:

The Implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

For CCL Products (India) Limited
Sd/-

Challa Srishant
Managing Director

Place: Hyderabad
Date : 22nd May, 2017

For CCL Products (India) Limited
Sd/-

I J Rao
Chairman- CSR Committee



Annexure - III
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
CCL Products (India) Ltd,
Duggirala, Guntur Dist.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CCL PRODUCTS (INDIA) LTD., (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. (the Company has not raised any External Commercial Borrowing)
- 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;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (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 (Share Based Employee Benefits) Regulations, 2014 (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;
 - (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); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi. Other specifically applicable laws to the Company:
- Food Safety and Standards Act, 2006 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 and Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
 - Coffee Act, 1942 and the rules made thereunder;
 - Boiler Act, 1923 and Indian Boiler Regulations 1950;
 - Petroleum Act, 1934 and Petroleum Rules, 2002;
 - Explosives Act, 1884 read with Static and Mobile Pressure Vessels (Unfired) Rules, 1981;
 - Legal Metrology Act, 2009 and Metrology Rules, 2011
 - Special Economic Zone Act, 2005 and Special Economic Zone Rules, 2006.
(to the limited extent of making Application and obtaining approval thereunder)

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

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

- 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 the decisions at the Board Meetings and Committee Meetings have been 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.

We further report that

- there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



CCL PRODUCTS (INDIA) LIMITED

- During the year under review, the Company has received formal approval from Department of Commerce (SEZ Section), Ministry of Commerce & Industry to develop, operate and maintain sector specific Special Economic Zone for Agro based Food Processing at Kuvakolli Village, Chittoor, AP. Apart from the said, there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

For P S Rao & Associates

Sd/-
P S Rao
Partner
M. No. : 9769
C.P. No.: 3829

Place: Hyderabad
Date: 22nd May, 2017



[This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.]

To
The Members,
CCL Products (India) Ltd,
Duggirala, Guntur Dist.

Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
6. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P S Rao & Associates
Company Secretaries

Sd/-
P S Rao
Partner
M. No.: 9769
C.P. No.: 3829

Place: Hyderabad
Date: 22nd May, 2017



**Annexure - IV
DIRECTORS' PROFILE**

Mr. Challa Rajendra Prasad (DIN 00702292) is an Engineer-Technocrat-Entrepreneur having 4 decades of industrial experience and more than 30 years of experience in International Soluble Coffee Industry. CCL Products (formerly known as M/s. Continental Coffee Ltd.) was promoted by Mr. Prasad in 1995.

Mr. Prasad is reckoned as a Pioneer and first entrepreneur in India to have placed Indian Soluble Coffee in the hard currency world markets.

Mr. Prasad was the Promoter Managing Director of Asian Coffee Ltd., set up in 1989, which was the first Indian non-multinational owned company engaged in the business of producing instant coffee. He was instrumental in Asian Coffee Ltd. achieving the distinction of being the first recipient of assistance in India from the Commonwealth Development Corporation, United Kingdom.

Mr. Prasad has been, in the past, also closely associated with two other coffee projects, one in Singapore and the other in Dunstable, UK.

In recognition of his eminence in the Coffee Industry, Mr. Prasad was appointed as a Member of the Coffee Board of India by the Ministry of Commerce, Government of India for three consecutive terms from 1990 to 1999. He was also appointed as the Special Invitee to the Coffee Board of India in the year 2004.

He is a Director of Jayanti Pte Ltd. (Singapore), Grandsaugreen SA (Switzerland), Ngon Coffee Company Limited (Vietnam), Aries Habitat Pvt. Ltd., Karafa Pvt. Ltd., and Continental Coffee Pvt. Ltd.

He is Promoter of the Company and holds 1,27,75,000 shares of the Company in his name as on 31st March, 2017.

Mr. Challa Srishant (DIN 00016035) is a lawyer by education, having graduated in Law from the National Academy of Legal Studies And Research (NALSAR), University of Law, Hyderabad. He also holds a Diploma in Information Technology Laws from the Asian School of Cyber Laws.

He was awarded a gold medal in Corporate Law at the NALSAR, University of Law and was also Andhra Pradesh State topper and gold medalist in Mathematics prior to that.

Mr. Srishant has more than 12 years experience in the coffee industry alone and he is a Director of Jayanti Pte Ltd. (Singapore), Grandsaugreen SA (Switzerland), Ngon Coffee Company Limited (Vietnam), Aries Habitat Pvt. Ltd., Karafa Pvt. Ltd., Continental Coffee Pvt. Ltd., Facemap Infotechnologies Pvt. Ltd and Daily Food Products Pvt.Ltd.

Mr. Srishant is the Chairman of the Risk Management Committee and Member of Corporate Social Responsibility Committee.

He is Promoter of the Company and holds 1,35,00,000 shares of the Company in his name as on 31st March, 2017.

Mr. I.J. Rao (DIN 00480778) is a Gold Medalist in M.A. (Economics) from Andhra University. He was a lecturer in a college and thereafter joined the Indian Customs and Excise service in 1955. Mr. Rao served as the Collector of Central Excise at Guntur, Madras and Kanpur. He also served as the Collector of Customs at Kolkata.



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Mr. Rao joined the Customs, Excise, Gold (Control) Appellate Tribunal (CEGAT), Delhi in March 1983 and retired in 1991 as the Vice-President of the Tribunal.

Mr. Rao has authored hundreds of short stories, several novels, radio plays and was awarded with Prathiba Puraskaram for 1998 for his short story/novel by Potti Sriramulu Telugu University, Hyderabad. Mr. Rao has also authored numerous articles on finance, revenue and taxation, which were published in leading newspapers like the Statesmen (Kolkata), Economic Times (Mumbai), Business standard (Kolkata), Excise Law Times (Delhi), etc.

Mr. Rao is the Chairman of the Stakeholders Relationship, Nomination and Remuneration, Corporate Social Responsibility Committees & Member of Audit and Risk Management Committees.

He does not hold any shares of the Company in his name as on 31st March, 2017.

Mr. Vipin K. Singal (DIN 00505339) is a businessman by profession. He completed his Graduation in Agricultural Engineering from Punjab Agricultural University.

Mr. Singal heads the Delhi Express Travels Group, which is engaged in arranging international air tickets – business and leisure, inbound tourism, outbound holidays, cruises, hotels & resorts in India, domestic tourism and promotion & marketing of Eurail in India. He has been associated with travel and tourism industry for the last 3 decades, affording him vast experience in the field of business and management.

He is the Managing Director of Delhi Express Travels Pvt. Ltd., Director of BSRC Holdings Pvt. Ltd. and Senses Experience Advisors Pvt. Ltd.

Mr. Singal is the Member of the Audit, Stakeholders Relationship, Nomination and Remuneration, Corporate Social Responsibility and Risk Management Committees of the Company.

He holds 5,000 shares of the Company in his name as on 31st March, 2017.

Mr. K. Chandrahas (DIN 02994302) studied M.Sc. (Physics) in India and MBA from the United Kingdom and a graduate of Law. He was selected for the Indian Revenue Service in 1976 and served the Income Tax Department at Hyderabad, Delhi, Chennai, Pune, Allahabad and Nagpur in various positions until his retirement as the Chief Commissioner of Income Tax, Chennai in September, 2009. He served as Under Secretary in the Finance Ministry, New Delhi during 1984-85 and as Personal Secretary to the Union Minister of State for Finance during 1985-88.

Mr. K. Chandrahas is the Chairman of Audit Committee and Member of Stakeholders Relationship, Nomination and Remuneration, Corporate Social Responsibility and Risk Management Committees of the Company.

He is Director of K M V Projects Limited.

He holds 18,895 shares of the Company in his name as on 31st March, 2017.

Mr. J. Rambabu (DIN 05271673) being the member of Indian Administrative Services served at the Top Management levels of the Organizations and held various responsible positions in the Government of Andhra Pradesh and several Public Sector Undertakings, including:



- Sub-Collector, Parvathipuram
- Managing Director, Amadalavasala Cooperative Sugar Factory,
- Managing Director, Sri Vijayarama Gajapathi Co-op. Sugar Factory
- District Collector, West Godavari District
- Deputy Secretary, Cyclone Relief , Govt of A.P
- District Collector, Guntur District
- Vice Chairman, Visakhapatnam Urban Dev. Authority
- Commissioner of Fisheries, Managing Director, Fisheries Corporation
- Vice Chairman, Hyderabad Urban Dev. Authority
- Managing Director, AP State Housing Corporation
- Vice Chairman, A.P. Housing Board
- Commissioner, Commercial Taxes , Govt of A.P
- Managing Director, Hyderabad Allwyn Ltd
- Commissioner, Excise , Govt of A.P
- Vice Chairman & Managing Director, Nizam Sugars Ltd
- Principal Secretary, Revenue Department , Govt of A.P
- Special Chief Secretary, R&B Department, Govt of A.P
- Pay Revision Commissioner , Govt of A.P
- Chairman, A.P. State Financial Corporation

He is a Director of Share Microfin Limited.

Mr. J. Rambabu is the Member of the Audit, Stakeholders Relationship, Nomination and Remuneration, Corporate Social Responsibility and Risk Management Committees of the Company.

He does not hold any shares of the Company in his name as on 31st March, 2017.

Mr. K. K. Sarma (DIN 06672873) is a Commerce Graduate from Osmania University, having more than 30 years of experience in the fields of setting up of various projects and administration of Companies. He played an active role in implementing and setting up an Instant Coffee Manufacturing Unit for Asian Coffee Ltd, in Andhra Pradesh. He also served as General Manager, Administration of CCL Products (India) Ltd. for a period of more than 20 years, prior to his retirement. He was also actively involved in the administration and management of all the CCL Group Companies during his tenure.

Mr. K.K. Sarma is the Member of the Audit, Stakeholders Relationship, Nomination and Remuneration, Corporate Social Responsibility and Risk Management Committees of the Company.

He does not hold any shares of the Company in his name as on 31st March, 2017.

Mr. B. Mohan Krishna (DIN 03053172) is a Civil Engineer from JNTU, Hyderabad with more than 12 years of varied experience in the field of implementation of Civil, Mechanical and Electrical Projects. He is acquainted with the latest technological innovations in the field of Civil Engineering and Building Materials. He is the Managing Director of Helical Tubes and Ducts Pvt. Ltd.

Mr. B. Mohan Krishna is the Member of the Corporate Social Responsibility and Risk Management Committees of the Company.

He holds 10,00,000 shares of the Company in his name as on 31st March, 2017.



Mr. G.V. Krishna Rau (DIN 06775731) did his Masters in Geology from Osmania University, Hyderabad and worked in Geological Survey of India for 4 years from 1978 and joined the Karnataka cadre of I.A.S. In 1982. Being the member of Indian Administrative Services served at the Top Management levels of the Organizations and held various responsible positions in the Government of Karnataka and several Public Sector Undertakings, including:

- Deputy Commissioner of Dharwad District
- Chief Secretary of Bellary Zilla Panchayat
- Director Social Welfare
- Commissioner Food and Civil Supplies
- Commissioner Health and Family Welfare
- Executive Director JSYS
- CMD Mysore Paper Mills
- Principal Secretary to Governor of Karnataka
- Principal Secretary Cooperation Department
- Additional Chief Secretary and Development Commissioner cum Agriculture Production Commissioner in Karnataka
- Land and Development Officer under the Ministry of Urban Development, Government of India, New Delhi
- Chairman Coffee Board, Bangalore under the Ministry of Industries and Commerce, Government of India

Presently he is an Advisor to Government (Agricultural Marketing and Tribal Welfare), Andhra Pradesh.

He is a Director of Rashtriya E Market Services Pvt. Ltd.

Mr. G.V. Krishna Rau is the Member of the Audit, Stakeholders Relationship, Nomination and Remuneration, Corporate Social Responsibility and Risk Management Committees of the Company.

He does not hold any shares of the Company in his name as on 31st March, 2017.

Ms. Kulsoom Noor Saifullah (DIN 02544686) Born in Delhi in 1956, completed her high school education with a GCE "O" levels from London University. She went on to study BA (English Honours) at the prestigious LSR College, New Delhi. As an entrepreneur exporter she has exported leather products to both East and West Europe. In 1998, she established UCC India, an International Trade and investment Consultancy,mentoring foreign multinationals wishing to invest in India. In 1999, she was appointed as advisor and sole representative of the Donetsk Regional Administration, Government of Ukraine in India. During her tenure she has facilitated large scale multi million dollar investments in both India and Ukraine. She was also principal advisor in India to Xstrata Plc (one of the largest mining groups in the world)as also other well known clients in the mining and infrastructure sector. She speaks Russian, Italian and German.

She has been actively involved in social welfare projects. Together with the well known journalist Swaminathan Aiyar, she established the Small Farmers Development Foundation in 1992 and became its first President. The Foundation worked in the arid Mewat region of Haryana introducing dry land farming in the region and organizing drinking water to local villages which had only brackish water unfit for human consumption.



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In 2010, she retired from active professional assignments to co found The India Harmony Foundation together with her husband, Late Sri. Zafar Saifullah who shared the firm belief that true economic development could only take place in India if social justice and harmony prevailed in the country. She designs and edits the Foundation's in house journal "India Harmony" which is circulated to all Chief Ministers, Governors and Members of Parliament in India. It has received high praise from all quarters.

She is a Director of Good Earth Mining Pvt. Ltd.

Ms. Kulsoom Noor Saifullah is the Member of the Audit, Stakeholders Relationship, Nomination and Remuneration, Corporate Social Responsibility and Risk Management Committees of the Company.

She does not hold any shares of the Company in her name as on 31st March, 2017.

Ms. Shantha Prasad Challa (DIN 00962582) has done masters in Anthropology from Delhi University. She had been on the Board of the Company upto 18th July, 2005.

She has been actively involved with various social causes and has been part of many philanthropic efforts both on a personal level and as part of the Pranic Healing Foundation. She also holds office as a Trustee in various Organizations such as the MCKS Trust Fund, World Pranic Healing Foundation and AP Pranic Healing Foundation. She is currently actively involved in fund raising for the MCKS Food for the Hungry Foundation for undertaking various projects on an ongoing basis.

She is the Director of Healthy Investments Limited, Kanuri Invest and Exim Private Limited and Unijolly Investments Company Limited.

Ms. Shantha Prasad Challa is the Member of the Nomination and Remuneration, Corporate Social Responsibility and Risk Management Committees of the Company.

She is Promoter of the Company and holds 1,82,00,000 shares of the Company in her name as on 31st March, 2017.

Dr. Lanka Krishnanand (DIN 07576368) is a Professor in Mechanical Engineering Department, National Institute of Technology (NIT), Warangal. He has done B Tech in Mechanical engineering from VRSEC, Vijayawada.,Nagarjuna University, M. Tech in Industrial engineering from NIT, Calicut. Calicut University and Ph. D in Automatic Feature Recognition from NIT, Warangal, Kakatiya University.

He has written several articles which were published in International Journal of Supply Chain Inventory Management, Procedia Engineering, Journal of Manufacturing Processes, Journal of The Institution of Engineers (India). He has attended several national and international conferences.

Dr. Lanka Krishnanand has undertaken several projects and few of them are Development of Feature based CAD/CAM with reference of Machining Processes & Evaluation of Sculptured Surfaces, Development of Networked Digital Library as an online learning resource etc.

Dr. Lanka Krishnanand is the Member of the Audit, Stakeholders Relationship, Nomination and Remuneration, Corporate Social Responsibility and Risk Management Committees of the Company.

He does not hold any shares of the Company in his name as on 31st March, 2017.

Annexure - V
Particulars of contracts / arrangements made with related parties [Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2017, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2017 are as follows:

Name of the related party	Nature of relationship	Duration of contracts	Salient terms	2015-16	
				Amount (₹ in Lakhs)	Amount (₹ in Lakhs)
Nature of Contract- Equity contribution Continental Coffee Private Limited	Subsidiary	01-04-2015 - ongoing	Not applicable	294.00	0.00
Rent Sri.C.Srishant Smt.C.Shantha Prasad Smt.C.Sourya	Managing Director Director Daughter of Executive Chairman	01-04-2001 - ongoing 01-04-1995 - ongoing 01-01-2010 - ongoing	Based on Transfer price guidelines Based on Transfer price guidelines Based on Transfer price guidelines	22.02 17.26 2.84	17.26 17.26 2.84
Sale of Instant Coffee Grandsaugreen SA Continental Coffee Private Limited	Subsidiary Subsidiary	01-02-2009 - ongoing 01-04-2015 - ongoing	Based on Transfer price guidelines Based on Transfer price guidelines	1747.38 260.78	7446.32 21.33

Annexure -VI FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN as on financial year ended 31.03.2017 Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.					
I REGISTRATION & OTHER DETAILS:					
i	CIN	L15110AP1961PLC000874			
ii	Registration Date	22/03/1961			
iii	Name of the Company	CCL Products (India) Limited			
iv	Category/Sub-category of the Company	Public Company / Limited by Shares			
v	"Address of the Registered office & contact details"	Duggirala, Guntur District- 522330. Tel: 08644 277294			
vi	Whether listed company	Yes			
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Venture Capital and Corporate Investments Pvt.Ltd. 12-10-167, Bharatnagar Colony, Hyderabad – 500 018. Tel: 40 2381 8475			
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 & Description of main products/services	"NIC Code of the Product /service"	"% to total turnover of the company"		
1	Manufacturing of Instant Coffee	107	100%		
III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES					
Sl No	Name & Address of the Company	CIN/GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	"Continental Coffee Private Limited 7-1-24/2/D, Greendale, Ameerpet, Hyderabad- 500016"	U15492TG2011PTC074429	Subsidiary	100	2(87)
2	Jayanti Pte. Limited 10, Jalan Besar, # 10-12, Sim Lim Tower, Singapore – 208787	Foreign Company	Subsidiary	100	2(87)
3	Ngon Coffee Company Limited Cu Kuin Industrial Complex, CU Kuin District, Dak Lak Province, Vietnam	Foreign Company	Subsidiary	100	2(87)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	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	59500000	0	59500000	44.73%	59575000	0	59575000	44.78%	0.05%
b) Central Govt. or State Govt."									
c) Bodies Corporates									
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)	59500000	0	59500000	44.73%	59575000	0	59575000	44.78%	0.05%
(2) Foreign									
a) NRI- 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)"	59500000	0	59500000	44.73%	59575000	0	59575000	44.78%	0.05%

Category of Shareholders	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	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	3375380	0	3375380	2.54%	2986786	0	2986786	2.25%	-0.29%
b) Banks/FI	36454	0	36454	0.03%	58595	0	58595	0.05%	0.02%
c) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS	11072764	0	11072764	8.32%	1957561	0	1957561	1.47%	-6.85%
h) Foreign Portfolio Investors Corporate (FPI)	15165447	0	15165447	11.40%	29516622	0	29516622	22.19%	10.79%
i) Foreign Venture Capital Funds"									
j) Alternate Investment Funds	0	0	0	0.00%	1795480	0	1795480	1.35%	1.35%
k) Others (specify)									
SUB TOTAL (B)(1):	29650045	0	29650045	22.29%	36315044	0	36315044	27.31%	5.02%

Category of Shareholders	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) Non Institutions									
a) Bodies corporates	3899185	50000	3949185	2.97%	3078686	49000	3127686	2.35%	-0.62%
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	16474234	1121300	17595534	13.22%	12425480	882440	13307920	10.00%	-2.22%
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	7180995	0	7180995	5.40%	5826109	129000	5955109	4.48%	-1.92%
c) Others (specify)									
i) Non-resident Indians	11339874	3082170	14422044	10.84%	10913382	3073170	13986552	10.51%	-0.33%
ii) Trust	624214	0	624214	0.47%	627803	0	627803	0.47%	0.00%
iv) Clearing Members	105903	0	105903	0.08%	132806	0	132806	0.10%	0.02%
SUB TOTAL (B)(2):	39624405	4253470	43877875	32.98%	33004266	4133610	37137876	27.91%	-5.07%
“Total Public Shareholding (B)= (B)(1)+(B)(2)”	69274450	4253470	73527920	55.27%	69319310	4133610	73452920	55.22%	-0.05%
“C. Shares held by Custodian for GDRs & ADRs”									
Grand Total (A+B+C)	128774450	4253470	133027920	100%	128894310	4133610	133027920	100%	0.00%

(ii) SHAREHOLDING OF PROMOTERS

S. No.	Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held 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	Challa Shanitha	18200000	13.68%	0	18200000	13.68%	0	
2	Challa Soumya	14100000	10.60%	0	13100000	9.85%	0	-0.75%
3	Challa Srishant	14500000	10.9	0	13500000	10.15	0	-0.75%
4	Challa Rajendra Prasad	12700000	9.55%	0	12775000	9.60%	0	0.05%
5	Challa Ajitha	0	0.00%	0	1000000	0.75%	0	0.75%
6	B. Mohan Krishna	0	0.00%	0	1000000	0.75%	0	0.75%
	Total	59500000	44.73%	0	59575000	44.78%	0	0.05%

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No	Name	Shareholding		Date	Increase/ decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No.of shares at the beginning 01.04.2016/ end of the year (31.03.2017)	% of total shares of the company				No of shares	% of total shares of the company
1	Challa Shantha	18200000	13.68	01/04/16	0			
		18200000	13.68	31/03/17				
		14100000	10.60	01/04/16	-1000000	Decrease	13100000	9.85
3	Challa Srishant	13100000	9.85	31/03/17				
		14500000	10.90	01/04/16				
				16/09/2016	-1000000	Decrease	13500000	10.15
4	Challa Rajendra Prasad	13500000	10.15	31/03/17				
		12700000	9.55	01/04/16				
				05/12/2016	27464	Increase	12727464	9.57
5	Mohan Krishna B	12775000	9.60	12/07/16	38308	Increase	12765772	9.59
		0	0.00	12/08/16	9228	Increase	12775000	9.60
				31/03/17				
6	Ajitha Challa	1000000	0.75	01/04/16	1000000	Increase	1000000	0.75
		0	0.00	16/09/16				
				31/03/17				
				01/04/16				
				16/09/16	1000000	Increase	1000000	0.75
		1000000	0.75	31/03/17				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	Name	Shareholding		Date	Increase/decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares at the beginning (01.04.2016)/end of the year (31.03.2017)	% of total shares of the company				No of shares	% of total shares of the company
1	SMALLCAP WORLD FUND, INC	8841272	6.65	01/04/16				
				10/06/16	7245	Increase	8848517	6.65
				17/06/16	350084	Increase	9198601	6.91
				24/06/16	14612	Increase	9213213	6.93
				30/06/16	87075	Increase	9300288	6.99
				01/07/16	62	Increase	9300350	6.99
				08/07/16	17513	Increase	9317863	7.00
				15/07/16	63661	Increase	9381524	7.05
				22/07/16	28061	Increase	9409585	7.07
				29/07/16	40582	Increase	9450167	7.10
				07/10/16	1192006	Increase	10642173	8.00
2	FIAM GROUP TRUST FOR EMPLOYEE BENEFIT PLANS - FIAM EMERGING MARKETS COMMINGLED POOL (formerly named as "PYRAMIS GLOBAL ADVISORS TRUST COMPANY A/C PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS - PYRAMIS EMERGING MARKETS COMMINGLED POOL")	10642173	8.00	31/03/17				
		4949889	3.72	01/04/16				
				14/10/16	19665	Increase	4969554	3.74
				21/10/16	21975	Increase	4991529	3.75
				11/11/16	3454	Increase	4994983	3.75
				02/12/16	11248	Increase	5006231	3.76
				09/12/16	57128	Increase	5063359	3.81
				16/12/16	15547	Increase	5078906	3.82
				23/12/16	3810	Increase	5082716	3.82
				30/12/16	25385	Increase	5108101	3.84
				06/01/17	12823	Increase	5120924	3.85
		13/01/17	14441	Increase	5135365	3.86		
		20/01/17	44114	Increase	5179479	3.89		
		27/01/17	35321	Increase	5214800	3.92		
		03/02/17	48473	Increase	5263273	3.96		
		3.96	31/03/17					

8	*NARENDRA KUMAR AGARWAL	1249726	0.94	01/04/16	-42133	Decrease	1207593	0.91	
				08/04/16	-285621	Decrease	921972	0.69	
				15/04/16	-45038	Decrease	876934	0.66	
				22/04/16	-88984	Decrease	787950	0.59	
				29/04/16	-94954	Decrease	692996	0.52	
				06/05/16	-242996	Decrease	450000	0.34	
				05/08/16	-204100	Decrease	245900	0.18	
				12/08/16	-145900	Decrease	100000	0.08	
				19/08/16	-100000	Decrease	0	0.00	
				09/09/16					
				31/03/17	0.00				
				01/04/16	0.82				
				03/06/16		41200	Increase	1130534	0.85
		9	SCHRODER INTERNATIONAL SELECTION FUND ASIAN SMALLER COMPANIES			10/06/16	83306	Increase	1213840
				19/08/16	84262	Increase	1298102	0.98	
				16/09/16	-14572	Decrease	1283530	0.96	
				19/09/16	-10601	Decrease	1272929	0.96	
				23/09/16	-16308	Decrease	1256621	0.94	
				30/09/16	94779	Increase	1351400	1.02	
				07/10/16	96880	Increase	1448280	1.09	
				23/12/16	-19005	Decrease	1429275	1.07	
				30/12/16	-28000	Decrease	1401275	1.05	
				27/01/17	-19341	Decrease	1381934	1.04	
				03/02/17	-63088	Decrease	1318846	0.99	
				17/02/17	-17169	Decrease	1301677	0.98	
				24/02/17	-22766	Decrease	1278911	0.96	
				10/03/17	-9671	Decrease	1269240	0.95	
		17/03/17	-10958	Decrease	1258282	0.95			
10	SUDHIR KONERU	1258282	0.95	31/03/17					
		1002410	0.75	01/04/16	0	Nil movement during the year			
11	# NAVEEN BIKKASANI	1002410	0.75	31/03/17					
		1000000	0.75	01/04/16	0	Nil movement during the year			
12	#ARUNA MEDARA	1000000	0.75	31/03/17	0				
		1000000	0.75	01/04/16		Nil movement during the year			
		1000000	0.75	31/03/17	0				

16	# CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO EMERGING EQUITIES	653642	0.49	01/04/16	-35531	Decrease	618111	0.46
				05/08/16	54204	Increase	672315	0.51
				23/09/16	50000	Increase	722315	0.54
				30/09/16	173000	Increase	895315	0.67
				07/10/16	83000	Increase	978315	0.74
				14/10/16	50592	Increase	1028907	0.77
				18/11/16	1959	Increase	1030866	0.77
				25/11/16	37132	Increase	1067998	0.80
				02/12/16	5426	Increase	1073424	0.81
				09/12/16	14920	Increase	1088344	0.82
				16/12/16	5000	Increase	1093344	0.82
				30/12/16	20000	Increase	1113344	0.84
				03/02/17	10000	Increase	1123344	0.84
				10/02/17	11229	Increase	1134573	0.85
				17/02/17	-10000	Decrease	1124573	0.85
				03/03/17	-9531	Decrease	1115042	0.84
				10/03/17	1825	Increase	1116867	0.84
				24/03/17				
		1116867	0.84	31/03/17				

* Ceased to be in the list of Top 10 shareholders as on 31-03-2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2016.
 # Not in the list of Top 10 shareholders as on 01-04-2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2017.

(v) Shareholding of Directors & KMP

Sl. No	Name	Shareholding		Date	Increase/ decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the company				No of shares of the company	% of total
A	Directors							
1	Challa Rajendra Prasad	12700000	9.55	01/04/16				
				05/12/16	27464	Increase	12727464	9.57
				07/12/16	38308	Increase	12765772	9.59
				09/12/16	9228	Increase	12775000	9.60
		12775000	9.60	31/03/17				
2	Challa Srishant Managing Director	14500000	10.90	01/04/16				
				16/09/16	-1000000	Decrease	13500000	10.15
		13500000	10.15	31/03/17				
3	I.J. Rao Non-Executive Director	4500	0.003	01/04/16				
				08/04/16	566	Increase	5066	0.004
				27/05/16	21	Increase	5087	0.004
				30/06/16	103	Increase	5190	0.003
				17/02/17	-5190	Decrease	0	0.000
		0	0.000	31/03/17				
4	Vipin K Singal Non-Executive Director	5000	0.003	01/04/16	0	Nil movement during the year		
		5000	0.003	31/03/17				
5	K Chandrahas Non-Executive Director	2210	0.002	01/04/16	0			
				26/08/16	1500	Increase		
				06/12/16	15185	Increase		
		18895	0.014	31/03/17				
6	J Rambabu Non-Executive Director	0	0	01/04/16	0	Nil holding/movement during the year		
		0	0	31/03/17				

7	K K Sarma Non-Executive Director	0		01/04/16			Nil holding/ movement during the year		
		0		31/03/17					
8	B Mohan Krishna Non-executive Director	0		01/04/16		1000000	Increase	1000000	0.75
		1000000	0.75	31/03/17					
9	G V Krishna Rau Non-Executive Director	0		01/04/16			Nil holding/ movement during the year		
		0		31/03/17					
10	Kulsoom Noor Saifullah Non-executive Director	0		01/04/16			Nil holding/ movement during the year		
		0		31/03/17					
11	Challa Shanitha Non-executive Director	18200000	13.68	01/04/16			Nil movement during the year		
		18200000	13.68	01/04/17					
12	Krishnanand Lanka Non-executive Director	0	0	01/04/16			Nil holding/ movement during the year		
		0	0	01/04/17					
B Key Managerial Personnel (KMPs)									
1	K V L N Sarma Chief Financial Officer	10000	0.01	01/04/16			Nil movement during the year		
		10000	0.01	31/03/17					
2	Sridevi Dasari Company Secretary & Compliance Officer	0	0	01/04/16			Nil Holding/movement during the year		
		0	0	31/03/17					

₹ Lakhs

V INDEBTEDNESS Indebtedness of the Company including interest outstanding/accrued but not due for payment	“Secured Loans excluding deposits”	“Unsecured Loans”	Deposits	“Total Indebtedness”
Indebtness at the beginning of the financial year				
i) Principal Amount	11,447.34	-	-	11,447.34
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	11,447.34	-	-	11,447.34
Change in Indebtedness during the financial year				
Additions	-	-	-	
Reduction	1,601.99	-	-	1,601.99
Net Change	1,601.99	-	-	1,601.99
Indebtedness at the end of the financial year				
i) Principal Amount	9,845.35	-	-	9,845.35
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	9,845.35	-	-	9,845.35

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 the MD/WTD/Manager		Total Amount in ₹
		Executive Chairman	Managing Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	48,00,000	36,00,000	84,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock option			
3	Sweat Equity			
4	Commission as % of profit others (specify)	7,17,00,000	4,22,00,000	11,39,00,000
5	Others, please specify			
	Total (A)	7,65,00,000	4,58,00,000	12,23,00,000
	Ceiling as per the Act			15,18,60,000

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors						Total Amount in ₹
		I.J. Rao	Vipin K. Singal	K. Chandrabhas	J. Rambabu	K. K. Sarma	G. V. Krishna Rau	
1	Independent Directors							
	(a) Fee for attending board committee meetings	1,95,000	1,95,000	90,000	1,95,000	1,95,000	1,95,000	10,65,000
	(b) Commission	6,00,000	6,00,000	6,00,000	6,00,000	6,00,000	6,00,000	36,00,000
	(c) Others, please specify							
	Total (1)	7,95,000	7,95,000	6,90,000	7,95,000	7,95,000	7,95,000	46,65,000
2	Other Non Executive Directors							
(a)	Fee for attending board committee meetings		1,45,000			50,000		3,90,000
(b)	Commission				6,00,000		6,00,000	1,16,00,000
(c)	Others, please specify.							
	Total (2)		99,45,000		7,45,000	6,50,000	6,50,000	1,19,90,000
	Total (B)=(1+2)							1,66,55,000
	Total Managerial Remuneration							13,89,55,000
	Overall Ceiling as per the Act.							16,55,41,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SI. No.	Particulars of Remuneration		Key Managerial Personnel	Total Amount in ₹
1	Gross Salary	CEO	"Company Secretary" CFO	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		11,21,677	80,56,292
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission as % of profit others, specify	Not Applicable		
5	Others, please specify			
	Total		11,21,677	80,56,292

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment /Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL



Annexure - VII
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Soluble Instant coffee, more commonly referred to as instant coffee or coffee powder, is commercially prepared in solid form by either freeze-drying or spray- drying, after which it can be rehydrated.

Instant coffees have now been on the market for many decades because of its convenience. Soluble coffee consumption has been increasing at a higher rate. With the invention of new technologies, the quality of instant coffee can now be significantly improved, thereby attracting even traditional roast and ground coffee customers. The inherent convenience of making instant coffee as opposed to preparing roast and ground coffee is also a major factor that is causing an increase in instant coffee sales in this fast paced world.

Business Review

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

The Company's endeavours through its quality control division to enhance the quality of products by a careful mix of various blends and essence and to give the products at best prices to the customer are showing results by taking the products to new competitive markets. Efforts to achieve the right mix of raw-materials are also giving advantage to the Company in achieving the best quality products at the most competitive price.

The enhanced production capacity of the plant at Duggirala in Guntur district of Andhra Pradesh and also the multidimensional presence of the company will help cater to the increased demand for instant coffee in international markets.

During the year under review the sales of your Company grew from ₹ 67,719 lakhs to ₹ 70,739 lakhs. The net profit is at ₹ 9,869 lakhs as against ₹ 8,194 lakhs during the preceding financial year.

Earnings per share (EPS) (Face value of ₹ 2/- per share) for the current year is ₹ 7.42.

Industry Structure and Developments

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

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

Outlook

The modern times have witnessed evolution of coffee drinking from an everyday habit to a healthy lifestyle choice. Coffee has gained the status of being the most preferred beverage worldwide. Coffee is the second most traded commodity in the world.

The convenience, versatility of flavor and format, and branded experience provided by instant coffee enable it to be positioned as a premium hot beverage option, particularly for new coffee drinkers in predominantly lower income tea- drinking markets.



CCL PRODUCTS (INDIA) LIMITED

As per ICO, world coffee demand continues to show significant growth, with considerable potential for further increases. More mature markets such as the EU are relatively stable, while emerging markets, particularly in Africa and Asia, are recording significant growth in consumption and sales.

Asia Pacific leads current and future growth. The easy preparation of instant coffee, as well as its ability to be tailored to local taste preferences, has made it the coffee of choice in most markets in Asia Pacific, where coffee consumption is still low.

The demand for the supermarket brands has been consistently growing across Europe. CCL is able to cater the needs of the supermarkets and has a considerably good market share across supermarket private labels across Europe. The coffee consumers are preferring premium products such as Freeze Dried Coffee and thereby creating a market for the premium products.

On the basis of consumption, the US represented the world's largest coffee consumer followed by Germany and Brazil. As tea still accounts for a majority of the share of hot beverages in various parts of the world, coffee consumption in emerging markets like India and China is restricted only to the urban areas with negligible penetration in the rural and semi urban areas. However, the instant coffee industry in the emerging markets is expected to grow significantly faster in the next five years.

Europe accounts for the largest share in the global market where the UK, Turkey, Belarus, and Ukraine are the leading instant coffee-consuming countries. The region depends mainly on imports to meet the growing demand as the harsh climatic conditions restricts the cultivation of coffee. Russia is the most prominent market for instant coffee

The opportunity in the instant coffee market is likely to rise at a CAGR of 4.80% from 2017 to 2025. The increasing awareness regarding the harmful effects of aerated drinks is also expected to shift the preference of consumers towards coffee, which subsequently, is anticipated to propel the worldwide market for instant coffee in the near future.

The instant coffee market in India is growing at a rate of more than 15% year on year. A positive consumer outlook towards new experiences such as premium coffee. Higher disposable incomes and the growing number of young professionals were some of the important factors that promoted growth in coffee consumption in India. Additionally, increased access to coffee machines in offices and institutions triggered interest in coffee among consumers, which indirectly drove sales in households, as people began to acquire a taste and in turn consumed coffee at home as well.

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

Risks and Concerns

Manufacturing and Operational Risk:

Reduced rainfall in some areas is dramatically changing the ecosystem and growing conditions which result the quality of the beans used as raw material to produce the instant Coffee. It is noticed that changes in weather patterns (drought, unpredictable and varied rains, temperature changes) are causing alterations in the appearance and severity of newer pests while existing diseases are migrating to ecological zones where they previously did not exist. This may affect the quality of the Beans grown in the traditional regions from where the Company is procuring. Although credible data on the levels and spread of these diseases and pests is not available, the potential risk should be noted.

Any Government / regulatory decisions effecting the change of the duty structure on green coffee/instant coffee shall have an impact on the prices of our imports/exports.



Competition & Market Risk:

The coffee markets in which we do business are highly competitive and competition in these markets is likely to become increasingly more intense due to the relatively low barriers to entry. The industry in which we compete is particularly sensitive to price pressure, as well as quality, reputation and viability for wholesale and brand loyalty for retail. To the extent that one or more of our competitors becomes more successful with respect to any key competitive factor, our ability to attract and retain customers could be adversely affected. Our private label and branded coffee products compete with other manufacturers of Instant coffee.

Sale and Marketing Risk:

Your Company has already established its long standing presence in the international markets in the Instant Coffee, however, the sales of the products may fluctuate depending on economic and political conditions, including acts of terrorism in the producing and consuming countries.

Forex Risk:

Fluctuation in the foreign currency, especially caused due to any regional debt or other international crisis may affect the forex markets internationally thereby impacting the foreign exchange rates which if result in strengthening the domestic currency may affect the profitability of the Company to the extent of the conversion costs. Fortunately, as the Company mostly deals with USD in all its commercial transactions, the impact of foreign exchange fluctuations is minimal.

Technology Changes:

Any innovation and new technology in producing high quality instant coffee and making the current production technologies redundant and obsolete may prove to be a potential risk which can be addressed by the Company by upgrading the existing technology and improving the production techniques by constant in house research and development.

CCL has more than two decades of experience in terms of procuring the raw material at the most competitive price from different parts of the world irrespective of green coffee yield.

Further, the Company has gained rich experience with the presence of marketing consultants and in-house experienced marketing personnel to face any kind of competition and market related risks.

Opportunities and Threats

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

The huge potential in domestic market for soluble coffee made the Company concentrate even on domestic sales both in private label segment and through its established brands. The soluble coffee consumption in India is expected to witness a growth of more than 15% year on year and Your Company has made a successful entry in the retail market with its brands.

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



Financial performance with respect to operational performance

During the year, the Company has achieved a turnover of ₹ 70,739 Lakhs recording a net profit of ₹ 9,869 Lakhs. Due to refurbishment of Freeze Dried Unit, during the second quarter we were operating at sub-optimal capacity and the plant was back to normal capacity after the completion of refurbishment.

Internal Control Systems and their Adequacy

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

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

Your Company is in the process of aligning the current financial procedures with IND AS and migration to GST.

Industrial Relations and Human Resources Management

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

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

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

Certifications and Awards

Your Company has achieved Grade A with British Retail Consortium (BRC) Version 7 as well as International Featured Standards (IFS) which are internationally recognized Global Food Safety Standards.

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

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

Your Company received Best Coffee Exporter to USA & Canada, Russia & CIS, Canada and also under Instant Coffee category from Coffee Board of India for the year 2013-14 and 2014-15.

Cautionary Statement

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

Annexure - VIII

Details pertaining to Employees as required under Section 197(12) of the Companies Act, 2013

Statement of Particulars of Employees Pursuant to Provisions of Section 197(12) of the Companies Act 2013 Read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

a) Employed throughout the Financial Year 2016-17

Name	Age	Qualification	Designation	Date of Commencement of Employment	Experience (Years)	Gross Remuneration	Previous Employment	Previous Designation
Mr.Challa Rajendra Prasad	65	B.E.(Mech.)	Executive Chairman	01-04-1994	41	7,65,00,000	Asian Coffee Ltd	Managing Director
Mr.Challa Srishant	34	B.A., B.L.(Hons.)	Managing Director	18-07-2005	13	4,38,00,000		

ii) Other top ten employees throughout the Financial Year 2016-17

Name	Age	Qualification	Designation	Date of Commencement of Employment	Experience (Years)	Gross Remuneration	Previous Employment	Previous Designation
Mr.K.V.L.N.Sarma	57	B.Com., FCMA	Chief Financial Officer	04-12-2006	39	69,34,615	Aditya Spinners Ltd	Vice President (Fin & Operations)
Mr.N.Sudhakar	60	B.E., PGTD	General Manager- Technical	19-08-1995	37	26,96,031	Asian Coffee Ltd	Manager - Maintenance
Mr.P.C.Rangappa	56	B.Sc.	Factory Manager	16-12-1994	36	25,11,646	Asian Coffee Ltd	Executive - Green Coffee
Mr.T.Sudhakar Naidu	44	B.A., B.Sc.	Deputy General Manager- Production	16-12-1994	28	23,63,564	Asian Coffee Ltd	Executive - Quality Control
Mr.B.V.N.Prasad	56	B.Com.	Deputy General Manager - Purchase	20-09-1995	35	23,47,708	Plant Organics Ltd	Manager - Purchase
Mr.V.Rama Rao	57	B.Com.	Deputy General Manager- Commercial	18-08-1997	35	19,87,094	Godavari Drugs Ltd	Accounts Officer
Mr.R.V.Rama Rao	52	B.Com., LL.B., M.P.M.	Deputy General Manager- Legal & HR	04-05-1995	26	18,47,502	Ushakiron Movies Pvt Ltd	Executive - Personnel
Mr. G.Kesava Naidu	38	B.Sc., M.Sc., P.H.D	Manager - R&D	03-06-2013	6	12,29,838	Venus Medicine Research Center	Deputy Manager
Mr.Ravi Rama Swaroop	50	B.E., Mechanical	Sr.Manager - Maintenance Manager	22-10-2015	21	11,84,885	Krebs Bio Chemical & Industries Ltd	Asst.General Mechanical
Mr.K.Nageswara Rao	49	B.Sc.	Manager - Quality Control	01-10-2002	20	11,67,068	Kedia Distilleries Ltd	Assistant - Chemist

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

- i) There were 445 permanent employees on the rolls of Company as on March 31, 2017.
- ii) In the financial year, there was an increase of 19.53% in the median remuneration of employees
- iii) In the financial year, there was an increase of 21.69% in the managerial remuneration, which is as per the remuneration policy of the Company.
- iv) We herewith affirm that remuneration is as per the remuneration policy of the Company.

On behalf of the Board

Place : Hyderabad
Date : 22nd May, 2017

sd/-
Challa Rajendra Prasad
Executive Chairman



**Annexure-IX
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of Energy

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

The steam boiler continues to be a major energy conserver to the Company. CCL is continuously striving for the sustainability, conservative utilisation of energy available and to minimize the ecological footprint by finding out ways to best utilise the waste generated in the process of manufacturing instant coffee. Coffee is a product, where only 40% can be derived from the coffee beans for the productive usage and the rest 60% is in the form of solid waste. This solid waste generated, on drying up, has greater calorific value.

i) the steps taken or impact on conservation of energy

We, at CCL addressed this with detailed discussions with our boiler suppliers. The solid waste, on drying up, not only has good calorific value but is with very low ash content. Thus, jointly with the boiler suppliers – viz., Thermax, we have got the fuel system redesigned so as to enable using this solid waste as fuel for boilers. This has not only resulted in substantial savings on fuel costs but also is environmental friendly as the ash content is very minimal. Thus, this effort of the company has not only served as a substitute for fossil fuel but also is an effective method for waste disposal.

ii) Steps taken by the Company for utilising alternate sources of energy

The Company has been continuously saving considerable fuel cost for its boiler by using rice husk and recycled solid waste as fuel.

An Electrostatic Precipitator (ESP) was installed to curb pollution from the boiler which enhance eco friendly operations at the Plant.

iii) The capital investment on energy conservation equipments

The Company is making additional investments mainly to recycle solid waste generated to reduce consumption of fuel for the boiler and for upgradation of the ETP to ensure that the effluent water meets surface water parameters. Furthermore, the Company is upgrading the existing ETP that will make the plant a zero liquid discharge (ZLD) Unit.

After 10 years of establishment, major refurbishment was undertaken for the Freeze Dried Unit. This has improved the efficiency in productivity resulting in less wastage of the product during production process and led to effective utilization of energy (in the form of steam and electricity consumption.)

B) Technology Absorption

i) Efforts made towards technology absorption:

The best technology in the world for the manufacturing of quality coffee is being used by your Company and strives continuously to upgrade the technology.



ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

The technology being used has improved the production standards and optimised the operational costs.

iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

a) Technology imported	No technology imported during the last 3 years
b) Year of Import	NA
c) Has technology been fully absorbed	NA
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	NA

iv) Expenditure incurred on Research and Development:

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

C) Foreign Exchange Earnings and Outgo:

Total foreign exchange	₹ in Crores
Used	371.61
Earned	639.23

Place : Hyderabad
Date : 22nd May, 2017

On behalf of the Board

sd/-
Challa Rajendra Prasad
Executive Chairman

**BUSINESS RESPONSIBILITY REPORT
for the financial year 2016-17**

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

No.	Particulars	Company Information
1	Corporate Identity Number (CIN) of the Company	L15110AP1961PLC000874
2	Name of the Company	CCL PRODUCTS (INDIA) LIMITED
3	Registered Office address	Duggirala, Guntur Dist. Andhra Pradesh- 522330, India
4	Website	www.cclproducts.com
5	E-mail id	companysecretary@cclproducts.com
6	Financial Year reported	01 st April, 2016 to 31 st March, 2017
7	Sectors that the Company is engaged in (industrial activity code wise)	NIC Code :10792 Description : Manufacturing of Instant Coffee and coffee related products
8	List three key products/services that the Company manufactures/provides (as in the Balancesheet)	The Company manufactures and markets a wide range of instant coffee products.
9	Total number of locations where business activity is undertaken by the Company	The Company has its Registered office situated at Guntur District, A.P. India. Its Corporate office is situated at Hyderabad, Telangana, India
9 (i)	Number of International Locations	3 countries - Singapore, Vietnam and Switzerland
9 (ii)	Number of National Locations	Registered Office: Duggirala-522 330, Guntur District, Andhra Pradesh, India Corporate Office: 7-1-24/2/D, Greendale, Ameerpet, Hyderabad- 500 016, Telangana, India
10	Markets served by the Company – Local/State/National/International	The unit in Duggirala is an export oriented unit and in addition to serving Indian markets, CCL Products (India) Limited exported its products to over 85 countries as on 31 st March, 2017. The Company has a significant presence globally.



SECTION B: FINANCIAL DETAILS OF THE COMPANY

No.	Particulars	Company Information
1	Paid up capital (INR)	₹ 266,055,840
2	Total Turnover (INR):	₹ 70,739.36 Lakhs
3	Total profit after taxes (INR):	₹ 9,869.29 Lakhs
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	During the financial year 2016-17 CCL has incurred expenditure for an amount of ₹ 2.34 Crores which is 2% of PAT of average 3 preceding years.
5	List of activities in which expenditure in 4 above has been incurred:-	<p>The Company aims to undertake activities to reduce inequalities faced by socially and economically backward groups. Please refer the Annexure II of the Directors' Report in this Annual Report 2016-17 for information on CSR activities. Some of the activities undertaken in this regard are as follows:</p> <ul style="list-style-type: none"> (a) Oldage Homes (b) Orphanage (c) Promoting education (d) Health and nutrition (e) Infrastructure development (f) Environmental Protection (g) Pure drinking water facilities

SECTION C: OTHER DETAILS

No.	Particulars	Company Information
1	Company Subsidiaries/ Joint Ventures	<p>Subsidiary Companies</p> <ul style="list-style-type: none"> • Continental Coffee Private Limited • Jayanti Pte. Ltd. (Singapore) • Grandsaugreen SA (Switzerland) • Ngon Coffee Company Limited (Vietnam)
2	Subsidiaries participating in company's Business Responsibility (BR) initiatives	CCL Products (India) Limited keeps all its subsidiaries informed about the business responsibility initiatives. It also encourages its subsidiaries to participate in such initiatives.
3	Other entities (e.g suppliers, distributors etc.) participating in Company's BR initiatives	Nil



SECTION D : BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

No.	Particulars	Company Information
1	DIN	00016035
2	Name	Mr. Challa Srishant
3	Designation	Managing Director

(b) Details of BR head

No.	Particulars	Company Information
1	DIN	NA
2	Name	Mr.V. Rama Rao
3	Designation	DGM- Commercial
4	Telephone number	+91 40 23732455
5	E-mail ID	ramarao@cclproducts.com

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Business should provide goods and services that are safe and contribute to Sustainability throughout their life cycle
P3	Business should promote the well-being of all employees
P4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Business should respect and promote human rights
P6	Business should respect, protect and make efforts to restore the environment
P7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Business should support inclusive growth and equitable development
P9	Business should engage with and provide value to their customers and consumers in a responsible manner



Details of compliance (Y/N)

No. Principle-wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2 Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4 Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5 Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6 Indicate the link for the policy to be viewed online?	http://cclproducts.com/assets/csr-policy22.pdf http://cclproducts.com/assets/policy-on-related-party-transactions22.pdf http://cclproducts.com/assets/whistle-blower-policy4.pdf http://cclproducts.com/assets/risk-management-policy4.pdf http://cclproducts.com/assets/policy-on-material subsidiary4.pdf http://cclproducts.com/assets/code-of-conduct2.pdf http://cclproducts.com/assets/code-of-insider-trading-22.pdf http://cclproducts.com/assets/CCL_Responsible_Sourcing_Policy.pdf http://cclproducts.com/assets/Sustainability_Policy.pdf								
7 Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been communicated to all the internal and external stakeholders.								
8 Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9 Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, any grievances or feedback to the policies can be sent to Compliance Officer of the Company at companysecretary@cclproducts.com								
10 Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The head of the respective departments are made responsible for effective implementation of the policies.								



(a) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No. Questions

- | | | |
|---|---|----------------|
| 1 | The company has not understood the Principles | Not applicable |
| 2 | The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles | |
| 3 | The company does not have financial or manpower resources available for the task | |
| 4 | It is planned to be done within next 6 months | |
| 5 | It is planned to be done within the next 1 year | |
| 6 | Any other reason (please specify) | |

3. Business Responsibility (BR) Governance:

No.	Particulars	Company Informarion
3.a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The performance on aspects of BR is reviewed by the company's management on periodical basis and atleast once a year put up to the Board
3.b	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	This is the first Business Responsibility Report being published by the Company for F.Y 2016-17. The same will be disclosed on the website of the Company at www.cclproducts.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

CCL Products (India) Limited lays a strong emphasis on ethical corporate citizenship and establishment of good corporate culture. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company. The Company has always discouraged practices that are abusive, corrupt, or anticompetitive.

Our philosophy is to conduct the business with high ethical standards in our dealings with all the stakeholders that include employees, customers, suppliers, government and the community.

The Company has a strong and effective Whistle Blower Policy which aims to deter and detect actual or suspected misconduct. It has been established to ensure that genuine concerns of misconduct/ unlawful conduct, which an individual believes may be taking place within the organisation, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism. Any employee may report such incident without fear to the Chairman of the Audit Committee or alternatively may report to the Compliance Officer of the Company. The Policy on Vigil Mechanism may be accessed on the Company's website at <http://cclproducts.com/assets/whistle-blower-policy4.pdf>



1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Yes

CCL Products (India) Limited is committed to act professionally, fairly and with integrity in all its dealings. The Company has established a 'Vigil Mechanism' for directors and employees to report their genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct. As an integral part of such Vigil Mechanism, the Whistle Blower Policy of CCL has been formulated with a view to empower the directors and employees of CCL and / or its subsidiary companies, to detect and report any improper activity within the Company. Further CCL has also adopted "Code of Conduct for the Directors and Senior Management" which captures the behavioural and ethical standards.

The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Persons and the senior management every year.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

	Pending as on 31-03-2016	Received during 2016-17	Redressed 2016-17	Pending as on 31-03-2017
Customer Complaints	Nil	Nil	Nil	Nil
Investor Complaints	0	45	45	0
Consumer cases	Nil	Nil	Nil	Nil

Principle 2: Business should provide goods and services that are safe and contribute to Sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Not Applicable

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional)

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Not Applicable

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable

3. Does the company have procedures in place for sustainable sourcing (including transportation)? - Yes

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.



CCL's global supply chain is complex in nature which involves sourcing raw materials and services from different parts of the world and the Company brought responsible sourcing practices at all the stages of supply chain in place over a period of time inspite of socio-economic and cultural constraints across the countries for long term sustainability.

The Company had a responsible sourcing policy which was made applicable to all its suppliers and ensure that the hygiene working conditions, minimum wages and safety standards are followed by all the employees involved throughout its supply chain globally in strict adherence to the international labour policies.

95% of CCL's inputs are sourced sustainably.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Yes

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

CCL procures green coffee from small vendors of Karnataka, Andhra Pradesh, Tamil Nadu and Kerala. The Company source all the packaging material and other related products from local and small vendors since inception.

The assurance of sourcing from the Company led to the expansion of the vendors associated, and the company helped them with latest technology available globally for their development.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

CCL continuously strives for the betterment in its porcess of recycling the products and waste generated during the production process. Coffee is a product, where around 40% can be derived from the coffee beans for the productive usage and the rest 60% is in the form of solid waste. This solid waste generated, on drying up, has greater calorific value.

The ash that comes from the boilers will be supplied to brick manufacturers. The solid waste that was generated is being used as fuel to the boilers. The water after the process of extraction is supplied to the neighbouring farmers due to its organic nature which helps them to get better yield. More than 90% of the waste generated is being recycled.

Principle 3: Business should promote the well- being of all employees

We believe that our human capital is one of the most valuable resources to tap the perennial growth of business. Company has proper internal policies in place that provides guidelines for employee wellbeing related to participation, freedom, gender equality, good environment and harassment free workplace. A strong mechanism is established for deployment of guidelines and grievance redressing mechanism.

1. Please indicate the Total number of employees: 445 as on 31.03.2017.
2. Please indicate the Total number of employees hired on contractual basis : 615
3. Please indicate the Number of permanent women employees : 14



- 4. Please indicate the Number of permanent employees with disabilities : 2
- 5. Do you have an employee association that is recognized by management- No
- 6. What percentage of your permanent employees are members of this recognized employee association? NA
- 7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees- 100%
- (b) Permanent Women Employees- 100%
- (c) Casual/Temporary/Contractual Employees- 100%
- (d) Employees with Disabilities- 100%

Principle 4: Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes

CCL has always acknowledged the vital contribution of all stakeholders such as employees, communities, suppliers, customers, regulatory bodies, industry associations, shareholders, academic institutes and media in building a sustainable business and has accorded importance to their voices and concerns.

The Company has carried out comprehensive stakeholder identification program. This allowed us to understand the needs and expectations of our stakeholders better.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. Yes

The stakeholder engagement program is deployed by focusing on each identified stakeholder from various business divisions of the organisation. We are working towards betterment of communities in the vicinity of our manufacturing plants which are located in rural areas. We have identified stakeholders and we are working on projects for them.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.



The Company sources some of its raw material from the farmers of Karnataka, Andhra Pradesh, Tamil Nadu and Kerala.

The packaging material is procured locally from small vendors.

The Company initiated several programs that include health, hygiene and nutrition development in school children, promoting girl child education, swachh Bharat initiatives in the surrounding villages, medical camps and health centres, pure drinking water facilities in many villages.

Principle 5: Business should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

CCL's Policies cover the guidelines on Human rights and it is applicable to all members of the CCL group. The members had given liberty to report any violations of the Code, or share their concerns confidentially through e-mail, complaint drop box and access to Committee members as per the various Committees under the Code of Conduct.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has received 45 stakeholder complaints in the past financial year and 100% of the complaints were satisfactorily resolved by the management.

Principle 6: Business should respect, protect and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

CCL's Sustainability Policy extends to all the stakeholders the organization deals with, including suppliers, contractors, NGOs and others. We aim to propagate the principles of Sustainability throughout our Value chain and to all stakeholders

2. Strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Many facets of respecting and protecting environment are embedded in the company's operations as also its products. Consumption of fuel is very important for our boilers. We have got the fuel system redesigned so as to enable using this solid waste as fuel for boilers. This has not only resulted in substantial savings on fuel costs but also is environmental friendly as the ash content is very minimal. Thus, this effort of the company has not only served as a substitute for fossil fuel but also is an effective method for waste disposal.

The Company has been continuously saving considerable fuel cost for its boiler by using rice husk and recycled solid waste as fuel. An Electrostatic Precipitator (ESP) was installed to curb pollution from the boiler which enhance eco friendly operations at the Plant.

To minimise the environmental impacts of its products, the Company continuously improves products in terms of fuel efficiency, material use and recyclability.



3. Potential environmental risks?

Since there are no chemicals used in the production process and since processing is done with coffee beans and water, everything is organic in nature. Potential environmental risks are constantly being assessed as part of the company's risk management identification process. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not Applicable.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Not Applicable

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

All emissions and waste generated by the Company are within the permissible limits given by CPCB/SPCB in 2016-17.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- (a) Coffee Board of India
- (b) Export Promotion Council for EOUs and SEZs (EPCES)
- (c) Federation of Indian Export Organization (FIEO)
- (d) Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI)
- (d) Indo American Chamber of Commerce (IACC)
- (e) Indo German Chamber of Commerce (IGCC)
- (f) National Coffee Association, USA (NCA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company associated with above institutions with an intention of mutual learning and contribution in development of processes.

CCL has been instrumental in value addition for the instant coffee in global markets by promoting Indian coffee, working with many associations and also in making several representations to the Government through its officers for development of green coffee production in the State of Andhra Pradesh.



Principle 8: Business should support inclusive growth and equitable development

We at CCL believe that in order to have a growth and equitable development the company has to work in proper co-ordination with its ecosystem. The Company also believes that social, environmental and economic values are interlinked and we belong to an Interdependent Ecosystem comprising shareholders, consumers, associates, employees, government, environment and society. We are committed to ensure a positive impact of our existence on all these stakeholders. It's our continuous endeavour to integrate sustainability considerations in all our business decisions.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company as part of its corporate social responsibility involved in several programmes and projects that creates a better country for the future generations. The details of several programmes undertaken by the Company are given in 'Annexure II' of the Directors Report, which forms part of the Annual Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The aforesaid projects have been carried out by the Company directly and in consultation with other organizations.

3. Have you done any impact assessment of your initiative?

Yes, the CSR committee internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Amount in ₹

S.No	CSR Project	Expenditure
1	Old age home	1,41,250
2	Orphanage	3,08,750
3	Promoting Education	76,46,607
4	Health and hygiene	28,51,469
5	Infrastructure facilities	38,02,487
6	Environmental Protection	51,28,680
7	Pure drinking water facilities	4,43,180
8	Self employment and skill development	31,49,534

Details of the same are provided in 'Annexure II' of the Directors Report, which forms part of the Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.



CCL's CSR initiatives are rolled out directly or in partnership with nonprofit organisations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Project teams track the reach and take necessary steps to make it successful.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

All the customer complaints which were received in the reporting period have been resolved and there are no complaints or consumer cases pending as on the end of the financial year. There are no cases filed by any customer or consumer against the Company as at the end of financial year 2016–17. The Company displays all product information on the product label, which is mandatory and as may be required for the use of the products by the consumers. The Company shall never engage in any unfair trading practices, irresponsible advertising or anti-competitive behavior. The Company has various checks and balances to ensure that the business of the Company is done in a fair and responsible manner.

Information with reference to BRR framework:

No.	Questions	Information
9.1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	Following is the status of customer complaints/ consumer cases as on the end of the financial year ended on March 31, 2017: 1.Customer complaints- Nil 2.Consumer cases- Nil
9.2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)-Yes	CCL adheres to all the applicable regulations regarding product labeling and displays relevant information on it.
9.3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No case filed by any stakeholder related to the afore mentioned subject is pending as at the end of financial year ended on March 31, 2017
9.4	Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company regularly carries out consumer satisfaction surveys continuously to understand their tastes and preferences and to develop better products.

**REPORT ON CORPORATE GOVERNANCE****Company's philosophy on Code of Governance:**

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

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

A report on Corporate Governance as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

BOARD OF DIRECTORS**SIZE OF THE BOARD**

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2017, CCL's Board consisted of 12 Members. The Company has two Executive Directors, one of whom is the Executive Chairman, and the other in the capacity of Managing Director, who are the promoter directors.

COMPOSITION AND CATEGORY OF DIRECTORS

Name of Director	Category	Designation	No.of shares held in the Company (%)
Mr. C.Rajendra Prasad	Promoter & Executive Director	Executive Chairman	1,27,75,000 (9.55)
Mr. I. J. Rao	Independent Non-Executive Director	Director	Nil
Mr. Vipin K. Singal	Independent Non-Executive Director	Director	5,000 (0.004)
Mr. K. Chandrasahas	Independent Non-Executive Director	Director	18,895 (0.01)
Mr. J. Rambabu	Independent Non-Executive Director	Director	Nil
Mr. K.K. Sarma	Independent Non-Executive Director	Director	Nil
Mr. G.V. Krishna Rau	Independent Non-Executive Director	Director	Nil
Ms. Kulsoom Noor Saifullah	Non-Executive Director	Director	Nil
*Mr. B. Mohan Krishna	Non-Executive Director	Director	10,00,000(0.75)
Mrs. Shantha Prasad Challa	Promoter & Non-Executive Director	Director	1,82,00,000 (13.68)
Dr. Krishnanand Lanka	Non-Executive Director	Director	Nil
Mr. C.Srishant	Promoter & Executive Director	Managing Director	1,35,00,000 (10.15)

* The Board of Directors in their meeting held on 22nd May, 2017 appointed Mr. B. Mohan Krishna as whole time director in the capacity of Director-Operations.

Relationship among Directors

- ❖ Mr. Challa Rajendra Prasad- spouse of Mrs. Shantha Prasad Challa, Director; father of Mr. Challa Srishant, Managing Director and father -in- law of Mr. B. Mohan Krishna, Director of the Company.
- ❖ Mr. Challa Srishant- Son of Mr. Challa Rajendra Prasad, Executive Chairman and Mrs. Shantha Prasad Challa, Director and brother- in-law of Mr. B. Mohan Krishna, Director of the Company.
- ❖ Mr. B. Mohan Krishna- son-in-law of Mr. Challa Rajendra Prasad, Executive Chairman and Mrs. Shantha Prasad Challa, Director and brother-in-law of Mr. Challa Srishant, Managing Director of the Company
- ❖ Mrs. Shantha Prasad Challa- spouse of Mr. Challa Rajendra Prasad, Executive Chairman; mother of Mr. Challa Srishant, Managing Director and mother-in-law of Mr. B. Mohan Krishna, Director of the Company.



CCL PRODUCTS (INDIA) LIMITED

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

Name	Attendance at AGM held on 26 th September, 2016	Attendance in Board meetings		Other	
		Held	Present	Directorships (@)	Committee memberships
Mr. C.Rajendra Prasad	Yes	4	4	--	--
Mr. I. J. Rao	No	4	4	--	--
Mr.Vipin K Singal	Yes	4	4	--	--
Mr. K. Chandrahas	No	4	2	1	--
Mr. J. Rambabu	No	4	4	1	--
Mr.K.K. Sarma	No	4	4	--	--
Mr. B.Mohan Krishna	No	4	3	--	--
Mr. G.V. Krishna Rau	Yes	4	4	--	--
Ms. Kulsoom Noor Saifullah	No	4	3	--	--
Ms. Shantha Prasad Challa	Yes	4	2	2	--
Dr. Krishnanand Lanka	Yes	4	2	--	--
Mr. C.Srishant	Yes	4	4	--	--

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

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

None of the Directors serve as Independent Director in more than seven listed companies.

Mr. G.V. Krishna Rau was appointed as the Chairman for the audit committee meeting held on 2nd May, 2016 and he attended the annual general meeting held on 26th September, 2016 in the capacity of Chairman of the audit committee.

DATES OF BOARD MEETINGS:

The Board met 4 times in the financial year 2016-17 on the following dates, with a gap not exceeding one hundred and twenty days between any two meetings:

02 nd May, 2016	29 th July, 2016	03 rd October, 2016	01 st February, 2017
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**Committees of the Board:**

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

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

Audit Committee:

The Company has a qualified and Independent Audit Committee comprising of 6 Independent Directors and 3 Non-Executive Directors, constituted in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee is empowered with the powers as prescribed under the said Regulation 18 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions if any, given by the Board from time to time.

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

Name of the Director	Category	No. of meetings held during the year	No. of meetings attended
Mr. K. Chandrahas	Chairman	4	2
Mr. I. J. Rao	Member	4	4
Mr. Vipin K Singal	Member	4	4
Mr. J. Rambabu	Member	4	4
Mr. K.K.Sarma	Member	4	4
Mr. B.Mohan Krishna (up to 22 nd May, 2017)	Member	4	3
Mr. G.V. Krishna Rau	Member	4	4
Ms. Kulsoom Noor Saifullah	Member	4	3
Dr. Lanka Krishnanand	Member	4	1

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

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



Meetings of Audit Committee:

The Audit Committee met 4 times during the previous year, with a gap not exceeding four months between any two meetings. Each meeting consisted of atleast 3 Members as its quorum out of which atleast 2 are independent members. The said committee met at the following dates:

02 nd May, 2016	29 th July, 2016	03 rd October, 2016	01 st February, 2017
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Terms of reference

The terms of reference of the Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

i) Powers of the Audit Committee include:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii) Role of the Audit Committee includes:

- Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - changes, if any, in accounting policies and practices and reasons for the same.
 - major accounting entries involving estimates based on the exercise of judgment by management
 - significant adjustments made in the financial statements arising out of audit findings
 - compliance with listing and other legal requirements relating to financial statements
 - disclosure of any related party transactions
 - review of draft Auditors' Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements
 - Management Discussion and Analysis of financial conditions and results of operations
- Review of Statement of significant related party transactions submitted by the management.
- Review of management letters/letters of internal control weaknesses issued by the statutory auditors.



- Review of internal audit reports relating to internal control weaknesses.
- Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Review of the financial statements of subsidiary Companies
- Review and monitor the auditor's independence and performance and effectiveness of audit process
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Whistle Blower Mechanism
- Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee
- Statement of deviations:
 - quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1)
 - annual statements of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).



The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 6 Independent Directors and 4 Non-Executive Directors.

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

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. I J Rao	Chairman	2	2
Mr. Vipin K Singal	Member	2	2
Mr. K. Chandrahas	Member	2	1
Mr. J. Rambabu	Member	2	2
Mr.K.K.Sarma	Member	2	2
Mr.B.Mohan Krishna (up to 22 nd May, 2017)	Member	2	2
Mr. G.V.Krishna Rau	Member	2	2
Ms. Kulsoom Noor Saifullah	Member	2	2
Ms. Shantha Prasad Challa	Member	2	1
Dr. Lanka Krishnanand	Member	2	--

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

Terms of reference

The terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.



- To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
- To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
- Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Payment / revision of remuneration payable to Managerial Personnel.
- While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
- The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
- Any other functions / powers / duties as may be entrusted by the Board from time to time.

The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company www.cclproducts.com.

Nomination and Remuneration Policy

1. Introduction

CCL Products (India) Limited (CCL), believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, CCL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively. CCL recognizes the importance of Independent directors in achieving the effectiveness of the Board. CCL aims to have an optimum combination of Executive, Non-executive and Independent Directors.

CCL also recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, Key Managerial Personnel and other employees keeping in view the following objectives:

- a) ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.
- b) Ensuring that the relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

2) Scope :

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 Directors of the Company and also for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

3) Terms and References:

In this policy, the following terms shall have the following meanings:

3.1 “Director” means a Director appointed to the Board of a Company.



3.2 “Nomination and Remuneration Committee” means the committee constituted by CCL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

3.3 “Independent Director” means a Director referred to in sub-section(6) of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

3.4 “Key Managerial Personnel” means

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole Time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

4. Selection of Directors and determining Director’s Independence

4.1 Qualifications and criteria

4.1.1 The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that is relevant for the Company’s global operations.

4.1.2 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:

General understanding of the Company’s business dynamics, global business and social perspective; Educational and professional background standing in the profession;

Personal and professional ethics, integrity and values;

Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

Shall possess a Director Identification Number;

Shall not be disqualified under the Companies Act, 2013;

Shall give his written consent to act as a Director;

Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of Individuals including his shareholding at the first meeting of the Board in 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, SEBI(LODR) Regulations, 2015 and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company’s business.

4.2 Criteria of Independence



4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment/re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 is as below:

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 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 has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- 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;
 - (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 non profit 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



- (v) is a material supplier, service provider or customer or a lessor or lessee of the company
 - f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
 - g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
 - h. who is not less than 21 years of age.
- 4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.
- 4.3 Other directorships / committee memberships
- 4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 4.3.4 A Director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he holds directorships. For the purpose of considering the limit of the committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.
- 5. Remuneration to Executive Directors, Key Managerial Personnel, Non-Executive Directors and other employees**
- 5.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
- 5.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- 5.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components: (i) Basic Pay (ii) Perquisites and Allowances (iv) Commission (Applicable in case of Executive Directors) (v) Retiral benefits (vi) Annual Performance Bonus



5.1.4 The annual plan and objectives for Executive Directors and Senior Executives shall be reviewed by the NR Committee and annual performance bonus will be approved by the Committee based on the achievements against the annual plan and objectives.

5.2 Remuneration to Non-Executive Directors

5.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.

5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

5.3 Remuneration to other employees

5.3.1 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 sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Following are the details of sitting fees and commission paid to Non-Executive Directors during the year 2016-17:

Name of the Director	Sitting Fees Paid (₹)	Commission for the year 2016-17 in ₹
Mr. I. J. Rao	1,95,000	6,00,000
Mr. Vipin K Singal	1,95,000	6,00,000
Mr. K. Chandrahas	90,000	6,00,000
Mr. J. Rambabu	1,95,000	6,00,000
Mr. K.K. Sarma	1,95,000	6,00,000
Mr. B. Mohan Krishna	1,45,000	98,00,000
Mr. G.V. Krishna Rau	1,95,000	6,00,000
Ms. Kulsoom Noor Saifullah	1,45,000	6,00,000
Ms. Challa Shantha Prasad	50,000	6,00,000
Dr. Lanka Krishnanand	50,000	6,00,000

Stakeholders Relationship Committee :

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 6 Independent Directors and 3 Non-Executive Directors.

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



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Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. I.J. Rao	Chairman	4	4
Mr. Vipin K Singal	Member	4	4
Mr. K. Chandrahas	Member	4	2
Mr. J. Rambabu	Member	4	4
Mr.K.K.Sarma	Member	4	4
Mr.B.Mohan Krishna (up to 22 nd May, 2017)	Member	4	3
Mr. G.V. Krishna Rau	Member	4	4
Ms. Kulsoom Noor Saifullah	Member	4	3
Dr. Lanka Krishnanand	Member	4	1

The Stakeholders Relationship Committee met four times during the previous year. The said committee met on the following dates:

02 nd May, 2016	29 th July, 2016	03 rd October, 2016	01 st February, 2017
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The Committee reviews the security transfers/transmissions, process of dematerialization and the investors' grievances and the systems dealing with these issues.

Ms. Sridevi Dasari, Company Secretary is appointed as the Compliance Officer of the Company.

The Board has authorised the Company Secretary, who is also the Compliance Officer, to approve share transfers / transmissions and comply with other formalities in relation thereto.

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

A total of 45 complaints were received during the year and were totally resolved. There were no complaints pending for redressal during the year under review. There were no pending transfers as on 31st March, 2017.

Terms of reference

The terms of reference of the Stakeholders Relationship Committee are as under:

- i) Redressal of grievances of shareholders, debenture holders and other security holders
- ii) Transfer and transmission of securities
- iii) Dealing with complaints related to transfer of shares, non-receipt of declared dividend, non-receipt of Balance Sheet etc.
- iv) Issuance of duplicate shares certificates
- v) Review of dematerialization of shares and related matters



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- vi) Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 or any other regulatory authority in order to expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Registrar and Share Transfer Agents i.e., M/s. Venture Capital and Corporate Investments Pvt. Ltd. , to redress all complaints/grievances/enquiries of the shareholders/investors. It redresses all grievances/ complaints of shareholders/investors under the supervision of Company Secretary & Compliance Officer of the Company.

The Committee, along with the Registrars and Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

As mandated by SEBI, the quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the total issued and listed capital is being carried out by a Practicing Company Secretary. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL.

As on 31st March, 2017, 12,88,94,310 Equity Shares of ₹ 2/- each representing 96.89% of the total no. of shares are in dematerialized form.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been formulated pursuant to Section 135 of the Companies Act, 2013 comprising of 6 Independent Directors, 4 Non-Executive Directors and an Executive Director.

Details on composition of the Corporate Social Responsibility Committee and the attendance by each Member of the Committee are as under:

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. I J Rao	Chairman	1	1
Mr. Vipin K Singal	Member	1	1
Mr. K. Chandrahas	Member	1	1
Mr. J. Rambabu	Member	1	1
Mr. K.K.Sarma	Member	1	1
Mr.B.Mohan Krishna	Member	1	1
Mr. Challa Srishant	Member	1	1
Mr. G.V. Krishna Rau	Member	1	1
Ms. Kulsoom Noor Saifullah	Member	1	1
Ms. Shantha Prasad Challa	Member	1	0
Dr. Krishnanand Lanka	Member	1	0

The Committee met once on 29th July, 2016 during the previous year.

**Terms of reference**

The terms of reference of the Corporate Social Responsibility Committee are as under:

- i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
- ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i) above; and
- iii) monitor the Corporate Social Responsibility Policy of the company from time to time.

Corporate Social Responsibility Policy

The Company has adopted Corporate Social Responsibility Policy containing the activities to be undertaken by the Company as part of its CSR programs. The CSR policy is disclosed on the website of the Company and the web link is <http://cclproducts.com/assets/csr-policy22.pdf>

Risk Management Committee

The Committee comprises of 6 Independent Directors, 4 Non-Executive Directors, an Executive Director and 3 Members from the Senior Management of the Company. Constitution of Risk Management Committee is as below:

Name of the Director	Category
Mr. Challa Srishant	Chairman
Mr. I J Rao	Member
Mr. Vipin K Singal	Member
Mr. K. Chandrahas	Member
Mr. J. Rambabu	Member
Mr. K.K.Sarma	Member
Mr. B.Mohan Krishna	Member
Mr. G.V. Krishna Rau	Member
Ms. Kulsoom Noor Saifullah	Member
Ms. Shantha Prasad Challa	Member
Dr. Lanka Krishnanand	Member
Mr. K V L N Sarma (Chief Financial Officer)	Member
Ms. Sridevi Dasari (Company Secretary)	Member
Mr. N. Sudhakar (GM-Technical)	Member

The Committee met once on 01st February, 2017 during the previous year.

The Company recognises that enterprise risk management is an integral part of good management practice. The purpose of this policy is to articulate our approach and expectations in relation to the management of risk across the organisation. Risk management is an essential element in achieving business goals and deriving benefits from market opportunities. All employees are responsible for managing risk in so far as is reasonably practicable within their area of activity



Objective of the Risk Management Policy

To embed the management of risk as an integral part of our business processes;

To establish an effective system of risk identification, analysis, evaluation and treatment within all areas and all levels of the Company;

To avoid exposure to significant financial loss;

To contribute to the achievement of the Company's objectives; and

To assess the benefits and costs of implementation of available options and controls to manage risk.

The primary function of the Risk Management Committee is to assist the Board to manage the risk appetite of the Company in order to promote a balanced business model and growth. The Committee oversees the identification of major areas of risk being faced by the Company, the development of strategies to manage those risks and reviews the risk management policies and their implementation.

Functions, Roles and Responsibilities of the Committee

- To approve structures, analyze risks and benefits, seek independent opinion with regard to structure or views.
- Assisting the Board in fulfilling its oversight responsibilities with regard to Enterprise Risk Management.
- Reviewing and approving risk related disclosures.
- Responsible for day to day oversight of risk management including identification, impact assessment, monitoring, mitigation and reporting.
- Formulation and implementation of risk management policies and procedures.
- Providing updates to the Board on enterprise risks and action taken.
- Ensure compliance with policies and procedures laid down by the Company for specific business units.
- Maintenance and development of a supportive culture, in relation to the management of risk appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organisation of their actions and decisions.
- Advising Board on all high level risk matters.
- To review the effectiveness of the internal control system and risk management framework in relation to the achievement of business objectives.
- Reporting risk events and incidents in a timely manner.

Code of Conduct

All the Directors and senior management confirmed the compliance of code of conduct. The Company has posted the Code of Conduct for Directors and Senior Management on the website and the weblink is <http://cclproducts.com/assets/code-of-conduct2.pdf>.



Meeting of Independent Directors

During the year under review, the Independent Directors met on 02nd February, 2017, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Majority of the Independent Directors were present at the Meeting.

Familiarization Programme for Board Members

A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and the web link is <http://cclproducts.com/assets/familiarization-programme-for-independent-directors-123.pdf>

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**General Body Meetings:**

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

Financial Year Ended	Date	Day	Time	Special Resolutions passed at the AGMs by the Shareholders
31 st March 2016	26-09-2016	Monday	10.00 A.M.	No Special Resolution was passed at the AGM.
31 st March 2015	20-07-2015	Monday	10.00 A.M.	i) Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 ii) Approval of Related Party Transaction pursuant to Clause 49 of the Listing Agreement.
31 st March 2014	19-07-2014	Saturday	10.30 A.M.	i) Approval for authorising Board of Directors for borrowing powers as per Section 180 (1) (c) of Companies Act, 2013 ii) Approval for authorising Board of Directors for mortgage and /or create charge on the assets of the Company as per Section 180 (1) (a) of Companies Act, 2013

Mr. Y. Suryanarayana, Advocate, conducted the e-voting process and the Poll.

No Special Resolution is proposed to be conducted through postal ballot at the AGM to be held on 11th July, 2017.

Disclosures:

- a. The particulars of transactions between the Company and its related parties are set out at Notes to financial statements. However these transactions are not likely to have any conflict with the Company's interest.

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company and the web link is <http://cclproducts.com/assets/policy-on-related-party-transactions22.pdf>

- b. There were no non-compliances during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by any Stock Exchange, SEBI or any other Statutory Authority.
- c. The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.



The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The Whistle Blower Policy of the Company is also posted on the website of the Company and the web link is <http://cclproducts.com/assets/whistle-blower-policy4.pdf>

- d. The Company does not have any Material Non-listed Indian Subsidiary as defined under Regulation 16 of SEBI Listing Regulations. It is, therefore, not required to have an Independent Director of the Company on the Board of such Subsidiary.

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of the Company and the web link is <http://cclproducts.com/assets/policy-on-material-subsubsidiary4.pdf>

- e. The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2017.
- f. The Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance with the discretionary requirements under Regulation 27(1) of SEBI Listing Regulations are as under:

Discretionary Requirements:

Separate posts of chairperson and chief executive officer: The office of Chairman and that of Managing Director of the Company are held by different persons.

Reporting of internal auditor: The Internal Auditor of the Company reports directly to the Audit Committee.

Means of communication:

The Quarterly results of the Company are displayed on the NSE and BSE websites and published in the newspapers within 48hrs from the conclusion of the Board meeting.

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

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

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

General Shareholder Information

The 56th Annual General Meeting of the company will be held on 11th July, 2017 at 11.00 A.M. at the Registered Office of the Company situated at Duggirala , Guntur Dist, Andhra Pradesh.

- ◆ Financial Calendar : 1st of April, 2017 to 31st of March,2018.
- ◆ Results for the quarter ending
 - 30th June 2017 Second/Third week of July, 2017
 - 30th September 2017 First/Second week of October, 2017
 - 31st December 2017 First/Second week of February 2018
 - 31st March 2018 Second /Third week of May ,2018



CCL PRODUCTS (INDIA) LIMITED

- ◆ Date of Book closure : From Thursday, 06th July, 2017 to Tuesday, 11th July, 2017 (both days inclusive)
- ◆ Dividend Payment Date : Within fifteen workings days from the Date of AGM.
- ◆ Listing on Stock Exchanges : 1) BSE Ltd,
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001
2) National Stock Exchange of India Ltd.
'Exchange Plaza' 5th Floor, Plot No.C/1, G-Block,
Bandra-Kurla Complex, Bandra(E), Mumbai-400051
- ◆ **Stock Code**

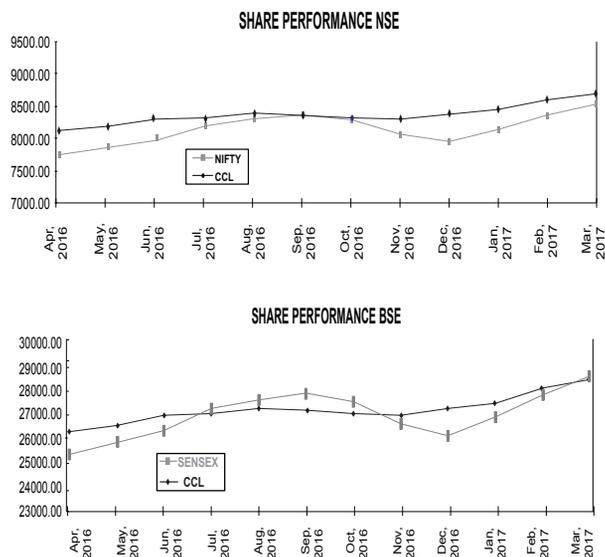
Name of the Stock Exchange	Stock Code
BSE Ltd	519600
National Stock Exchange of India Ltd.	CCL
ISIN no. for both NSDL and CDSL	INE421D01022

The Listing fees for the year 2017-18 has been paid to both the above Stock Exchanges.

Market Price Data

High, low during each month and trading volumes of the Company's equity shares during the last financial year 2016-17 at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are as under:

DATE	BSE			NSE		
	High	Low	Qty Traded	High	Low	Qty Traded
April 2016	203.30	191.70	81,968	204.60	190.50	13,68,273
May 2016	236.55	193.00	4,88,534	237.00	192.40	53,05,098
June 2016	261.80	229.50	3,81,342	261.80	228.75	35,63,478
July 2016	263.95	234.80	2,51,982	264.00	234.00	19,28,885
August 2016	286.00	245.10	4,62,554	286.00	246.15	32,42,506
September 2016	276.00	245.00	99,486	279.40	241.15	16,33,919
October 2016	267.45	233.00	19,16,500	268.20	232.30	57,01,584
November 2016	256.75	229.00	1,38,030	257.00	230.00	12,89,294
December 2016	282.00	250.00	3,37,497	281.00	250.00	11,03,941
January 2017	306.00	250.00	5,49,960	306.00	260.45	15,33,282
February 2017	345.00	296.95	1,95,777	346.55	296.00	16,71,010
March 2017	371.80	323.00	2,19,992	372.00	323.00	23,77,849


Distribution Schedule:
Distribution Schedule as on 31st March, 2017

S.No.	Nominal Value	Amount in ₹	% to total Capital	No. of Share Holders	% to total Holders
1	Up to 5000	9331014	3.51	13955	91.41
2	5001 to 10000	4473056	1.68	597	3.91
3	10001 to 20000	4731644	1.78	300	1.96
4	20001 to 30000	2415930	0.91	96	0.63
5	30001 to 40000	2355412	0.88	65	0.42
6	40001 to 50000	1297524	0.49	28	0.18
7	50001 to 100000	7607122	2.86	100	0.66
8	100001 and above	233844138	87.89	126	0.83
	TOTAL	266055840	100	15267	100

Categories of Shareholders as on 31st March, 2017:

S.No	Category of Shareholders	No.of Shares	Percentage
1	Promoter & Promoter Group	59575000	44.78
2	Mutual Funds	2986786	2.25
3	Alternate Investment Funds	1795480	1.35
3	Foreign Portfolio Investors	29516622	22.19
4	Financial Institutions & Banks	58595	0.05
5	Other Bodies Corporate	3888295	2.92
	Foreign Institutional Investors	1957561	1.47
6	Resident Individuals	19263029	14.48
7	Non-Resident Individuals	13986552	10.51
	Total	133027920	100.00



Dematerialization of shares and liquidity:

The shares of the Company are under compulsory demat trading. The Company has made necessary arrangements with NSDL and CDSL for demat facility. 96.89% of the Company's Shares are dematerialised as on 31st March, 2017.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion and likely impact on equity: Nil

- ◆ Plant Location : Duggirala, Guntur Dist,
Andhra Pradesh - 522 330, India.
Ph: +91 8644 277294 / 277296
Fax: +91 8644 277295
- ◆ Address for Correspondence & any query on Annual Report : SEZ- Kuvvakolli Village,
Varadaiah Palem Mandal,
Chittoor District, Andhra Pradesh
- ◆ Registrar and Transfer Agents : The Company Secretary
CCL Products (India) Ltd
7-1-24/2/D, Greendale,
Ameerpet, Hyderabad - 500 016.
Ph: +91 40 23732455 Fax: +91 40 23732499
E.mail : companysecretary@cclproducts.com
www.cclproducts.com
- ◆ Contact Person : Venture Capital and Corporate
Investments Pvt Ltd
12-10-167, Bharat Nagar,
Hyderabad - 500 018, T.S., India
E.mail : info@vccipl.com
- ◆ Share Transfer System : Mr. E. S. K. Prasad, Chief Executive
Ph: +91 40 23818475 / 76
Telefax: +91 40 23868024
- ◆ Transfer of unpaid/unclaimed dividend amounts to Investor Education and Protection Fund : The Share transfers are effected within one month from the date of lodgement for transfer, transmission, sub-division consolidation, renewal etc. Such modified share certificates are delivered to the shareholders immediately.
- ◆ Compliance Certificate : Members are requested to claim any unclaimed dividends, for the year 2009 - 2010 as the same will be credited to Investor Education & Protection Fund (IEPF) pursuant to Section 124(5) of the Companies Act, 2013 read with the rules prescribed thereunder
- ◆ Compliance Certificate : Certificate from the Statutory Auditors of the Company M/s M. Anandam & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Directors' Report and forms part of this 56th Annual Report.



Secretarial Audit:

- a) M/s P S Rao & Associates, Practicing Company Secretaries have conducted a Secretarial Audit of the Company for the year 2016-17. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.
 - b) Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half-yearly basis, by M/s P S Rao & Associates, Practicing Company Secretaries, certifying due compliance of share transfer formalities by the Company.
 - c) M/s P S Rao & Associates, Practicing Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
- ◆ Particulars about Directors proposed for appointment as well as the Directors who retire by rotation and are eligible for re-appointment indicating their shareholdings in the Company have been given in the Notice and Directors' Report the forthcoming Annual General Meeting.
 - ◆ Compliance under SEBI Listing Regulations pertaining to mandatory requirements and Auditors Certificate on Corporate Governance.

As required under SEBI Listing Regulations, the Auditor's Certificate on compliance of the Corporate Governance norms is attached.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2017.

For **CCL Products (India) Limited**

Sd/-
Challa Srishant
Managing Director

Place: Hyderabad
Date : 22nd May, 2017



CEO/CFO Certification

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

- a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended March 31, 2017 and to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - i. significant changes in the internal control over financial reporting during the year;
 - ii. significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **CCL Products (India) Limited**

Sd/-
Challa Srishant
Managing Director

For **CCL Products (India) Limited**

Sd/-
K V L N Sarma
Chief Financial Officer

Place: Hyderabad
Date : 22nd May, 2017



CCL PRODUCTS (INDIA) LIMITED

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
CCL Products (India) Limited

We have examined the compliance of conditions of Corporate Governance by CCL Products (India) Limited ('the Company') for the year ended 31st March, 2017 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

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

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

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

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

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

Place : Hyderabad
Date: 22nd May, 2017



INDEPENDENT AUDITORS' REPORT

To
The Members of
CCL Products (India) Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of CCL Products (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 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 were 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so



required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 our separate report in "Annexure B".
 - (g) 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 our opinion and to the best of our information and according to the explanations given to us:-
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.24 to the standalone financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv) The Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management. Refer Note 2.36 to the standalone financial statements.

Place: Hyderabad
Date: 22nd May, 2017

For **M.ANANDAM & CO.,**
Chartered Accountants
(Firm Regn No: 000125S)
Sd/-
(M.V. Ranganath)
Partner
M.No.028031



Annexure - A to the Auditors' Report

The Annexure referred to in our report to the members of the Company for the year ended on 31st March, 2017. We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us the physical verification of inventory has been conducted at the year-end by the management. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (a) to (c) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted loans, hence compliance with the provisions of Section 185 of the Act is not applicable. The Company has made investments and given guarantees which are in compliance with Section 186 of the Act.
- (v) The company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- (vi) We have broadly reviewed the cost records maintained by the Company as prescribed under sub-section (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, value added tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, valued added tax, wealth tax, service tax, customs duty, excise duty or cess as at 31st March, 2017 which have not been deposited on account of any dispute.



CCL PRODUCTS (INDIA) LIMITED

- (viii) The Company has not defaulted in repayment of loans or borrowings to financial institutions and banks.
- (ix) The Company did not raise any money by way of initial public offer or further public offer during the year. The Company has not taken any term loans during the year.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

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

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

Place: Hyderabad
Date : 22nd May, 2017



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of CCL Products (India) Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the financial statements 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 internal 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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our 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 we 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



CCL PRODUCTS (INDIA) LIMITED

accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, 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.

Place: Hyderabad
Date : 22nd May, 2017

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

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



CCL PRODUCTS (INDIA) LIMITED

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2017 (₹ in Lakhs)

	Note	2017	2016
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds:			
(a) Share capital	2.1	2660.56	2660.56
(b) Reserves and surplus	2.2	51879.18	42009.89
Non- current liabilities			
(a) Deferred tax liabilities	2.3	3077.52	2846.54
(b) Other long-term liabilities	2.4	25.72	58.07
Current Liabilities			
(a) Short-term borrowings	2.5	9845.35	11447.34
(b) Trade payables	2.6		
i) Total outstanding dues of micro enterprises and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		621.61	712.43
(c) Other current liabilities	2.7	2112.75	1850.17
(d) Short-term provisions	2.8	308.91	1942.45
TOTAL		70531.60	63527.45
<u>ASSETS</u>			
Non-current assets			
(a) Property, plant and equipment	2.9	21482.35	20918.30
(b) Other Intangible assets	2.9	8.32	13.53
(c) Capital work-in-progress		15.68	-
(d) Non-current investments	2.10	15390.29	15096.29
(e) Long term loans and advances	2.11	4893.90	5018.82
Current assets			
(a) Inventories	2.12	13715.15	9502.02
(b) Trade receivables	2.13	10485.86	9173.88
(c) Cash and bank balances	2.14	531.89	385.14
(d) Short-term loans and advances	2.15	3960.95	3354.43
(e) Other current assets	2.16	47.21	65.04
TOTAL		70531.60	63527.45
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

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

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

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

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

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

Sd/-
Challa Srishant
Managing Director

Place : Hyderabad
Date : 22nd May, 2017

**CCL PRODUCTS (INDIA) LIMITED****STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017**

(₹ in Lakhs)

	Note	2017	2016
Income			
Revenue from operations	2.17	70739.36	67718.65
Other income	2.18	117.46	86.78
Total Revenue		70856.82	67805.43
Expenses			
Cost of materials consumed	2.19	38474.73	39545.05
Changes in inventories	2.20	(426.00)	517.70
Employee benefits expense	2.21	3352.41	2697.04
Finance costs	2.22	682.72	429.56
Depreciation and amortization expense	2.9	1067.06	983.78
Other expenses	2.23	12405.63	11006.06
Total Expenses		55556.55	55179.19
Profit before tax		15300.27	12626.24
Tax expense:			
(1) Current tax		5200.00	4018.00
(2) Deferred tax		230.98	414.11
Profit for the year		9869.29	8194.13
Earnings per equity share	2.29		
(Face value of Rs.2/- each)			
(1) Basic		7.42	6.16
(2) Diluted		7.42	6.16
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

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

By order of the Board

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

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 22nd May, 2017

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

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director

**CCL PRODUCTS (INDIA) LIMITED****STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

(₹ in Lakhs)

	2017	2016
Cash Flows from Operating Activities		
Net profit before tax and extraordinary items	15300.27	12626.24
Adjustments for :		
Depreciation and amortization expense	1067.06	983.78
Fixed Assets written off	70.98	-
Profit on sale of assets	(0.84)	-
Dividend income	(14.43)	(12.71)
Operating profit before working capital changes	16423.04	13597.31
Adjustments for :		
Trade Receivables	(1311.98)	(175.99)
Inventories	(4213.13)	3377.84
Loans and Advances	141.44	(311.79)
Trade and Other payables	(193.01)	(1972.21)
Cash generated from operations	10846.36	14515.17
Direct Taxes Paid	(5333.09)	(3798.22)
Net Cash from operating activities	5513.27	10716.95
Cash flows from/(used in) Investing Activities		
Purchase of Fixed Assets (Including CWIP)	(1719.62)	(4363.76)
Sale of Fixed Assets	7.88	-
Advance for Fixed Assets	(172.12)	(3326.10)
Investment in Subsidiary	(294.00)	-
Dividend Income	14.43	12.71
Net Cash used in Investing Activities	(2163.43)	(7677.15)
Cash flows from/(used in) Financing Activities		
Repayment/(Proceeds) of/from Short-term borrowings	(1601.99)	2116.39
Dividend paid	(1330.28)	(3990.84)
Corporate Dividend tax	(270.81)	(1083.25)
Net Cash used in Financing Activities	(3203.08)	(2957.70)
Net Increase/(Decrease) in cash and cash equivalents	146.75	82.10
Cash and Cash equivalents at the beginning of the year	385.14	303.04
Cash and Cash equivalents at the ending of the year	531.89	385.14

Notes :- 1)The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Sd/-

(M.V.Ranganath)

Partner

M.No.: 028031

Sd/-

K.V.L.N. Sarma

Chief Financial Officer

Sd/-

Sridevi Dasari

Company Secretary

Sd/-

I.J. Rao

Director

Sd/-

Challa Rajendra Prasad

Executive Chairman

Sd/-

Challa Srishant

Managing Director

Place : Hyderabad

Date : 22nd May, 2017



1 Significant Accounting Policies

1.1 Basis for preparation of financial statements

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, the Companies (Accounting Standards) Amendment Rules, 2016 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

1.2 Property, Plant and Equipment and Intangible Assets

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

Intangible Assets are stated at the cost of acquisition less accumulated amortization and impairment loss, if any.

Depreciation and Amortization

Depreciation on property, plant and equipment is provided on the straight line method and at the useful life and in the manner specified in Schedule II of the Companies Act, 2013. For assets acquired or disposed off during the year, depreciation is provided on prorata basis.

Intangible assets are amortized over the estimated useful life on straight line basis.

1.3 Impairment Losses

Impairment losses are provided to the extent the carrying amount exceeds their recoverable amounts.

1.4 Borrowing Costs

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

1.5 Investments

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

1.6 Inventories

- i) Raw materials, Stores & spares and Packing materials are valued at lower of cost and net realizable value. Cost is determined on weighted average basis.
- ii) Work-in-progress and Finished goods are valued at lower of cost and net realizable value.
- iii) Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated cost necessary to make the sale.

1.7 Revenue Recognition

Sale of Products

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

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



Other Income

Interest is recognised using the time-proportion method, based on rates implicit in the transactions.

Dividend income is recognized when the Company's right to receive dividend is established.

1.8 Translation of Foreign Currency items

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. Gain/Loss arising out of fluctuations in exchange rates are accounted for on realization. Non-monetary assets being equity investment in subsidiaries denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

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

Any profit/loss arising on cancellation or renewal of forward exchange contracts is recognized as income/expense for the year.

Any profit/loss arising on settlement or cancellation of currency option is recognized as income/expense for the year.

1.9 Employee Benefits

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

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

1.10 Taxes on Income

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

1.11 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities, are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

1.13 Operating Cycle

Based on the nature of products / activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating policy as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



CCL PRODUCTS (INDIA) LIMITED

2 Notes to Financial Statements

2.1 Share Capital

(₹ in Lakhs)

	2017		2016	
Authorized Share Capital				
150,000,000 Equity Shares of ₹ 2 each (Previous year :150,000,000 Equity Shares of ₹ 2 each)		3,000.00		3,000.00
Issued Subscribed and Paid up Share Capital				
133,027,920 Equity Shares of ₹ 2 each, fully paid up (Previous year :133,027,920 Equity Shares of ₹ 2 each, fully paid up)		2,660.56		2,660.56
		2,660.56		2,660.56
Details of shareholders holding more than 5% shares :	No. of shares	% Holding	No. of shares	% Holding
1. Challa Rajendra Prasad	1,27,75,000	9.60%	1,27,00,000	9.55%
2. Challa Shantha Prasad	1,82,00,000	13.68%	1,82,00,000	13.68%
3. Challa Srishant	1,35,00,000	10.15%	1,45,00,000	10.90%
4. Challa Soumya	1,31,00,000	9.85%	1,41,00,000	10.60%
5. Smallcap World Fund Inc	1,06,42,173	8.00%	88,41,272	6.65%

2.1.1 Reconciliation of Number of Shares

	2017	2016
Number of Shares at the beginning of the year	13,30,27,920	13,30,27,920
Add : Shares issued during the year	-	-
Number of Shares at the end of the year	13,30,27,920	13,30,27,920

2.1.2 Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 2/- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.1.3 In the period of five years immediately preceding March 31,2017:

The company has allotted 6,65,13,960 fully paid up equity shares of face value ₹ 2/- each on 21st August, 2013, pursuant to bonus issue approved by the shareholders.

2.1.14 Dividend

The Board of Directors, in its meeting on May 22nd, 2017 have proposed a final dividend of ₹ 2.50/-per equity share for the financial year ended March 31st, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on July 11th, 2017 and if approved would result in a cash outflow of ₹ 4002.75 Lakhs including corporate dividend tax.



CCL PRODUCTS (INDIA) LIMITED

2.2 Reserves and Surplus

(₹ in Lakhs)

	2017	2016
General Reserve		
Opening Balance	28820.70	28820.70
	28820.70	28820.70
Surplus in the Statement of Profit and Loss		
Opening Balance	13189.19	8997.79
Add: Net profit transferred from the Statement of Profit and Loss	9869.29	8194.13
	23058.48	17191.92
Less: Appropriations		
Interim Dividend	-	1995.42
Proposed Dividend	-	1330.28
Corporate Dividend Tax	-	677.03
	-	4002.73
Closing Balance	23058.48	13189.19
	51879.18	42009.89

2.3 Deferred tax liability

	2017	2016
Opening Balance	2846.54	2432.43
Add : On account of Depreciation	230.98	414.11
Closing Balance	3077.52	2846.54

2.4 Other Long-term Liabilities

	2017	2016
Trade Payables		
Dues to Micro and Small Enterprises	-	-
Dues to others		
For Capital goods	25.72	58.07
	25.72	58.07



CCL PRODUCTS (INDIA) LIMITED

2.5 Short-term Borrowings (₹ in Lakhs)

	2017	2016
Secured Loans From Bank		
Packing credit	9845.35	11445.23
Cash Credit	-	2.11
	9845.35	11447.34

2.5.1 Details of security:

Working Capital Facilities from State Bank of India, State Bank of Hyderabad and ICICI Bank Limited under consortium are secured by way of first pari-passu charge on current assets and second pari-passu charge on fixed assets of the company. Security creation in favour of Citibank N.A. is pending.

2.6 Trade payables

	2017	2016
Due to Micro and Small Enterprises	-	-
Due to others		
For Raw material	39.91	8.01
For Packing material	157.05	258.53
For Stores and Consumables	114.28	111.12
For Services	310.37	334.77
	621.61	712.43

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

2.7 Other current liabilities

	2017	2016
Interest accrued but not due on borrowings	6.48	-
Other payables		
Salaries and employee benefits	1329.12	1081.16
Withholding and other taxes payable	37.31	23.75
Unpaid dividends #	43.78	84.12
Advance from customers	387.49	459.00
Others	308.57	202.14
	2112.75	1850.17

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

2.8 Short-term provisions

	2017	2016
For Employee Benefits		
Leave Encashment	16.76	14.14
Others		
Proposed Dividend (Refer note 2.1.4)	-	1330.28
Corporate Dividend tax (Refer note 2.1.4)	-	270.81
Provision for Income tax (net of advance tax)	292.15	327.22
	308.91	1942.45

2.9 Notes to Financial Statements (₹ in Lakhs)

Particulars	Property, plant and equipment										Other Intangible Assets		Grand Total			
	Land	Buildings	Plant & Equipment	Lab Equipment	Material Handling Equipment	Fire Fighting Equipment	Vehicles	Computers	Office Equipment	Furniture & Fixtures	Total	Computer Software		Total		
Gross Block																
As at 1 st April, 2016	2362.46	3977.54	27772.25	74.28	78.00	12.66	488.25	112.41	166.71	69.46	35114.02	16.46	16.46	35130.48		
Additions	160.25	7.10	1333.23	-	19.65	-	122.11	40.03	17.04	4.53	1703.94	-	-	1703.94		
Deductions/Retirement During the Year	-	-	124.63	-	-	-	23.81	-	-	-	148.44	-	-	148.44		
As at 31 st March, 2017	2522.71	3984.64	28980.85	74.28	97.65	12.66	586.55	152.44	183.75	73.99	36669.52	16.46	16.46	36685.98		
Depreciation/Amortization																
As at 1 st April, 2016	-	1239.47	12320.41	70.92	57.34	11.84	224.69	92.53	117.32	61.21	14195.73	2.93	2.93	14198.66		
For the Year	-	100.42	874.74	0.02	4.30	0.06	49.72	13.14	17.67	1.78	1061.85	5.21	5.21	1067.06		
Deductions/Adjustments During the Year	-	-	53.65	-	-	-	16.76	-	-	-	70.41	-	-	70.41		
As at 31 st March, 2017	-	1339.89	13141.50	70.94	61.64	11.90	257.65	105.67	134.99	62.99	15187.17	8.14	8.14	15195.31		
Net Block																
As at 31 st March, 2017	2522.71	2644.75	15839.35	3.34	36.01	0.76	328.90	46.77	48.76	11.00	21482.35	8.32	8.32	21490.67		

(₹.in Lakhs)

2.9 Notes to Financial Statements

Particulars	Property, plant and equipment										Intangible Assets		Grand Total		
	Land	Buildings	Plant & Equipment	Lab Equipment	Material Handling Equipment	Fire Fighting Equipment	Vehicles	Computers	Office Equipment	Furniture & Fixtures	Total	Computer Software		Total	
Gross Block															
As at 1 st April, 2015	119.00	3,559.73	25,455.38	74.28	66.40	12.66	477.89	100.83	156.84	68.45	30,091.46	-	-	30,091.46	
Additions	2,243.46	417.80	2,316.88	-	11.60	-	10.35	11.59	9.87	1.01	5,022.56	16.46	16.46	5,039.02	
Deductions/Retirement During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at 31 st March, 2016	2,362.46	3,977.53	27,772.26	74.28	78.00	12.66	488.24	112.42	166.71	69.46	35,114.02	16.46	16.46	35,130.48	
Depreciation/ Amortization															
As at 1 st April, 2015	-	1,145.39	11,517.36	70.43	55.27	11.38	177.46	80.65	99.70	57.23	13,214.87	-	-	13,214.87	
For the year	-	94.08	803.05	0.47	2.07	0.45	47.24	11.89	17.62	3.98	980.85	2.93	2.93	983.78	
Deductions/Adjustments During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at 31 st March, 2016	-	1,239.47	12,320.41	70.90	57.34	11.83	224.70	92.54	117.32	61.21	14,195.72	2.93	2.93	14,198.65	
Net Block															
As at 31 st March, 2016	2,362.46	2,738.06	15,451.85	3.38	20.66	0.83	263.54	19.88	49.39	8.25	20,918.30	13.53	13.53	20,931.83	



CCL PRODUCTS (INDIA) LIMITED

2.10 Non-current investments	(₹ in Lakhs)	
	2017	2016
Investments in Equity instruments:		
Quoted Trade Investments:		
Andhra Bank (5,300 Equity Shares Face value of ₹ 10/- each ; Market Value of ₹ 57.60/- each) (Previous year : 5,300 Equity Shares Face value of ₹ 10/- each ; Market Value of ₹ 52.25/- each)	1.78	1.78
Unquoted Non Trade Investments:		
Coffee Futures Exchange India Ltd (Equity Subscription for Membership as Ordinary member - 1 share of ₹ 10,000) (Previous Year : Equity Subscription for Membership as Ordinary member - 1 share of ₹ 10,000)	0.10	0.10
Subsidiaries (Wholly owned)		
Jayanti Pte Ltd (2,80,84,784 Equity Shares Face Value of S\$ 1/- each) (Previous Year : 2,80,84,784 Equity Shares Face Value of S\$ 1/- each)	11125.57	11125.57
Ngon Coffee Company (1,47,05,60,00,000 Equity Shares Face Value of VND 1/- each) (Previous Year : 1,47,05,60,00,000 Equity Shares Face Value of VND 1/- each)	3814.93	3814.93
Continental Coffee Private Limited (30,00,000 Equity Shares Face Value of Rs.10/- each) (Previous Year : 60,000 Equity Shares Face Value of Rs.10/- each)	300.00	6.00
Investments in Preference Shares:		
Unquoted Non Trade Investments:		
Associated Coffee Merchants (Intl) Ltd (1,87,400 Preference Shares Face value of GBP 1/-each) (Previous Year : 1,87,400 Preference Shares Face value of GBP 1/-each)	147.91	147.91
	15390.29	15096.29
(i) Aggregate amount of Quoted Investments	1.78	1.78
(ii) Market Value of Quoted Investments	3.05	2.77
(iii) Aggregate amount of Unquoted Investments	15388.51	15094.51



CCL PRODUCTS (INDIA) LIMITED

2.11 Long term loans and advances

(₹ in Lakhs)

	2017	2016
(Unsecured, considered good)		
Advances for Capital goods/services	3845.59	3673.47
Advance Tax (Net of Provision for tax)	790.54	1109.99
Electricity and Other Security Deposits	230.60	210.36
Rental Deposits	27.17	25.00
	4893.90	5018.82

2.12 Inventories

	2017	2016
(Valued at lower of cost or net realizable value)		
Raw materials	10814.51	7134.53
Work-in-progress	100.27	217.44
Finished goods	1412.52	869.35
Stores, spares and consumables	615.57	470.72
Packing materials	772.28	809.98
	13715.15	9502.02

2.13 Trade receivables

	2017	2016
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	131.99	116.86
Others	10353.87	9057.02
	10485.86	9173.88

2.14 Cash and Bank Balances

	2017	2016
a) Cash and Cash equivalents		
i) Cash on hand	4.18	4.01
ii) Balances with banks		
- Current Accounts	345.55	203.31
	349.73	207.32
b) Other Bank Balances		
- Margin Money Deposit Accounts (against Bank Guarantees)	182.16	177.82
	182.16	177.82
	531.89	385.14
Cash and Cash equivalents includes		
i) Unclaimed Dividend Account	43.78	84.12



CCL PRODUCTS (INDIA) LIMITED

2.14.1 During the year the company has transferred unclaimed dividend of ₹ 1.39 Lakhs (Previous Year ₹ 2.37 Lakhs) to Investor Education and Protection Fund

2.15 Short-term loans and advances

(₹ in Lakhs)

	2017	2016
(Unsecured, considered good)		
Prepaid Expenses	56.61	56.87
Deposits with Statutory Authorities	2883.28	2827.57
Advance Tax (Net of Provision for tax)	371.02	-
Input tax and other taxes receivables	317.55	304.61
Loans and Advances to Employees	57.27	31.76
Sundry Deposits	7.29	6.74
Advance to Creditors	267.93	126.88
	3960.95	3354.43

2.15.1 Deposits with Statutory Authorities of ₹ 2883.28 Lakhs (Previous year ₹ 2827.57 Lakhs) represents Income Tax paid under protest.

2.16 Other current assets

	2017	2016
Interest accrued but not due on deposits	24.24	65.04
Claims Receivable - Service Tax	22.97	-
	47.21	65.04

2.17 Revenue from Operations

	2017	2016
Revenue from :		
Sale of Products - Coffee	69212.43	66970.58
Sale of Trade Licences	2095.91	990.12
Incentives	-	7.72
Service Tax Refund	97.70	79.72
Revenue from operations (Gross)	71406.04	68048.14
Less: Excise Duty	666.68	329.49
Revenue from operations (Net)	70739.36	67718.65

2.18 Other income

	2017	2016
Interest on Deposits	93.41	74.07
Dividend Income on long-term investments	14.43	12.71
Profit on sale of assets (Net)	0.84	-
Scrap sales	8.78	-
	117.46	86.78



CCL PRODUCTS (INDIA) LIMITED

2.19 Cost of Material Consumed

(₹ in Lakhs)

	2017	2016
Raw Material		
Purchases	42154.71	38971.91
Add: Opening Stock	7134.53	7707.67
	49289.24	46679.58
Less: Closing Stock	10814.51	7134.53
	38474.73	39545.05

2.20 Changes in inventories

	2017	2016
Work-in-progress		
Opening	217.44	240.23
Closing	100.27	217.44
	117.17	22.79
Finished goods		
Opening	869.35	1364.26
Closing	1412.52	869.35
	(543.17)	494.91
	(426.00)	517.70

2.21 Employee benefit expenses

	2017	2016
Salaries, Wages and Bonus	1769.70	1405.31
Directors' Remuneration	1223.00	1005.00
Contribution to provident and other funds	261.57	192.00
Staff welfare	98.14	94.73
	3352.41	2697.04

2.22 Finance Cost

	2017	2016
Interest Expense	260.26	207.55
Other borrowing costs	422.46	222.01
	682.72	429.56



CCL PRODUCTS (INDIA) LIMITED

2.23 Other expenses (₹ in Lakhs)

	2017	2016
Packing material consumed	3480.82	3236.16
Stores and Consumable consumed	446.09	321.08
Power and fuel	2772.54	3092.86
Repairs and Maintenance to Buildings	48.39	46.56
Repairs and Maintenance to Machinery	2037.18	1173.68
Repairs and Maintenance to Other assets	30.40	23.12
Transportation, Ocean Freight, Clearing and Forwarding	1259.22	1098.80
Insurance	66.14	60.79
Rent	47.36	37.78
Rates and Taxes	71.32	5.28
Excise duty on Closing Stock	26.93	9.47
Directors' Sitting Fee	14.55	15.35
Non-whole time Directors' Commission	152.00	40.00
Selling Expenses	596.05	517.68
Commission on Sales	316.41	257.72
Travelling and Conveyance	125.63	126.79
Communication Expenses	58.29	42.54
Printing and Stationery	9.92	7.08
Office Maintenance	221.26	179.66
Donations	180.85	16.62
Corporate Social Responsibility (CSR) Expenditure	234.72	174.64
Professional Fees & Expenses	58.38	53.92
Subscription and Membership fee	2.35	2.62
Auditor's Remuneration	16.23	16.09
Foreign Exchange Loss (Net)	61.43	449.47
Fixed Assets Written off	70.98	-
Miscellaneous expenses	0.19	0.30
	12405.63	11006.06

2.24 Contingent Liabilities and Commitments

	2017	2016
(I) Contingent Liabilities		
(A) Claims against the company/ disputed liabilities not acknowledged as debts :		
- Excise & Customs	-	31.76
- Service Tax	-	550.66
- Income Tax *	2883.28	2883.28
(B) Guarantees		
- Bank Guarantees (includes Corporate Guarantees)* **	1722.86	11158.79
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	10861.71	10662.16

* Tax deposited under protest ₹ 2883.28 Lakhs (Previous year ₹ 2827.57)

** Corporate Guarantees of ₹ Nil (Previous Year ₹ 9750.94 lakhs) given to subsidiary - Ngon Coffee Company, Vietnam



2.25 Employee Benefits-Disclosures as per AS-15

a) Gratuity

Principal actuarial assumptions:

(₹ in Lakhs)

	2017	2016
1. Discount Rate	8.00%	8.00%
2. Salary Escalation	4.00%	4.00%
Reconciliation of Opening and Closing Balances of the present value of the obligations :		
Present value of obligation as at beginning of year	182.67	142.29
Interest Cost	14.61	11.38
Current Service Cost	11.13	9.15
Benefits paid	(20.30)	(13.46)
Actuarial (Gain)/Loss on obligations	25.71	33.31
Present value of obligation as at end of year	213.82	182.67
Reconciliation of Opening and Closing Balances of the fair value of plan assets :		
Fair value of plan assets at beginning of year	207.94	184.50
Actual return on plan assets	18.08	15.81
Contributions	62.85	23.58
Benefits paid	(20.30)	(13.46)
Premium Expenses	-	(2.49)
Fair value of plan assets at the end of year	268.57	207.94
Amounts recognized in the balance sheet :		
Present value of obligations as at the end of year	213.82	182.67
Fair value of plan assets as at the end of the year	268.57	207.94
Funded status	54.75	25.27
Net Asset/(Liability) recognized in balance sheet	(54.75)	(25.27)
Amounts recognized in the Profit and loss :		
Current Service Cost	11.13	9.15
Interest Cost	14.61	11.38
Expected return on plan assets	(18.09)	(15.81)
Net Actuarial (Gain)/Loss recognized in the year	25.71	35.80
Expenses recognized in statement of Profit & Loss	33.36	40.52



b) Leave encashment

(₹ in Lakhs)

Principal actuarial assumptions:

	2017	2016
1. Discount Rate	8.00%	8.00%
2. Salary Escalation	4.00%	4.00%

Reconciliation of Opening and Closing Balances of the present value of the obligations :

Present value of obligation as at beginning of year	14.14	10.41
Interest Cost	1.13	0.83
Current Service Cost	0.78	1.11
Benefits Paid	-	-
Actuarial (Gain)/Loss on obligations	0.70	1.79
Present value of obligation as at end of year	16.75	14.14

Amounts recognized in the balance sheet :

Present value of obligations as at the end of year	16.75	14.14
Fair value of plan assets as at the end of the year	-	-
Funded status	-	-
Net Asset/(Liability) recognized in balance sheet	(16.75)	(14.14)

Amounts recognized in the Profit and loss :

Current Service Cost	0.78	1.11
Interest Cost	1.13	0.83
Expected return on plan assets	-	-
Net Actuarial (Gain)/Loss recognized in the year	0.70	1.79
Expenses recognized in statement of Profit & Loss	2.61	3.73

2.26 Value of Imports on CIF basis:

	2017	2016
Raw material	35527.83	32574.38
Components and Spare parts	657.58	336.05
Capital goods	783.01	744.92



CCL PRODUCTS (INDIA) LIMITED

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

(₹ in Lakhs)

	2017		2016	
	Value	% of Total Consumption	Value	% of Total Consumption
Raw Material				
Imported	33501.50	87.07	33511.08	84.74
Indigenous	4973.23	12.93	6033.97	15.26
Total	38474.73	100.00	39545.05	100.00
Packing Material, Stores & Spares				
Imported	657.58	11.03	336.05	7.10
Indigenous	5306.51	88.97	4394.87	92.90
Total	5964.09	100.00	4730.92	100.00

2.28 Auditors' Remuneration

	2017	2016
Statutory Audit	9.50	9.50
Tax Audit	2.50	2.50
Cost Audit	1.00	1.00
Certification Fee	2.90	2.85
Out-of Pocket Expenses	0.33	0.24
Total	16.23	16.09

2.29 Corporate Social Responsibility (CSR) Expenditure

a) Gross amount required to be spent by the company during the year ₹ 232.47 Lakhs (Previous year ₹ 202.31 Lakhs)

b) Amount spent during the year on:

	2017		2016	
	In Cash	Yet to be Paid in Cash	In Cash	Yet to be Paid in Cash
1. Construction/acquisition of assets	102.29	-	97.92	-
2. Purposes other than (1) above	132.43	-	76.72	-
	234.72	-	174.64	-



CCL PRODUCTS (INDIA) LIMITED

2.30 Basic and Diluted Earnings per share : (₹ in Lakhs)

	2017	2016
Earnings per share has been computed as under:		
a) Net Profit after Tax attributable to shareholders	9869.29	8194.13
b) Weighted Average Number of Equity Shares (Nos in Lakhs)	1330.28	1330.28
c) Basic and Diluted Earnings per share (a)/(b)	7.42	6.16
d) Face Value per equity share	2.00	2.00

2.31 Expenditure in foreign currency :

	2017	2016
Travel Expenses	35.43	13.13
Professional Fees	79.85	34.98
Other expenses	7.63	32.15

2.32 Earnings in foreign currency :

	2017	2016
FOB value of Exports	63908.60	63613.55
Dividend	14.40	12.71

2.33 Remittance in foreign currency on account of Dividend

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

	2017	2016
Final Dividend		
a) Number of Non-Resident Shareholders	9	14
b) Number of Equity Shares held by them	70,31,554	74,20,869
c) i) Amount of Dividend Paid (Gross) (₹ in Lakhs)	70.32	111.31
ii) Year to which Dividend relates	2015-16	2014-15
Interim Dividend		
a) Number of Non-Resident Shareholders	-	11
b) Number of Equity Shares held by them	-	70,69,554
c) i) Amount of Dividend Paid (Gross) (Rs.in Lakhs)	-	106.04
ii) Year to which Dividend relates	-	2015-16



2.34 Segment Reporting

The entire operations of the company relate to only one segment viz., Coffee and Coffee related products. Hence, segmental reporting as per AS-17 is not made.

2.35 Related Party disclosures as per AS-18 read with the Companies Act, 2013

The disclosures of transactions with the related parties are given below:

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

1. Key Managerial Personnel	Mr. Challa Rajendra Prasad, Whole time Director Mr. Challa Srishant, Managing Director Mr. K.V.L.N.Sarma, Chief Financial Officer Ms. Sridevi Dasari, Company Secretary
2. Non-whole time Directors	Mr. I.J.Rao, Non Executive Director Mr.Vipin K.Singal, Non Executive Director Mr.K.Chandrabhas, Non Executive Director Mr.J.Rambabu, Non Executive Director Mr.B.Mohan Krishna, Non Executive Director Mr.K.K.Sarma, Non Executive Director Mr.G.V.Krishna Rau, Non Executive Director Mrs.Kulsoom Noor Saifullah, Non Executive Director Mrs.Challa Shantha Prasad, Non Executive Director (w.e.f.29.07.2016) Dr.L.Krishnanand, Non Executive Director (w.e.f.29.07.2016)
3. Relatives of Key Managerial Personnel	Ms. Challa Shantha Prasad (Spouse of Mr.Challa Rajendra Prasad, Executive Chairman) Ms. Challa Soumya (Daughter of Mr.Challa Rajendra Prasad, Executive Chairman)
4. Subsidiary Companies	M/s. Jayanti Pte Ltd., Singapore M/s. Continental Coffee Pvt Ltd., India M/s. Grandsaugreen SA, Switzerland (Subsidiary of Jayanti Pte. Ltd., Singapore) M/s. Ngon Coffee Company Ltd., Vietnam (Subsidiary of Jayanti Pte. Ltd., Singapore)



CCL PRODUCTS (INDIA) LIMITED

(ii) Details of the related party transactions	(₹ in Lakhs)	
	2017	2016
a) Key managerial personnel		
Remuneration & Commission		
Mr.Challa Rajendra Prasad	765.00	630.00
Mr.Challa Srishant	458.00	375.00
Mr.K.V.L.N.Sarma	69.35	50.64
Mrs.Sridevi Dasari	11.22	9.39
Rent		
Mr.Challa Srishant	22.02	17.26
b) Non-whole time Directors		
Sitting Fee		
Mr.I.J.Rao	1.95	2.10
Mr.Vipin K.Singal	1.95	1.60
Mr.K.Chandrahass	0.90	1.45
Mr.J.Rambabu	1.95	2.10
Mr.B.Mohan Krishna	1.45	1.95
Mr.K.K.Sarma	1.95	2.10
Mr.G.V.Krishna Rau	1.95	2.10
Mrs.Kulsoom Noor Saifullah	1.45	1.95
Mrs.Challa Shantha Prasad	0.50	-
Dr.L.Krishnanand	0.50	-
Commission		
Mr.I.J.Rao	6.00	5.00
Mr.Vipin K.Singal	6.00	5.00
Mr.K.Chandrahass	6.00	5.00
Mr.J.Rambabu	6.00	5.00
Mr.B.Mohan Krishna	98.00	5.00
Mr.K.K.Sarma	6.00	5.00
Mr.G.V.Krishna Rau	6.00	5.00
Mrs.Kulsoom Noor Saifullah	6.00	5.00
Mrs.Challa Shantha Prasad	6.00	-
Dr.L.Krishnanand	6.00	-
Rent		
Mrs.Challa Shantha Prasad	12.95	-
Purchase of Fixed Asset (Building)		
Mr.Vipin K.Singal	-	350.00
c) Relatives of Key Managerial Personnel		
Rent		
Mrs.Challa Shantha Prasad	4.31	17.26
Mrs.Challa Soumya	2.84	2.84
d) Subsidiaries		
Grandsaugreen SA, Switzerland		
Sale of Instant Coffee	1747.38	7446.32
Trade Receivable	596.75	736.74
Continental Coffee Private Limited, India		
Sale of Instant Coffee	260.78	21.33
Trade Receivable	181.97	21.33
Equity Investment	294.00	-



CCL PRODUCTS (INDIA) LIMITED

2.36 As per MCA Notification G.S.R.308 (E) dated 30.03.2017, the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are given below :

	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	1.49	0.76	2.25
(+) Permitted Receipts	-	14.15	14.15
(-) Permitted Payments	-	10.83	10.83
(-) Amount deposited in Banks	1.49	-	1.49
Closing Cash in Hand as on 30.12.2016	-	4.08	4.08

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

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

By order of the Board

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

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 22nd May, 2017

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

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director



INDEPENDENT AUDITOR'S REPORT

To
The Members of
CCL Products (India) Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of CCL Products (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries Jayanti Pte Ltd, Singapore, Grandsaugreen SA, Les Verrieres, Ngon Coffee Company Limited, Vietnam and Continental Coffee Private Limited, Hyderabad (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial



control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the qualified opinion issued by independent auditors of Jayanti Pte Ltd, wherein the auditors are unable to test the impairment of investment in its subsidiary (Grandsaugreen SA), and unable to quantify the effect of potential impairment, if any. However, the management is confident that no impairment is necessary on the said investment. Our opinion is not modified in respect of this matter.

Other Matters

We did not audit the financial statements of the subsidiaries, Jayanti Pte Ltd, Singapore, Grandsaugreen SA, Les Verrieres, Ngon Coffee Company Limited, Vietnam and Continental Coffee Private Limited, Hyderabad, whose financial statements reflect total assets of ₹ 44,469.84 Lakhs, as at 31st March, 2017, total revenues of ₹ 28,916.59 Lakhs, and net cash flows (decrease) amounting to ₹ 359.81 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited/reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.



CCL PRODUCTS (INDIA) LIMITED

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group – Refer Note 2.25 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India;
 - iv. The Group has provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Group and as produced to us by the management. Refer Note 2.30 to the consolidated financial statements.

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

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

Place : Hyderabad
Date : 22nd May, 2017



Annexure - A to the Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2017, we have audited the internal financial controls over financial reporting of CCL Products (India) Limited ("the Holding Company") and its subsidiary, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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 internal 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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we 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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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; and (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 our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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 ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to standalone financial statements of one subsidiary, which is a company incorporated in India, is based on the corresponding report of the auditor of such company.

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

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

Place : Hyderabad
Date : 22nd May, 2017



CCL PRODUCTS (INDIA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2017 (₹ in Lakhs)

	Note	2017	2016
EQUITY AND LIABILITIES			
Shareholders' Fund			
(a) Share capital	2.1	2660.56	2660.56
(b) Reserves and surplus	2.2	60965.49	48319.41
Non-current liabilities			
(a) Long term borrowings	2.3	256.22	4432.16
(b) Deferred tax liabilities	2.4	3077.52	2846.54
(c) Other long-term liabilities	2.5	25.72	58.07
Current Liabilities			
(a) Short-term borrowings	2.6	9845.35	11447.34
(b) Trade payables	2.7		
i) Total outstanding dues of micro enterprises and small enterprises"		-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises"		1223.65	1150.05
(c) Other current liabilities	2.8	6503.72	7270.14
(d) Short-term provisions	2.9	308.91	1942.45
TOTAL		84867.14	80126.72
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2.10	39320.07	41717.25
(b) Other Intangible assets		8.40	13.61
(c) Capital work-in-progress		15.68	-
(d) Non-current investments	2.11	149.79	149.79
(e) Long term loans and advances	2.12	4949.05	5122.26
Current assets			
(a) Inventories	2.13	18276.40	14860.19
(b) Trade receivables	2.14	16324.79	12813.70
(c) Cash and Bank Balances	2.15	1654.90	1867.96
(d) Short-term loans and advances	2.16	4120.85	3516.92
(e) Other current assets	2.17	47.21	65.04
TOTAL		84867.14	80126.72
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

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

By order of the Board

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

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 22nd May, 2017

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

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director



CCL PRODUCTS (INDIA) LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

	Note	2017	2016
Income			
Revenue from operations	2.18	97649.30	93212.13
Other Income	2.19	122.47	122.47
Total Revenue		97771.77	93334.60
Expenses			
Cost of Materials Consumed	2.20	54406.41	54628.56
Changes in inventories	2.21	786.02	44.37
Employee benefits expense	2.22	4038.42	3311.01
Finance Costs	2.23	1117.32	1081.59
Depreciation and amortization expense	2.10	3325.13	2838.09
Other expenses	2.24	15214.71	14755.30
Total Expenses		78888.01	76658.92
Profit before tax		18883.76	16675.68
Tax expense:			
(1) Current tax		5221.32	4049.50
(2) Deferred tax		230.98	414.11
Profit for the year		13431.46	12212.07
Earnings per equity share:			
(Face Value of Rs.2/- each)	2.25		
(1) Basic		10.10	9.18
(2) Diluted		10.10	9.18
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

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

By order of the Board

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

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 22nd May, 2017

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

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director



CCL PRODUCTS (INDIA) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

	2017	2016
Cash Flow from Operating Activities		
Net profit before tax and extraordinary items	18883.76	16675.68
Adjustments for :		
Depreciation and amortization expense	3325.13	2838.09
Interest paid on term loans	387.82	593.13
Fixed Assets written off	70.98	-
Profit on sale of assets	(0.84)	-
Foreign Exchange Translation	(75.44)	(1012.43)
Dividend Income	(14.43)	(12.71)
Other Income	(1.29)	(11.80)
Operating profit before working capital changes	22575.69	19069.96
Adjustments for :		
Trade Receivables	(3511.09)	(1491.27)
Inventories	(3416.21)	2492.56
Loans and Advances	(240.76)	(34.42)
Trade and Other payables	428.70	(141.03)
Cash generated from operations	15836.32	19895.80
Direct Taxes Paid	(5333.09)	(3798.22)
Net Cash from operating activities	10503.23	16097.58
Cash flows from/(used in) Investing Activities		
Purchase of Fixed Assets (Including CWIP)	(1825.79)	(5394.96)
Sale of Fixed Assets	7.88	-
Advance for Fixed Assets	(172.12)	(3326.10)
Dividend Income	14.43	12.71
Other Income	1.29	11.80
Net Cash used in Investing Activities	(1974.31)	(8696.55)
Cash flows from/(used in) Financing Activities		
Repayment of Long term borrowings	(5151.08)	(4645.47)
Repayment/(Proceeds) of/from Short-term borrowings	(1601.99)	2116.39
Interest paid on term loans	(387.82)	(593.13)
Dividend paid	(1330.28)	(3990.84)
Corporate Dividend tax	(270.81)	(1083.24)
Net Cash used in Financing Activities	(8741.99)	(8196.29)
Net Increase/(Decrease) in cash and cash equivalents	(213.06)	(795.26)
Cash and Cash equivalents at the beginning of the year	1867.96	2663.22
Cash and Cash equivalents at the ending of the year	1654.90	1867.96

As per our report of even date

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

Chartered Accountants

By order of the Board

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

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 22nd May, 2017

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Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director



1) Notes on Consolidated Financial Statements

I. Principles of Consolidation

1.1 The Consolidated Financial statements comprises the financial statements of CCL Products (India) Limited (the Company) and its Subsidiaries (collectively known as the 'Group'). The consolidated financial statements have been prepared on the following basis in line with Accounting Standard-21, Consolidated Financial Statements issued by ICAI, as prescribed u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies (Accounting Standards) Amendment Rules, 2016 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

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

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

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

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

**II. Significant Accounting Policies**

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

2) Notes to Financial Statements**2.1 Share Capital**

(₹ in Lakhs)

	2017	2016
Authorized Share Capital 150,000,000 Equity Shares of ₹ 2 each (Previous year :150,000,000 Equity Shares of ₹ 2 each)	3,000.00	3,000.00
Issued Subscribed and Paid up Share Capital 133,027,920 Equity Shares of ₹ 2 each, fully paid up (Previous year :133,027,920 Equity Shares of ₹ 2 each, fully paid up)	2,660.56	2,660.56
	2,660.56	2,660.56

Reconciliation of Number of Shares :

	2017	2016
Balance at the beginning of the year	13,30,27,920	13,30,27,920
Add : Shares issued during the year	-	-
Number of Shares at the end of the year	13,30,27,920	13,30,27,920

2.1.2 Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 2 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.1.3 In the period of five years immediately preceding March 31,2017:

The company has allotted 6,65,13,960 fully paid up equity shares of face value ₹ 2/- each on 21st August, 2013, pursuant to bonus issue approved by the shareholders.

2.1.14 Dividend

The Board of Directors, in its meeting on May 22nd, 2017 have proposed a final dividend of ₹ 2.50/- per equity share for the financial year ended March 31st, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on July 11th, 2017 and if approved would result in a cash outflow of ₹ 4002.75 Lakhs including corporate dividend tax.



CCL PRODUCTS (INDIA) LIMITED

2.2 Reserves and Surplus

(₹.in Lakhs)

	2017	2016
General Reserve		
Opening Balance	28820.70	28820.70
	28820.70	28820.70
Surplus / (Deficit) in the Statement of Profit and Loss		
Opening Balance	17409.38	9200.04
Add: Net profit transferred from the Statement of Profit and Loss	13431.46	12212.07
	30840.84	21412.11
Less: Appropriations		
Interim Dividend	-	1995.42
Proposed Dividend	-	1330.28
Corporate Dividend Tax	-	677.03
	-	4002.73
Closing Balance	30840.84	17409.38
Foreign Currency Translation Reserve		
Opening Balance	2089.33	1476.08
Additions/(Deletions) during the year	(785.38)	613.25
Closing Balance	1303.95	2089.33
	60965.49	48319.41

2.3 Long term Borrowings

	2017	2016
Secured Loans From Bank		
Term Loans from Bank	256.22	4432.16
	256.22	4432.16

a) Details of security:

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

b) Terms of repayment

Particulars	Maturity Profile		
	2017-18	2018-19	Total
<u>Ngon Coffee Company - Vietnam</u>			
Export-Import Bank of India (Exim) (LIBOR 6 months + 5%)	1,215.42	256.22	1,471.64
International Finance Corporation (IFC) (LIBOR 6 months + 4.25%)	2,882.43	-	2,882.43
	4,097.85	256.22	4,354.07



CCL PRODUCTS (INDIA) LIMITED

2.4 Deferred tax liabilities

(₹ in Lakhs)

	2017	2016
Opening Balance	2846.54	2432.43
Add : On account of Depreciation	230.98	414.11
Closing Balance	3077.52	2846.54

2.5 Other Long-term Liabilities

	2017	2016
Trade Payables		
Dues to Micro and Small Enterprises	-	-
Dues to others		
For Capital goods	25.72	58.07
	25.72	58.07

2.6 Short-term Borrowings

	2017	2016
Secured Loans From Bank		
Packing credit/ Buyers' credit	9845.35	11445.23
Cash Credit	-	2.11
	9845.35	11447.34

2.6.1 Details of security:

Working Capital Facilities from State Bank of India, State Bank of Hyderabad and ICICI Bank Limited under consortium are secured by way of first pari-passu charge on current assets and second pari-passu charge on fixed assets of the company. Security creation in favour of Citibank N.A. is pending.

2.7 Trade payables

	2017	2016
Dues to Micro and Small Enterprises	-	-
Dues to others		
For Raw material	640.96	372.97
For Packing material	157.05	260.26
For Stores and Consumables	114.28	132.81
For Services	311.36	384.01
	1223.65	1150.05

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



CCL PRODUCTS (INDIA) LIMITED

2.8 Other current liabilities (₹.in Lakhs)

	2017	2016
Current maturities of long-term debt	4097.85	5151.08
Interest accrued but not due on borrowings	62.30	127.34
Other payables		
Salaries and employee benefits	1329.89	1081.16
Withholding and other taxes payable	228.11	126.47
Unpaid dividends #	43.78	84.12
Advance from customers	388.61	459.00
Others	353.18	240.97
	6503.72	7270.14

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

2.9 Short-term provisions

	2017	2016
For Employee Benefits		
Leave Encashment	16.76	14.14
Others		
Proposed Dividend (Refer note 2.1.4)	-	1330.28
Corporate Dividend tax (Refer note 2.1.4)	-	270.81
Provision for Income tax (net of advance tax)	292.15	327.22
	308.91	1942.45

2.11 Non-current investments

	2017	2016
Investments in Equity instruments:		
Quoted Trade Investments:		
Andhra Bank (5,300 Equity Shares Face value of ₹10/- each ; Market Value of ₹ 57.60/- each) (Previous year : 5,300 Equity Shares Face value of ₹ 10/- each ; Market Value of ₹ 52.25/- each)	1.78	1.78
Unquoted Non Trade Investments:		
Coffee Futures Exchange India Ltd (Equity Subscription for Membership as Ordinary member - 1 share of ₹ 10,000)	0.10	0.10
Investments in Preference Shares:		
Unquoted Non Trade Investments:		
Associated Coffee Merchants (Intl) Ltd (1,87,400 Preference Shares Face value of GBP 1/-each) (Previous Year : 1,87,400 Preference Shares Face value of GBP 1/-each)	147.91	147.91
	149.79	149.79
(i) Aggregate amount of Quoted Investments	1.78	1.78
(ii) Market Value of Quoted Investments	3.05	2.77
(iii) Aggregate amount of Unquoted Investments	148.01	148.01

(₹ in Lakhs)

Particulars	Property, plant and equipment										Other Intangible Assets		Grand Total			
	Land	Buildings	Plant & Equipment	Material Handling Equipment	Lab Equip-ment	Fire Fighting Equip-ment	Vehicles	Computers	Office Equipment	Furniture & Fixtures Total	Total	Computers Software		Total		
Gross Block																
As at 1 st April, 2016	3315.49	12238.81	47115.65	74.28	78.00	12.66	551.54	112.42	221.00	132.55	63852.40	16.54	16.54	63868.94		
Additions	160.25	7.10	1433.30	-	19.65	-	123.07	40.03	21.50	5.21	1810.11	-	-	1810.11		
Deductions/Retirement	-	-	124.63	-	-	-	23.81	-	-	-	148.44	-	-	148.44		
During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Adjustments during the year *	(50.41)	(360.02)	(783.00)	-	-	-	(2.55)	-	(2.05)	(3.33)	(1201.36)	-	-	(1201.36)		
As at 31 st March, 2017	3425.33	11885.89	47641.32	74.28	97.65	12.66	648.25	152.45	240.45	134.43	64312.71	16.54	16.54	64329.25		
Depreciation																
As at 1 st April, 2016	-	2754.50	18623.76	70.91	57.35	11.83	255.60	92.55	152.89	115.76	22135.15	2.93	2.93	22138.08		
For the year	-	431.66	2769.17	0.02	4.30	0.06	60.16	13.14	31.81	9.60	3319.92	5.21	5.21	3325.13		
Deductions/Adjustments	-	-	53.65	-	-	-	16.76	-	-	-	70.41	-	-	70.41		
During the Year	-	-	-	-	-	-	(1.50)	-	(1.61)	(3.13)	(392.02)	-	-	(392.02)		
Adjustments during the year *	-	(76.54)	(309.24)	-	-	-	(1.50)	-	(1.61)	(3.13)	(392.02)	-	-	(392.02)		
As at 31 st March, 2017	-	3109.62	21030.04	70.93	61.65	11.89	297.50	105.69	183.09	122.23	24992.64	8.14	8.14	25000.78		
Net Block																
As at 31 st March, 2017	3425.33	8776.27	26611.28	3.35	36.00	0.77	350.75	46.76	57.36	12.20	39320.07	8.40	8.40	39328.47		

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

2.10 Notes to Financial Statements (₹ in Lakhs)

Particulars	Property, plant and equipment										Other Intangible Assets			Grand Total			
	Land	Buildings	Plant & Equipment	Material Handling Equipment	Lab Equip-ment	Fire Fighting Equip-ment	Vehicles	Computers	Office Equipment	Furniture & Fixtures Total	Total	Computers Software	Total				
Gross Block																	
As at 1 st April, 2015	1,020.53	11,447.67	39,457.61	74.28	66.40	12.66	550.79	100.83	210.00	128.13	53,068.90	-	-	-	53,068.90	-	-
Additions	2,243.46	516.02	7,242.29	-	11.60	-	10.35	11.59	9.87	1.01	10,046.19	16.54	16.54	16.54	10,062.73	16.54	16.54
Deductions/Retirement	-	-	-	-	-	-	11.90	-	-	-	11.90	-	-	-	11.90	-	-
During the Year	-	-	-	-	-	-	11.90	-	-	-	11.90	-	-	-	11.90	-	-
Adjustments	51.50	275.12	415.75	-	-	-	2.30	-	1.13	3.41	749.21	-	-	-	749.21	-	-
during the year *																	
As at 31 st March, 2016	3,315.49	12,238.81	47,115.65	74.28	78.00	12.66	551.54	112.42	221.00	132.55	63,852.40	16.54	16.54	16.54	63,868.94	16.54	16.54
Depreciation																	
As at 1 st April, 2015	-	2,287.10	16,134.62	70.44	55.28	11.38	209.73	80.66	121.09	101.34	19,071.64	-	-	-	19,071.64	-	-
For the year	-	415.02	2,305.97	0.47	2.07	0.45	56.50	11.89	31.17	11.62	2,835.16	2.93	2.93	2.93	2,838.09	2.93	2.93
Deductions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	52.38	183.17	-	-	-	(10.63)	-	0.63	2.80	228.35	-	-	-	228.35	-	-
during the year *																	
As at 31 st March, 2016	-	2,754.50	18,623.76	70.91	57.35	11.83	255.60	92.55	152.89	115.76	22,135.15	2.93	2.93	2.93	22,138.08	2.93	2.93
Net Block																	
As at 31 st March, 2016	3,315.49	9,484.31	28,491.89	3.37	20.65	0.83	295.94	19.87	68.11	16.79	41,717.25	13.61	13.61	13.61	41,730.86	13.61	13.61

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



CCL PRODUCTS (INDIA) LIMITED

2.12 Long-term loans and advances (₹ in Lakhs)

	2017	2016
(Unsecured, considered good)		
Advances for Capital goods	3898.20	3774.31
Advance Tax (Net of Provision for tax)	790.54	1109.99
Electricity and Other Security Deposits	233.14	212.96
Rental Deposits	27.17	25.00
	4949.05	5122.26

2.13 Inventories

	2017	2016
(Valued at lower of cost or net realizable value)		
Raw materials	13303.19	9240.72
Work-in-progress	295.41	462.98
Finished goods	2651.80	3270.25
Stores, spares and consumables	1197.95	1027.15
Packing material	828.05	859.09
	18276.40	14860.19

2.14 Trade receivables

	2017	2016
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	131.99	130.53
Others	16192.80	12683.17
	16324.79	12813.70

2.15 Cash and Bank Balances

	2017	2016
a) Cash and Cash equivalents		
i) Cash on hand	15.12	10.66
ii) Balances with banks		
- Current Accounts	1457.62	1679.48
	1472.74	1690.14
b) Other Bank Balances		
- Margin Money Deposit Accounts (against Bank Guarantees)	182.16	177.82
	182.16	177.82
	1654.90	1867.96
Cash and Cash equivalents includes		
i) Unclaimed Dividend Account	43.78	84.12

2.15.1 During the year the Company has transferred unclaimed dividend of ₹1.39 Lakhs (Previous Year ₹ 2.37 Lakhs) to Investor Education and Protection Fund.



CCL PRODUCTS (INDIA) LIMITED

2.16 Short-term loans and advances

(₹ in Lakhs)

	2017	2016
(Unsecured, considered good)		
Prepaid Expenses	71.74	78.47
Deposits with Statutory Authorities	2889.12	2833.74
Advance Tax (Net of Provision for tax)	371.02	-
Input tax and other taxes receivables	320.58	305.23
Loans and Advances to Employees	57.37	31.76
Sundry Deposits	7.29	6.74
Advance to Creditors	399.62	258.40
Other advances	4.11	2.58
	4,120.85	3,516.92

2.17 Other current assets

	2017	2016
Interest accrued but not due on deposits	24.24	65.04
Claims Receivable - Service Tax	22.97	-
	47.21	65.04

2.18 Revenue from Operations

	2017	2016
Revenue from:		
Sale of Products - Coffee	96122.37	92464.06
Sale of Trade Licences	2095.91	990.12
Incentives	-	7.72
Service Tax Refund	97.70	79.72
Revenue from operations (Gross)	98315.98	93541.62
Less: Excise Duty	666.68	329.49
Revenue from operations (Net)	97649.30	93212.13

2.19 Other income

	2017	2016
Interest on Deposits	97.13	97.96
Dividend Income on long-term investments	14.43	12.71
Profit on sale of assets (Net)	0.84	-
Sale of Scrap	8.78	-
Miscellaneous Income	1.29	11.80
	122.47	122.47



CCL PRODUCTS (INDIA) LIMITED

2.20 Raw material consumed (₹.in Lakhs)

	2017	2016
Raw Material		
Purchases	58468.88	54356.75
Add: Opening Stock	9240.72	9512.53
	67709.60	63869.28
Less: Closing Stock	13303.19	9240.72
	54406.41	54628.56

2.21 Changes in inventories

	2017	2016
Work-in-progress		
Opening	462.98	240.23
Closing	295.41	462.98
	167.57	(222.75)
Finished goods		
Opening	3270.25	3537.37
Closing	2651.80	3270.25
	618.45	267.12
	786.02	44.37

2.22 Employee benefit expenses

	2017	2016
Salaries, Wages and Bonus	2281.45	1705.69
Directors' Remuneration	1252.85	1027.61
Contribution to provident and other funds	267.81	192.00
Staff welfare	236.31	385.71
	4038.42	3311.01

2.23 Finance Cost

	2017	2016
Interest Expense	648.08	800.68
Other borrowing costs	469.24	280.91
	1117.32	1081.59



CCL PRODUCTS (INDIA) LIMITED

2.24 Other expenses

(₹ in Lakhs)

	2017	2016
Packing material consumed	3811.69	3614.23
Stores and Consumable consumed	730.49	1058.12
Power and fuel	3571.87	4182.91
Repairs and Maintenance to Buildings	50.86	53.10
Repairs and Maintenance to Machinery	2081.96	1245.30
Repairs and Maintenance to Other assets	68.82	84.41
Transportation, Ocean Freight, Clearing and Forwarding	1855.36	1654.10
Insurance	115.63	102.83
Rent	50.15	39.52
Rates and Taxes	104.47	47.71
Excise duty on Closing Stock	26.93	9.47
Directors' Sitting Fee	14.55	15.35
Non-whole time Directors' Commission	152.00	40.00
Selling Expenses	863.93	522.86
Commission on Sales	379.33	328.28
Traveling and Conveyance	170.12	157.08
Communication Expenses	75.25	54.11
Printing and Stationery	30.87	11.26
Office Maintenance	229.92	184.65
Donations	180.85	16.62
Corporate Social Responsibility (CSR) Expenditure	234.72	174.64
Professional Fees & Expenses	82.90	74.13
Subscription and Membership fee	3.02	3.44
Auditor's Remuneration	29.57	30.48
Foreign Exchange Loss (Net)	133.37	1001.50
Exceptional Charges	44.64	-
Fixed Assets Written off	70.98	-
Miscellaneous expenses	50.44	49.21
	15214.71	14755.30

2.25 Contingent Liabilities and Commitments

	2017	2016
(I) Contingent Liabilities		
(A) Claims against the company/ disputed liabilities not acknowledged as debts :		
- Excise & Customs	-	31.76
- Service Tax	-	550.66
- Income Tax *	2883.28	2883.28
(B) Guarantees		
- Bank Guarantees (includes Corporate Guarantees)**	1722.86	11158.79
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	10861.71	10662.16

* Tax deposited under protest ₹ 2883.28 Lakhs (Previous year ₹ 2827.57)

** Corporate Guarantees of ₹ Nil (Previous Year ₹ 9750.94 lakhs) given to subsidiary - Ngon Coffee Company , Vietnam



CCL PRODUCTS (INDIA) LIMITED

2.26 Basic and Diluted Earnings per share :

(₹ in Lakhs)

	2017	2016
Earnings per share has been computed as under:		
a) Net Profit after Tax attributable to shareholders	13431.46	12212.07
b) Weighted Average Number of Equity Shares (Nos in Lakhs)	1330.28	1330.28
c) Basic and Diluted Earnings per share (a)/(b)	10.10	9.18
d) Face Value per equity share	2.00	2.00

2.27 Segment Reporting

The entire operations of the company relate to only one segment viz., Coffee and Coffee related products. Hence, segmental reporting as per AS-17 is not made.

2.28 Additional information:

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	2017		2017	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
1	2	3	4	5
Parent				
CCL Products (India) Limited	60.54	38520.53	73.48	9869.29
Subsidiaries				
India				
1. Continental Coffee Private Limited	0.17	107.45	(2.77)	(372.16)
Foreign				
1. Jayanti Pte Ltd, Singapore	0.10	60.92	(0.04)	(5.37)
2. Grandsaugreen SA, Switzerland	8.19	5209.94	(4.29)	(576.14)
3. Ngon Coffee Company Ltd, Vietnam	31.00	19727.22	33.62	4515.91

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	2016		2016	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
1	2	3	4	5
Parent				
CCL Products (India) Limited	56.82	28965.88	67.10	8194.13
Subsidiaries				
India				
1. Continental Coffee Private Limited	0.05	24.99	(0.02)	(2.35)
Foreign				
1. Jayanti Pte Ltd, Singapore	0.13	67.75	(0.04)	(5.31)
2. Grandsaugreen SA, Switzerland	12.09	6163.79	(3.07)	(375.37)
3. Ngon Coffee Company Ltd, Vietnam	30.91	15757.54	36.03	4400.96



2.29 Related Party disclosures as per (AS-18) read with companies Act, 2013

The disclosures of transactions with the related parties are given below:

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

1. Key Managerial Personnel	Mr. Challa Rajendra Prasad, Whole time Director Mr. Challa Srishant, Managing Director Mr. K.V.L.N.Sarma, Chief Financial Officer Ms. Sridevi Dasari, Company Secretary
2. Non-whole time Directors	Mr.I .J.Rao, Non Executive Director Mr.Vipin K.Singal, Non Executive Director Mr.K.Chandrasah, Non Executive Director Mr.J.Rambabu, Non Executive Director Mr.B.Mohan Krishna, Non Executive Director Mr.K.K.Sarma, Non Executive Director Mr.G.V.Krishna Rau, Non Executive Director Mrs.Kulsoom Noor Saifullah, Non Executive Director Mrs.Challa Shantha Prasad, Non Executive Director (w.e.f. 29.07.2016) Dr.L.Krishnanand, Non Executive Director (w.e.f.29.07.2016)
3. Relatives of Key Managerial Personnel	Ms. Challa Shantha Prasad (Spouse of Mr.Challa Rajendra Prasad, Executive Chairman) Ms. Challa Soumya (Daughter of Mr.Challa Rajendra Prasad, Executive Chairman)



CCL PRODUCTS (INDIA) LIMITED

(ii) Details of the related party transactions: (Rs.in Lakhs)

	2017	2016
a) Key Managerial Personnel		
Remuneration & Commission		
Mr.Challa Rajendra Prasad	765.00	630.00
Mr.Challa Srishant	458.00	375.00
Mr.K.V.L.N.Sarma	69.35	50.64
Mrs.Sridevi Dasari	11.22	9.39
Rent		
Mr. Challa Srishant	22.02	17.26
b) Non-whole time Directors		
Sitting Fee		
Mr.I.J.Rao	1.95	2.10
Mr.Vipin K.Singal	1.95	1.60
Mr.K.Chandrasah	0.90	1.45
Mr.J.Rambabu	1.95	2.10
Mr.B.Mohan Krishna	1.45	1.95
Mr.K.K.Sarma	1.95	2.10
Mr.G.V.Krishna Rau	1.95	2.10
Mrs.Kulsoom Noor Saifullah	1.45	1.95
Mrs.Challa Shantha Prasad	0.50	-
Dr.L.Krishnanand	0.50	-
Commission		
Mr.I.J.Rao	6.00	5.00
Mr.Vipin K.Singal	6.00	5.00
Mr.K.Chandrasah	6.00	5.00
Mr.J.Rambabu	6.00	5.00
Mr.B.Mohan Krishna	98.00	5.00
Mr.K.K.Sarma	6.00	5.00
Mr.G.V.Krishna Rau	6.00	5.00
Mrs.Kulsoom Noor Saifullah	6.00	5.00
Mrs.C.Shantha Prasad	6.00	-
Dr.L.Krishnanand	6.00	-
Rent		
Mrs.Challa Shantha Prasad	12.95	-
Purchase of Fixed Asset (Building)		
Mr.Vipin K.Singal	-	350.00
c) Relatives of Key Managerial Personnel		
Rent		
Mrs.Challa Shantha Prasad	4.31	17.26
Mrs.Challa Soumya	2.84	2.84



CCL PRODUCTS (INDIA) LIMITED

2.30 As per MCA Notification G.S.R.308 (E) dated 30.03.2017, the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are given below :

	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	3.90	1.28	5.18
(+) Permitted Receipts	-	15.84	15.84
(-) Permitted Payments	-	11.00	11.00
(-) Amount deposited in Banks	3.90	0.02	3.92
Closing Cash in Hand as on 30.12.2016	-	6.10	6.10

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

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

By order of the Board

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

Sd/-
Challa Rajendra Prasad
Executive Chairman

Place : Hyderabad
Date : 22nd May, 2017

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

Sd/-
Sridevi Dasari
Company Secretary

Sd/-
I.J. Rao
Director

Sd/-
Challa Srishant
Managing Director



CCL Products (India) Limited

(CIN: L15110AP1961PLC000874)

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

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

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

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of CCL Products (India) Limited.

I hereby record my presence at the 56th Annual General Meeting of the shareholders of CCL Products (India) Limited on 11th July, 2017 at the Registered office of the Company at Duggirala Mandal, Guntur Dist. – 522 330, Andhra Pradesh.

DP ID*	Reg. Folio No.
Client ID*	No. of Shares

* Applicable if shares are held in electronic form

Name & Address of Member

Signature of Shareholder/Proxy/
Representative(Please Specify)





CCL PRODUCTS (INDIA) LIMITED

CCL Products (India) Limited

(CIN: L15110AP1961PLC000874)

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

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

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

Form No. MGT-11

Proxy form

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

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

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

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

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 56th Annual General Meeting of the company, to be held on 11th July, 2017 at Duggirala Mandal, Guntur Dist. – 522 330, Andhra Pradesh and at any adjournment thereof in respect of such resolutions as are indicated below :

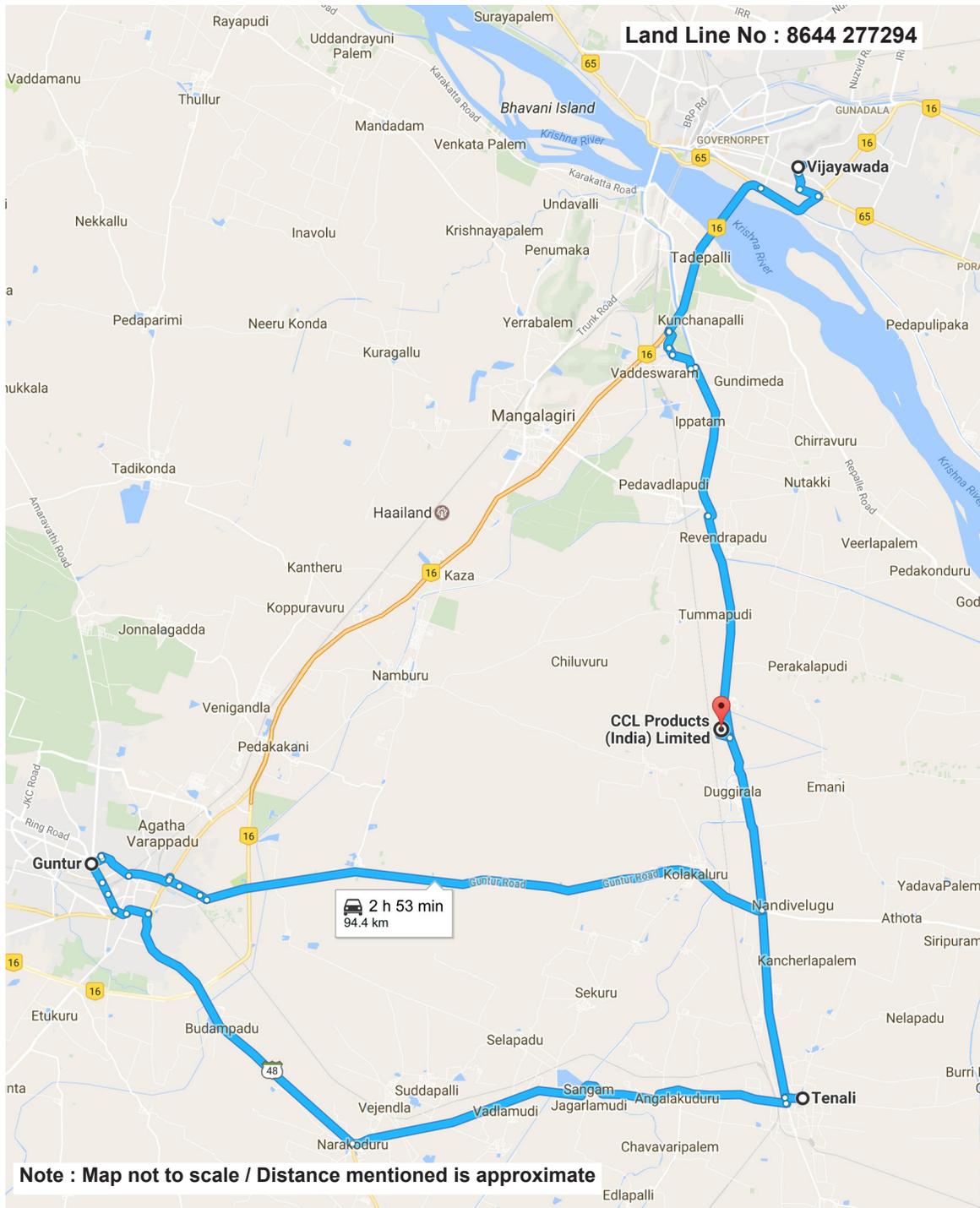
	Resolutions	For	Against
1.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Declaration of Final Dividend on Equity Shares		
3.	Re-appointment of Mr. B. Mohan Krishna as Director, who retires by rotation		
4.	Re-appointment of Ms. Shantha Prasad Challa as Director, who retires by rotation		
5.	Appointment of Statutory Auditors		
6.	Appointment of Mr. B. Mohan Krishna as Whole Time Director and to fix his remuneration		
7.	Approval of the Remuneration of the Cost Auditors		
8.	Approval for increase in FPI/FII holding in the Company		

Signed this day of 2017.

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

Affix
Revenue
Stamp

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



BUS ROUTES -

From Vijayawada - Take the buses going towards Tenali or Repalle from the Vijayawada (Pandit Nehru) bus station and disembark at Manchikalapudi or CCL Products (India) Limited.

From Guntur - Take the buses going to Mangalagiri bus station from the Guntur (NTR) bus station. Disembark at the Mangalagiri bus station and take the bus going towards Tenali and disembark at Manchikalapudi or CCL Products (India) Limited.

TRAIN ROUTE -

Trains have to be taken to the Vijayawada or Guntur railway stations, from those stations only passenger trains going towards Tenali halt at the Duggirala railway station where you have to disembark to reach CCL Products (India) Limited.

In case you choose to take a bus from the railway station to CCL Products (India) Limited, please follow the bus routes as mentioned above.

CCL's CSR Activities

As an essential segment of enhancing the value creation for society & the community and maintaining good corporate citizenship, CCL has organized and has been a part of various social responsibility initiatives. Through its regular services and its CSR initiatives, CCL has been generating community goodwill and creating a positive image as a socially responsible corporate.

This involved various programmes that have benefitted the communities in and around its factories which have enhanced the quality of life and economic well-being of the local residents.



Weaker section housing and infrastructure development



Health and nutrition to children



Medical and eye check up at educational institutions



Toilets in rural areas as part of Swachh Bharat initiative



Pure drinking water facilities



Woman empowerment and skill development



Primary health centres in rural areas



ContinentalTM COFFEE



Registered Office:
CCL Products (India) Limited
Duggirala Mandal, Guntur District - 522330, A. P. India.
Ph: +91 8644 277294, Fax: +91 8644 277295
Email: info@cclproducts.com | Web: www.cclproducts.com