



COCHIN MINERALS AND RUTILE LIMITED

AN ISO 9001:2015 COMPANY

A MODEL ECOFRIENDLY COMPANY

**ANNUAL REPORT
2018-2019**

COCHIN MINERALS AND RUTILE LIMITED

BOARD OF DIRECTORS

Shri. R. K. Garg	- Chairman
Shri. Mathew M. Cherian	- Director
Shri. Achutha Janardhana Pai	- Director
Shri. G. R. Warriar	- Director
Shri. R. Ravichandran	- Director
Shri. T. P. Thomaskutty	- Director
Smt. Jaya S. Kartha	- Director
Shri. Anil Ananda Panicker	- Director
Shri. Nabel Mathew Cherian	- Director
Shri. Saran S. Kartha	- Joint Managing Director
Dr. S. N. Sasidharan Kartha	- Managing Director

AUDITORS

A.K. Muralee & Company
Chartered Accountants,
Edapally, Kochi

SECRETARIAL AUDITORS

K. P. Thomas & Company,
Company Secretaries,
Carmel Building, Ist Floor, Banerji Road,
Kochi - 682 018
Ph: 0484 2395304
email : kptfcs@gmail.com

LEGAL ADVISORS

M/s Mathai & Mathai,
Advocates,
Ernakulam

M/s Menon & Pai,
Advocates,
Ernakulam

BANKERS

1. Bank of Baroda, Aluva.
2. State Bank of India, Aluva
3. IDBI Bank Ltd., Cochin.

REGISTRARS & SHARE TRANSFER AGENTS

M/s S.K.D.C Consultants Limited,
Kanapathy Towers, 3rd Floor, 1391/A, Sathy Road,
Ganapathy, Coimbatore – 641 006
Ph: 0422-4958995, 2539835, 2539836, Fax: 0422-2539837
E-mail: info@skdc-consultants.com

REGISTERED OFFICE

P.B. No. 73, VIII/224, Market Road,
Aluva – 683 101, Kerala.
Tel : 0484 – 2626789, Fax : 0484 - 2625674
E-mail : cmrlexim@cmrlindia.com, cmrlexim@dataone.in

CIN NO. L24299KL1989PLC005452

FACTORY

Edayar Industrial Development Area,
Muppathadom P.O.,
Aluva - 683 110.

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 30th Annual General Meeting of the shareholders of Cochin Minerals and Rutile Limited will be held on Tuesday, the 3rd September, 2019 at 9.30 A.M. at the Priyadarshini Municipal Town Hall, Thottakkattukara, Aluva, Ernakulam District, Kerala to transact the following business:

ORDINARY BUSINESS

1. Adoption of Accounts

To receive, consider and adopt the audited accounts of the Company for the financial year ended 31st March, 2019 together with Directors' Report and Auditors' Report, thereon.

2. Appointment of Directors

To appoint Directors in place of Shri. Anil Ananda Panicker and Shri. Nabel Mathew Cherian who retire by rotation and being eligible, offered themselves for re-appointment and to consider and if thought fit to pass with or without modification the following resolutions as ordinary resolutions.

- (a) "RESOLVED that the retiring Director Shri. Anil Ananda Panicker be and is hereby reappointed as Director of the company subject to retirement by rotation."
- (b) "RESOLVED that the retiring Director Shri. Nabel Mathew Cherian be and is hereby reappointed as Director of the company subject to retirement by rotation."

SPECIAL BUSINESS

3. Re-appointment of Joint Managing Director

To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:-

"Resolved that pursuant to the provisions of Sections 197 and 198 read with schedule V and other applicable provisions, if any, of the Companies Act 2013, including any statutory notifications or re-enactments thereof for the time being in force, the consent of the Company be and is hereby accorded for the re-appointment of Shri. Saran S Kartha as Joint Managing Director (DIN No:02676326) of the Company to hold office for a further period of 3 (Three) years effective from 1st October, 2019, on the following terms and conditions

Subject to the provisions of Sections 197 and 198 of the Companies Act 2013 read with Schedule V to the said Act, in financial years where profits are adequate, the Company may pay a remuneration by way of salary, perquisites, dearness allowance, commission and other allowances together not exceeding 5 (five) percent of the net profits of the Company and, in financial years where the Company has no profits or the profits are inadequate, the Company may pay remuneration by way of salary not exceeding Rs.14.00 lakhs per month and perquisite and allowances by way of contribution to PF at 12% of salary, gratuity at 15 days salary per completed year of service for the whole period of his continuous service with

the company, leave encashment and other perquisites/allowances, if any, as per rules of the Company, as minimum remuneration as per Schedule V to the Companies Act 2013 or any statutory modifications or re-enactments thereof for the time being in force.

4. Reappointment of Independent Director - Shri. Achutha Janardhana Pai

To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:-

“Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013 and Rule 17(A) of the SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015 Shri. Achutha Janardhana Pai (DIN No. 00115688) who is an independent Director of the Company in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Director, pursuant to Section 160, be and is hereby re-appointed as Independent Director of the Company for a period of five consecutive years effective from 07.07.2019, in spite of his attaining the age of 75 years on 05.09.2020, not liable to retire by rotation.

5. Reappointment of Independent Director – Shri. R K Garg

To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:-

“Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act 2013 read with schedule IV of the said Act and the SEBI (LODR) Rule 17 (A), approval of the members is hereby granted to Mr. R.K. Garg (DIN 00644462) who is over the age of 75 years for his continuation as a non-executive director till date and further resolved that he, in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Director, pursuant to Section 160, be and is hereby re-appointed as Independent Director of the Company for a further period of five consecutive years, in spite of his age being above 75 years, not liable to retire by rotation.

6. Reappointment of Independent Director – Shri. G R Warriar

To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:-

“Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act 2013 read with schedule IV of the said Act and the SEBI (LODR) Rule 17 (A), approval of the members is hereby granted to Mr. G R Warriar (DIN 01146202) who is over the age of 75 years for his continuation as a non-executive director till date and further resolved that he, in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Director, pursuant to Section 160, be and is hereby re-appointed as Independent Director of the Company for a further period of five consecutive years, in spite of his age being above 75 years, not liable to retire by rotation.”

7. Revision of Remuneration of Managing Director

To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:-

- (a) “Resolved that pursuant to the provisions of Sections 197 and 198 read with schedule V and other applicable provisions, if any, of the Companies Act 2013, including any statutory notifications or re-enactments thereof for the time being in force, the consent of the Members be and is hereby accorded for revision in the remuneration payable to Dr. S N Sasidharan Kartha, Managing Director (DIN No:00856417) with effect from 01.10.2018 till his current term ending on 31.03.2021, on the following terms and conditions.
- (i) Subject to the provisions of Sections 197 and 198 of the Companies Act 2013 read with Schedule V to the said Act, in financial years where profits are adequate, the Company may pay a remuneration by way of salary, perquisites, dearness allowance, commission and other allowances together not exceeding 5 (five) percent of the net profits of the Company and,
- (ii) in financial years where the Company has no profits or the profits are inadequate, the Company may pay remuneration by way of salary not exceeding Rs.20.00 lakhs per month and perquisite and allowances by way of contribution to PF at 12% of salary, gratuity at 15 days salary per completed year of service for the whole period of his continuous service with the company, leave encashment and other perquisites/allowances, if any, as per Rules of the Company, as minimum remuneration as per Schedule V to the Companies Act 2013 or any statutory modifications or re-enactments thereof for the time being in force.

By Order of the Board

Place : Aluva
Date : 15.07.2019

Dr. S.N. Sasidharan Kartha,
Managing Director.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board resolution authorizing the representative to attend and vote at the meeting on their behalf.
5. Members/Proxies should bring the duly filled attendance slip enclosed to attend the meeting.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from 28th August, 2019 to 3rd September, 2019 (both days inclusive) as per Clause 16 of the Listing Agreement.
7. Members are requested to address all correspondence including change of address and dividend matters to the Registrars and share Transfer agents of the company, M/s S K D C Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391/A, Sathy Road, Ganapathy, Coimbatore – 641 006.
8. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with Company Secretary / Share Transfer Agents of the Company. Members are requested to note that in terms of Section 124 (5) of the Companies Act, 2013 dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, as per the Companies Act, will be transferred to the Investor Education and Protection Fund of the Central Government and no claim shall lie against the fund. The particulars of unclaimed/unpaid dividends declared from financial year 2011-2012 are given below:

Financial Year ended 31 st March	Date of Declaration	Last date for claiming
2012	06.07.2012	05.07.2019
2013	09.07.2013	08.07.2020
2014	07.07.2014	06.07.2021
9. Additional information in respect of Directors seeking election/re-election as required under Schedule V of the Listing Agreement entered into with Stock Exchange and as per SS-2 are provided as Annexure to this notice.

10. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail address with the company in respect of shares held in physical form and with concerned Depository Participant in respect of shares held in electronic form to enable the Company to serve documents in electronic form.
11. A member who need any clarification on accounts or operations of the Company shall write to the Company Secretary, so as to reach him at least 7 days before the meeting, so that the information required can be provided.
12. Members are requested to bring their copy of Annual Report with them to the Annual General Meeting.
13. Electronic copy of the Annual Report and AGM Notice are being sent to all the members whose E-mail id is registered with the Company/Depository participants, unless any such member has requested for a hard copy of the same. For members who have not registered their E-mail ID, physical copies of Annual Report and AGM Notice for the year 2018-19 are sent through the permitted mode separately.
14. The notice of the Annual General Meeting and this communication are also available on the website of the company www.cmrlindia.com.
15. The results of remote e-voting and voting by Ballot at the Annual General Meeting will be announced at the Registered Office of the Company, by the Chairman of the Company or by a Person authorized by him within 48 hours of conclusion of the Annual General Meeting. A copy of the same will be posted in the company's website: www.cmrlindia.com and a copy will be forwarded to the Bombay Stock Exchange Ltd. where the shares of the Company are listed.

Voting Through Electronic Means

In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) of the SEBI (LODR) Regulations, the Company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 30th Annual General Meeting scheduled to be held at 9.30 A M on Tuesday, the 3rd September, 2019, by electronic means and the business may be transacted through remote e-voting. The Company has engaged the services of CDSL as the authorised agency to provide the remote e-voting facilities. The instructions for remote e-voting is provided below.

Members, who have not voted through remote e-voting and present at the AGM in person or proxy, can vote through the ballot conducted at the AGM. Kindly note that members can opt for only one mode of voting i.e., either by remote e-voting or by ballot at the AGM. A member present at the AGM and voted by remote e-voting will not be permitted to vote at the AGM by Ballot.

Votes cast by members who hold shares on the cutoff date viz. 27.08.2019 alone will be counted.

Instructions for shareholders Voting Electronically are as under:

- (i) The remote e-voting period begins at 09.00 AM on 31st August 2019 and ends at 05.00 PM on 2nd September, 2019. During this period shareholders of the Company, holding shares either in physical form or in electronic form, as on the cut-off date of 27th August, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login
- (vi) 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.
- (vii) 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) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number provided at the attendance slip enclosed in the PAN field.

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank details Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in electronic form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Company Name, choose COCHIN MINERALS AND RUTILE LIMITED to vote.

- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.”
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (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 Corporates and custodians respectively
 - 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) 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. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 31st August, 2019. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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 e- mail to helpdesk.evoting@cdslindia.com.

Statement of Material facts pursuant to Section 102 (1) of the Companies Act, 2013**Item No. 3**

The present Joint Managing Director, Shri. Saran S Kartha, was appointed for a period of 5 years with effect from 1st October, 2014 on the terms and conditions approved by the shareholders in the meeting held on 7th July, 2014. The five year tenure will expire on 30th September 2019. The Board of Directors has taken on record the resolution passed by the Nomination and Remuneration Committee to re-appoint Shri. Saran S Kartha for a further period of 3 years effective from 01-10-2019, on such remuneration and terms as set out in the relevant resolution. As per Schedule V to the Companies Act, 2013, the remuneration payable to managerial personnel requires approval of shareholders in general meeting and, accordingly, the resolution set out under item 3 of the notice is recommended for your approval. Mr. Saran S Kartha is the Director of Kerala Rare Earths and Minerals Ltd. and Nipuna International Pvt. Ltd.

Except Dr. S N Sasidharan Kartha and Smt. Jaya S Kartha, parents of the appointee, and Shri. Anil Ananda Panicker, brother-in-law of the appointee, none of the Directors is concerned or interested in the resolution.

Additional information is given in Annexure

Item No. 4

Pursuant to the provisions of section 149 and 160 of the Companies Act, 2013 read with Listing Agreement entered into with the Stock Exchange and as recommended by the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 27th May, 2019 had re-appointed Mr. Achutha Janardhana Pai as Independent Director effective from 7th July 2019, for a further period of 5 years, as his current term was to expire on 6th July 2019, even though he will attain the age of 75 years on 05.09.2020. In the opinion of the Board of Directors, the continued association of Shri. Achutha Janardhana Pai, who fulfills the conditions specified for independent directors in the Act, with his rich experience in finance and administrative field would immensely benefit the company and hence the Board recommends his re-appointment. The Company has received a notice, from a member signifying his candidature to the office of the Independent Director of the Company under Section 160 of the Companies Act, 2013. None of the Directors, Key Managerial Personnel or their relatives, except the appointee is concerned or interested in the resolution.

Additional information is annexed to this notice.

Item No. 5

SEBI has amended the LODR Regulations 2015 with effect from 01.04.2019 and as per Regulation 17(IA) a listed Company shall not appoint or continue the directorship of a person as non-executive director, who has attained the age of 75 years unless a Special Resolution to that effect is passed. The term of present appointment of Shri. R K Garg who has already attained the age of 75 years is to expire on 13.02.2020. A distinguished chemical engineer, Shri.R.K. Garg has been guiding the Company since 1991, as its Chairman. He is Chairman of the Technical Review Committee and Vice Chairman of Expert Appraisal Committee (Industry), Ministry of Environment & Forest, Government of India. He has the distinction of heading Indian Rare Earths Ltd. as

its CMD during 1986 - 90 and Director Chemical Engineering Group, Bhabha Atomic Research Centre, Bombay during 1980 -86. He was Chairman of Armament Research Board and Chairman of Recruitment and Assessment Centre, Defence Research and Development Organisation, Ministry of Defence, Government of India. Mr. Garg has rich and varied experience in chemical and chemical process industry. Currently Mr. Garg also holds directorships of Kerala Rare Earths and Minerals Limited (KRML) and Zirconium Chemicals Pvt. Ltd. and he is the Chairman of the Audit Committee of the Company. The Nomination and Remuneration Committee has therefore recommended seeking shareholder approval by Special Resolution for his continuation till date and also for reappointing him for a further period of 5 consecutive years. In the opinion of the Board the continued association of Mr. Garg, with his rich, varied and long professional experience, would immensely benefit the company and, hence, it recommends the resolution set out in the notice. None of the Directors, Key Managerial Personnel or their relatives, except the appointee, is concerned or interested in the resolution.

Additional information is annexed to this notice.

Item No. 6

SEBI has amended the L O D R Regulations 2015 with effect from 01.04.2019 and as per Regulation 17(IA) a listed Company should not appoint or continue the directorship of a person as non-executive director, who has attained the age of 75 years unless a Special Resolution to that effect is passed. The term of present appointment of Shri.G R Warriar, who has already attained the age of 75 years is to expire on 13.02.2020. Mr. G R Warriar is a Post Graduate in Science with MBA and associate member of the Institution of Chemicals Engineers. He has been with the Company since its inception and has considerable experience in Chemical and Metal industry.

The Nomination and Remuneration Committee has therefore recommended seeking shareholder approval by Special Resolution for his continuation as director till date and also for reappointing him for a further period of 5 consecutive years. In the opinion of the Board the continued association of Mr. Warriar with his rich and varied professional experience would immensely benefit the company and, hence, it recommends the resolution set out in the notice. None of the Directors, Key Managerial Personnel or their relatives, except the appointee, is concerned or interested in the resolution.

Additional information is annexed to this notice.

Item No. 7

The present Managing Director Dr. S N Sasidharan Kartha was reappointed for a period of 3 years with effect from 1st April, 2018 as approved by the shareholders in their meeting held on 29th August 2017 on the Remuneration as per the Provisions of section 197 and 198 of the Act, when profits are adequate and in financial years where the company has no profits or the profits are inadequate payment as minimum remuneration not exceeding the limits specified in part II, Section II of Schedule V to the Companies Act or any statutory modifications or re-enactments thereof for the time being in force. In terms of the amended Schedule V notified on 12.09.2018, the Company is authorized to pay remuneration exceeding the said limits, if authorised by the shareholders by Special Resolution.

The Board of Directors has taken on record the Resolution passed by the Nomination and Remuneration Committee to revise the minimum remuneration payable to Managing Director by way of salary and perquisite/allowances as given in the relevant resolution. As per Schedule V, such revision is subject to the approval of the Shareholders in the General Meeting. The Board also noted his management capabilities and the dedication and hard work being put in by him in steering the company to success even in difficult times and, therefore, the Board recommends the resolution set out under item No. 7 of the notice for your approval. None of the Directors except Dr. S N Sasidharan Kartha, the appointee, Smt. Jaya S Kartha, being his wife, Mr. Saran S Kartha and Mr. Anil Ananda Panicker being his son and Son-in-Law, Key management personnel or their relatives are concerned or interested in the resolution.

Annexure to notice of AGM

Additional information on Directors seeking appointment/re-appointment in the Annual General Meeting scheduled on 03.09.2019 as required under Secretarial Standards-2 on General Meetings, issued by the Institute of Company Secretaries of India

Name : Nabel Mathew Cherian (DIN 03619760)

1.	Name	Nabel Mathew Cherian
2.	Date of Birth / Age	26.01.1983 / 36 Years
3.	Educational Qualification	B. Com. Graduate with MBA(Finance) from Gannon University, USA and MS (Accounting and Taxation) from University of Hartford U S A.
4.	Expertise in functional area	Management of Hospitality Business
5.	Date of first appointment on Board	26-08-2011
6.	Brief Resume including Experience	9 years experience in the management & administration of Hospitality business.
7.	Directorship held in other Companies	Executive Director of Naduvile Idom Hospitality Private Limited.
8.	No.of shares held in the Company.	1300
9.	Relationship with other Directors, Manager and other Key Managerial personnel of the Company	Son of Shri. Mathew M Cherian
10.	No.of Board meetings attended during his current tenure in office as director and till the date of this Notice	10
11.	Details of membership in the Committee of the Board of the company.	Stakeholder Relationship Committee
12.	Details of membership in Committee/s of the Board of other companies*	NIL
13.	Terms and conditions of appointment/ re-appointment including remuneration	As per Resolution of the Annual General Meeting.

*Membership in committee denotes mandatory committees as per Companies Act, 2013.

Annexure to notice of AGM

Additional information on Directors seeking appointment/re-appointment in the Annual General Meeting scheduled on 03.09.2019 as required under Secretarial Standards-2 on General Meetings, issued by the Institute of Company Secretaries of India

Name : Anil Ananda Panicker (DIN 05214837)

1.	Name	Anil Ananda Panicker
2.	Date of Birth / Age	03.04.1980/ 39years
3.	Educational Qualification	B Tech (Mechanical) with MBA (Marketing and Operations) from XLRI, Jamshedpur.
4.	Expertise in functional area	Expertise in Marketing and International Trade
5.	Date of first appointment on Board	10-08-2016
6.	Brief Resume including Experience	17 years experience in overseas companies as Senior Executive both at a strategic and operational level.
7.	Directorship held in other Companies	Director of Kerala Rare Earths and Minerals Limited and Chairman of Nipuna International Private Limited.
8.	No.of shares held in the Company.	143772
9.	Relationship with other Directors, Manager and other Key Managerial personnel of the Company	Son-in-Law of Dr. S N Sasidharan Kartha and Smt. Jaya S Kartha, Brother- in-law of Shri. Saran S Kartha.
10.	No.of Board meetings attended during his current tenure in office as director and till the date of this Notice	15
11.	Details of membership in the Committee of the Board of the company.	NIL
12.	Details of membership in Committee/s of the Board of other companies*	NIL
13.	Terms and conditions of appointment/ re-appointment including remuneration	As per Resolution of the Annual General Meeting.

*Membership in committee denotes mandatory committees as per Companies Act, 2013.

Annexure to notice of AGM

Additional information on Directors seeking appointment/re-appointment in the Annual General Meeting scheduled on 03.09.2019 as required under Secretarial Standards-2 on General Meetings, issued by the Institute of Company Secretaries of India

Name : Achutha Janardhana Pai (DIN : 00115688)

1.	Name	Achutha Janardhana Pai
2.	Date of Birth / Age	06-09-1945/ 74 years
3.	Educational Qualification	Fellow member of Institute of Chartered Accountants of India.
4.	Expertise in functional area	A fellow member of the Institute of Chartered Accountants of India, has been in the service of KSIDC Ltd for about 25 years and retired in the year 2003 as its Executive Director. He was a Director on the Company's Board, as KSIDC nominee from 2000 to 2004 and since then as an independent director.
5.	Date of first appointment on Board	22.09.2004
6.	Brief Resume including Experience	Shri. Achutha Janardhana Pai (DIN No. 00115688) a fellow member of the Institute of Chartered Accountants of India, has been in the service of KSIDC Ltd for about 25 years and retired in the year 2003 as its Executive Director. He was on the Company's Board, as KSIDC nominee from 2000 to 2004 and since then as an independent director appointed in the Annual General Meeting held on 07-07-2014.
7.	Directorship held in other Companies	19 Companies - Presently he also holds Directorship in 19 other Companies viz. Emmay Projects (India) Private Limited, Emmay Ventures (India) Private Limited, Sy Ventures Private Limited, Sands Infrabuild Private Limited, Lulu Tech Park Private Limited, Lulu Infrabuild Private Limited, Lulu Hypermarket Private Limited, Lulu Trivandrum Mall Private Limited, Lulu International Shopping Mall Private Limited, Lulu Convention And Exhibition Center Private Limited, Lulu Convention Center Calicut Private Limited, Lulu Flight Kitchen Private Limited, Emmay Logistics (India) Private Limited, Space International Air Travels Private Limited, Line Properties Private Limited, Lulu Projects Private Limited, Lulu Cyber Park Private Limited, Lulu Group International Private Limited, Lake-shore Hospital And Research Centre Limited

8.	No.of shares held in the Company.	1300
9.	Relationship with other Directors, Manager and other Key Managerial personnel of the Company	NIL
10.	No.of Board meetings attended during his current tenure in office as director and till the date of this Notice	25
11.	Details of membership in the Committee of the Board of the company.	Member of Audit Committee Chairman of Nomination & Remuneration Committee
12.	Details of membership in Committee/s of the Board of other companies*	Chairman of Audit Committee, Chairman of CSR Committee and Member of Nomination and Remuneration Committee of the Board of Lakeshore Hospital And Research Centre Limited
13.	Terms and conditions of appointment/ re-appointment including remuneration	As per Resolution of the Annual General Meeting.

*Membership in committee denotes mandatory committees as per Companies Act, 2013.

Annexure to notice of AGM

Additional information on Directors seeking appointment/re-appointment in the Annual General Meeting scheduled on 03.09.2019 as required under Secretarial Standards-2 on General Meetings, issued by the Institute of Company Secretaries of India

Name : SARAN S KARTHA (DIN : 02676326)

1.	Name	Saran S Kartha
2.	Date of Birth / Age	24-06-1987 / 32years
3.	Educational Qualification	B.Tech (Mechanical)
4.	Expertise in functional area	Executive Director of the Company for a period of 5 years with effect from 01.10.2014. Over all supervision and management of different departments of the Company.
5.	Date of first appointment on Board	27.05.2009
6.	Brief Resume including Experience	Joint Managing Director of Cochin Minerals and Rutile Ltd. Director of (1) M/s Kerala Rare Earths and Minerals Limited, (2) M/s Nipuna International Pvt. Ltd. He was appointed as a member of Senate of Cochin University of Science & Technology.
7.	Directorship held in other Companies	(1)M/s Kerala Rare Earths and Minerals Limited (2) M/s Nipuna International Pvt. Ltd.
8.	No.of shares held in the Company.	158962
9.	Relationship with other Directors, Manager and other Key Managerial personnel of the Company	Dr. S N Sasidharan Kartha , Smt. Jaya S Kartha are parents and Shri. Anil Ananda Panicker is Brother – in- Law
10.	No.of Board meetings attended during his current tenure in office as director and till the date of this Notice	24
11.	Details of membership in the Committee of the Board of the company.	Member of Audit Committee Member of Corporate Social Responsibility Committee
12.	Details of membership in Committee/s of the Board of other companies*	NIL
13.	Terms and conditions of appointment/ re-appointment including remuneration	As per Resolution of the Annual General Meeting.

*Membership in committee denotes mandatory committees as per Companies Act, 2013.

DIRECTORS' REPORT

Your Directors are pleased to present the 30th Annual Report of your Company along with audited statements of accounts for the year ended 31st March 2019.

FINANCIAL HIGHLIGHTS		
	Rs. In Lakhs	
	2019	2018
Sales and Other Income	22536.07	16505.88
Profit before Interest & Depreciation	1631.12	855.98
Interest	460.17	569.33
Depreciation	51.81	68.57
Net/ Profit/Loss for the year	1119.14	218.08
Provision for Tax	241.20	-
Deferred tax asset (liability)	330.98	84.15
Profit/Loss after tax	546.96	133.93
Appropriations	NIL	NIL

DIVIDEND

Since the company did not generate sufficient profit during the year your Directors do not propose to recommend a dividend for the financial year ended 31st March, 2019.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis of the Working Results for the year and outlook for the current year are given as Annexure VII

DIRECTORS & KEY MANAGEMENT PERSONNEL

As per the provisions of the Companies Act, 2013, your directors Shri. Anil Ananda Panincker and Shri. Nabel Mathew Cherian retire by rotation at the Annual General Meeting and being eligible, offer themselves for reappointment. The appointment of Shri. Saran S Kartha as Joint Managing Director is expiring on 30.09.2019 and as recommended by the Nomination & Remuneration Committee, he is proposed to be reappointed for a further period of 3 years in the ensuing Annual General Meeting. The Board of Directors of the Company on the recommendation of the Nomination & Remuneration Committee has re-appointed Mr. Achutha Janardhana Pai as Independent Director for a further period of 5 years, subject to approval in the ensuing Annual General Meeting.

DECLARATION OF INDEPENDENT DIRECTORS

The independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149 (6) of the Act and that there has been no change in the circumstances which may affect their status of independence.

DIRECTORS' APPOINTMENT & REMUNERATION POLICY

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as

provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure II.

ANNUAL EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements under SEBI Listing Regulations 2015. The evaluation was on the basis of inputs from all the directors on criteria such as Board composition and structure, effectiveness of board processes, meeting procedures and functioning, etc. A meeting of independent Directors, evaluated the performance of non-independent directors, the board as a whole and that of the Chairman, taking into account the views of executive directors and non-executive directors. These evaluations were considered and discussed in the subsequent board meeting/s.

CSR INITIATIVES

The report on Corporate Social Responsibility activities in terms of Rule 8 of the Companies (CSR) Rules, 2014 is given in Annexure - III.

RISK MANAGEMENT

The Board regularly consider and evaluate the risk factors and take appropriate risk mitigation steps from time to time.

SEXUAL HARASSMENT

The company has formed an anti sexual harassment policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act 2013 and an internal complaints committee has been set up to redress complaints, if any. No complaint was received by the committee during the year 2018-19.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

TRANSACTIONS WITH RELATED PARTIES

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. 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 IV in Form AOC-2.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

DEPOSITS FROM PUBLIC

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

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this report relates and on the date of this report

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, your directors state that:

- (a) In preparing the Annual Accounts for the year ended 31.03.2019, the applicable accounting standards have been followed and there are no material departures
- (b) The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year ended on that date.
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) That the Directors had prepared the accounts on a going concern basis.
- (e) The directors had laid down internal financial controls to be followed by the company and that such controls are adequate and operating effectively and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that systems were adequate and operating effectively.

AUDITORS & AUDIT REPORT

Pursuant to the provisions of Section 139(2) of the Companies Act 2013, M/s A K Muralee & CO., Chartered Accountants, Edappally, was appointed in the 28th AGM as Statutory Auditor of the Company to hold office for a period of 5 years and continue in office. The report of the auditor for the current year does not contain any qualification or adverse comments.

SECRETARIAL AUDIT REPORT

The Secretarial audit report in terms of section 204 of the Companies Act, 2013 is attached. The report does not contain any qualification or adverse comments.

EXTRACT OF ANNUAL RETURN

The extract of annual return for the year ended 31.03.2019 in the prescribed form MGT-9 is given in Annexure V.

AUDIT COMMITTEE

The composition and details of meetings of the audit committee are included in the corporate governance report. There was no recommendation of the audit committee that was not accepted by the board.

MEETING OF THE BOARD

Five meetings of the Board were held during the year. Details are included in the corporate governance report

PARTICULARS OF EMPLOYEES ETC. AS PER SECTION 197(12)

The particulars in terms of Section 197 read with Rule 5(1) & (2) of the Companies (Appointment

and Remuneration of Managerial Personnel) Rules 2014 are given in annexure VI

CORPORATE GOVERNANCE

Your company has complied with all the conditions of corporate governance regulations, as contained in the revised Chapter IV of SEBI (Listing obligations & Disclosure Requirements) Regulations 2015. The corporate governance report and the certificate from the auditors regarding the compliances are annexed to this report as Annexures VIII & IX. The report includes the details of the familiarisation programme for Independent Directors and the policies adopted viz. whistle blower policy to provide vigil mechanism, and related party transactions.

ISO CERTIFICATION

Your Company has now been granted ISO 9001 : 2015 by the prestigious agency, Bureau Veritas, with accreditation from UKAS London and NABCB, India.

NSF CERTIFICATION

Your company's products, Ferric Chloride and Ferrous Chloride have got NSF/ANSI Standard 60 certification for drinking water treatment chemicals from M/s N S F International, organization designated as a Collaborating Center by the World Health Organization (WHO) for both food safety and drinking water safety and treatment.

STATUTORY APPROVALS & LICENCES

The Company has renewed all statutory approvals and licences from various Departments/ Authorities for carrying on its normal business. The licenced and installed capacity of Synthetic Rutile production now stands at 50,000 MT per annum.

INDUSTRIAL RELATIONS

The Labour - Management relations have been cordial and a long term agreement with Trade Unions of the Employees, valid till March 2020 is in force.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

The details/information in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of R. 8 (3) of the Companies (Accounts) Rules are given in the Annexure I.

DEMATERIALISATION

The shares of your Company are compulsorily dematerialised for trading. The ISIN number of the shares is INE105D01013.

LISTINGS

The shares of your Company are listed with B S E Limited. The listing fee as required has already been paid upto and including the year 2019-20.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their deep sense of gratitude to the Banks and Financial Institutions, Central and State Government Departments and local authorities for their co-operation and support. Your directors are also grateful to the customers, suppliers and business associates

for their co-operation. Your directors also like to place on record their appreciation of the valuable contribution made by the employees of the company at all levels. Finally, your directors are deeply grateful to the members for their continued confidence and faith in the management of the company.

For and on behalf of the Board,

Place: Aluva,
Date : 15.07.2019

R.K. Garg
Chairman.

Annexure – I to the Directors' Report

Statement containing particulars pursuant to Rule 8(3) of the Companies (Accounts) Rules 2014 forming part of the Directors Report.

(A) Statement on Conservation of Energy

Sl. No.	Particulars	Related disclosures
(i)	steps taken or impact on conservation of energy	We maintained power factor to 0.99 by effective operation and maintenance. Energy consumption reduced by replacing the existing fluorescent lamps with LED lamps, providing transparent roofs and natural draught fans, solar lamps etc. Based on the energy audit recommendations, we replaced 3 Nos. of old low efficient motors with high efficient motors in the plant.
(ii)	steps taken by the company for utilising alternate sources of energy	Maintained transparent roof/cladding sheets in plants and godowns, Natural draught exhaustfans in godowns operates Biogas plant for canteen waste treatment and utilise solar lamps for emergency lighting.
(iii)	capital investment on energy conservation equipments	Rs. 2.53 lakhs

(B) Technology absorption,

Sl. No.	Particulars	Related disclosures
(i)	the efforts made towards technology absorption	(i) Pilot plant scale production trials for pure Iron Oxide pigments are in progress (ii) Studies on low temperatures pyrohydrolitic distillation process for Recovery of Hydrochloric Acid and Iron Oxide from Leach Liquor (FeCl_2) is in progress.
(ii)	Benefits derived like product improvement, cost reduction, product development, import substitution etc	Increased sale of Recovered TiO_2 , Upgraded Ilmenite and Rutoweld. Cost reduction due to recovery of Ilmenite from waste stream and utilisation of unburned coal in Roaster plant.
(a)	Details of technology imported	Not applicable
(b)	the year of import	Not applicable
(c)	whether the technology been fully absorbed	Not applicable

(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not applicable	
(iv)	Expenditure on R&D		Rs. In Lakhs
		Capital Expenditure	NIL
		Revenue	81.37
		Total	81.37

C. Foreign Exchange Earnings and Outgo		
(1) Foreign Exchange Earned through exports	US \$	2,85,36,130.00
(2) Foreign Exchange outgo during the year	US \$	1,21,72,946.00

Annexure II**NOMINATION & REMUNERATION POLICY****PREFACE**

In furtherance of the philosophy and commitment of the company - (a) to consider human resources as its greatest assets, (b) to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, (c) to harmonize the aspirations of human resources consistent with the goals of the Company and (d) to comply with the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time - this policy on nomination and remuneration of Directors, Key Managerial and Senior Management personnel has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

OBJECTIVES

The main objectives of the policy are:

- (a) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions.
- (b) To lay down guidelines to determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in similar companies.
- (c) To carry out evaluation of the performance of Directors, as well as Key Managerial and senior management personnel.
- (d) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.
- (e) To formulate appropriate incentive schemes linked to performance.

EFFECTIVE DATE

This policy has been effective from 1st April, 2014.

NOMINATION AND REMUNERATION COMMITTEE:**A) Membership**

- the committee shall consist of a minimum of 3 non-executive directors, the majority of them being independent.
- membership of the committee shall be disclosed in the Annual report.
- the term of the committee shall continue unless terminated by the board.

B) Chairperson

The chairperson of the committee shall be an independent director.

C) Constitution

The Board has changed the nomenclature of the Remuneration Committee by renaming it as Nomination and Remuneration Committee and reconstituted it with the following Non Executive Directors as members:

1. Shri. A.J. Pai, Chairman (Independent)
1. Shri. R. K. Garg, Member (Independent)
3. Shri. G.R. Warriar, Member (Independent)

DEFINITIONS

- Board means Board of Directors of the Company.
- Directors means Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
- Key Managerial Personnel (KMP) means-
 - (i) Executive Chairman and / or Managing Director, Jt. Mg Director
 - (ii) Whole-time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- Senior Management means personnel of the Company occupying the position of Chief Executive Officer (CEO)/General Manager of any unit / division and unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

APPLICABILITY

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Determine remuneration for the whole-time directors, KMP and senior management personnel
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

POLICY RELATING TO APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. The Board of the Company may consciously be drawn in a manner that at least one director from each of the following field is on the Board of the Company – Mineral processing, Banking and finance, Legal and general administration etc

3. The appointment and reappointment of whole time directors shall be subject to the provisions of the Companies Act 2013 and rules framed there-under and the listing agreement.
4. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel on annual basis.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY RELATING TO THE REMUNERATION FOR THE DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL

1. The remuneration / compensation / commission etc. to the Whole-time Directors, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval, subject to the provisions of the Companies Act, 2013, the rules made there under, wherever applicable and considering the financial position of the company and trends and practices on remuneration prevailing in the industry.
2. The remuneration / commission to Non- Executive / Independent Directors shall be fixed as per the relevant provisions of the Companies Act, 2013 and the rules made there under.

REVIEW

- (i) The committee or the Board may review the Policy as and when it deems necessary.
- (ii) This Policy may be amended or substituted by the committee or by the Board as and when required and also by the Managing Director to comply with any statutory changes.

Annexure - III

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**(As per Rule 8 of Companies (CSR) Rules ,2014)**

- 1. 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:**

CSR Policy is available on the web site of the company www.cmrlindia.com under 'Policies'.

- 2. The composition of the CSR committee:** The Company has a CSR committee of directors comprising of Mr. G R Warriar (Non-Executive Director) – Chairman
Dr. S N Sasidharan Kartha (Managing Director) - Member
Mr. Saran S Kartha (Joint Managing Director) - Member

- 3. Average net profit of the company for last three financial years for the purpose of computation of CSR:** NIL - Based on last 3 years profit/ loss, the company is not required to spend any amount.

- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** NIL

- 5. Details of CSR spent during the financial year:**

- a. Total amount spent for the financial year:** NIL

- b. Amount unspent :** NIL

- c. Manner in which the amount spent during the financial year is detailed below:**

- 6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Not Applicable

- 7. 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.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Date: 15.07.2019

M.D

Chairman of CSR Committee

Annexure - IV

Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for 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 arms length transactions under third proviso thereto:

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

Not entered into any contract or arrangement or transaction with its related parties which is not at arm's length basis and in ordinary course of business during financial year 2018-19

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

- a. Nature of contracts / arrangements / transactions: N.A.
- b. Duration of the contracts / arrangements / transactions: Not Applicable
- c. Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- d. Amount paid as advances, if any: Nil

On behalf of the board of directors,

Chairman

Aluva
15.07.2019

Annexure - V

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L24299KL1989PLC005452
ii)	Registration Date	18/08/1989
iii)	Name of the Company	COCHIN MINERALS AND RUTILE LTD
iv)	Category / Sub-Category of the Company	Indian Non Government Company/ Company limited by Shares
v)	Address of the Registered office and contact details	P B No 73, VIII/224 Market Road Alwaye Pin- 683101. Ph : 0484 2626789 email : cmrlexim@cmrlindia.com, cmrlexim@dataone.in
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	SKDC Consultants Ltd. Kanapathy Towers, 3rd Floor 1391/ A -1, SathyRoadGanapathy Coimbatore – 641 006 Tel: (0422)4958995, 2539835-836 Fax: (0422)2539837 E-mail : info@skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No.	Name and description of main products/services	NIC code of the products/Service	% to total turnover of the company
1	Synthetic Rutile	13209	92.83

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – Nil

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

i) Category-wise Share Holding

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) Individuals/ Hindu Undivided Family	2724970	0	2724970	34.802	2685900	0	2685900	34.303	-0.499
b) Central Government/ State Government(s)	1050000	0	1050000	13.410	1050000	0	1050000	13.410	0.000
c) Bodies Corporate	354007	0	354007	4.521	354007	0	354007	4.521	0.000
d) Financial Institutions/ Banks									0.000
e) Any Others (Specify)									0.000
f) Trusts									0.000
Sub Total(A)(1)	4128977	0	4128977	52.733	4089907	0	4089907	52.234	-0.499
(2) Foreign									
a) Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.000	0	0	0	0.000	0.000
b) Bodies Corporate	0	0	0	0.000	0	0	0	0.000	0.000
c) Institutions	0	0	0	0.000	0	0	0	0.000	0.000
d) Qualified Foreign Investor	0	0	0	0.000	0	0	0	0.000	0.000
e) Any Others (Specify)	0	0	0	0.000	0	0	0	0.000	0.000
Sub Total(A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter and Promoter Group (A)= (A) (1)+(A)(2)	4128977	0	4128977	52.733	4089907	0	4089907	52.234	-0.499
(B) Public shareholding									
(1) Institutions									
a) Mutual Funds/ UTI	0	5400	5400	0.069	0	5400	5400	0.069	0.000
b) Venture Capital Funds									
c) Alternate Investment Funds									
d) Foreign Venture Capital Investors									
e) Foreign Portfolio Investors									
f) Financial Institutions / Banks	93124	2600	95724	1.223	53124	2600	55724	0.712	-0.511

g) Insurance Companies									
h) Provident Funds / Pension funds									
i) Any Other (specify)									
Sub-Total (B)(1)	93124	8000	101124	1.292	53124	8000	61124	0.781	-0.511
(2) Central Government/ State Government(s)/ President of India									
Sub-Total (B)(2)									
(3) Non-institutions									
a) Bodies Corporate									
i) Indian	186117	6700	192817	2.463	225369	6600	231969	2.963	0.500
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs 1 lakh	1173310	476829	1650139	21.073	1009898	405928	1415826	18.081	-2.992
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1210548	68000	1278548	16.329	1555768	200	1555968	19.871	3.542
c) Others (specify)									
DIRECTORS & THEIR RELATIVES									0.000
NON RESIDENT INDIANS	227603	0	227603	2.907	216213	0	216213	2.762	-0.145
CLEARING MEMBERS	22492	0	22492	0.287	4319	0	4319	0.055	-0.232
HINDU UNDIVIDED FAMILIES	97782	0	97782	1.249	114226	0	114226	1.459	0.210
Inv.Education and Protection Fund Auth.	130518	0	130518	1.667	140448	0	140448	1.794	0.127
Sub-Total (B)(2)	3048370	551529	3599899	45.975	3266241	412728	3678969	46.985	1.010
Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	3141494	559529	3701023	47.267	3319365	420728	3740093	47.766	0.499
C.Shares held by Custodian for GDRs & ADRs									
GRAND TOTAL (A)+(B)+(C)	7270471	559529	7830000	100	7409272	420728	7830000	100	0.000

ii)	Shareholding of Promoters							
Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in share holding during the year
1	Dr. S N SASIDHARAN KARTHA	1354518	17.299	0.000	1354518	17.299	0.000	0.000
2	KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.	1050000	13.410	0.000	1050000	13.410	0.000	0.000
3	MATHEW CHERIAN MUNDANICAL	823150	10.513	0.000	784080	10.014	0.000	-0.499
4	JAYA S KARTHA	386740	4.939	0.000	386740	4.939	0.000	0.000
5	SACH EXPORTS PRIVATE LTD.	251760	3.215	0.000	251760	3.215	0.000	0.000
6	SARAN SASIDHARAN KARTHA	158962	2.030	0.000	158962	2.030	0.000	0.000
7	EMPOWER INDIA CAPITAL INVESTMENTS PVT. LTD.	102247	1.306	0.000	102247	1.306	0.000	0.000
8	NABIEL MATHEW CHERIAN	1300	0.017	0.000	1300	0.017	0.000	0.000
9	JOLLY CHERIAN	300	0.004	0.000	300	0.004	0.000	0.000
	TOTAL	4128977	52.733	0.000	4089907	52.234	0.000	-0.499

iii)	Change in Promoters' Shareholding (please specify, if there is no change)							
Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Dr. S N SasidharanKarttha	1354518	17.299		No Change	1354518	17.299	17.096
2	KSIDC Ltd.	1050000	13.410		No change	1050000	13.410	17.116
3	Mathew Cherian Mundanical	823150	10.513				823150	10.513
				08/06/2018	3035	Sold	820115	10.474
				15/06/2018	28635	"	791480	10.108
				22/06/2018	4000	"	787480	10.057
				13/07/2018	3400	"	784080	10.014

				31/03/2019			784080	10.014
4	Jaya S Kartha	386740	4.939		No Change	386740	4.939	17.300
5	Sach Exports Pvt Ltd	251760	3.215		No Change	251760	3.215	13.41
6	Saran SasidharanKartha	158962	2.030		No Change	158962	2.030	10.513
7	Empower India Capital Investments Pvt. Ltd.	102247	1.306		No Change	102247	1.306	4.939
8	Nabiel Mathew Cherian	1300	0.017		No change	1300	0.0017	00
9	Jolly Cherian	300	0.004		No change	300	0.004	0.001

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

Name	Shareholding at the beginning of the year		Date	Bought	Sold	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
AWANTI KUMAR KANKARIA	317447	4.054	01/04/2018			317447	4.054
			31/08/2018		317447	0	0
SHASHANK S KHADE	260291	3.324	01/04/2018			260291	3.324
			14/09/2018	7741		268032	3.423
			28/09/2018	146		268178	3.425
			05/10/2018	2730		270908	3.460
			12/10/2018	5687		276595	3.533
			15/03/2019	530		277125	3.539
			31/03/2019			277125	3.539
JOHN M T	139801	1.785	01/04/2018			139801	1.785
			06/04/2018	200		140001	1.788
			11/05/2018		1000	139001	1.775
			01/06/2018		2000	137001	1.750
			15/06/2018		100	136901	1.748
			22/06/2018		1000	135901	1.736

			30/06/2018		1500	134401	1.716
			06/07/2018		1000	133401	1.704
			05/10/2018		200	133201	1.701
			12/10/2018		120	133081	1.700
			26/10/2018		1100	131981	1.686
			23/11/2018		100	131881	1.684
			30/11/2018		860	131021	1.673
			14/12/2018		1300	129721	1.657
			21/12/2018		100	129621	1.655
			28/12/2018		25	129596	1.655
			04/01/2019		95	129501	1.654
			25/01/2019		1000	128501	1.641
			08/02/2019		1000	127501	1.628
			08/03/2019	250		127751	1.632
			15/03/2019		250	127501	1.628
			31/03/2019			127501	1.628
M T JOHN	100	0.001	01/04/2018			100	0.001
M T JOHN			31/03/2019			100	0.001
INVESTOR EDUCATION AND PROTECTION FUND	130518	1.667	01/04/2018			130518	1.667
			28/09/2018	9733		140251	1.791
			05/10/2018	197		140448	1.794
			31/03/2019			140448	1.794
THE FEDERAL BANK LIMITED	92924	1.187	01/04/2018			92924	1.187
			11/05/2018		20000	72924	0.931
			20/07/2018		20000	52924	0.676
			31/03/2019			52924	0.676
C LOGANATHAN	39872	0.509	01/04/2018			39872	0.509
			07/09/2018		16865	23007	0.294
			26/10/2018		8887	14120	0.180
			02/11/2018		14120	0	0
			31/03/2019			0	0
CHINNASWAMY LOGANATHAN	32959	0.421	01/04/2018			32959	0.421
			09/11/2018		18142	14817	0.189
			16/11/2018		14817	0	0
C LOGANATHAN	3311	0.042	01/04/2018			3311	0.042
C LOGANATHAN			16/11/2018		3311	0	0
JAPA INVESTMENT ADVISER LLP	61717	0.788	01/04/2018			61717	0.788
			31/03/2019			61717	0.788
JAPA INVESTMENT ADVISER LLP	0		17/08/2018	800		800	0.010
			09/11/2018	525		1325	0.017

			16/11/2018	1000		2325	0.030
			30/11/2018	3650		5975	0.076
			07/12/2018	1175		7150	0.091
			14/12/2018	5798		12948	0.165
			21/12/2018	4766		17714	0.226
			28/12/2018	300		18014	0.230
			31/12/2018	382		18396	0.235
			04/01/2019	1003		19399	0.248
			11/01/2019	2367		21766	0.278
			18/01/2019	263		22029	0.281
			31/03/2019			22029	0.281
K. AJI	68000	0.869	01/04/2018			68000	0.869
			12/02/2019		68000	0	0
			15/02/2019	68000		68000	0.869
			31/03/2019			68000	0.869
Pooja Nimish Kenia	45500	0.581	01/04/2018			45500	0.581
			31/03/2019			45500	0.581
Abhishek Kankaria	3516	0.045	01/04/2018			3516	0.045
			07/09/2018	217447		220963	2.822
			31/03/2019			220963	2.822

v) Shareholding of Directors and Key Managerial Personnel:								
Sl. No.	Name	Shareholding at the beginning of the year		Date	Bought	Sold	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the co.				No. of shares	% of total shares of the company
1	Dr. S N SASIDHARAN KARTHA	1354518	17.299	01/04/2018			1354518	17.299
				31/03/2019			1354518	17.299
2	MATHEW CHERIAN MUNDANICAL	823150	10.513	01/04/2018			823150	10.513
						3035	820115	10.474
						28635	791480	10.108
						4000	787480	10.057
						3400	784080	10.014
				31/03/2019			784080	10.014
3	JAYA S KARTHA	386740	4.939	01/04/2018			386740	4.939
				31/03/2019			386740	4.939
4	SARAN SASIDHARAN KARTHA	158962	2.030	01/04/2018			158962	2.030
				31/03/2019			158962	2.030
5	RAM KANWAR GARG	2500	0.032	01/04/2018			2500	0.032
				31/03/2019			2500	0.032
6	NABIEL MATHEW CHERIAN	1300	0.017				1300	0.017
				31/03/2019			1300	0.017
7	G.R. WARRIER	750	0.010	01/04/2018			750	0.010
				31/03/2019			750	0.010
8	ACHUTHA JANARDHANA PAI			01/04/2018			0	0.000
				08/02/2019	1300		1300	0.017
				31/03/2019	1300		1300	0.017
9	ANIL ANANDA PANICKER	143772	1.836	01/04/2018			143772	1.836
				31/03/2019			143772	1.836
10	SURESH KUMAR .P.	100	0.001	01/04/2018			100	0.001
				31/03/2019			100	0.001

vi) INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	57,45,46,119	-	-	57,45,46,119
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	57,45,46,119	-	-	57,45,46,119
Change in Indebtedness during the financial year				
• Addition	336,01,21,742	4,52,00,000	-	340,53,21,742
• Reduction	355,37,22,206	4,52,00,000	-	359,89,22,206
Net Change	(19,36,00,464)	-	-	(19,36,00,464)
Indebtedness at the end of the financial year				
i) Principal Amount	38,09,45,655	-	-	38,09,45,655
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	38,09,45,655			38,09,45,655

vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director, Whole-time Directors:				
Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Dr. S N Sasidharan Kartha, MD	Shri. Saran S Kartha Joint MD	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96,00,000	96,00,000	1,92,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	NA	NA
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA
2.	Stock Option	NA	NA	NA
3.	Sweat Equity	NA	NA	NA
4.	Commission as % of profit	NA	NA	NA
5.	Others, please specify –Contribution to PF	11,52,000	11,52,000	23,04,000
	Total (A)	1,07,52,000	1,07,52,000	2,15,04,000
	Ceiling as per the Act	Rs. 96 lakhs per annum	Rs. 96 lakhs per annum	

B.	Remuneration to other directors: (Amount in Rupees)										Total Amount (₹)
Sl. no.	Particulars of Remuneration	Name of MD/ WTD/ Manager									
		Shri. R K Garg	Shri. Mathew M Cherian	Shri. A J Pai	Shri. G R Warriar	Smt. Jaya S Kartha	Shri. Anil Ananda Panicker	Shri. Nabil Mathew Cherian	Shri. T P Thomas kutty	Shri. R Ravi chandran, KSIDC Nominee	
		1	2	3	4	5	6	7	8	9	
1	Independent Directors * Fee for attending board / committee meetings * Commission * Others, please specify	9,50,000	-	7,00,000	9,50,000	-	-	-	6,00,000	-	32,00,000
	Total (1)	9,50,000		7,00,000	9,50,000				6,00,000		32,00,000
2.	Other Non-Executive Directors * Fee for attending board / committee meetings * Commission * Others, please specify	-	5,50,000	-	-	5,50,000	5,00,000	5,50,000		1,00,000	22,50,000
	Total (2)	-	5,50,000	-	-	5,50,000	5,00,000	5,50,000	-	1,00,000	22,50,000
	Total (B)=(1+2)	9,50,000	5,50,000	7,00,000	9,50,000	5,50,000	5,00,000	5,50,000	6,00,000	1,00,000	54,50,000
Total Managerial Remuneration											2,69,54,000
Overall Ceiling as per the Act											In terms of the provisions of the Companies Act, 2013, the remuneration payable to Directors other than Executive Directors shall not exceed 1% of the net profit of the company. The company may pay sitting fees to the Directors for attending Board/committee meetings as may be decided by the Board of Directors. The Board has fixed Rs.1,00,000/- as sitting fees for Board/Audit Committee meetings and Rs.50,000/- for other committee meetings.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :			
Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		C G M (Finance) & Company Secretary	CFO
		Suresh Kumar P (Rs.)	K S Suresh Kumar (Rs.)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,31,233.00	11,93,245.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6504.00	6504.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit		
5.	Others, please specify	-	-
	Total	20,37,737.00	11,99,749.00

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Annexure - VI**Particulars of employees**

The information required under Section 197 of the Act read with rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

As per rule 5(1)

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each director & Key Managerial personnel in the financial year

Executive directors	Ratio to median remuneration	% increase in current year
Dr. S N Sasidharan Kartha	26.01:1	NIL
Mr. Saran S Kartha	26.01:1	NIL
Key Managerial Personnel		
Mr. Suresh Kumar P, CGM(Finance) & Co. Secretary	4.92:1	NIL
Mr. Suresh Kumar K S Chief Financial Officer.	2.9:1	NIL

Note: For this purpose sitting fees paid to the Directors have not been considered as remuneration.

b. The percentage increase in the median remuneration of employees in the financial year: - 4%

c. The number of permanent employees on the rolls of Company: 279

d. The explanation on the relationship between average increase in remuneration and Company performance:

The average increase in remuneration to employees were given as per terms of long term wage agreement with Trade Unions of employees and variable dearness allowance notified by the Government linked to cost of inflation index

e. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY 18-19 (crores)	2.47
Revenue (crores)	225.36
Remuneration of KMPs (as % of revenue)	1.10
Profit/Loss before Tax (PBT) (crores)	11.19
Remuneration of KMP (as % of PBT)	22.11

f. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2019	March 31, 2018	% change
Market Capitalisation (crores)	146	79	85
Price Earnings Ratio	26.70	59.06	55

g. Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	31.03.2019	31.03.2018	% Change*
Market Price (BSE) Rs.	186.70	101	85
Market Price (NSE)	N A	N A	—

Note: Percentage of increase or decrease in market quotations of the shares of the Company in comparison with the last public offer is not applicable as the last public offer was in 1994 and the data is incomparable.

h. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 4.14% during the course of the year. There was no increase in the managerial remuneration during the year.

i. Comparison of remuneration of each of the key managerial personnel against the performance of the Company:

	MD Dr. S N Sasi- dharan Kartha	JMD Mr. Saran S Kartha	CGM (F) & Company Secretary	Chief Finan- cial Officer
Remuneration in FY 2018-19	1,07,52,000	1,07,52,000	20,31,233	11,93,245
Revenue(Rs. In Crores)	225.36	225.36	225.36	225.36
Remuneration as % of revenue	0.48	0.48	0.09	0.05
Profit/Loss before Tax(Rs. in crores)	11.19	11.19	11.19	11.19
Remuneration (as % of PBT)	9.60	9.60	1.82	1.07

- j.** The key parameters for any variable component of remuneration availed by the directors: N.A
- k.** The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.
- l.** Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms remuneration is as per the remuneration policy of the Company.
- m.** The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

As per Rule 5(2)							
Sl. No.	Name	Gross Remu- neration (Rs.)	Designa- tion	Qualifica- tion	Experi- ence (Years)	DOJ	Age
1	Dr. S. N. Sasidharan Kartha	1,07,52,000.00	Managing Director	PhD	45	18/08/1989	67
2	Shri. Saran S. Kartha	1,07,52,000.00	Joint Managing Director	B.Tech (Mechanical)	10	27/05/2009	32
3	Shri. Suresh Kumar P	20,31,233.00	CGM (F) & Com. Secretary	FCA & ACS	36	02/02/2009	63
4	Shri. Manohardas	14,70,921.00	General Manager (P)	M.Tech	27	24/08/2000	48
5	Shri. Suresh Kumar K S	11,93,245.00	Chief Financial Officer	M.Com	32	03/06/1991	57
6	Shri. Ashtamoorthy P M	11,40,731.00	Dy.General Manager	B.Sc	29	14/09/1998	53
7	Shri. Manoj K P	9,08,089.00	DGM (MM)	Dip.in Mech	26	22/06/1993	47
8	Shri. Arunanan V P	8,24,243.00	AGM (QA)	M.Sc	25	25/10/1996	47
9	Shri. Bino Jacob	8,20,081.00	DGM (Mtrls)	Dip.in Computer Science	26	01/07/1993	50
10	Shri. Anilkumar E M	8,04,934.00	Sr.Manager (Mktg.)	B.Sc	29	05/10/1995	49

Annexure-VII

Management Discussion and Analysis

Cochin Minerals and Rutile Limited is a 100 percent Export Oriented unit in the Mineral Processing sector with manufacturing, marketing and research capabilities. The Company's products and their applications are:

a) Main Product

The main product is Synthetic Rutile which finds application as raw material for the Titanium pigment and titanium sponge/metal industry. The annual licensed and installed capacity is 50000 MT.

b) By-Products

The following are the by-products.

- i) Ferric Chloride which has applications as an etching agent and is an effective coagulant for drinking water and Effluent Treatment.
- ii) Ferrous Chloride is coagulant for drinking water and effluent treatment.
- iii) Iron Hydroxide (Cemox) used for brick / tile making and substitute for iron ore.
- iv) Recovered TiO_2 as a cheaper substitute for TiO_2 pigment.
- v) Recovered Upgraded Ilmenite.
- vi) CMRL Rutoweld is used in Welding Electrode industry.

Raw Materials

The main raw materials of your company are Ilmenite and Hydrochloric Acid. The rationale of setting up of this plant was the indigenous availability of both these items. Now, while Hydrochloric Acid is indigenously available, the availability of ilmenite from domestic source has shown a declining trend. In the last three years including the year under review, the company was facing a major challenge in its procurement from domestic source. The supply from the domestic market was quite restricted. Your company made all efforts to procure the material from various foreign sources, and maintained the quality of product through process adaptation. The Company had initiated action for carrying out mining and mineral separation as early as in the year 1991. The Company had also promoted Kerala Rare Earths and Minerals Limited (KREML) during the year 2001 and applied for mining lease in the light of the change in policy by the Government of India and the Government of Kerala. Although the company obtained necessary approval from Central Government, mining lease from State Government could not be obtained.

The appeal filed by Kerala Rare Earths and Minerals Limited before the Appellate Authority on rejection of Mining lease applications by the State Government has been favourably disposed with direction to the State Government for issue of Mining Lease.

The Hon. High Court of Kerala has passed an order on 21st February, 2013, in the writ petition filed by K R E M L, with a direction to the Government of Kerala to do the needful for grant of mining lease to the company within a period of six months, which was subsequently extended upto 31st May 2014. Thereafter, the State Government filed a writ appeal with Hon. High Court. The Division Bench of the Hon. High Court dismissed the above appeal. Subsequently, the State Government filed a special leave petition with Honourable Supreme Court against the aforesaid order of the High Court.

The Hon. Supreme Court has issued a final judgment on 8th April 2016 dismissing all the appeals filed by the Government of Kerala in the matter of issuing mining lease to M/s Kerala Rare Earths and Mineral Limited. KREML has already taken up the matter with the State Government to

comply with the Court orders and favourable decision from the Government is awaited.

Operational Performance

The operational performance highlights for the year 2018-2019 are given below:

	2018-19	2017-18
Gross Revenue (Rs. lakhs)	22536.07	16505.88
Net Profit before tax (Rs. lakhs)	1119.14	218.08

Outlook

The demand for the main product viz. Synthetic Rutile, is picking up and the Company could make improvement in turnover from Rs. 164 crores to Rs. 223.41 crores during the last financial year. But the scenario in respect of supply of main raw material, ilmenite, from domestic sources remains uncertain. Hence ilmenite will have to be imported with implication in respect of quality and price. In any case company is making all efforts to maintain maximum level of production. Your Directors are concerned about the shortage in availability of ilmenite and are making all efforts for sourcing of Ilmenite from domestic /international source and marketing of the product. The situation is expected to improve in the current year. In the longer term, in view of the Supreme Court judgment the company expects that the State Government will grant mining lease so that the company will have its own source of Ilmenite.

The company is also taking steps to increase the production and marketing of its by-products viz. Recovered TiO₂, Ferric Chloride and Recovered Upgraded ilmenite.

Risks, Concerns and Strength

The risk factors, as far as your company is concerned, are the unpredictable situation in the availability and price of Ilmenite and Hydrochloric Acid, the major and critical raw materials of your company.

The market scenario for TiO₂ Pigment and Titanium Metal industries where-in Synthetic Rutile used is highly competitive.

The major strength of your company is that its products are of highest International Standards and are well accepted by the buyers. Your company has now been granted ISO 9001:2015 by the prestigious agency Bureau Veritas, with accreditation from UKAS London and NABCB India. The Company also got certification from NSF International, an organization designated as a Collaborating Center by the World Health Organization (WHO) for our products Ferric Chloride, Ferrous Chloride and Ferrous Chloride with hydrated Titania catalyst that these products conform to NSF/ANSI standard 60 for drinking water treatment.

Skilled and dedicated work force is another strength of our Company.

Health, Safety and environment

The company gives high priority to issues concerning health, safety and environment.

Health - The company aims to provide comprehensive health services covering protective, preventive and curative health care to all the employees. Apart from being covered by Employee State Insurance scheme (ESI), the employees are also entitled to medical reimbursements under the employees medical beneficiary scheme of the company. The Company gives utmost importance for safety of employees.

Safety - Safety of persons overrides all other considerations. This vision drives the company continuously to look for ways to break new barriers in safety management for the benefit of all. Safety awareness programmes are regularly conducted for the employees.

Environment - The Company aims to maintain a clean and pollution free environment. Environment impact assessment and qualitative risk analysis are conducted for all new/major expansion or diversification projects and all necessary safeguard measures are incorporated as part of the project. The effluent treatment plants, air emission abatement units, waste treatment / disposal facilities etc are maintained as per statutory standards. The company complies with all pollution control and environment protection regulations. The company also undertakes various environment protection programmes such as tree planting, water conservation measures, water purification and energy saving initiatives etc.

The Company had also bagged excellence award for 13 years from the Government of Kerala for implementing Pollution Control measures. The company's by-product Ferric Chloride is now widely and successfully used in water purification and effluent treatment. Another by-product cemox helps in reducing the ecological problems by helping to reduce clay mining and a supplement to Iron Ore supply.

Internal Control Systems and adequacy

Your company maintains formal internal control systems and procedures which are continuously and strictly enforced. These have been designed to provide reasonable assurance with regard to providing reliable financial information, compliance with applicable statutes, safeguarding assets and ensuring adherence to Company's corporate policies. These systems and procedures, which are routinely tested and certified by your company's statutory and internal auditors and reviewed by the audit committee, are found to be adequate and effective.

Human Resources

Your company values its human resources as the greatest asset and maintains harmonious industrial relations. The company provides adequate training to all the employees and undertakes various employee welfare measures.

ANNEXURE- VIII**CORPORATE GOVERNANCE REPORT****1. Company Philosophy :**

Cochin Minerals and Rutile Limited have always focused on good Corporate Governance practices as it believes that a strong corporate governance policy is indispensable to healthy growth of business and long term value creation for the company's stake holders. Good corporate governance provides an appropriate framework for the Board and the Management to carry out the objectives that are in the interests of the Company and the shareholders. The company endeavors to enhance and protect the long term interest of all its stake holders keeping in mind corporate social responsibility. The company is in full compliance with all the corporate governance requirements of the guidelines on corporate governance stipulated under the SEBI Listing Regulations 2015.

The Certificate of Compliance by the C E O and C F O submitted to the Board in this regard is annexed.

It is the policy of the company to continuously improve the product quality to the total satisfaction of the customers by the contribution of skills, talents and innovations of its employees.

The Company has a well defined Policy to provide and maintain safe and healthy working environment to achieve total safety of employees, environment, equipments, processes and movable and immovable objects. Its commitment to safety is ensured by having an effective system, maintaining inbuilt facilities, following good safety practices with the active participation of people working in the Company. These efforts have resulted in accomplishing an accident free 2018-2019. The company lays special emphasis on protection of the environment through various pollution control measures.

2. Board of Directors :**(i) Composition :**

The company has a non-executive and independent Chairman. Out of the total strength of 11 members of the Board, 9 are non-executive and out of nine, four are independent. The composition of the Board is in conformity with the Governance requirements, which stipulate that 50 per cent of the Board should comprise non-executive directors and, if the Chairman is non-executive, 1/3rd of the Board should be independent.

The names and categories of the Directors on the Board, their attendance at Board Meetings and Annual General Meeting, number of directorships in other companies and total committee membership/chairmanship are given in Table 'A'.

TABLE – A – Board of Directors – Details

Name	Position	Board Meetings held during the year	Board Meetings Attended	Last AGM attended or not	Directorship in other Companies	Total Committee Memberships
Shri. R.K. Garg	Chairman, Non-Executive, Independent	5	5	Yes	2	3
Dr. S.N.Sasidharan-Kartha	Managing Director, Executive	5	5	Yes	4	2
Shri. Mathew.M. Cherian	Non-Executive	5	5	Yes	2	1
Shri. Achutha Janardhana Pai	Non-Executive Independent	5	4	Yes	19	2
Shri. G.R. Warriar	Non-Executive Independent	5	5	Yes	1	3
Smt. Jaya.S.Kartha	Non-Executive	5	5	Yes	1	1
Shri. Saran S Kartha	Joint Managing Director, Executive	5	5	Yes	2	2
Shri. Anil Ananda Panicker	Non-Executive	5	5	Yes	2	-
Shri. Nabil Mathew-Cherian	Non-Executive	5	5	Yes	1	1
Shri. R Ravichandran	Non-Executive (KSIDC Nominee)	5	1	No	3	-
Shri. T P Thomaskutty	Non-Executive Independent	5	5	Yes	1	1

Changes in Board of Directors

There was no change in Board of Directors during the year

ii) Meetings :

5 (five) meetings of the Board were held during the year ended 31st March 2019. These were on 29th May 2018, 28th July 2018, 10th September, 2018, 14th November, 2018 and 11th February 2019. The gap between any two meetings did not exceed four months.

iii) Attendance :

Attendance of each Director at the Board Meetings and last Annual General Meeting are given in Table “A”.

IV) Share holding in the company by non-executive directors as on 31/03/2019 were as follows:

Director Shares Held

1.	Mr. R K Garg	2500
2.	Mr. Mathew M Cherian	784080
3.	Mrs. Jaya S Kartha	386740
4.	G. R. Warriar	750
5.	Mr. Achutha Janardhana Pai	1300
6.	Anil Ananda Panicker	143772
7.	Mr. Nabil Mathew Cherian	1300

3. Code of Conduct under corporate governance regulations

The company has adopted a code of conduct for its Board members and senior management personnel, in compliance of the corporate governance guidelines. The code is applicable to all Board members and senior management personnel, who have affirmed their compliance with the code during the year ended 31st March 2019. The declaration by the Managing Director (CEO) as regards compliance with the code is annexed.

4. Code of conduct under insider trading regulations

The company has adopted a code of conduct for its Board members and designated employees in compliance of the SEBI (Insider Trading) regulations. The company has obtained prescribed undertakings from all directors and designated employees as regards compliance with the code.

5. Secretarial Standards and audit

The company adheres to the mandatory and non-mandatory secretarial standards issued by the Institute of Company Secretaries of India on important corporate practices such as Board Meetings, General Meetings, payment of dividend, maintenance of registers and records, minutes of meetings, transmission of shares, passing of resolutions by circulation and Board's report. The company has also undergone secretarial audit by an independent Company Secretary in whole time practice.

6. Audit Committee

The Audit Committee of the company during the year consisted of 6 members out of which 4 non – executive and independent Directors, three of them having expert knowledge in Finance and Accounts and two Executive Directors. The terms of reference of the committee included the following:

- (i) Reviewing financial statements before submission to the Board.
 - (ii) Reviewing quarterly working results and limited review reports of the auditors.
 - (iii) Reviewing audited financial accounts and audit report before submission to the Board.
 - (iv) Reviewing accounting policies and practices.
 - (v) Recommending appointment of Auditors and fixing their remuneration.
 - (vi) Discussion with internal auditors regarding nature, scope and findings of audit.
 - (vii) Reviewing internal control and internal audit systems and their compliance thereof.
- The audit committee is empowered to seek information from any employee, if necessary.
No employee is denied access to the audit committee.
- The audit committee is empowered to seek information from any employee, if necessary.
No employee is denied access to the audit committee.

The audit committee met five times during the year 29th May 2018, 28th July 2018, 14th November, 2018 and 11th February 2019. The attendance record is given in “Table – B”. The Company Secretary of the Company is the secretary of the Committee.

Table B – Audit Committee Attendance		
Names of Member Directors	No: of meetings held	Meeting attended
Shri. R.K. Garg (Chairman)	4	4
Shri.Achutha Janardhana Pai	4	3
Shri. G R Warriar	4	4
Dr. S N Sasidharan Kartha	4	4
Shri. Saran S Kartha	4	4
Shri. T P Thomaskutty	4	1*

*for part of the year

7. Vigil Mechanism

The company has devised a vigil mechanism in the form of a Whistle Blower Policy in pursuance of provisions of Section 177 (10) of the Companies Act, 2013 and details whereof is available on the company’s website at www.cmrlindia.com > policies. During the year under review, there was no complaints received under this mechanism.

8. Nomination & Remuneration Committee :

In compliance with Section 178 of the Companies Act, 2013, the Board has constituted the Remuneration Committee as the “Nomination and Remuneration Committee” consisting of the following Independent Directors.

1. Shri. R K Garg - Chairman
2. Shri. Achutha Janardhana Pai - Member
3. Shri. G R Warriar - Member

The remuneration committee is vested with all the necessary powers and authority to determine and recommend the remuneration payable to the executive directors and key management personnel. At present the Company has only two Executive Directors ie. Dr. S N Sasidharan Kartha, the Managing Director and Shri. Saran S Kartha, Joint Managing Director. The Managing Director is paid the minimum remuneration as per schedule V or 5% of the net profits of the Company whichever is higher. No other perquisite, incentives or stock options are payable to him. Mr. Saran S Kartha, Joint Managing Director is also paid remuneration not exceeding the limits specified in Part II, Section II of Schedule V to the Companies Act, 2013, or any other statutory modifications or enactments thereof for the time being in force or 5% of the net profits of the company, whichever is higher. No other perquisite, incentives or stock options are payable to him. The non-executive Directors are paid one per cent commission on net profit of the company.

Particulars of Nomination and Remuneration Committee meeting and attendance of members

Table – C- Remuneration Committee Attendance		
Names of Member Directors	No. of meetings held	Meeting attended
Shri. Achutha Janardhana Pai(Chairman)	-	-
Shri. R K Garg	-	-
Shri. G R Warriar	-	-

Details of remuneration paid to Directors during the year are given in “Table – D”.

TABLE – D – Remuneration to Directors

Name	Sitting Fees (Rs.)	Salary (Rs.)	Contribution to PF (Rs.)	Total (Rs.)
Shri. R.K. Garg	9,50,000	-	-	9,50,000
Dr. S.N. Sasidharan Kartha	-	96,00,000	11,52,000	1,07,52,000
Shri. Mathew.M.Churian	5,50,000	-	-	5,50,000
Shri. A.J. Pai	7,00,000	-	-	7,00,000
Shri. R. Ravi Chandran (K S I D C Ltd. Nominee)	1,00,000	-	-	1,00,000
Shri. G.R. Warriar	9,50,000	-	-	9,50,000
Smt. Jaya.S.Kartha	5,50,000	-	-	5,50,000
Shri. Saran S Kartha	-	96,00,000	11,52,000	1,07,52,000
Shri. Anil Ananda Panicker	5,00,000	-	-	5,00,000
Shri. Nabil Mathew Churian	5,50,000	-	-	5,50,000
Shri. T P Thomaskutty	6,00,000	-	-	6,00,000
	54,50,000/-	1,92,00,000	23,04,000	2,69,54,000
There was no other remuneration/benefits paid/payable to the directors.				

9. Familiarization programme for independent directors

The company has adopted a policy for Familiarization programme for independent directors. The details are available on the company's website www.cmrlindia.com > policies.

10. Share Transfer Committee

Share Transfer Committee consists of three members including Compliance Officer and Chief Financial Officer, as the members of the Committee. The committee reviews and approves the transfers and transmission of equity shares, issue of duplicate share certificate etc.

The Company's shares are compulsorily traded in demat form. However, the Share Transfer committee met at frequent intervals i.e. 32 times during the year. There were no pending transfers as on 31st March 2019.

11. Stakeholders Relationship Committee

The committee met once during the financial year ended 31st March, 2019. The date of meeting was 11.02.2019.

The outstanding investor complaints as on 31.03.2019 was NIL

Particulars of Stakeholder Relationship Committee meeting and attendance of members

Names of Directors	No. of meetings held	No. of meetings attended
Shri. R K Garg	1	1
Shri. Mathew M Cherian	1	1
Smt. Jaya S Kartha	1	1
Shri. Nabil Mathew Cherian	1	1

12. Share Transfer System

a) The shares, in physical form received for transfer are processed and transfers effected generally within a period of 10 days from the date of receipt, provided the documents are valid and complete in all respects. Physical shares for demat are received by the Registrar & Transfer Agents and processed within the stipulated time. The authority for approving Share Transfers are delegated to the share transfer committee.

Transfer of dematerialized shares is effected through the depositories, with no involvement of the company.

b) Registrar and Transfer Agents

Registrar and Transfer Agents
M/s. SKDC Consultants Ltd.,
Kanapathy Towers,
3rd Floor, 1391/A-1, Sathy Road,
Ganapathy, Coimbatore – 641 006
Ph: 0422 – 4958995, 2539835-836
Fax : 91 422 2539837
E-mail: info@skdc-consultants.com

13. General Body Meetings :

Location and time of last 3 Annual General Meetings are given below.

Year	Location	Date	Time
2015- 16	Aluva, Kerala	22.09.2016	2.00 P.M.
2016- 17	Aluva, Kerala	29.08.2017	2.30 P.M
2017 -18	Aluva, Kerala	10-09-2018	9.30 A.M

(b) Special resolution/s passed in the last 3 Annual General Meetings

2015-2016	-	NIL
2016-2017	-	Re-appointment of Managing Director
2017-2018	-	NIL

(c) Postal Ballot :

No resolution was put through postal ballot during last year. None of the business proposed in the ensuing AGM require passing a resolution through postal ballot.

14. Disclosures.**a) Disclosure of materially significant related party transactions that may have potential conflict with the interests of the company.**

No transaction of material nature has been entered into by the company with its promoters, directors, the management, subsidiaries or relatives etc. that may have potential conflict with the interests of the company.

b) Disclosure of non-compliance

There were no instances of non-compliance and no penalty or strictures imposed on the company by the stock exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

c) Shares Suspense account

The company had no shares in the demat suspense account or unclaimed suspense account.

d) Discretionary requirements

The company has fulfilled the following non-mandatory requirements as per Section II(E) of the Listing Regulation.

- The company continue in a regime of unqualified statutory financial statements.
- The company ensures that independent directors of the company have the requisite qualification and experience which would be of use to the Company.
- Separate persons occupy the position of Chairman and Managing Director (C E O).
- The Internal Auditor report directly to the Audit Committee.

e) The company have no subsidiary**f) The company have no hedging activities.** The commodity price risks are discussed in the Management Discussion and Analysis Report.

15. Means of Communication.

The quarterly, half yearly and annual working results of the company are published in newspapers like Financial Express and Kerala Kaumudi. The management Discussion and Analysis is included as a part of the annual report for the year ended 31st March 2019.

16. General Shareholder Information.

Annual General Meeting	:	Tuesday, 3rd September, 2019 at 9.30 A.M.
Venue	:	Priyadarshini Municipal Town Hall, Thottakkattukara, Aluva, Ernakulam, Kerala.
Financial Year	:	Year ended 31st March, 2019
Book Closure Date	:	28.08.2019 to 03.09.2019 (both days inclusive)
Listing	:	The shares of the company are listed at BSE Ltd.
Stock Code	:	COCHRDM 513353
Demat ISIN	:	INE 105D01013

17. Market Price Data

The High/Low prices of the company's share at the BSE Ltd. during each month of the Financial year 2018 – 2019 are given below:

Month	Year	Month's High	Month's Low
		Rs.	Rs.
April	2018	121.55	100.00
May	2018	143.90	104.05
June	2018	165.95	113.05
July	2018	185.00	156.50
August	2018	187.00	145.00
September	2018	177.80	150.25
October	2018	177.90	145.35
November	2018	199.20	173.00
December	2018	225.90	170.00
January	2019	243.60	201.00
February	2019	237.95	181.10
March	2019	209.00	180.25

18. Distribution of Shareholding as on 31st March 2019.**a. Category-wise Distribution**

Promoters	52.465
Banks/FIS/mutual funds	0.781
NRIs	2.531
Private Corporate Bodies	2.963
Others	41.260
Total	100.00

b. Value-wise Distribution**Distribution of holdings as on 31/03/2019**

1		2	3	4	5
Value (Rs)		No. of Holders	%	Amount	%
Upto	5000	7516	93.88	7994950	10.21
5001	10000	242	3.02	1988850	2.54
10001	20000	99	1.24	1519260	1.94
20001	30000	49	0.61	1235440	1.58
30001	40000	14	0.17	486220	0.62
40001	50000	10	0.12	484980	0.62
50001	100000	28	0.35	2189980	2.80
100001	And Above	48	0.60	62400320	79.69
Total		8006	100.00	78300000	100.00

19. Dematerialisation of Shares and Liquidity.

94.63 percent of the company's paid-up capital is held in demat form as on 31st March 2019. Trading in the shares of the company is permitted only in demat form for all investors. The company has signed agreements with National Securities Depository Limited and Central Depository Services (India) Limited to offer depository services for the company.

The shares of the company are regularly traded at the Bombay Stock Exchange Ltd. and has good liquidity.

20. Outstanding GDR/ADR/Warrants/Convertible instruments and their impact on equity.

Not applicable to the company.

21. Plant Location.

Edayar Industrial Development Area,
Muppathadom P.O.

Binanipuram,

Kerala – 683110

Tel. – 0484 – 2532186

22. Address for Correspondence.

Cochin Minerals and Rutile Limited,
P.B. No. 73, VIII/224,
Market Road,
Aluva – 683 101,
Kerala.

Tel : 0484 – 2626789

Fax : 0484 - 2625674

E-mail : cmrlexim@cmrlindia.com, cmrlexim@dataone.in

Annexure - IX**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The members of Cochin Minerals and Rutile Limited

1. We A K MURALEE & CO, Chartered Accountants, the Statutory Auditors of Cochin Minerals and Rutile Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31st March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirement by the Company
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on the Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), THE STANDARDS ON Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1. Quality control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of the Schedule V of the SEBI Listing Regulations during the year ended March 31, 2019
8. We 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

A K MURALEE & CO.
Chartered Accountants
(Firm Registration No. 0118175)

Always
27/05/2019

MURALEE KRISHNAN A. K. B.Sc., F.C.A., DISA, MBA
CHARTERED ACCOUNTANT
Membership No. 217127

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct in terms of Clause 26 of the Listing Regulations

This is to confirm that the company has adopted a code of conduct for its Board Members and Senior Management Personnel and that the company has in respect of the Financial Year ended 31st March 2019 received Affirmations from the Board Members and Senior Management Personnel as regards compliance with the code, as applicable to them.

Aluva,
27.05.2019

Dr. S N Sasidharan Kartha
Managing Director

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 2019

[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,
Cochin Minerals and Rutile Ltd.
Aluva

I, K P Thomas, company secretary, proprietor of K P Thomas & Co., have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cochin Minerals and Rutile Ltd., CIN L24299KL1989PLC005452 (hereinafter called 'the company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 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:

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

- I. The Companies Act, 2013 (the Act) and the rules.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules.
- III. The Depositories Act, 1996 and the Regulations and By-laws.
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 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, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable during the period covered.

- d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable during the period covered.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the period covered.
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the period covered
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: Not applicable during the period covered and
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) The following other laws/regulations identified by the company as specifically applicable to it:

- (i) Import –export rules & regulations as applicable to Export Oriented Units, (ii) Goods & Service Tax, Customs Act & rules , (iii) FEMA in respect of realisation of export proceeds, (iv) The Environment Protection and Pollution Control Laws and Regulations, (v) Hazardous Waste (Management & Handling) Act/Rules (vii) The Explosives Act/Rules and (viii) The Legal Metrology Act/Rules

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:
- (ii) The Listing Agreement entered into by the Company with the Mumbai Stock Exchange Ltd;

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors of scheduled 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. Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there is adequate systems and processes in the company, commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company had no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place : Enakulam
Date : 15.07.2019

For K P Thomas & Co
Company Secretaries

K P Thomas, Proprietor
FCS 2134, C P 8886

Note : This Report is to be read with our letter of even date in Annexure A, which forms an integral part of this report.

ANNEXURE A

15.07.2019

To

The Members,
Cochin Minerals and Rutile Ltd.,
Aluva

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the financial records and Books of Accounts of the Company, except to the extent required for our audit.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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 K P THOMAS & CO
Company Secretaries

Membership No.2134
FCS 8886 PR 2015/264

May 18, 2019

To

The Board of Directors
Cochin Minerals and Rutile Limited

Sub: CEO/CFO Certification in Terms of Clause V of the Corporate Governance Regulations.
Financial Year 2018 – 2019.

This is to certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31.03.2019 and that 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 statements together present a true and fair view of the company's affairs and are in compliance with the 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 there were no deficiencies in the design or operation of such internal controls, of which we were aware.
- d)
 - i) There were no significant changes in internal control over financial reporting during the year.
 - ii) There were no significant changes in accounting policies during the year and
 - iii) There were no instances of significant fraud, of which we were aware, for reporting.

Dr. S.N. Sasidharan Kartha
Managing Director

K S Suresh Kumar ,
Chief Financial Officer.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 'COCHIN MINERALS AND RUTILE LIMITED'

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Cochin Minerals And Rutile Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Notes 8 to the Standalone Financial Statements</p>	<p><u>Principal Audit Procedures</u></p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

2	<p>Recoverability and assessment of trade receivables.</p> <p>The company has a balance of trade receivable of 714.11 lakhs of rupees.</p> <p>Trade receivable balance of the company comprise mainly receivables in relation to the manufacturing and sale of 1) synthetic rutile 2)ferrous chloride 3) ferric chloride etc. The balances are recognized at their original invoice amount</p>	<p><u>Principal Audit Procedures</u></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none">• Tested the accuracy of aging of trade receivables and balances at the year end.• Obtained a list of outstanding receivables and identified any debtors where ever there is delay in payment over the terms agreed.• Assessed any unsettled receivables on a sample basis through our evaluation of management’s assessment with reference to the credit profile of the customers, historical payment pattern of the customers and the latest correspondence with customers and to consider any provision to be made.• Tested subsequent settlement of trade receivables after the balance sheet date on sample basis if any.
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Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information & we have nothing to report in this regard.

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient

and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income,

Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- 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, as amended 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 standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Company.
- 2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

A K MURALEE & CO.
Chartered Accountants
(Firm Registration No. 0118175)

MURALEE KRISHNAN A. K. B.Sc., F.C.A., DISA, MBA
CHARTERED ACCOUNTANT
Membership No. 217127

Alwaye
25/05/2019

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Cochin Minerals and Rutile Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 COCHIN MINERALS AND RUTILE LIMITED (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

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.

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, to the best of our information and according to the explanations given to us, 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 March 31, 2019, 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.

A K MURALEE & CO.
Chartered Accountants
(Firm Registration No. 0118175)

**Ernakulam,
25/05/2019**

MURALEE KRISHNAN A. K. B.Sc., F.C.A., DISA, MBA
CHARTERED ACCOUNTANT
Membership No. 217127

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of COCHIN MINERALS AND RUTILE LIMITED of even date)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii.
 - a) As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of such verification is reasonable.
 - b) The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical variation of inventory as compared to book records.
- iii. The company has not granted any loans, secured or unsecured to the companies, firms limited liability partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) According to the information and explanations given to us and based on the records of the company, there are no dues of Income tax, Service tax, Sales tax, Customs duty, Excise duty, Value added tax, Goods and Services tax and Cess which have not been deposited on the account of dispute, except the following.

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Re-lates	Amount Lakhs
Central Sales Tax Act	Central Sales Tax	Deputy Commissioner (Appeals) , Commercial Taxes, Ernakulam	F.Y. 2008 -09	11.51

- (1) In the case of search and seizure by income tax department (DIT investigation, cochin) on 25/01/2019, the management informed that, no demand notice received from the department, and the amount of liability if any, at the year end cannot be quantified. So no provision is made for any liability.

- viii. In our opinion and according to the explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the financial institutions, banks and Government or dues to debenture holders. There were no debenture holders at any time during the year..
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Ernakulam,
25/05/2019

A K MURALEE & CO.
Chartered Accountants
(Firm Registration No. 0118175)

MURALEE KRISHNAN A. K. B.Sc., F.C.A., DISA, MBA
CHARTERED ACCOUNTANT
Membership No. 217127

BALANCE SHEET AS AT 31st MARCH 2019

(₹) Lacs

PARTICULARS	NOTE NO.	As at Mar 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Property , Plant & Equipment	4	1,393.44	1,425.82
(b) Capital Work in Progress	5	924.16	924.16
(c) Financial Assets:			
(i) Non current investment	6	1,418.40	1,422.45
(ii) Deferred tax Assets (net)	7	1,774.83	2,103.17
(iii) Other Assets	8	506.62	506.62
Total Non- Current Assets		6,017.45	6,382.22
Current Assets			
(a) Inventories	9	7,067.24	6,906.88
(b) Financial Assets:			
(i) TradeReceivables	10	714.11	1,415.71
(ii) Cash and Cash Equivalents	11	444.11	6.56
(iii) Other Balances with Banks	12	360.35	78.14
(c) Current Tax Assets (net)	13	12.68	3.46
(d) Other Current Assets	8	1,052.03	1,148.31
Total Current Assets		9,650.52	9,559.06
TOTAL ASSETS		15,667.97	15,941.28
EQUITY AND LIABILITIES			
Equity			
a) Share Capital	14	783.00	783.00
b) Other Equity	15	6,541.81	5,999.76
TOTAL EQUITY		7,324.81	6,782.76
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Long term Borrowings	16	-	548.74
(b) Provisions	18	160.82	136.81
Total Non- Current Liabilities		160.82	685.55

(₹) Lacs

Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	16	3,277.74	2,798.08
(ii) Trade Payables		3,608.92	3,022.59
(iii) Other Financial Liabilities	17	627.49	605.33
(b) Other Current Liabilities	19	616.71	2,028.29
(c) Provisions	18	51.48	18.68
Total Current Liabilities		8,182.34	8,472.97
TOTAL EQUITY AND LIABILITIES		15,667.97	15,941.28

Significant accounting policies 1.C

See accompanying notes forming part of financial statements

Place : Aluva

Date : 27.05.2019

As per Annexed Report of even date

MURALEE KRISHNAN A. K. B.Sc., F.C.A., DISA, MBA
 CHARTERED ACCOUNTANT
 Membership No. 217127

R.K. Garg Chairman	Dr. S.N. Sasidharan Kartha Managing Director	Saran S. Kartha Joint Managing Director	Mathew M. Cherian Director	Achutha Janardhana Pai Director
DIN : 00644462	DIN : 00856417	DIN : 02676326	DIN : 01265695	DIN : 00115688
Jaya S. Kartha Director	Anil Ananda Panicker Director	R. Ravichandran Director	Nabiel Mathew Cherian Director	T.P. Thomaskutty Director
DIN : 00666957	DIN : 05214837	DIN : 00968758	DIN : 03619760	DIN : 01473957
Suresh Kumar P. Chief General Manager (Finance) & Company Secretary	K. S. Suresh Kumar Chief Financial Officer			

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

(₹) Lacs

PARTICULARS		NOTE NO.	For the Year ended March 31, 2019	For the Year ended March 31, 2018
	Revenue from Operations			
I	Sale of Products	20	22,341.00	16,407.83
II	Other Income	21	195.07	98.05
III	TOTAL INCOME		22,536.07	16,505.88
IV	EXPENSES			
	Cost of materials consumed	22	11,552.77	8,946.07
	Changes in inventories of finished goods, work in progress and stock in trade	23	24.29	(2,305.29)
	Excise duty		-	12.10
	Employee Costs	24	1,852.58	1,993.41
	Finance Costs	25	460.17	569.33
	Depreciation/amortisation expense	4	51.81	68.57
	Other Expenses	26	7,475.31	7,003.61
V	TOTAL EXPENSES		21,416.93	16,287.80
	Profit before tax (III-V)		1,119.14	218.08
VI	Tax Expense:			
	(1) Current Tax		241.20	0.00
	(2) Deferred Tax		330.98	84.15
VII	PROFIT FOR THE PERIOD		546.96	133.93
VIII	OTHER COMPREHENSIVE INCOME			
A	(i) Items that will not be reclassified to profit & loss			
	(a) Remeasurement of defined benefit plans-Gain/(Loss)		(3.50)	(86.27)
	(b) Net changes in fair value of investments carried at fair value through OCI-Gain/(Loss)		(4.05)	(9.20)
	(ii) Income tax relating to A (i)		2.64	31.56

(₹) Lacs

B	(i) Items that will be reclassified to Profit & Loss			
	(a) Others		0.00	0.00
	(ii) Income tax relating to B (i)		0.00	0.00
	Total Other Comprehensive Income		(4.91)	(63.91)
IX	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		542.05	70.02
	Earnings per equity share (EPS)			
	(Nominal value of share Rs. 10)			
	(1) Basic		6.99	1.71
	(1) Diluted		6.99	1.71

Significant accounting policies 1.C

See accompanying notes forming part of financial statements

Place : Aluva

Date : 27.05.2019

As per Annexed Report of even date

MURALEE KRISHNAN A. K. B.Sc., F.C.A., DISA, MBA
 CHARTERED ACCOUNTANT
 Membership No. 217127

R.K. Garg
 Chairman

Dr. S.N. Sasidharan Kartha
 Managing Director

Saran S. Kartha
 Joint Managing
 Director

Mathew M. Cherian
 Director

Achutha Janardhana Pai
 Director

DIN : 00644462

DIN : 00856417

DIN : 02676326

DIN : 01265695

DIN : 00115688

Jaya S. Kartha
 Director

Anil Ananda Panicker
 Director

R. Ravichandran
 Director

Nabiel Mathew Cherian
 Director

T.P. Thomaskutty
 Director

DIN : 00666957

DIN : 05214837

DIN : 00968758

DIN : 03619760

DIN : 01473957

Suresh Kumar P.
 Chief General Manager (Finance)
 & Company Secretary

K. S. Suresh Kumar
 Chief Financial Officer

COCHIN MINERALS AND RUTILE LIMITED

STATEMENT OF CHANGES IN EQUITY

A EQUITY SHARE CAPITAL		(₹) in lacs
As at 1 st April 2017	Changes during the year	As at March 31,2018
783.00	-	783.00
		(₹) in lacs
As at 1 st April 2018	Changes during the year	As at March 31,2019
783.00	-	783.00

B OTHER EQUITY						(₹) in lacs
PARTICULARS	Reserves & Surplus				Other Equity	Total Other Equity
	Capital Reserve	Investment subsidy Kerala govt	General reserve	Retained Earnings	FVTOCI	Total
Balance as at 1 st April 2017	0.44	15.00	2,206.91	3,676.06	31.33	5,929.74
Profit / (Loss) for the year	-	-	-	133.93	-	133.93
Other Comprehensive Income	-	-		(57.75)	(6.16)	(63.91)
Total Comprehensive Income	-	-	-	76.18	(6.16)	70.02
Balance as at March 31, 2018	0.44	15.00	2,206.91	3,752.24	25.17	5,999.76

(₹) in lacs						
PARTICULARS	Reserves & Surplus				Other Equity	Total Other Equity
	Capital Reserve	Investment subsidy Kerala govt	General reserve	Retained Earnings	FVTOCI	Total
Balance as at 1st April 2018	0.44	15.00	2,206.91	3,752.24	25.17	5,999.76
Profit for the year	-	-	-	546.96	-	546.96
Other Comprehensive Income	-	-	-	(2.28)	(2.63)	(4.91)
Total Comprehensive Income	-	-	-	544.68	(2.63)	542.05
Balance as at March 31, 2019	0.44	15.00	2,206.91	4,296.92	22.54	6,541.81

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

(₹) Lacs

	Particulars	For the Year ended March 31, 2019	For the year ended March 31, 2018
A.	Cash Flow from Operating activities		
	Profit Before Tax	1,119.14	218.08
	Adjustment For:		
	Depreciation and amortisation	51.81	68.57
	Interest & Dividend Income	(4.44)	(8.07)
	Finance costs	460.17	569.33
	Change in operating assets & liabilities:		
	(Increase)/Decrease in Other assets	-	41.88
	(Increase)/Decrease in Inventories	(160.36)	(2,718.90)
	(Increase)/Decrease in Trade Receivables	701.60	(614.43)
	(Increase)/Decrease in Current Tax Assets	(0.42)	(2.61)
	(Increase)/Decrease in Other Current Assets	96.28	(223.29)
	Increase/(Decrease) in Trade Payables	586.33	1,814.71
	Increase/(Decrease) in Provisions	32.80	(105.90)
	Increase/(Decrease) in Other financial liabilities	22.16	(18.65)
	Increase/(Decrease) in Other Current Liability	(1,391.07)	1850.46
	Income Tax Paid	(250.00)	-
	Net cash flow from operating activities	1,264.00	871.18
B	Cash Flow From Investing Activities		
	Interest & Dividend Received	4.44	8.07
	Investment in PPE	(19.43)	(41.77)
	Refund received on CWIP	-	73.51
	Sale of PPE	-	282.38
	Investment in intangibles	-	-
	Other bank balances	(282.21)	86.90
	Net cash flow from Investing Activities	(297.20)	409.09
C	Cash flows from financing activities		
	Proceeds from Term Loan (net)	(548.74)	(483.30)
	Cash credit	479.66	(236.25)
	Interest paid	(460.17)	(569.33)
	Net cash flow from financing activities	(529.25)	(1,288.88)

(₹) Lacs

Net Increase in cash and cash equivalents (A+B+C)	437.55	(8.61)
Cash and cash equivalents at the beginning of the year	6.56	15.17
Cash and cash equivalents at the end of the year	444.11	6.56

(₹) Lacs

IND AS RECONCILIATION OF FINANCIAL LIABILITY:				For the year ended March 31 st , 2019	For the year ended March 31 st , 2018
BOB Corporate Loan	Opening Balance	NET Proceeds	Transaction Cost	EIR IMPACT	CLOSING BALANCE
2017-18	1,032.04	499.20	NIL	44.74	548.74
2018-19	548.74	548.74	NIL	17.02	-
				2018-19	2017-18
Foreign Trade Receivable				159.50	1,123.01
Exchange Rate difference Impact				9.11	2.08
Closing Foreign Receivable				168.61	1,120.93

Figures in bracket indicate cash outflows / deductions.

See accompanying notes forming part of the financial statements

Place : Aluva

Date : 27.05.2019

As per Annexed Report of even date

MURALEE KRISHNAN A. K. B.Sc., F.C.A., DISA, MBA
CHARTERED ACCOUNTANT
Membership No. 217127

R.K. Garg Chairman	Dr. S.N. Sasidharan Kartha Managing Director	Saran S. Kartha Joint Managing Director	Mathew M. Cherian Director	Achutha Janardhana Pai Director
DIN : 00644462	DIN : 00856417	DIN : 02676326	DIN : 01265695	DIN : 00115688
Jaya S. Kartha Director	Anil Ananda Panicker Director	R. Ravichandran Director	Nabiel Mathew Cherian Director	T.P. Thomaskutty Director
DIN : 00666957	DIN : 05214837	DIN : 00968758	DIN : 03619760	DIN : 01473957
Suresh Kumar P. Chief General Manager (Finance) & Company Secretary	K. S. Suresh Kumar Chief Financial Officer			

NOTES TO FINANCIAL STATEMENTS

1. Notes to financial statements for the period ended 31st March 2019

A. CORPORATE INFORMATION

Cochin Minerals and Rutile Ltd is a public company incorporated in India. Its shares are listed in BSE Limited. The Company is engaged in the manufacture of Synthetic Rutile, Ferric Chloride, Ferrous Chloride, Iron Hydroxide (Cemox), Recovered TiO₂, Recovered Upgraded ilmenite and Rutoweld.

B. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The MCA has notified INDAS 116 “Leases”. It shall come into force w.e.f 01.04.2019. The Company intends to adopt these standards when they become effective.

C. SIGNIFICANT ACCOUNTING POLICIES (1 -14)

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with India Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015 and with Companies (Indian Accounting Standards) (amendment) Rules ,2016 and comply in all material aspects with the relevant provisions of the Companies Act ,2013.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except as otherwise indicated.

2. FIXED ASSETS

2.1 Property, Plant and Equipment

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

NOTES TO FINANCIAL STATEMENTS

Fixed Assets are stated at acquisition cost less accumulated depreciation / amortization (except leasehold land) and cumulative impairment.

Technical know-how / license fee relating to plants/facilities are capitalised as part of cost of the underlying asset. Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months.

The acquisition of property, plant and equipment, directly increasing the future economic benefits of any particular existing item of property, plant and equipment, which are necessary for the Company to obtain the future economic benefits from its other assets, are recognized as assets.

2.2 Capital stores

Capital stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

2.3 Intangible Assets

Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalised as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software is capitalised.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised

2.4 Depreciation/Amortization

Cost of tangible fixed assets (net of residual value) is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Assets costing upto Rs.5,000/-per item are depreciated fully in the year of capitalization. Spares are depreciated up to 95% over the remaining life of the main asset.

The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The company depreciates general spares over the life of the spare from the date it is available for use. Such depreciation of component capital spares are capitalised through CWIP to the extent that such assets are used in the development of other assets.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

NOTES TO FINANCIAL STATEMENTS

The estimated useful lives of tangible and intangibles are :

Type of asset	Method	Useful lives
Building	Straight line	30 years
Plant & Machinery	Straight line	8 years
Furniture & Fixtures	Straight line	10years
Office Equipments	Straight line	5 years
Other Equipments		
Computers	Straight line	3 years
Software	Straight line	3 years
Vehicles& Material Handling Equipments	Straight line	8 years

3.LEASES

Company does not have any operating or finance leases.

4. IMPAIRMENT OF NON FINANCIAL ASSETS

Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. Impairment is recognised when the carrying amount of an asset exceeds recoverable amount.

5. BORROWING COST

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

6. INVENTORIES

6.1 Stores and Spares

6.1.1 Stores and Spares are valued at weighted average cost and are carried at the lower of cost or net realisable value. Specific provision is made in respect of identified obsolete stores & spares and chemicals for likely diminution in value.

6.1.2 Stores & Spares in transit are valued at cost.

NOTES TO FINANCIAL STATEMENTS

7. PROVISIONS, CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

7.1 Provisions

7.1.1. Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

7.1.2 When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

7.1.3 If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

7.1.4 Decommissioning Liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

7.2 Contingent Liabilities

7.2.1 Show-cause Notices issued by various Government Authorities are not considered as Obligation.

7.2.2 When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

7.2.3 The treatment in respect of disputed obligations are as under:

- a) a provision is recognized in respect of present obligations where the outflow of resources is probable;
- b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

NOTES TO FINANCIAL STATEMENTS

7.3 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account are considered for disclosure.

8.REVENUE RECOGNITION

8.1 CMRL is in the business of manufacture of Synthetic Rutile, Ferric Chloride, Ferrous Chloride, Iron Hydroxide (Cemox), Recovered TiO₂, Recovered Upgraded ilmenite and Rutoweld.

Revenue is recognised when control of goods and services are transferred to the customer at an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company is the principal in its revenue arrangements since it controls the goods or service before transferring to the customer.

The Company considers whether there are other promises in the contract which are separate performance obligations to which apportion of the transaction price needs to be allocated. In determining the transaction price for the Sale of products, the Company considers the effects of variable consideration, the existence of significant financing components, non cash consideration and consideration payable to the customer, if any.

Revenue from sale of products are recognised at appoint in time, generally upon delivery of products .

Dividend income is recognised when the company's right to receive dividend is established.

Interest income from banks is recognised on time proportionate basis . Interest income from financial assets is recognised on effective interest rate method. Key man insurance is recognised on receipt of amount on maturity of insurance as payment of premium paid is debited to profit and loss account

9. TAXES ON INCOME

9.1 Current Income Tax:

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

NOTES TO FINANCIAL STATEMENTS

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

9.2 Deferred Tax:

9.2.1 Deferred tax is provided using the Balance Sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting dates.

9.2.2. Deferred tax liabilities are recognised for all taxable temporary differences.

9.2.3 Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which deductible temporary differences and carry forward of unused tax differences and unused tax losses can be utilised.

9.2.4. Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

9.2.5 The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

9.2.6 Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or equity)

10.EMPLOYEE BENEFITS

10.1 Short term benefits:

Short term benefits are accounted for in the period during which the services have been rendered.

10.2 Post -employment benefits and other long term employee benefits:

- (i) **Defined contribution plans:** The costs of the benefits are recognised as expense/ CWIP when the employees have rendered services entitling them to the benefits.
- (ii) **Compensated absences:** Such costs which are not expected to occur within 12 months are recognised as actuarially determined liability at the present value of the defined benefit obligation at the date of each financial statement.
- (iii) **Defined Benefit Plans:** The cost of providing benefits are determined using the projected unit credit method of actuarial valuations made at the date of each financial statement..

NOTES TO FINANCIAL STATEMENTS

10.3 Remeasurements

Remeasurements, comprising of Actuarial gains and losses are recognised in Other Comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

1. Reconciliation of Gratuity		Rs. Lacs
Particulars	March 31, 2019	March 31, 2018
CHANGE IN BENEFIT OBLIGATION:		
Benefit obligation (beginning)	402.73	312.91
Service cost	21.74	21.84
Interest Expense or cost	31.02	24.29
Actuarial (gain)/loss	3.49	87.39
Benefit Obligation (at the end)	427.50	402.73
CHANGE IN PLAN ASSETS		
Fair value (beginning)	337.09	354.38
Interest income	(5.64)	(17.29)
Fair value (at the end)	331.45	337.09
EXPENSES RECOGNISED IN STATEMENT OF PROFIT & LOSS		
Service Cost	21.74	21.84
Net interest cost	6.26	(0.99)
Total	28.00	20.84
EXPENSES RECOGNISED IN OCI	52.28	48.78
Re measurement of actuarial gains/(losses)	52.28	48.78
ASSUMPTIONS:		
Discount rate (per annum)	7.5% p.a	7.5% p.a
Salary growth rate (per annum)	4.00% p.a	5.00% p.a
Mortality rate(% of IALM of 06-08)	ILM(1994-96) Ult	ILM(1994-96) Ult
Withdrawal rate	8% p.a	8% p.a

NOTES TO FINANCIAL STATEMENTS

11. CURRENT VERSUS NON CURRENT CLASSIFICATION

11.1 The Company presents assets and liabilities in the balance sheet based on current/ non- current classification.

11.2 An asset is treated as current when it is:

- * Expected to be realised or intended to be sold or consumed in normal operating cycle or is held for trading
- * Expected to be realised within twelve months after the reporting period, or
- * Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non- current.

11.3 A Liability is current when :

- * Expected to be realised or intended to be sold or consumed in normal operating cycle or is held for trading
- * It is due to be settled within twelve months after the reporting period, or
- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non current

12.FINANCIAL INSTRUMENTS:

12.1 Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial Assets at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at fair value through other comprehensive income (FVTOCI)
- Financial assets and derivatives at fair value through profit or loss (FVTPL)

NOTES TO FINANCIAL STATEMENTS

12.1.1 Financial Assets at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

12.1.2 Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

12.1.3 Equity investments at FVTOCI

All equity investments in scope of Ind AS 109 are measured at fair value. The company has made an irrevocable election to present subsequent changes in the fair value in other comprehensive income, excluding dividends. The classification is

NOTES TO FINANCIAL STATEMENTS

made on initial recognition/transition and is irrevocable.

There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

12.1.4 Debt instruments and derivatives at FVTPL

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

12.1.5 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- * The rights to receive cash flows from the asset have expired, or
- * The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control

NOTES TO FINANCIAL STATEMENTS

of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

12.1.6 Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial guarantee contracts which are not measured as at FVTPL
- c) Lease receivables under Ind AS 17

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

NOTES TO FINANCIAL STATEMENTS

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- * All contractual terms of the financial instrument (including prepayment extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- * Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). The balance sheet presentation for various financial instruments is described below:

- * Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- * Financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- * Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI

NOTES TO FINANCIAL STATEMENTS

12.2 Financial liabilities

12.2.1 Initial recognition and measurement.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts.

12.2.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

A. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

B. Financial liabilities at amortised cost:

Financial liabilities that are not held for trading and are not designated at FVTPL are measured at amortised cost at the end of subsequent accounting periods based on the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. The EIR amortisation has been calculated based on the managements perception of cash outflow which is based on expected progress of the project.

NOTES TO FINANCIAL STATEMENTS

C. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

12.2.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

12.2.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

14. FAIR VALUE MEASUREMENT

14.1 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date at each balance sheet date in the principal market or most advantageous market assuming that market participants act in their economic interest.

14.2 A fair value measurement of a non financial asset takes into account a market

NOTES TO FINANCIAL STATEMENTS

participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use using techniques which are appropriate and for which sufficient data is available.

14.3 Fair value hierarchy:

LEVEL 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

LEVEL 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

LEVEL 3: Others including using external valuers as required

2. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognised prospectively in the statement of profit and loss in the period in which the estimates are revised and in any future periods attached.

2.1. CONTINGENCIES

The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

NOTES TO FINANCIAL STATEMENTS

4. Property, plant & equipment						
Property, plant & equipment comprises of the following:						(₹) Lacs
Description	Land and development	Buildings	Plant & Machinery	Furniture Office Equipments & Other Assets	Vehicles & Material handling equipments	TOTAL
Cost as at April 1, 2018	867.05	970.53	4,586.80	277.22	254.17	6,955.77
Additions	-	-	-	19.43	-	19.43
Deletions	-	-	-	-	-	-
Cost as at March 31, 2019	867.05	970.53	4,586.80	296.65	254.17	6,975.20
Accumulated depreciation as at April 1, 2018	-	736.58	4,314.69	246.04	232.64	5,529.95
Additions	-	21.62	16.79	8.39	5.01	51.81
Deletions	-	-	-	-	-	-
Accumulated depreciation as at March 31 2019	-	758.20	4,331.48	254.43	237.65	5,581.76
Net Carrying amount as at March 31, 2019	867.05	212.33	255.32	42.22	16.52	1,393.44

NOTES TO FINANCIAL STATEMENTS

(₹) Lacs

Description	Land & Development	Buildings	Plant & Machinery	Furniture Office Equipments & Other Assets	Vehicles & Material handling equipments	TOTAL
Cost as at April 1, 2017	1,113.15	970.53	4,586.80	272.38	255.11	7,197.97
Additions	36.27	-	-	4.84	0.66	41.77
Deletions	282.37	-	-	-	1.60	283.97
Cost as at March 31, 2018	867.05	970.53	4,586.80	277.22	254.17	6,955.77
Accumulated depreciation as at April 1, 2017	-	712.75	4,285.17	238.14	226.91	5,462.97
Additions	-	23.83	29.52	7.90	7.32	68.57
Deletions	-	-	-	-	1.59	1.59
Accumulated depreciation as at March 31,,2018	-	736.58	4,314.69	246.04	232.64	5,529.95
Net Carrying amount as at March 31, 2018	867.05	233.95	272.11	31.18	21.53	1,425.82

5 CAPITAL WORK IN PROGRESS

(₹) Lacs

PARTICULARS		As at March 31, 2019	As at March 31, 2018
A CWIP		924.16	924.16
	TOTAL	924.16	924.16

NOTES TO FINANCIAL STATEMENTS

6 Non Current Investments		
Non Current investments comprises of:	(₹) Lacs	
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Investments carried at fair value through OCI		
(i) In Equity share quoted and fully paid up:		
Bank of Baroda -30,000 Equity shares of Rs. 2 each	38.64	42.69
ii) In Equity shares unquoted and fully paid up		
Kerala Enviro Infrastructure Ltd -1,75,000 (Note -1) Equity shares of Rs.10 each	17.50	17.50
Total investments measured at fair value through OCI	56.14	60.19
(b) Investments measured at cost :		
(i) In Equity shares of Associate Company Unquoted, fully paid up:		
Kerala Rare Earth and Minerals Ltd (KREML): Note 2 below		
(1) Share Capital	1.00	1.00
(2) Share Application money pending allotment	1,360.26	1,360.26
Total	1,361.26	1,361.26
(ii) In Society - Unquoted		
CMRL Employes Co-operative Society	1.00	1.00
Total investments measured at Cost	1,362.26	1,362.26
Total	1,418.40	1,422.45
Aggregate amount of quoted investments & market value	38.64	42.69
Aggregate provision for dimunition in value of investments	0.00	0.00

Note 1: The Compay KEIL has earned profit of ₹.492.46 lakhs for the year ended 31st March 2019. The Fair value is based on Level 3 and is expected to be the same as cost.

Note 2: Share application money of KREML is still pending for allotment since the KREML has not obtained mining lease from Kerala government and the capital structure is not finalised. The management is hopeful for a solution in this matter and considering the high fair valuation expected on the mining rights and due to absence of audited accounts fair valuation and equity based consolidation is not considered at present.

NOTES TO FINANCIAL STATEMENTS

7 Deferred Tax assets Balances		
Deferred tax balances consist of the following:	(₹) Lacs	
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(i) Deferred tax assets :		
Depreciation on PPE	71.74	87.91
Carry Forward loss under IT Act 1961	1,693.52	1,999.78
Others	3.60	12.15
A	1,768.86	2,099.84
(i) Deferred tax Asset/Liability :		
Fair valuation at FVTOCI	16.97	15.75
Remeasurement of defined benefit plans	(11.00)	(12.42)
B	5.97	3.33
Deferred tax assets (net) (A-B)	1,774.83	2,103.17
8 Other Assets		
Other assets consists of the following:		
(i) Other Non Current Assets Considered Good		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Capital Advances for land	437.44	437.44
(b) Capital advance for plant & machinery	9.86	9.86
(c) Vehicle advance	10.00	10.00
(d) Deposits	49.32	49.32
Total	506.62	506.62
(ii) Other Current Assets Considered Good		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Advances to Suppliers	78.89	74.94
(b) Advance to employees	8.07	17.53
(c) Prepaid Expenses	11.66	15.75
(d) KVAT deposit	5.47	5.47
(e) Indirect taxes recoverable	847.27	939.99
(f) Other Loans	100.67	94.63
Total	1,052.03	1,148.31

NOTES TO FINANCIAL STATEMENTS

9. Inventories		
Inventories consists of the following:	(₹) Lacs	
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Raw Materials	3,148.85	3,014.23
(b) Finished goods	3,406.92	3,402.88
(c) Stores spares consumables and packing materials	261.82	214.68
(d) Work in progress	222.11	250.44
(e) Others - fuel, chemicals	27.54	24.65
Total	7,067.24	6,906.88
10 Trade Recievables		
(Unsecured, considered good)		
Trade receivables consist of the following:		
	(₹) Lacs	
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Considered good	714.11	1,415.71
(b) Considered doubtful	-	-
	714.11	1,415.71
(c) Less Allowance for doubtful debts	-	-
Total	714.11	1,415.71
11. Cash and cash equivalents		
Cash and cash equivalents consists of the following:	(₹) Lacs	
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(i) Balances with banks		
Current account	138.72	3.69
(ii) Cash on hand	305.39	2.87
Total	444.11	6.56

NOTES TO FINANCIAL STATEMENTS

12 Other Balance with Banks		
Other balance with banks consists of the following:	(₹) Lacs	
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(i) Margin money accounts for Bank guarantee/LC	303.76	15.88
(ii) Unclaimed Dividend account	56.59	62.26
Total	360.35	78.14
13 Current Tax Assets (net)	(₹) Lacs	
Current tax assets (net) consists of the following:		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(i) TDS Receivable	3.88	3.46
(ii) Income Tax Advance	8.80	-
Total	12.68	3.46

NOTES TO FINANCIAL STATEMENTS

14 SHARE CAPITAL			(₹) Lacs	
PARTICULARS	As at March 31, 2019		As at March 31, 2018	
Authorised Capital				
1,00,00,000 equity shares of Rs.10/- each	1,000.00		1,000.00	
Issued, Subscribed and Paid up Capital				
78,30,000 Fully paid up Equity Shares of Rs.10 each	783.00		783.00	
Additional information :				
a)Reconciliation of number of shares and amount outstanding	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	₹. in Lakhs	No. of Shares	₹. in Lakhs
Opening Balance	78,30,000	783.00	78,30,000	783.00
Changes during the year	-	-	-	-
Closing Balance	78,30,000	783.00	78,30,000	783.00
The company has only one class of equity shares having a par value of Rs 10 each				

SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5 % SHARES ARE SHOWN BELOW:				
NAME	NO OF SHARES	% OF SHARES	NO OF SHARES	% OF SHARES
	As at March 31, 2019		As at March 31, 2018	
1.Dr.S N Sasidharan Kartha	1,354,518	17.29%	1,354,518	17.29%
2.Mr.Mathew M Cherian	784,080	10.01%	823,150	10.51%
3.The Kerala State Industrial Development Corporation Ltd	1,050,000	13.41%	1,050,000	13.41%

NOTES TO FINANCIAL STATEMENTS

15 OTHER EQUITY		(₹) Lacs
Other Equity consists of the following		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
RESERVES & SURPLUS:		
(a) Capital Reserve	0.44	0.44
(b) Investment Subsidy	15.00	15.00
(c) General Reserve	2,206.91	2,206.91
(d) Retained Earnings		
(i) Opening Balance	3,752.24	3,676.06
(ii) Profit for the year	546.96	133.93
(iii) Other Comprehensive income	(2.28)	(57.75)
Total	4,296.92	3,752.24
Other Reserves		
(e) FVTOCI		
(i) Opening Balance	25.17	31.33
(ii) OCI for the Year	(2.63)	(6.16)
	22.54	25.17
Total	6,541.81	5,999.76

NOTES TO FINANCIAL STATEMENTS

16 BORROWINGS		(₹) Lacs
Borrowings consist of the following:		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(i) Long term Borrowings		
(a) Bank of Baroda Corporate Loan - Note 1	-	548.74
(b) Less : Upfront & other fees paid	-	-
	-	548.74
(ii) Short term Borrowings		
(a) Cash credit/Packing credit from Bank of Baroda, Aluva against hypothecation of raw materials ,stock in process and finished goods and stores spares consumables.	3,277.74	2,798.08
	3,277.74	2,798.08

Note : 1 Bank of Baroda Corporate loan was sanctioned on 03/01/2014 and repayable in 72 monthly instalments of Rs. 41.60 lacs and at a sanctioned interest rate of 12.40%.

SECURITY : 1. The above Bank of Baroda Corporate loan is secured by way of

1. First charge by way of equitable mortgage of 21.35 Acres of land in Survey Nos.92/4A, 92/4B,97/1A part, 97/1B1, 1B2, 1B3,97/2B2, 97/3-1, 97/3-2 part, 98/1A part, 98/1B part,95/4 Part,95/6 Part, 95/7 part, 96/1-1, 96/1-2,96/2, 96/3A part, 96/3B part, 96/4Part, 96/5-1part, 97/1B-3 part, 97/2A-1 part, 98/1A Part,132/11-A,132/12,132/13,95/3 part, 95/5 part, 97/3 part 135/3B,135/2B, 135/2A,135/1 at Parur Taluk, Kadungallur Village together with building, plant and machinery and movables(save and except inventories of all nature, book debts and other current assets which form part of the primary security towards the working capital advance in the ordinary course of business) including movable machinery, machinery spares, tools and accessories present and future.

2. Personal guarantee of Dr S.N.Sasidharan Kartha, Managing Director

NOTES TO FINANCIAL STATEMENTS

17 OTHER FINANCIAL LIABILITIES (₹) Lacs		
(i) Other Current Financial Liabilities		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Current maturities of long term debt	531.72	499.20
(b) Unclaimed dividends	56.59	62.26
(c) Capital creditors	39.18	43.87
Total	627.49	605.33
18 Provisions		
Provisions consist of the following:		
(i) Long Term Provisions (₹) Lacs		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Provision for Employee benefits	160.82	136.81
Total	160.82	136.81
(ii) Short Term Provisions (₹) Lacs		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Provision for Employee benefits	8.91	7.21
(b) Other Provisions	42.57	11.47
Total	51.48	18.68
19 Other Current Liabilities (₹) Lacs		
PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Advance received from customers	462.45	13.13
(b) Indirect tax payable and other statutory liabilities	34.35	48.40
(c) Other Liabilities	119.91	1,966.76
Total	616.71	2028.29

NOTES TO FINANCIAL STATEMENTS

20 SALE OF PRODUCTS (₹) Lacs		
PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of manufactured products	22,341.00	16,407.83
Segment information: Company operates in one segment. Customers generating revenue more than 10% of sales is ₹.18460.33 lks.(P Y ₹.10729.05 lks)		
21 OTHER INCOME (₹) Lacs		
Other Income comprises of the following		
PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
Other Operating Income:		
(a) Sale of Ilmenite Tailings	-	3.64
(b) MEIS License sales	24.48	51.08
(c) Waste Oil	0.18	-
(e) Exchange rate difference on sales and import bill realisation etc	5.89	35.07
Total	30.55	89.79
Other Non Operating Income:		
(a) Interest on Bank Deposits	4.19	7.46
(b) Dividend income	0.25	0.61
(c) LIC Maturity amount received	160.08	-
(d) Profit on sale of vehicle		0.19
Total	164.52	8.26
TOTAL	195.07	98.05
22 Cost of material consumed (₹) Lacs		
Cost of material comprises of the following		
PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock of raw material	3,014.24	2,526.17
Add:Purchases	11,687.38	9,434.13
	14,701.62	11,960.30
Less:Closing Stock of raw material	3,148.85	3,014.23
Total	11,552.77	8,946.07

NOTES TO FINANCIAL STATEMENTS

23 Changes in inventories of finished goods, work in progress & stock- in-trade (₹) Lacs		
Changes in inventories of finished goods, work in progress and stock-in-trade comprises of the following		
PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Inventories (at close)		
Finished goods	3,406.92	3,402.88
Work in progress	222.11	250.44
	3,629.03	3,653.32
(ii) Inventories (at commencement)		
Finished goods	3,402.88	1,167.04
Work in progress	250.44	180.99
	3,653.32	1,348.03
Total Change	(24.29)	2,305.29
24 EMPLOYEE COSTS (₹) Lacs		
Employee Costs comprises of the following		
PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Salary & allowances	1,517.36	1,637.78
(b) Contribution to Provident Fund & other funds	140.25	134.84
(c) Staff Welfare Expenses	194.97	220.79
Total	1,852.58	1,993.41
25. Finance Costs (₹) Lacs		
Finance costs comprises of the following:		
PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest on term loans	-	0.27
(b) Interest on Cash Credit/Packing Credit	364.47	386.25
(c) Interest on unsecured loan	13.07	9.36
(d) Interest on Corporate Loan	82.63	173.45
Total	460.17	569.33

NOTES TO FINANCIAL STATEMENTS

26 Other Expenses	(₹) Lacs	
PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Manufacturing expenses		
(a) Power and Water	288.00	286.33
(b) Fuel	1,501.74	1,188.30
(c) Chemicals (ETP) & Sludge handling charges	1,821.01	1,953.09
(d) Stores, Spares, Consumables and Packing Materials	904.12	844.35
(e) Repairs to building	96.96	126.11
(f) Repairs to others	117.42	123.35
(g) Repairs to plant and machinery	178.54	227.55
Total	4,907.79	4,749.08
(ii) Selling and Distribution Expenses		
(a) Shipping transportation and freight and forwarding, including Terminal Handling Charges	985.87	1,048.96
(b) Export Duty	471.66	359.60
(c) Sales Commission	97.48	57.06
(d) Sales Promotion Expenses	386.98	373.77
Total	1,941.99	1,839.39
(iii) Establishment Expenses		
(a) Laboratory and Factory general ex- penses	10.05	13.39
(b) Insurance	25.14	17.31
(c) Rates & Taxes	13.35	24.69
(d) Income Tax(MAT) Paid	50.26	-
(e) Postage and Telephone charges	7.44	9.60
(f) Printing & Stationery	13.11	8.22
(g) Travelling Expenses	46.88	60.43
(h) Auditor's Remuneration		
: Statutory audit	1.12	1.12
: Tax Audit	0.38	0.38
(i) Director's sitting fee	54.50	54.50
(j) Legal & Professional Charges	22.72	34.06

NOTES TO FINANCIAL STATEMENTS

(₹) Lacs

(k) Advertisement expenses	4.70	18.94
(l) Subscription & Contribution	8.10	9.48
(m) Share transfer expenses	3.83	2.56
(n) Bank charges	131.27	145.88
(o) AGM Expenses	3.23	5.27
(p) Stock Exchange listing fee	2.50	2.50
(q) Research & Development expenses	6.00	6.50
(r) ISO Expenses	0.90	0.31
(s) Donation to CM's flood relief fund and others	220.05	-
TOTAL	625.53	415.14
GRAND TOTAL	7,475.31	7,003.61

NOTES TO FINANCIAL STATEMENTS

28 RELATED PARTY TRANSACTIONS		
(i) List of related parties	Relationship	
	DESIGNATION	RELATION
(a) Dr. S.N.Sasidharan Kartha	Managing Director	Promoter
(b) Shri Saran S Kartha	Joint Managing Director	Key Managerial Personnel(KMP)
(c) Shri P.Suresh Kumar	CGM (Finance) & Company Secretary	Key Managerial Personnel(KMP)
(d) Shri K.S.Suresh Kumar	Chief Financial Officer	Key Managerial Personnel(KMP)
(e) Kerala Rare Earths and Minerals Ltd	Associate Company	
(f) Empower India Capital Investments P Ltd	Parties with significant influence	
(ii) Transactions with related parties	(₹) Lacs	
PARTICULARS	2018-19	2017-18
(a) Loans received and repaid		
Dr S N Sasidharan Kartha	252 .00	475.00
M/s Empower India Capital Investments P LTD	200.00	NIL
(b) Interest paid for loans received		
Dr S N Sasidharan Kartha	11.32	9.36
M/s Empower India Capital Investments P LTD	1.75	NIL
(c) Sale of land		
Dr. S N Sasidharan Kartha	-	282.37
(d) Payments to KMP: Employee benefits		
Dr. S.N.Sasidharan Kartha :Salary	96.00	120.00
Contribution to PF	11.52	14.40
Shri Saran S Kartha : Salary	96.00	96.00
Contribution to PF	11.52	11.52
Shri P.Suresh Kumar : Salary	19.07	18.99
Contribution to PF	1.31	1.31
Shri K.S.Suresh Kumar: Salary	11.55	10.76
Contribution to PF	0.45	0.45
Sitting fee paid to Directors	54.50	54.50
Related party transactions are valued at Fair Value		

NOTES TO FINANCIAL STATEMENTS

29 COMMITMENTS AND CONTINGENCIES

Commitments and contingencies comprises of the following: ₹ in lacs

PARTICULARS	2018-19	2017-18
(i) Bank guarantees		
(a) Bank of Baroda	66.43	28.28
(b) Bill discounted not maturing	241.02	622.47
(c) Asst Commissioner, Kerala VAT has raised a demand of ₹.11.50 lacs for AY 2008-'09 for which appeal has been filed with DC (A)		

30. Dues to Micro, Small and Medium Enterprises

Based of the information available with the management the amount payable to micro, small and medium enterprises in respect of whom information is to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 is ₹.96.08 lakhs.

31.1. Earnings in foreign Currency (₹) Lacs

Particulars	2018-19	2017-18
FOB Value of exports	19836.77	15527.57

31.2 EARNINGS PER SHARE (EPS): (₹) Lacs

Particulars	2018-19	2017-18
Profit/(Loss) attributable to equity holders	546.96	133.93
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	78,30,000	78,30,000
Basic earnings/ (loss) Per Share	6.99	1.71
Diluted earnings/ (loss) Per Share	6.99	1.71
Face value per share	10	10

NOTES TO FINANCIAL STATEMENTS

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The financial liabilities of Cochin Minerals and Rutile Ltd. comprise of loans and borrowings, trade and other payables with the main purpose of financing the Company's activities. The financial assets of Cochin Minerals and Rutile Ltd. comprise of Investments, receivables, loans and advances and cash and cash equivalents. Cochin Minerals and Rutile Ltd. is exposed to market risk, credit risk and liquidity risk. This is managed by the Company's management team under guidance of the Board of Directors. This team ensures that the financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing these risks as summarised below.

- a. **Market Risk** : Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price and comprises of Interest rate risk, Currency risk and Other risks. Financial instruments affected by market risk includes loans and borrowings , deposits and interest on deposits.
 - (i) **Interest Rate Risk** : Risk that the fair value of future cash flows will fluctuate due to changes in market interest rates and primarily affects the long term debt obligations of the Company which is based on MCLR and reset annually. As per IND AS interest is charged as per Effective Interest Method based on the IRR of the loan.
 - (ii) **Foreign currency risk** : Company has no borrowings in foreign currency.
 - (iii) **Other Risk** : The other risk factors are the unpredictable situation in the availability and price of ilmenite and Hydrochloric acid, the major and critical raw materials of the company.
- b. **Credit Risk** : Risk of the counterparty not meeting its obligations if a customer or counterparty fails to meet its contractual obligations and arises principally from the Company's trade receivables and loans and advances. The carrying amounts of financial instruments represent the maximum exposure.

The Company's exposure to credit risk is influenced mainly by the characteristics of each customer and the geography in which it operates. Credit risk is managed by credit approvals, establishing credit limits and continuously monitoring the credit worthiness of its customers to which the Company grants credit terms in the normal course of its business.

The Company's export sales are backed by letters of credit.

The Company monitors each loans and advance given and makes any provision whenever required.

Based on prior experience and assessment of current business environment management believes there is no requirement for any credit provision and there is no significant concentration of credit risk.

The ageing of trade receivables that were not impaired are as follows : (₹ in lakhs)

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As at March 31, 2019	As at March 31, 2018
(a) Considered good	714.11	1,415.71
(b) Considered doubtful	-	-
Total	714.11	1,415.71

- c. **Liquidity risk:** The Company manages its liquidity risk through a mix of debt and equity, moreover the revenue generation meets fund requirement for operating activities. The maturity profile of the financial liabilities are as follows:

(₹) Lacs			
Item	Carrying amt	Total	Less than one year
As at March 31, 2019			
Borrowings	3277.74	3277.74	3277.74
Trade Payables	3608.92	3608.92	3608.92
Others	1295.69	1295.69	1295.69
As at March 31, 2018			
Borrowings	2798.08	2798.08	2798.08
Trade Payables	3022.59	3022.59	3022.59
Others	2652.30	2652.30	2652.30

33. CAPITAL MANAGEMENT

For the purpose of Company's capital management capital includes share capital and other equity with the primary objective of increasing shareholder value. The Company manages its capital structure in light of changes in economic conditions and requirements of the financial covenants through a mix of debt and equity.

The Company monitors capital using the adjusted net debt to capital ratio as below:

NOTES TO FINANCIAL STATEMENTS

(₹) Lacs

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current Borrowing	NIL	548.74
Current borrowing	3277.74	2798.08
Current maturity of long term debt	531.72	499.20
GROSS DEBT	3809.46	3846.02
Less: Cash and cash equivalent	444.11	6.56
Less: Other Balances with banks	360.35	78.14
ADJ: NET DEBT	3005.00	3761.32
Total Equity	7324.81	6782.76
Adj Net Debt to equity ratio	0.41	0.55

34. The figures appearing in financial statements are rounded off to the nearest ₹. in Lakhs. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Place : Aluva

Date : 27.05.2019

As per Annexed Report of even date

MURALEE KRISHNAN A. K. B.Sc., F.C.A., DISA, MBA
 CHARTERED ACCOUNTANT
 Membership No. 217127

R.K. Garg Chairman	Dr. S.N. Sasidharan Kartha Managing Director	Saran S. Kartha Joint Managing Director	Mathew M. Cherian Director	Achutha Janardhana Pai Director
DIN : 00644462	DIN : 00856417	DIN : 02676326	DIN : 01265695	DIN : 00115688
Jaya S. Kartha Director	Anil Ananda Panicker Director	R. Ravichandran Director	Nabiel Mathew Cherian Director	T.P. Thomaskutty Director
DIN : 00666957	DIN : 05214837	DIN : 00968758	DIN : 03619760	DIN : 01473957
Suresh Kumar P. Chief General Manager (Finance) & Company Secretary	K. S. Suresh Kumar Chief Financial Officer			

NO AGM GIFT

Please note that, as per the guidelines of Ministry of Corporate Affairs, SEBI and as per the Secretarial standards issued by the Institute of Company Secretaries of India, no gifts/presents are to be given to the shareholders on the occasion of Annual General Meeting. Hence no gifts will be given to the shareholders during this meeting.