

## CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company submits the report on matters mentioned in the said Regulation and the practices followed by the Company.

### 1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The basic objective of the Corporate Governance Policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. Your Company believes that Good Corporate Governance enhances the trust and confidence of all the stake holders. viz. Shareholders, Customers, Suppliers, Employees and Society in general.

### 2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of Chairman and 5 Directors categorized as follows:-

Category	Name of the Directors
a. Promoter/Chairman	Mr. Ajit Thomas
b. Executive Director	Mrs. Shanthi Thomas
c. Non-Executive and Independent Directors	Mr. A. D. Bopana Mr. F. S. Mohan Eddy Mrs. Kavitha Vijay (Independent Woman Director - w.e.f. 30.06.2020)
d. Non-Executive Non -Independent Director	Mr.S.Ganesan

The composition of the Board of Directors of the Company is presently governed by the provisions of Companies Act, 2013, the Articles of Association of the Company and the SEBI (LODR) Regulations, 2015.

The Board of Directors of the Company consists of persons of eminence, having good experience in business management, polymer technology, finance, accountancy and law. The Board of Directors meet as often as required but not less than four times a year i.e. once in a calendar quarter. The Directors receive minutes of all the meetings of the Board and of the respective Committee meetings wherever they are members; namely Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee.

During the financial year 2020-21, five meetings of the Board of Directors were held on

- i) 30<sup>th</sup> July, 2020,
- ii) 02<sup>nd</sup> Sep 2020,
- iii) 12<sup>th</sup> November 2020
- iv) 21<sup>st</sup> January 2021, and
- v) 12<sup>th</sup> February 2021.

Independent Directors are expected not to serve on the Board of competing companies. No Director of the company is a member of more than ten Committees or can act as Chairman of more than five committees across all public limited companies in which he / she is a Director. For the purpose of these only membership and chairmanship of Audit Committee and Stakeholders' Relationship Committee are alone considered.

Further, every Director informs the Company about the Committee position he / she occupies in other companies and notifies the changes as and when they take place. The details of directorships held by the Company's Directors in public limited companies (excluding Neelamalai Agro Industries Ltd.) as on 31st March 2021 and attendance at the Board Meetings of the Company are given below:

Name of the Director	Designation / Category of Directorship	No. of Board Meeting attended	Last AGM Attendance (Yes / No)	No. of other Directorships held	No. of other Committees of which Member / Chairman	Whether Chairman / Member
Mr. Ajit Thomas	Chairman	5	Yes	8	5	4 as Chairman 1 as Member
Mrs. Shanthi Thomas	Executive Director	5	Yes	2	1	1 as Member
Mr. A.D.Bopana	Non- Executive Independent Director	5	Yes	4	4	4 as Member
Mr. E.S. Mohan Eddy	Non- Executive Independent Director	5	Yes	2	1	1 as Member
Mrs. Kavitha Vijay	Independent Woman Director	5	Yes	3	3	3 as Member
Mr. S. Ganesan	Non- Executive Director	5	Yes	4	-	-

*Note 1: For calculation of number of Committee Positions in other public limited companies, we have considered Audit Committee and Stakeholders relationship committee alone.*

*Note 2: Mrs. Shanthi Thomas, Executive Director of the Company is spouse of Mr. Ajit Thomas, Chairperson of the Company. None of the other Directors are related inter se in any manner*

*Note 3: None of the Directors on the Board is a member of more than 10 committees or act as Chairman of more than 5 committees across all Listed Companies and Unlisted Public Limited Companies in which he / she is a Director.*

#### DIRECTORS' PROFILE IN OTHER LISTED ENTITIES

Sl. No.	Name of the Director	Name of the Company	Category of Directorship
1	Mr. Ajit Thomas	M/s. Saksoft Limited M/s. AVT Natural Products Limited	Independent Director Non - Executive Non - Independent Director
2	Mrs. Shanthi Thomas	M/s. AVT Natural Products Ltd	Non - Executive Non - Independent Director
3	Mr. A.D.Bopana	M/s. AVT Natural Products Ltd	Independent Director
4.	Mr. F.S. Mohan Eddy	Nil	
5.	Mrs. Kavitha Vijay	M/s. AVT Natural Products Ltd M/s. MM Forgings Ltd	Independent Woman Director Independent Director
6.	Mr. S. Ganesan	Nil	

The Board meets at least once in a quarter and the interval between two meetings is not more than 120 days. Apart from the statutory requirements, the role of the Board includes setting annual business plan, periodic review of operations & considering proposals for diversification, investments and business re-organization. The information periodically placed before the board includes status of statutory compliance, proceedings / minutes of all committees including the audit committee.

A Director of a Listed Entity shall not be a director on the Board of more than Eight (8) Listed Entities with effect from 1st April 2019, out of which he/she shall not serve as an Independent Director on the Board of more than Seven (7) Listed Entities. However, a person on the Board of a Listed entity serving as Managing Director / Whole-Time-Director shall not serve as an Independent Director on the Board of not more than Three (3) Listed Entities.

## KEY BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES

In accordance with Clause C(h)(i) and (ii) of Schedule V read with Regulations 34(3) and 53(f) of LODR, the Board of Directors have identified the following Core Skills/Expertise/Competencies, required for Board Members in the context of Company's business and sectors, to function effectively.

The Board of the Company comprises qualified members who bring in the required skills, expertise and competence that allows them to make effective contribution to the Board and its Committees. The members of the Board are committed to ensure that the Board is in compliance with the highest standards of corporate governance.

The below table summarizes the key

Board Qualification	Indicators
<b>Agriculture &amp; Contract farming</b>	Being a Director in an Agro based Company, proficiency in complex Agriculture, contract farming, backward integration etc., are key to develop a team
<b>Business Operations</b>	Vast experience in driving business success across the country with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and have a broad perspective on market opportunities.
<b>Leadership</b>	Leadership experience in a significant enterprise with a practical understanding of organizations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, succession planning and driving change and long-term growth.
<b>Technology</b>	A significant background in technology resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.
<b>Board Governance</b>	Service on the Board of the public company to develop insights about maintaining board and management accountability, protecting shareholder interests and observing appropriate governance practices.
<b>Sales and Marketing</b>	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance company reputation
<b>Finance</b>	Being a Director in manufacturing company, proficiency in complex financial management, capital allocation and financial reporting processes are must.

The skill areas in the matrix will be regularly reviewed to ensure that the composition of skills on the Board remains aligned with the Group's stage of development and strategic direction.

## SKILL SET OF INDIVIDUAL DIRECTORS

Name of Directors	Agriculture & Contract Farming	Business Operations	Leadership	Technology	Board Governance	Sales and Marketing	Finance
Mr. Ajit Thomas, Chairman	✓	✓	✓	✓	✓	✓	✓
Mrs. Shanthi Thomas, Executive Director	✓	✓	✓	✓	✓	✓	✓
Mr. A D Bopana, Independent Director	✓	✓	✓	✓	✓	-	✓
Mr. F S Mohan Eddy, Independent Director	✓	✓	✓	✓	✓	✓	✓
Mrs. Kavitha Vijay, Independent Woman Director	✓	✓	✓	✓	✓	-	✓
Mr. S. Ganesan, Non Executive Director	✓	✓	✓	✓	✓	-	✓

## Confirmation

In the opinion of the Board that the Independent Directors fulfill the conditions specified under Regulation 34(3) of SEBI (LODR) Regulations, 2015 and are independent of the management.

## POLICY ON BOARD DIVERSITY

The Policy on Board Diversity adopted by the Company includes the following:

- a. Diversity is ensured through consideration of a number of factors, including but not limited to skills, regional and industry experience, background and other qualities.
- b. The Nomination & Remuneration Committee shall lead the process for Board appointment and for identifying and nominating, for approval of the Board, candidates for appointment to the Board.
- c. Board appointments are based on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board, including gender.
- d. The Company shall also take into account factors based on its own business model and specific needs from time to time.
- e. The benefits of experience/knowledge in the areas relevant to the Company and diversity continue to influence succession planning and continue to be the key criteria for the search and nomination of Directors to the Board.

### Familiarisation programmes

The Independent Directors attend a Familiarization / Orientation Program on being inducted into the Board. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarize them with the process, business and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarization Program is uploaded on the website of the Company. [www.neelamalaiagro.com](http://www.neelamalaiagro.com)

### Details of shareholding of Directors as on 31st March 2021

The number of equity shares of face value of Rs.10/- each of the Company held by the Directors as on 31<sup>st</sup> March 2021 is as under:

#### Shareholdings of Non-Executive Directors/ Independent Director as on 31.03.2021

Name of the Non-Executive Director	DIN	No. of Shares held
Mr. Ajit Thomas (Promoter/Chairman)	00018691	4,14,618 equity shares jointly held with Mrs. Shanthi Thomas (Executive Director)
Mr. A.D. Bopana, Independent Director	00576066	Nil
Mr. F.S. Mohan Eddy, Independent Director	01633183	Nil
Mrs. Kavitha Vijay, Independent Woman Director	01047261	Nil
Mr. S. Ganesan. Non-Executive Director	08588380	Nil

### Responsibilities:

The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the intervening gap between the meetings is within the period prescribed under the Companies Act 2013. During the year under review the Board met five (5) times. The agenda of the Board meeting is circulated to all the Directors well in advance and contains all the relevant information. The Chairman is responsible for corporate strategy, planning, external contacts and Board Matters. The senior management personnel heading respective divisions are responsible for all day-to-day, plant operations related issues, productivity, recruitment, and employees retention for their divisions.

## 3. COMMITTEES

The Company has constituted various committee(s) in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Company Secretary acts as the Secretary to all the Committees. Each of these Committees has the authority to engage outsider experts, advisors, and counsels to the extent it considers appropriate to assist in its functions. Minutes of the Committee meetings are circulated to the Directors and placed before the Board meeting for noting thereat.

## Audit Committee

The Audit Committee was constituted in compliance with the Companies Act, 2013. During the year under review, four meetings of the Committee were held on i) 30th July, 2020, ii) 2nd September 2020 iii) 12<sup>th</sup> November 2020 and iv) 12<sup>th</sup> February 2021

The Audit Committee comprises of Mr.A.D.Bopana, as Chairman – Non-Executive Independent Director and Mr. F.S. Mohan Eddy as Non-Executive Independent Director, Mr.Ajit Thomas, Non-Executive Non-Independent Director & Mrs.Kavitha Vijay, Non-Executive Independent Woman Director as members.

Attendance at the Audit Committee meetings during the year under review are given below:

Name	Non-Executive / Independent	Number of Meetings held & attended
Mr. A.D.Bopana	Non-Executive Independent Director	4
Mr. Ajit Thomas	Non-Executive Non-Independent Director	4
Mr. F.S. Mohan Eddy	Non-Executive Independent Director	4
Mrs.Kavitha Vijay	Non-Executive Independent Woman Director	2 ( 2 meetings held since appointed in Audit Committee)

The Audit Committee invites the executives of the Company, as it considers appropriate, representatives of Statutory Auditor and representatives of the Internal Auditor at its meetings.

The role of the Audit Committee includes the followings pursuant to Regulation 18 of SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for terms of appointment and remuneration of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to quarterly and yearly financial statements
  - f. Disclosure of any related party transactions
  - g. Modified opinion in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendations to Company's Board;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the company, whenever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of Statutory and Internal Auditors, reviewing Internal Control Systems in the organization;

13. Reviewing adequacy of internal audit function, if any, including structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors over significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO;
20. Approval or any subsequent modification/ changes of Related Party Transactions;
21. To investigate into any matter specified under Section 177(4) or any matter referred by the Board.
22. The Committee has power to obtain external professional help/ advice and has right to ask for any information/ explanation.
23. To review the utilization of loans and /or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower, if any.

**Nomination and Remuneration Committee:**

The present Members of Committee are – Mr. Ajit Thomas, Non-Executive Director, Mr. A.D. Bopana and Mr.F.S. Mohan Eddy are the Non-Executive Independent Directors of the Company. Mr. A.D.Bopana is the Chairman of the Nomination & Remuneration Committee.

The Nomination and Remuneration committee met twice during the financial year 2020-2021 on 30th July 2020 & 21st January 2021. The necessary quorum was present for the meeting. The performance of every Director was evaluated in the meeting held on 21<sup>st</sup> January 2021 . The composition of the Committee during the financial year and the details of the meetings held and attended by the members are as under:

Name	Non-Executive / Independent	Number of Meetings held & attended
Mr.A.D.Bopana	Non-Executive Independent Director	2
Mr. Ajit Thomas	Non-Executive Non-Independent Director	2
Mr. F.S.Mohan Eddy	Non-Executive Independent Director	2

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

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of Independent Directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Policy is devised in accordance with Section 178 of the Companies Act, 2013. The performance evaluation criteria for independent director are provided in the Director Report. Further, the details of remuneration paid to all the Directors and other disclosures as required to be made under Regulation 34(3) of SEBI (LODR) Regulation 2015 have been provided in this Report

**Remuneration of Directors/ Remuneration Policy:**

Non-executive Directors are paid sitting fees for each meeting of the Board or its committees attended by them. The Sitting fees paid during the year 2020-21 are as under:

Name of Director	Sitting Fees
Mr.Ajit Thomas	Rs.96,000/-
Mr.A.D. Bopana	Rs.81,000/-
Mr.F.S.Mohan Eddy	Rs.1,01,000/-
Mrs.Kavitha Vijay	Rs 65,000/-
Mr.S. Ganesan	Rs 70,000/-

**Remuneration paid to Directors for the financial year 2020-21 is as under:**

Name	Mrs. Shanthi Thomas, Executive Director
Salary	Rs.2,50,000/- per month (w.e.f .05.02.2021 - Rs. 2,50,000 per month) (Rs. 2,00,000 per month upto 04.02.2021.)
HRA	Rs.50,000/- per month (wef 05.02.2021)
Provident Fund	Company's contribution@12% in accordance with the rules of the Company
Gratuity	As per the Rules of the Company
Perquisites	Company car and communication facilities: Use of the Company's car, chauffeur and communication facilities at the residence for official purposes, as per the rules of the Company. Insurance benefit: Life Cover, Personal Accident, Medical as per the policy of the Company

**Stakeholders Relationship Committee:**

Pursuant to provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015, the Stakeholders Relationship Committee during the year comprised of Mr. Ajit Thomas as Chairman, Mr.A.D.Bopana and Mr. F.S.Mohan Eddy as Members.

The composition of the Committee during the financial year and the details of the meeting held and attended by the members are as under:

Name	Non-Executive / Independent	Number of Meetings held & attended
Mr. Ajit Thomas	Non-Executive Non-Independent Director	7
Mr.A.D. Bopana	Non-Executive Independent Director	-
Mr. F.S. Mohan Eddy	Non-Executive Independent Director	7

The broad terms of reference of Stakeholders Relationship Committee as set out in the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013 will include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transmission / transposition of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the services and adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports/ statutory notices by the shareholders of the company.

Mr. S. Lakshmi Narasimhan, has been appointed as the Compliance Officer, as required by Regulation 6 of SEBI (LODR) Regulations 2015. He has been entrusted the task of meeting fully the requirements of the said Regulation and overseeing the share transfer work done by the Registrars and Share Transfer Agents attending to grievances of the shareholders and investors; compliance with the statutory and regulatory requirements etc. of SEBI and stock exchange.

With reference to Regulation 46 of SEBI (LODR) Regulations, 2015 the Company has designated exclusive e-mail ID -narasimhan.l@avtplantations.co.in for investors to register their grievances, if any. This has been initiated by the company to resolve investors' grievances, immediately. The Company has displayed the said e-mail ID on its Website for the knowledge of Investors.

#### SUMMARY OF SHAREHOLDERS COMPLAINTS AS ON 31.03.2021

Sl. No.	Particulars	No. of Complaints
1.	Number of Shareholders complaints pending as on 01.04.2020	Nil
2.	Number of shareholders complaints received during the year 2020-21	1
3.	Number of shareholders complaints resolved during the year 2020-21	1
4.	Number of Shareholders complaints pending as on 31.03.2021	Nil

#### Buy-Back Committee:

In connection with the Buy-Back offer made during the year, a Buy- Back Committee comprising of Mr. Ajit Thomas, Chairman, Mr. F S Mohan Eddy, Independent Director, and Mr. S Ganesan, Non Executive Non Independent Director of the Company, (Members of the Committee) was constituted to take and execute all actions relating to the Buyback. Mr. S. Lakshmi Narasimhan, Company Secretary was appointed as the Compliance Officer for the purpose of Buyback.

The composition of the Buy – Back Committee and the details of the meetings held and attended by the members during the financial year are as follows:

Name	Non-Executive / Independent	Number of Meetings held & attended
Mr.Ajit Thomas	Non-Executive Non-Independent Director	4
Mr.FS.Mohan Eddy	Non-Executive Independent Director	4
Mr.S.Ganesan	Non-Executive Non-Independent Director	4

#### 4. GENERAL BODY MEETINGS

##### Details of last three Annual General Meetings Held:

Year	Venue	Date	Time	Special Resolution/s Passed
2019-20	Through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) Deemed Venue was Katary Estate, Katary Post, The Nilgiris-643213	25th September, 2020	11.00 a.m	Nil
2018-19	Katary Estate, Katary Post, The Nilgiris-643213	30 <sup>th</sup> August, 2019	12.00 noon	1
2017-18	Katary Estate, Katary Post, The Nilgiris-643213	22 <sup>nd</sup> August, 2018	12.00 noon	Nil

#### Special Resolutions:

A Special Resolution was passed in the Annual General Meeting held on August 30, 2019 for alteration of clause 140 A of the Articles of Association of the company.

#### Resolutions passed through postal ballot

During the year 2018-2019, the Company had passed two Special Resolutions as per Regulations 17A of SEBI (LODR), Regulations 2015, for the re-appointment and as well as continuation of Independent Director, Mr.A.D. Bopana, for the second term of appointment from 01.04.2019 to 31.03.2022.

Person who conducted the postal ballot exercise – Mr. V Suresh, Practicing Company Secretary Procedure adopted for Postal Ballot:



In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provided electronic voting (e-voting) facility, in addition to physical ballot, to all its members. For this purpose, the Company had engaged the services of M/s. Central Depository Services (India) Limited.

Postal ballot notices and forms were despatched, along with postage-prepaid business reply envelopes to registered members / beneficiaries. The Company also published a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

## 5. DISCLOSURES

The Company had complied with all the regulations of Stock Exchange(s), SEBI or other statutory authorities on matters related to capital markets. During the year under review, the company had received a notice from BSE Ltd. imposing a fine of Rs.5,31,000/- (including GST) stating non-compliance of said Regulation 17(1)(C) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 towards non-compliance on the composition of the Board of Directors. The Company had replied to the BSE Ltd. stating that the Board was reconstituted on 30.06.2020 in line with the extension of time granted vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/3 dated 19th March 2020 and hence there was no non-compliance. BSE Ltd. accepted the company's reply and waived the penalty.

## 6. MEANS OF COMMUNICATION

The Unaudited quarterly and Audited Annual Financial results are sent to the BSE Ltd., where the shares of the Company are listed.

- The quarterly, half yearly and annual results of the Company's financial performance were published in newspapers viz. 'Trinity Mirror' & 'Financial Express' in English and 'Makkal Kural' in Tamil and displayed on Company's website, www.neelamalaiagro.com.
- The Annual Report is circulated to all members, and is also available on the Company's website.
- The Annual Report of the Company for the financial year 2020-21 is being e-mailed to the members whose e-mail addresses are available with the depositories or are obtained directly from the members, as per section 136 of the Companies Act, 2013 and Rule 11 of the Company (Accounts) Rules, 2014 and Regulation 36 of SEBI (LODR) Regulations, 2015. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

## GENERAL SHAREHOLDER INFORMATION

(i)	Annual General Meeting -Date and Time -Mode		September 03, 2021 at 11 a.m. Video Conference/ Other Audio-Visual Means
(ii)	Financial Calendar (Tentative)	Unaudited Results for the quarter ending 30.06.2021 quarter ending 30.09.2021 quarter ending 31.12.2021 Audited Financial Results for the year ending 31.03.2022	Before 15.09.2021 Before 14.11.2021 Before 14.02.2022  Before 30.05.2022
(iii)	Dates of Book Closure		28.08.2021 to 03.09.2021(both days inclusive)
(iv)	Dividend Payment Date		Within 30 days from the date of AGM
(v)	Listing on Stock Exchanges	BSE Ltd  Floor 25 P. J. Towers Dalal Street, Mumbai - 400 001 Maharashtra	The Annual Listing Fees prescribed has been paid to BSE Ltd. till March 31, 2022.
(vi)	a) Stock Code b) Demat ISIN Number in CDSL & NSDL for equity shares	BSE Ltd	NEAGI  INE 605D01012

## STOCK MARKET DATA - BSE LTD

Month	High Price	Low Price
April-20	900.90	900.90
Sep-20	993.15	945.90
Nov-20	1,287.70	1,005.00
Dec-20	1,561.60	1,349.00
Jan-21	1,483.50	1,350.00
Feb-21	1,570.00	1,488.35
March-21	1,638.00	1,560.00

### 7. REGISTRAR AND SHARE TRANSFER AGENTS

M/s. CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, No.1,  
Club House Road  
Chennai – 600 002.

### 8. SHARE TRANSFER SYSTEM

The Company's shares are traded in the BSE Ltd in demat mode. The transmission of physical shares of the company are now handled by our Registrar and Share Transfer Agent M/s Cameo Corporate Services Limited, Chennai. Shares in physical mode, which are lodged for transmission either with the Company or with the Share Transfer Agent, are processed and the share certificates are returned to the within 21 days in case of Transmission.

SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 amended Regulation 40 of SEBI (LODR) Regulations, 2015 pursuant to which after 31st March 2019 transfer of securities could not be processed unless the securities are held in the dematerialized form with a depository.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode.

#### **Nomination facility for shareholding**

As per the provisions of Section 72 of the Companies Act 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH- 13), from the Share Department of the Company/ Cameo Corporate Services Limited. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

#### **Permanent Account Number (PAN)**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferor(s), transferee(s), surviving joint holders/legal heirs be submitted to the Company while obtaining the services of transposition, transmission and issue of duplicate share certificates.

Members attention is invited to SEBI's circular no SEBI/HO/MIRSD/0081/CIR/P/2018/73 dated April 20, 2018, pursuant to which the Company has written to shareholders holding shares in physical form, requesting them to furnish details regarding their PAN and also their bank details for payment of dividend through electronic mode. Those shareholders, who are yet to respond to the Company's request in this regard, are once again requested to take action in the matter at the earliest

**a. Distribution of Shareholding as on 31.03.2021**

No. of Equity Shares	Shareholders		No. of Equity Shares	
	Number	%	Number	%
Up to 500	749	94.33	94747	15.23
501 - 1000	31	3.90	24530	3.94
1001 - 2000	5	0.63	7518	1.21
2001 - 3000	2	0.25	4800	0.77
3001 - 4000	1	0.13	3600	0.58
4001 - 5000	1	0.13	4266	0.69
5001 - 10000	1	0.13	8126	1.31
10001 & above	4	0.50	474475	76.27
Total	794	100.00	622062	100.00

**b. Pattern of Shareholding as on 31.03.2021**

Category	No. of Equity Shares	Percentage
Promoters	4,23,144	68.02
Banks	4,250	0.68
NRI's	50	0.01
Bodies Corporate	7,586	1.22
IEPF	38,670	6.22
Public	1,48,362	23.85
TOTAL	6,22,062	100.00

**c. Dematerialisation of Shares**

The shares of this Company are partially in demat form.

- The shares of the Company are available for dematerialisation (holding of shares in electronic form) on the depositories viz. CDSL and NSDL.
- Equity Shares of the company are to be compulsorily traded in the dematerialised form. As on 31st March 2021, 5,35,939 Equity Shares comprising of 86.16% of paid-up capital of the company, have been dematerialised by the investors and bulk of transfers take place in the demat segment.
- Outstanding Stock

The Company has not issued any Global Depository Receipts/ Warrants and Convertible Bonds.

**10. PRODUCTION CENTRES**

TEA	Katary & Sutton Estates, Katary Post Coonoor, The Nilgiris - 643 213
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**11. ADDRESS FOR CORRESPONDENCE**

P.B. No. 4260, Panampilly Nagar P. O., Kochi - 682 036

Telephone : 0484 - 2315312

Fax : 0484 - 2312541

E mail : secneelamalai@avtplantations.co.in

Website : www.neelamalaiagro.com

a. Address for correspondence

Investor correspondence may be addressed to any of the following:

Corporate Office	Registrar & Share Transfer Agents
<b>Mr. S.Lakshmi Narasimhan</b> Company Secretary & Compliance Officer Neelamalai Agro Industries Limited 60, Rukmani Lakshmi pathi Salai Egmore, Chennai - 600 008 Tele :(O) +91 44-2855 3249 / (D) +91 44 2852 7775	<b>Contact Person Ms. D.Sofia</b> M/s. Cameo Corporate Services Ltd "Subramanian Building", No.1 Club House Road, Chennai-600 002 Tel: 044 28461173 / 40020733
Website : www.neelamalaiagro.com E-mail : secneelamalai@avtplantations.co.in / narasimhan.l@avtplantations.co.in	Website : www.online.cameoindia.com E-mail : sofia@cameoindia.com

- b. Proposed Dividend: Rs.30/- (Rupees Thirty only) per share (300%) on face value of Rs.10/- each.
- c. Electronic Clearing Service (ECS): The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages members to avail of this facility as ECS provides adequate protection against fraudulent interception and encashment of dividend warrants, apart from eliminating loss/damage of dividend warrants in transit and correspondence with the Company on revalidation/issuance of duplicate dividend warrants.
- d. Bank Details for electronic shareholding: Members are requested to notify their depository participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank accounts, including the MICR codes of their banks, to their DPs.
- e. Furnish copies of Permanent Account Number (PAN): The members are requested to furnish their PAN which will help us to strengthen the compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002.
- f. Demat ISIN allotted to Equity Shares in CDSL and NSDL is INE 605D01012
- g. Corporate Identity Number (CIN): L01117TZ1943PLC000117
- h. Stock Code: NEAGI

#### CREDIT RATING

The Company hasn't obtained any credit rating from the agencies.

## 12. OTHER DISCLOSURES

### a. Related Party Transactions:

During the year, there were no material related party transactions i.e. transactions of the Company of a material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large. The details of Related Party Transactions are given in Annexure to the Directors Report.

### b. Compliances:

The Company had complied with all the regulations of Stock Exchange(s), SEBI or other statutory authorities on matters related to capital markets. During the year under review, the company had received a notice from BSE Ltd. imposing a fine of Rs.5,31,000/- (including GST) stating non-compliance of said Regulation 17(1)(C) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 towards non-compliance on the composition of the Board of Directors. The Company had replied to BSE Ltd. stating that the Board was reconstituted on 30.06.2020 in line with the extension of time granted vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/3 dated 19th March 2020 and hence there was no non-compliance. BSE Ltd. accepted the company's reply and waived the penalty.

### c. Vigil Mechanism or Whistle-Blower Policy:

Pursuant to Section 177 of the Companies Act, 2013 and the Regulation 22 of SEBI (LODR) Regulation, 2015, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company www.neelamalaiagro.com.

**d. Policy on dealing with related party transactions:**

The policy on dealing with related party transactions is provided in the company's website [www.neelamalaiagro.com](http://www.neelamalaiagro.com).

**e. Remuneration paid to Statutory Auditors**

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

	Rs. in Lakhs
Payment to Statutory Auditors FY 2020-21	
Audit Fees	Rs.7.00
Tax Audit Fees	Nil
Other Services	0.50
Reimbursement of expenses	Nil
Travelling and other expenses	Nil
Total	Rs. 7.50

**f. Certificate from company secretary in practice**

The Company has obtained a certificate from Mr.V.Suresh, Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

**g. Recommendation of Committee**

All the recommendations of the committees are accepted by the Board

**h. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.** The Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided in Directors' Report.

**i. Risk Management:**

The Company had since 2004-2005, undertaken the exercise of identifying risks being faced by the company and ways of managing such risks. Risk minimization is being built up in the operating systems. Risks are periodically reviewed at both Audit committee level and Board of Directors of the company.

**j. Meeting of Independent Directors:**

The company's Independent Directors met on 12<sup>th</sup> February 2021. The meeting was attended by all the Independent Directors and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

**k. Prohibition of Insider Trading:**

In compliance with the provisions of SEBI (Prohibition of Insider Trading Regulations) 2015, as amended from time to time, to preserve the confidentiality and prevent misuse of unpublished price sensitive information (UPSI)/Leak of UPSI, the Company has adopted a Code of Conduct for Insider Trading for prohibition of Insider trading which was revised and approved by Board at their meeting held on 14<sup>th</sup> February 2019, for Promoters, Member of Promoter group, directors, Designated Person/ Employees, their immediate relatives, designated persons of material subsidiary Company and substantial shareholders in the listed Companies.

All the Promoters, Directors, designated employees, connected persons who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window shall be closed from the end of every quarter till 48 hours after the declaration of financial results & in case of any other events, it shall be closed inter-alia for twelve (12) days prior to Board Meeting. This policy also provides for periodical disclosures from the designated person as well as pre-clearances of transactions by such persons.

**l. CEO and CFO Certification:**

Certificate obtained from CEO and CFO, in terms of Regulation 17 of SEBI (LODR) Regulations, 2015, was placed before the Board of Directors of the Company in its meeting held on 30.06.2021.

**m. Management Discussion and Analysis forms part of the Directors Report.**

n. Certification of Corporate Governance Report:

Certificate from M/s.V. Suresh Associates, Practicing Company Secretaries, Chennai having Peer Review Cert. No. 667/2020 on Corporate Governance, as required by Regulation 34 of SEBI (LODR), Regulations, 2015, is incorporated in this Annual Report.

### 13. UNCLAIMED DIVIDEND

The Company has transferred the unpaid or unclaimed Final Dividend for the financial year 2012-2013 to the Investor Education & Protection Fund (IEPF) constituted by the Central Government. Dividend declared for the financial year 2013-2014 remaining unpaid/unclaimed over a period of 7 years is liable to be transferred to the above fund during the year and no claim shall lie against the Company or the said Fund, once it is transferred. Members are advised to claim the unpaid dividend, if any, immediately.

**Transfer of the 'Shares' into Investor Education and Protection Fund (IEPF) (in cases where dividend has not been claimed for seven consecutive years).**

In terms of Section 124(6) of the Act read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, and Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company has transferred 6964 equity shares to the IEPF account during the financial year.

Guidelines for Investors to file claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF With effect from September 7, 2016, Investors/Depositors whose unpaid dividends, matured deposits or debentures etc. have been transferred to IEPF under Companies Act, 1956 and/or the Act, can claim the amounts. In addition, claims can also be made in respect of shares which have been transferred into the IEPF, as per the procedures/guidelines stated below:

- a. Download the Form IEPF-5 from the website of IEPF (<http://www.iepf.gov.in>) for filing the claim for the refund of dividend/shares. Read the instructions provided on the website/instruction kit along-with the e-form carefully before filling the form.
- b. After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the website. On successful uploading, an acknowledgement will be generated indicating the SRN. Please note down the SRN details for future tracking of the form.
- c. Take a print out of the duly filled Form No. IEPF-5 and the acknowledgement issued after uploading the form.
- d. Submit an indemnity bond in original, copy of the acknowledgement and self-attested copy of e-form along with other documents as mentioned in the Form No.IEPF-5 to the Nodal Officer(IEPF) of the Company at its Registered Office in an envelope marked "Claim for refund from IEPF Authority"/"Claim for shares from IEPF" as the case may be. Kindly note that submission of documents to the Company is necessary to initiate the refund process.
- e. Claim forms completed in all respects will be verified by the concerned Company and on the basis of Company's Verification Report, refund will be released by the IEPF Authority in favour of claimants' Aadhar linked bank account through electronic transfer and/or the shares shall be credited to the demat account of the claimant, as the case may be.

The Nodal Officer of the Company for IEPF Refund Process is Mr.S.Lakshmi Narasimhan whose e-mail id is [narasimhan.l@avtplantations.co.in](mailto:narasimhan.l@avtplantations.co.in).

### DISCRETIONARY REQUIREMENTS

The Non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

#### **Audit Qualifications:**

The financial statements of the Company are unqualified. There were some delay in remitting statutory dues in time due to the restrictions which were in existence due to Covid 19.

#### **Reporting of internal auditor:**

The internal audit reports are placed before the Audit Committee.

**Declaration under Regulation 34(3) read with Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct.**

In accordance with Regulation 34(3) read with Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them for the Financial Year ended 31st March 2021.

For Neelamalai Agro Industries Ltd.,

SHANTHI THOMAS  
Executive Director  
DIN : 00567935

Chennai  
30.06.2021

**ANNEXURE - 6**

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE  
UNDER SECURITIES AND EXCHANGE BOARD OF INDIA  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To the Members of  
Neelamalai Agro Industries Limited

We have examined the compliance of Corporate Governance by Neelamalai Agro Industries Limited, for the year ended 31<sup>st</sup> March 2021, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and considering the relaxations granted by the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 subject to the following:

The Bombay Stock Exchange Ltd (BSE) imposed a fine of Rs.5,31,000/- (including GST) for non-compliance of Regulation 17(1)(C) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015. The Company has replied to the Exchange stating that the Board was reconstituted on 30.06.2020 in line with the extension of time granted vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/3 dated 19th March 2020 and hence there was no non-compliance. The BSE accepted the company's reply and waived the penalty.

We further state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by it. However, during the year the company received 1 compliant from one of the shareholders regarding market lots for the shares, which was redressed after the stipulated period.

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.

For V. Suresh Associates  
Practicing Company Secretaries  
V. Suresh  
Senior Partner  
FCS No. 2969  
C.P. No. 6032  
Peer Review Cert. No. : 667/2020  
UDIN: F002969C000503634

Place : Chennai  
Date : 23.06.2021