

**JAMES**  
**WARREN TEA**

**James Warren Tea Limited**

Annual Report 2015-16

## Contents

	Page No.
Notice	2
Board's Report and Annexures	9
Management Discussion & Analysis	34
Corporate Governance Report	40
Independent Auditors' Report	64
Balance Sheet	70
Statement of Profit and Loss Account	71
Cash Flow Statement	72
Notes to Financial Statement	74

# CORPORATE INFORMATION

## JAMES WARREN TEA LIMITED

CIN No. L15491AS2009PLC009345

<b>Chairman</b>	Mr. Anil Kumar Ruia
<b>Whole Time Directors</b>	Mr. Akhil Kumar Ruia Mr. Ankit Govind Ruia (upto 31.03.2016) Mr. Rakesh Kumar Srivastava
<b>Directors</b>	Mr. Rajendra Kumar Kanodia Mr. Arup Kumar Chowdhuri Mr. Abhiram Kastur Sheth Mr. Harshvardhan Saraf Mrs. Sucharita Basu De
<b>Chief Financial Officer</b>	Mr. Vikram Saraogi
<b>Company Secretary</b>	Ms. Surbhi Shah (w.e.f. 28.05.2016)
<b>Statutory Auditors</b>	M/s. Singhi & Co., Chartered Accountants
<b>Cost Auditors</b>	Mr Debobrata Banerjee, Cost Accountant
<b>Secretarial Auditors</b>	Mr Santosh Kumar Tibrewalla, Practicisng Company Secretary
<b>Bankers</b>	State Bank of India                      HDFC Bank Limited Kotak Mahindra Bank                      ICICI Bank Limited
<b>Registrar &amp; Share Transfer Agent</b>	M/s. Maheshwari Datamatics Private Limited 6 Mangoe Lane, 2nd Floor, Kolkata - 700 001 Tel: +91-033 2243-5809, 2243-5029; Fax: +91-033 2248-4787 E-mail: mdpldc@yahoo.com
<b>Tea Gardens</b>	Dhoedaam Tea Estate                      Deamoolie Tea Estate Baliyan (H) Tea Estate                      Rajah Alli Tea Estate Thowra Tea Estate                      Tippuk Tea Estate Zaloni Tea Estate
<b>Registered Office</b>	Dhoedaam Tea Estate, P.O. Borahapjan, Tinsukia-786150, Assam Tel: 03759-247922
<b>Corporate Office</b>	Aspirations Vintage, 12 Pretoria Street Kolkata - 700 071, West Bengal Tel: 91-33-40341000 Fax: 91-33-40341015 Email: corporate@jameswarrentea.com; investors@jameswarrentea.com; Website: www.jameswarrentea.com

## NOTICE

**NOTICE** is hereby given that the 7th Annual General Meeting of the Members of **M/s. James Warren Tea Limited** will be held at the Registered Office of the Company at Dhoedaam Tea Estate, P.O.- Borahajpan, Dist: Tinsukia, Assam – 786150 on Wednesday, the 21st day of September, 2016 at 9.00 A.M. to transact the following business:-

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Financial Statements of the Company including Audited Balance Sheet as at 31st March, 2016, the Audited Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Akhil Kumar Ruia (DIN 03600526), who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors of the Company until the conclusion of next AGM and to fix their remuneration and in this respect, to pass, with or without modification (s) the following resolution as an Ordinary Resolution :

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the Audit Committee of the Company, the appointment of M/s. Singhi & Company, Chartered Accountants (Registration No. 302049E), as the Statutory Auditors of the Company, be and is hereby ratified to hold office of Auditors from the conclusion of this Annual General Meeting (AGM) until the conclusion of next Annual General Meeting and the Board of Directors be and is hereby authorized to fix their remuneration.”

### **SPECIAL BUSINESS :**

4. **APPROVAL OF REMUNERATION OF COST AUDITORS**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors  
For **JAMES WARREN TEA LIMITED**

Sd/-

**Surbhi Shah**

*Company Secretary*

Place: Kolkata

Date : August 8, 2016

# NOTICE

## Notes:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. The profile of the Directors seeking appointment/re-appointment, as required in terms of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchanges and Secretarial Standard 2 as issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice.
3. **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.**
4. The instrument appointing the proxy duly stamped, completed, signed and deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form is enclosed.
5. **A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBERS HOLDING MORE THAN 10 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 MEMBER.**
6. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 12th August, 2016.
10. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 14th September, 2016 are requested to send the duly signed written / email communication to the Company at [investors@jameswarrentea.com](mailto:investors@jameswarrentea.com) and to the RTA at [mdpfdc@yahoo.com](mailto:mdpfdc@yahoo.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
11. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e., 14th September, 2016. A person who is not a member as on cut-off date should treat this notice for information purpose only.
12. The shareholders shall have one vote per equity share held by them as on the cut-off date of 14th September, 2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
13. Members holding shares in physical form are advised to file nominations (form as attached) in respect of their shareholding in the Company, if not already registered and to submit the same to the R&TA. The nomination form may also be downloaded from the Company's website: [www.jameswarrentea.com](http://www.jameswarrentea.com).
14. **The Register of Members and Share Transfer Books will remain closed from 15th September, 2016 to 21st September, 2016 (both days inclusive) for the purpose of this AGM.**
15. Relevant documents referred to in this Notice is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the AGM.
16. Members whose shareholding is in the electronic mode are requested to update address & bank account

## NOTICE

details to their respective Depository Participant(s) and the Members whose shareholding is in the physical mode are requested to provide the same to R&TA.

17. **The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the Quarterly Reports, Notices, Annual Reports including financial statements, Board Reports, etc. and any other communications via email. All the shareholders holding shares in physical mode who have not registered their e-mail addresses so far are requested to register their-mail address to the RTA / Company for receiving all aforesaid communication from the Company, electronically.**
18. The Notice of the 7th AGM, along with the Annual Report, Attendance Slip and Proxy Form along with the process, instructions and the manner of conducting e-voting are being sent by electronic mode only to all those members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2016 are being sent in the permitted mode. The documents referred to above are also available on the Company's website : [www.jameswarrentea.com](http://www.jameswarrentea.com)
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participant(s) and Members holding shares in physical form are requested to submit their PAN details to the Company/R&TA.
20. **Voting Through Electronic Means**
  - I. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("remote e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more particularly in the instruction hereunder provided that once the vote on a Resolution is casted through e-voting, a Member shall not be allowed to change it subsequently.
  - II. The facility for voting either through ballot paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.

However, in case the members who have casted their votes by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their votes again.
  - III. **The instructions for shareholders voting electronically are as under:**
    - (i) The voting through electronic means will commence on Saturday, the 17th day of September, 2016 at 10.00. a.m and will end on Tuesday, the 20th day of September, 2016 at 5.00 p.m. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-Voting module shall be disabled by CDSL for voting thereafter.
    - (ii) Shareholders who have already voted prior to the meeting date (by remote e-voting) shall not be entitled to vote at the meeting venue.
    - (iii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
    - (iv) Click on "Shareholders" tab.
    - (v) After that enter your user ID;  
For CDSL: 16 digits beneficiary ID;

## NOTICE

For NSDL; 8 Character DP ID followed by 8 Digits Client ID; and

Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (vi) Next enter the image verification as displayed and click Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <JAMES WARREN TEA LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box

## NOTICE

will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders and Custodians.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- (xx) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.
21. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [santibrewalla@gmail.com](mailto:santibrewalla@gmail.com) with a copy mark to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 20th September, 2016 upto 5.00 p.m. without which the vote shall not be treated as valid.
  22. Mr. Santosh Kumar Tibrewalla, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 3(three) days of conclusion of the meeting make a consolidated scrutinizer’s Report (which includes remote e-voting and voting as may be permitted at the venue of the AGM by means of ballot paper/poll) of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the results of the voting forthwith.
  23. Subject to casting of requisite number of votes in favour of the resolution(s), it shall be deemed to be passed on the date of Annual General Meeting of the Company.
  24. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.jameswarrentea.com](http://www.jameswarrentea.com) and on the website of CDSL immediately after declaration of results of passing of the resolution at the Annual General Meeting of the Company and the same shall also be communicated to BSE Limited and The Calcutta Stock Exchange Limited, where the shares of the Company are listed.
  26. Route-map to the venue of the AGM is annexed for the convenience of the members.



## NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Annexure as referred to in the notes of the notice

**Item No. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Debabrata Banerjee & Associates, the Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017 at remuneration of ₹ 84,000/- per year as their Audit fees.

In accordance with the provisions of Section 148 of the Companies Act, 2014, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the shareholders of the Company in the general meeting. Accordingly, consent of the members is sought for passing the Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors of the Company or any Key Managerial Personnel or their relatives are in any way, financially or otherwise, directly or indirectly, concerned or interested in the said resolution.

The Board of Directors recommends the resolution set out in Item No. 4 of the accompanying notice for the approval of the members.

By Order of the Board of Directors  
For **JAMES WARREN TEA LIMITED**

Sd/-

**Surbhi Shah**

*Company Secretary*

Place: Kolkata

Date: August 8, 2016

**NOTICE****ANNEXURE TO NOTICE OF AGM**

**Details of the Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting  
[In pursuance to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India]**

<b>Sl. No.</b>	<b>Name of the Director</b>	Mr. Akhil Kumar Ruia
1.	DIN	03600526
2.	Date of Birth and age	26.11.1981, 35 years
3.	Nationality	British
4.	Date of appointment on Board	28.06.2012
6.	No. of shares held in the Company	24,800 shares
7.	Qualification & Expertise in specific functional area	Mr. Akhil Kumar Ruia holds a degree of MBA from the University of California at Berkeley, U.S.A and Master Degree in Management from the London School of Economics, U.K. Prior to joining our Company, he has worked at Barclays Capital in London, U.K. He has his expertise in Specific Functional Areas of Finance, Administration and General Corporate Areas.
8.	No. of Board Meetings attended during the year 2015-16	6
9.	List of other listed Companies in which Directorships held as on 31st March, 2016	NIL
10.	List of other Companies in which Directorships held as on 31 <sup>st</sup> March, 2016	1. JW TRADING PRIVATE LIMITED 2. AKR PROPERTIES PRIVATE LIMITED 3. AR REALITY PRIVATE LIMITED 4. JW PROPERTIES PRIVATE LIMITED 5. JWR PROPERTIES PRIVATE LIMITED 6. K R PLYWOOD WORKS PRIVATE LIMITED 7. MAULSHREE DESIGN CO PRIVATE LIMITED
11.	Chairman/ Member of the Committee of the Board of other Companies in which he is a Director as on 31 <sup>st</sup> March, 2016	Chairman: Nil Member: Nil

*Note: Disclosure of relationship between directors inter-se and last drawn remuneration has been detailed in 'Corporate Governance Report' which forms part of this Annual Report.*

## BOARD'S REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Seventh Annual Report together with the Audited Annual Accounts of your Company for the year ended March 31, 2016.

### FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	FY 2015-16	FY 2014-15
i. Gross Turnover	13708.87	13446.70
ii. Other Income	637.16	321.11
iii. Total Revenue	14346.03	13767.81
iv. Expenses other than Finance Cost and Depreciation	13191.85	12384.36
v. Earnings Before Interest, Depreciation, Taxation and Amortization (EBIDTA)	1154.18	1383.45
vi. Finance Cost	1.37	0.14
vii. Depreciation	340.82	914.54
viii. Profit before Tax & Exceptional Item	811.99	468.77
ix. Exceptional Items	2136.89	-
x. Profit before Taxation (PBT)	2948.88	468.77
xi. Tax including Deferred Tax	210.26	(38.66)
xii. Profit after Taxation (PAT)	2738.62	507.43
xiii. Surplus bought forward from previous year	5610.98	5103.55
xiv. General Reserve as at the beginning and at the end of the year	3821.70	3821.70
xv. Total Reserve and Surplus	12171.30	9432.68

### OPERATIONS

During the year under review, your Company has achieved a Total Turnover of ₹ 14346.03 lakhs which is 4.20 % higher over the corresponding previous financial year. The EBIDTA of the Company is ₹ 1154.18 lakhs, which is lower by 16.57 % as compared with the previous financial year due to increased expenses in the current financial year. Further, the Company has earned net profit of ₹ 2738.62 lakhs (including exceptional item of ₹ 2136.89 lakhs) in comparison to the net profit of ₹ 507.43 lakhs of the previous financial year. The Company has produced 69,72,008 Kgs of Tea during the financial year as compared to 72,18,441 Kgs of tea in the previous financial year. Despite of the lower production compared to previous year, the Company is able to achieve higher turnover as a result of higher realization in the price of the tea in the current financial year.

### OUTLOOK

Your Company has achieved a higher turnover in 2015-16 and is hopeful in maintaining the upward movement and further improvement in the quality of the tea produced at all the Tea Estates of your Company. The consumption of tea has been increasing globally and price would sustain as tea is one of the most popular and lowest cost beverages in the world and consumed by a large number of people. Owing to its increasing demand, tea is considered to be one of the major components of world's beverage market.

### DIVIDEND

The Company would be requiring sizable funds for upgradation/modernisation of the existing plants and equipments to improve the quality of production in line with the products available in the global market. In view of the requirement of funds your Board consider it prudent not to recommend any dividend on the Equity Shares of the Company for the financial year 2015-16.

# BOARD'S REPORT

## CORPORATE GOVERNANCE

Your Company has practiced sound Corporate Governance and takes necessary actions at appropriate times for enhancing and meeting stakeholders' expectations while continuing to comply with the mandatory provisions and strive to comply non-mandatory requirements of Corporate Governance. Your Company has complied with the requirements of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter referred to as "Listing Regulations", as issued by Securities and Exchange Board of India and as amended from time to time. Your Company has given its deliberations to provide all the information in the Board's Report and the Corporate Governance Report as per the requirements of Companies Act, 2013 and the Listing Regulations, as a matter of prudence and good governance.

A Report on Corporate Governance Practices and the Auditors Certificate on compliance of mandatory requirements thereof is given as Annexure to this report.

## MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

A report on Management Discussion & Analysis is given as annexure to this report.

## DEPOSITS

The Company has not accepted any deposit during the year under review.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Directors Responsibility Statement as referred to in section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have 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 of the company for that period;
- iii) The Directors have 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;
- iv) The Directors have prepared the annual accounts on a going concern basis; and
- v) The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## PERSONNEL

The particulars and information of the employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 has been set out as Annexure to this Report.

However, in terms of section 136(1) of the Companies Act, 2013 the reports and Accounts are being sent to the members and other as entitled thereto, excluding the Statement of Particulars of the Employees. The said annexure is available for inspection by the members at the Registered Office of the Company during business hours on working days upto the date of the ensuing Annual General Meeting. Any member desirous of obtaining such particulars may write to the Company at its Registered Office, where upon a copy would be sent. The full Annual Report including the aforesaid information is available on the Company's website.

## CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information related to conservation of energy, Research & Development, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 are given in the **Annexure – A** as attached hereto and forming part of this Report.

## BOARD'S REPORT

All Tea Estates of your Company continue to be the participants of the Ethical Tea Partnership Programme and are FSSC 22000 certified.

### COMPANY'S WEBSITE

The website of your Company, [www.jameswarrentea.com](http://www.jameswarrentea.com), displays the Company's businesses up-front on the home page. The site carries a comprehensive database of information of all the Tea Estates including the Financial Results of your Company, Shareholding pattern, Director's & Corporate profile, details of Board Committees, Corporate Policies and business activities of your Company. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013 and Companies Rules 2014 and as per the Listing agreement / regulations has been uploaded.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

#### i) Appointment and Re-appointment of the Directors:

- a) Mrs. Sucharita Basu De (DIN 6921540) was appointed as an Additional Director (Non Executive-Independent Director) of the Company with effect from October 1, 2014 and has been confirmed as an Independent Director of the Company by the Shareholders in the sixth Annual General Meeting of the Company held on September 18, 2015 to hold the office for a consecutive period of five years i.e. upto September 30, 2019 and shall not be liable to retire by rotation pursuant to the applicable provisions of the Companies Act, 2013 & rule made thereunder and the Listing Regulations.
- b) Mr. Rakesh Kumar Srivastava (DIN 07225856) was appointed as the Wholetime Director and also designated as the Wholetime Key Managerial Personnel(KMP) of the Company, by the Board in its meeting held on July 8, 2015 for a period of 3 years with immediate effect as per the recommendation of Nomination & Remuneration Committee of the Company and thereafter approved by the Shareholders in the sixth Annual General Meeting of the Company held on September 18, 2015, in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and/or any other applicable of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force).
- c) Mr. Akhil Kumar Ruia (DIN 03600526) and Mr. Ankit Govind Ruia (DIN 05195831) was re-appointed as Wholetime Directors of the Company by the Board in its meeting held on May 16, 2015 for a period of 3 (Three) years with effect from July 1, 2015 as per the recommendation of Nomination & Remuneration Committee of the Company and their appointment was approved by the Shareholder in the sixth Annual General Meeting of the Company held on September 18, 2015, in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and/or any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of the Central Government. Central Government while approving the terms of their appointment has communicated for lower payment of remuneration (compared to the remuneration as applied for) till 30th June, 2016 and has directed to make fresh application to seek approval for payment of remuneration for the remaining period of their terms.

#### ii) Resignation of the Directors:

During the year under review, Mr. Ajay Kumar Singh, Wholetime Director and Mr. Ankit Govind Ruia, Wholetime Director of the Company, have resigned from the Board of your Company with effect from June 30, 2015 and March 31, 2016, respectively. The Board places on record, its great appreciation for the guidance and the invaluable services rendered by both of them during their tenure as the Directors of the Company.

#### iii) Retirement by Rotation:

Pursuant to the provisions of Section 152(6) and other applicable provisions, of the Companies Act, 2013, Mr Akhil Kumar Ruia (DIN 03600526), Wholetime Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offered himself for re-appointment.

## BOARD'S REPORT

### iv) Appointment of Wholetime- Key Managerial Personnel (KMP):

- a) Mr. Vikram Saraogi have been appointed as the Chief Financial Officer (designated as the Wholetime Key Managerial Personnel) of the Company by the Board in its meeting held on February 12, 2016 with immediate effect, as recommended by the Nomination & Remuneration Committee of the Company, pursuant to the provisions of Section 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force).
- b) Ms. Surbhi Shah have been appointed as the Company Secretary (designated as the Wholetime Key Managerial Personnel) & Compliance Officer of the Company by the Board in its meeting held on May 28, 2016 with immediate effect, as recommended by the Nomination & Remuneration Committee of the Company, pursuant to the provisions of Section 203 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force).

### v) Resignation of Wholetime- Key Managerial Personnel (KMP):

- a) Mr. Deo Kishan Kothari has resigned from the office of Chief Financial Officer of the Company with effect from November 30, 2015.
- b) Mr. Vikram Saraogi has vacated the office of Company Secretary and Compliance Officer with effect from February 12, 2016.

None of the Directors of the Company as mentioned in item nos. (i) & (iii) were disqualified as per section 164(2) of the Companies Act, 2013. The Directors have also made necessary disclosures to the extent as required under provisions of section 184(1) & 149(6) of the Companies Act, 2013, as applicable.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to section 135 of the Companies Act, 2013 and the relevant Rules, the Board has constituted the CSR Committee presently comprising of Mr. Rakesh Kumar Srivastava, Chairman of the Committee, Mr. Akhil Kumar Ruia, and Mr. Harshvardhan Saraf, as the Members of the Committee. Other details of the Committee is mentioned in the Corporate Governance Report attached as Annexure to this Board's Report and the CSR activities are mentioned in the 'Annual Report on CSR Activities' enclosed as **Annexure B** to this Report.

### AUDITORS AND THEIR REPORTS

#### (i) Statutory Auditors:

The Statutory Auditors M/s Singhi & Company, Chartered Accountants, holds office upto the conclusion of the Annual General Meeting (AGM) to be held for the financial year 2016-17, subject to ratification by the shareholders in every AGM. Accordingly, the Board on recommendation of Audit committee has proposed for ratification of their appointment and continuation in the office of Statutory Auditors of the Company for the financial year 2016-17.

The Notes to Accounts, as referred in the Auditors Report are self-explanatory and hence does not call for any further explanation.

#### (ii) Cost Auditor:

Pursuant to section 148 of the Companies Act, 2013, the Board of Directors on recommendation of the Audit Committee has re-appointed M/s Debabrota Banerjee & Associates, Cost Accountants, as the Cost Auditors of the Company for the financial year 2016-17. The Company has received consent and confirmation of eligibility for their re-appointment as the Cost Auditors of the Company for the year 2016-17.

#### (iii) Secretarial Auditor:

The Board has appointed Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary, as the Secretarial Auditor of the Company to carry out the Secretarial Audit for the year 2015-16 under the provisions of section 204 of the Companies Act, 2013. The report of the Secretarial Auditor is enclosed as **Annexure MR-3** to this Board's Report, which is self-explanatory and hence do not call for any further explanation.

# BOARD'S REPORT

## CODE OF CONDUCT

The Code of Conduct for Directors, KMPs and Senior Executives of the Company is already in force and the same has been placed on the Company's website: [www.jameswarrentea.com](http://www.jameswarrentea.com).

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 1992, your Company has already adopted the Code of Conduct for prevention of Insider Trading and the same is also placed on the Company's website: [www.jameswarrentea.com](http://www.jameswarrentea.com). Further, in accordance with the provisions of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company at their meeting held on May 16, 2015 have approved and adopted the code of practices and procedure for fair disclosure of Unpublished Price Sensitive Information and formulated the code of conduct of the Company.

## DISCLOSURES AS PER APPLICABLE ACT AND LISTING REGULATIONS:

### i) Related Party Transactions:

All transaction entered with related parties during the f.y. 2015-16 were on arm's length basis. There have been no materially significant related party transactions with the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013 and the Listing Regulations erstwhile Listing Agreement which may have potential conflict of interest with the Company at large. Accordingly, disclosure in **Form AOC 2** is attached.

The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of Directors were taken wherever required in accordance with the Policy.

### ii) Number of Board Meetings:

The Board of Directors met 7 (seven) times in the year 2015-16. The Details of the Board meeting and attendance of the Directors are provided in the Corporate Governance Report, attached as Annexure to this Board's Report.

### iii) Composition of Audit Committee:

The Board has constituted the Audit Committee under the Chairmanship of one of the Independent Director of the Company, Mr. Rajendra Kumar Kanodia. Complete details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

### iv) Extracts of Annual Return:

The details forming part of the extract of the Annual Return as provided under section 92(3) of the Companies Act, 2013 is enclosed as **Annexure MGT-9**.

### v) Risk Analysis:

The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.

### vi) Internal Financial Control :

The Company has in place adequate internal financial control as required under section 134(5)(e) of the Act. During the year such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed.

### vii) Loans, Guarantees and Investments:

During the year under review, your Company has invested and deployed its surplus funds in Securities, Bonds, units of Mutual Funds, Fixed deposits, etc. which is within the overall limit of the amount and within the powers of the Board as applicable to the Company in terms of section 179 and 186 of the Companies Act, 2013. The particulars of all such loans, guarantees and investments are entered in the register maintained by the Company for the purpose.

### viii) Post Balance Sheet events:

There is no material changes in commitments affecting the financial position of the Company occurred since

## BOARD'S REPORT

the end of the financial year 2015-16.

### ix) Subsidiaries, Associates or Joint Ventures:

Warren Steels Private Limited having their registered office at S-35A, Arvind Marg, M.I. Road, Jaipur, is an Associate Company of your Company by virtue of equity shareholding.

### x) Evaluation of the Board's Performance:

The Company has already adopted structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board, as a whole and the Chairman, who were evaluated on parameters such as their participation, contribution at the meetings and otherwise, independent judgments, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and the same for the Chairman and the Non-Independent Directors were carried out by the Independent Directors in their separate meeting.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

### xi) Nomination, Remuneration and Evaluation Policy:

The Company on recommendation of its Nomination & Remuneration Committee has laid down a Nomination, Remuneration and Evaluation Policy, in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and the Listing Regulations. This Policy is formulated to provide a framework and set standards in relation to the followings and details on the same are given in the Corporate Governance Report, attached as Annexure to this Board's Report:

- Criteria for appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management Executives of the Company.
- Remuneration payable to the Directors, KMPs and Senior Management Executives.
- Evaluation of the performance of the Directors.
- Criteria for determining qualifications, positive attributes and independence of a Director.

### xii) Vigil Mechanism (Whistle Blower Policy):

Your Company has formulated a Whistle Blower Policy and employees of the Company are encouraged to escalate to the level of the Audit Committee any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith. During the year under review, the Company has not reported any complaints under Vigil Mechanism.

Details of establishment of the Vigil Mechanism have been uploaded on the Company's website: [www.jameswarrentea.com](http://www.jameswarrentea.com) and also set out in the Corporate Governance Report attached as Annexure to this Board's Report.

### APPRECIATION

Your Directors take this opportunity to place on record their gratitude to the Central and State Governments, Bankers and Investors for their continuous support, cooperation and their valuable guidance to the Company and for their trust reposed in the Company's management. The Directors also commend the continuing commitment and dedication of the employees at all levels and the Directors look forward to their continued support in future.

For and on behalf of the Board of Directors

Sd/-

**Anil Kumar Ruia**

*Chairman*

DIN: 00236660

Sd/-

**Rakesh Kumar Srivastava**

*Wholetime Director*

DIN: 07225856

Place : Kolkata

Dated : May 28, 2016



## ANNEXURE - 'A'

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Companies Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and forming part of the Directors' Report for the year ended 31st March 2016.

### FORM A

(₹ in Lakhs)

<b>FOREIGN EXCHANGE EARNING AND OUTGO :</b>	<b>2015-16</b>	<b>2014-15</b>
a) Foreign Exchange Earnings	-	1722.70
b) Foreign Exchange Outgo	-	182.20
<hr/>		
<b>CONSERVATION OF ENERGY :</b>	<b>Total 2015-16</b>	<b>Total 2014-15</b>
<b>A POWER &amp; FUEL CONSUMPTION</b>		
<b>1 Electricity</b>		
a. Purchased :		
Units (KWH)	4234814	4819926
Total amounts (₹/Lakhs)	411.22	394.17
Rate / Units (₹ / KWH)	₹ 9.81	₹ 8.24
b. Own Generation:		
(i) Through Diesel Generator		
Units (KWH)	529130	679583
Units / Ltr. of Diesel oil (KWH)	2.50	2.41
Cost / Unit (₹ / KWH)	₹ 17.82	₹ 22.44
(ii) Through Natural Gas Generator		
Units (KWH)	1738654	1838669
Units / Scm of gas	1.09	1.10
Cost / Unit (₹ / KWH)	₹ 10.85	₹ 10.11
<b>2 Coal</b>		
Quantity (MT)	0.00	0.00
Total Cost	0.00	0.00
Average Rate	0.00	0.00
<b>3 Furnace oil</b>		
Quantity litres)	129	5401
Total Cost	6739	384102
Average Rate (₹/Ltr)	₹ 52.38	₹ 71.12
<b>4 Others / internal generation</b>		
<b>a Natural Gas : for tea processing in withering &amp; drying etc.</b>		
Quantity (Scm)	4685981	5210367
Total Cost	50607611	3928617
Rate / unit (₹/Scm)	₹ 10.80	₹ 7.54
<b>b HSD Oil: for transport &amp; material handling etc.</b>		
Quantity (Ltr)	237192	223572
Total Cost	11544836	13090740
Rate / unit (₹/ Ltr)	₹ 48.67	₹ 58.55
<b>c Petrol: for transport &amp; material handling etc.</b>		
Quantity (Kilo Ltr)	24688	29570
Total Cost	1552637	2084188
Rate / unit (₹/Kilo Ltr)	₹ 62.89	₹ 70.48

**ANNEXURE – 'A'**

CONSERVATION OF ENERGY :		Total 2015-16	Total 2014-15
<b>d</b>	<b>LPG : for domestic use at Gardens</b>		
	Quantity (Cylinder)	4261	4495
	Total Cost	2541543	2093522
	Rate / unit (₹/Cylinder)	₹ 596.47	₹ 465.74
<b>e</b>	<b>Others, if any Commercial Cylinder for Hospital</b>		
	Quantity (units)	135	76
	Total Cost	134259	119205
	Rate / unit (₹/units)	₹ 994.51	₹ 1568.48
<b>B. CONSUMPTION PER UNIT OF PRODUCTION (Estimated - Units)</b>			
		<b>2015-16</b>	<b>2014-15</b>
a	Products : Tea (Kgs) (Gross Production)	6972008	7218441
b	Electricity (KWH/Kg)	0.93	1.02
c	Furnace Oil (Ltr/Kg)	-	-
d	Coal	-	-
e	Others :		
	Natural Gas (Scm/Kg)	0.67	0.72
	HSD Oil (Ltr/Kg)	0.03	0.03
	Petrol (Ltr/Kg)	-	-
	LPG (Cylinder/Kg)	-	-
	Any Other (Units/Kg), if any	-	-

**FORM – B****RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

The Company subscribes to Tea Research Association which is registered under Section 35(1) (ii) of the Income Tax Act, 1961.

Apart from contributing to Tea Research Association, the Company also undertakes its own Research & Development activities which at present are in the following ways.

- Clonal selection is in process at all gardens of the Company in order to specialized in uniform Clonal planting materials which are regularly manufactured and tested in a 'miniature factory' located at one of the properties of the Company.
- The Company treats Tea as a Health Drink and has already established its own integrated pest and weed management procedures.
- All factories of the Company have introduced new neat work culture for manufacture of tea which has been also recognized by the appropriate authorities.
- Soil preservation has been identified to be one of the important areas and the Company has undertaken necessary steps to improve the soil status not only by application of organic materials but also in the mode of utilization of chemical fertilizers.
- In order to improve the productivity of Orthodox teas, the entire sorting system has been made on-line which improve the quality of the product and also reduced the requirement of Energy.
- The Company recognizes human resources as one of its important assets and to continue with the development of such resources at all levels.
- The Company has also developed the process to bring up the younger teas to yield maximum benefits within a shorter period of time.
- The Company has also taken in hand research activities for composite plants by way of grafting which could be used for future planting activities of the Company.

## ANNEXURE – 'B'

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

The Company acknowledges its responsibility towards society and economy and accordingly it has decided to carry out programs, projects and activities (collectively known as "CSR Activities") towards achieving social goals like education, health, sanitation, clean & pollution-free environment, livelihood opportunities, etc. to enable the people to deliver their best. Preserving the ecosystem has also given great importance. The Company is running schools for the underprivileged through various government schemes such as Angawadi/ Sarvasiksha. The Company has its own lower primary schools, provides facility of school bus and also has hospitals in each of its Tea Estate for the population living in and around the estate to cater them in times of illness or other health related issues. Preserving the ecosystem is also given great importance. The charitable trust of the Company viz. "JAMES WARREN TEA FOUNDATION" formed with the purpose to carry out CSR activities has proposed to undertake plantation of avenue trees and forestry in the nearby location of the Tea Estate for development of the local community by ensuring environmental sustainability, ecological balance, agro forestry and maintaining quality of soil, air and water. It has also proposed to undertake construction of twin strip tarmac pattern road through Balijan Bazar, NK Division and construction of semi kutcha road, for the purpose of rural development and to purchase Four Wheeled Water Brower which will be used exclusively for supply of drinking water in various social and religious occasions for the purpose of making available safe drinking water. Construction of Community Sanitary Complex and concrete dustbins in the nearby market places outside the Tea Estates has also been proposed by the trust. The above proposals have been duly approved by the CSR Committee.

The Company on recommendation of its CSR Committee has laid down a "Corporate Social Responsibility (CSR) Policy", in concurrence with the provisions specified in the Companies Act, 2013 and Rules made thereunder and the same has been uploaded to the website of the Company at <http://www.jameswarrentea.com/#!csr/cku4>.

**2. The Composition of the CSR Committee:**

Names of the Director	Designation in Committee	Nature of Directorship
Mr. Rakesh Kumar Srivastava	Chairman	Whole time Director
Mr. Akhil Kumar Ruia	Member	Wholetime Director
Mr. Harshvardhan Saraf	Member	Non Executive Independent Director

**3. Average net profit of the Company for last three financial years** : ₹ 1,454.08 Lakhs

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)** : ₹ 29.08 Lakhs

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

(a) Total amount to be spent for the financial year : ₹ 30.00 Lakhs

(b) Amount unspent, if any : ₹ 30.00 Lakhs

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

## ANNEXURE - 'B'

(₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs. 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Plantation of avenue trees and forestry	Schedule VII, item no. (iv)	Local Area Dist: Tinsukia and Dibrugarh, Assam	5.00	-	-	-
2	Construction of twin strip tarmac pattern road and semi kutcha road	Schedule VII, item no. (x)	Local Area Dist: Tinsukia and Dibrugarh, Assam	4.50	-	-	-
3	Purchase of Four Wheeled Water Brower for supply of drinking water	Schedule VII, item no. (i)	Local Area Dist: Tinsukia and Dibrugarh, Assam	2.00	-	-	-
4	Consturction of Sanitary Complex	Schedule VII, item no. (i)	Local Area Dist: Dibrugarh, Assam	.40	-	-	-
5	Erection of concrete dustbins	Schedule VII, item no. (i)	Local Area Dist: Tinsukia and Dibrugarh, Assam	.70	-	-	-
	<b>TOTAL</b>			12.60	-	-	-

6. The Company through its trust has indentified abovementioned CSR activities and projects during the year under review. Quotations for the same have been received and based on that budget have been prepared. The Committee has also assessed and quantified the amount to be contributed for CSR expenditure for the financial year 2015-16 i.e. ₹ 29.08 Lakhs, which is 2% of the average net profit of the Company for last three financial years. However, the aforesaid activities will be executed and carried out during the year 2016-17 and accordingly expenditure on the same will be made, as per their respective budgets.

Apart from the above, the CSR Committee is in the process of locating more areas of development based on the suggestions of people of the Tea Estates and its local authorities about the needs of the inhabitants. Accordingly, it will undertake different CSR activities commensurate to its divergent locations of its Tea Estates in the manner and to the extent the quantum of money to be spent to enable the Company to utilize the same in the best interest of the society at large. The Committee would spend the money in the current financial year after taking into account all the aforesaid aspects.

7. We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-  
**Anil Kumar Ruia**  
Chairman  
DIN: 00236660

Sd/-  
**Rakesh Kumar Srivastava**  
Chairman (CSR Committee)  
DIN: 07225856

Place : Kolkata  
Dated : May 28, 2016

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2015-16 (Rs. in lacs)	% increase in Remun-eration in the financial year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr Akhil Kumar Ruia, Wholetime Director	149.59	83.64	598.36 : 1	Profit After Tax increased by 439.70% in the financial year 2015-16.
2	Mr Ankit Govind Ruia, Wholetime Director*	150.06	88.90	600.24 : 1	
3	Mr. Rakesh Kumar Srivastava, Wholetime Director **	11.79	N.A	NA	
4	Mr Ajay Kumar Singh, Wholetime Director***	4.55	N.A	NA	-
5	Mr Deo Kishan Kothari, Chief Financial Officer@	16.62	NA	NA	-
6	Mr Vikram Saraogi, Chief Financial Officer@@	14.19	0.16	56.76 : 1	Profit After Tax increased by 439.70% in the financial year 5-16.

\*Resigned from directorship of the Company w.e.f. March 31, 2016

\*\*Appointed as Wholetime Director of the Company w.e.f. July 8, 2015

\*\*\*Resigned from directorship of the Company w.e.f. June 30, 2015

@Resigned from office of Chief Financial Officer/employment of the Company w.e.f. November 30, 2015

@@Company Secretary of the Company till February 11, 2016 and promoted as Chief Financial Officer of the Company w.e.f. February 12, 2016

**Note:** No Director other than the Wholetime Directors of the Company received any remuneration other than sitting fees during the financial year 2015-16. Therefore the same are not considered for the aforesaid purpose.

- The median remuneration of employees of the Company during the financial year was Rs. 0.25 lakh.
- In the financial year, there was an increase of 20.40% in the median remuneration of employees.
- There were 8769 permanent employees on the rolls of Company as on March 31, 2016.
- Relationship between average increase in remuneration and company performance: - The Profit After Tax for the financial year ended March 31, 2016 increased by 439.70% whereas the increase in median remuneration

was 20.40%. The average increase in median remuneration was in line with the performance of the Company and partly on individual employee's performance.

- v. Comparison of remuneration of the Key Managerial Personnel against the performance of the Company: The aggregate remuneration of the Key Managerial Personnel in F.Y. 2015-16 was Rs. 346.80 lakhs. Aggregate remuneration of KMP as a percentage of revenue from operation was 2.53%, as a percentage of profit before tax (PBT) was 42.71% and as a percentage of profit after tax (PAT) was 12.66%.
- vi. Variations in the market capitalization of the Company on BSE, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in 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	March 31, 2016	March 31, 2015	% Change
Closing Market Price per share (Rs.)	139.40	112.20	24.24
Market Capitalization (Rs in Crores)	167.29	134.65	24.24
Price Earnings Ratio	6.11	26.52	(76.97)

The Company has not made any Public Issue or Rights Issue of securities in the recent past other than the allotment of equity shares in the ratio 1:1, pursuant to scheme of arrangement between Warren Tea Limited, James Warren Tea Limited and their respective shareholders, as approved by Gauhati High Court, and therefore no comparison has been made for current share price with public offer price.

The Company's shares are listed on the BSE Limited and the Calcutta Stock Exchange Limited.

- vii. Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year 2015-16 was 10.30% whereas the percentage increase in the managerial remuneration in the same financial year was 72.99%. The average increase in managerial remuneration was on account of revised term of appointment of managerial personnel based on Company's performance linked together with their individual's performance.
- viii. The variable component of remuneration availed by the Directors are paid in accordance with their terms of appointment and based on the remuneration policy of the Company.
- ix. During the financial year 2015-16, no employee has received remuneration in excess of the highest paid Director.
- x. It is hereby affirmed that the remuneration paid during the year ended 31<sup>st</sup> March, 2016 as per the Remuneration Policy of the Company.

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

List of employees of the Company employed throughout the FY 2015-16 and were paid remuneration not less than Rs 60 Lakhs per annum.

Sl No.	Name	Designation	Remuneration (Rs/ Lakhs)	Nature of Employment	Qualification and experience of the Employee	Date of Commencement of the Employment*	Age	Last Employment	Percentage of equity shares	Name of the relative who is Director or Manager of the Company
1	Akhil Kumar Ruia	Wholetime Director	Rs. 149.59	Contractual	MBA and Masters in Management having work experience of 12 years	28.06.2012	35	Investment Banker at Barclays Capital, UK	0.21 (24,800 shares)	Mr. Anil Kumar Ruia (Father) Mr. Ankit Govind Ruia (Brother)
2	Ankit Govind Ruia**	Wholetime Director	Rs. 79.44	Contractual	Law Graduate having work experience of 8 years	28.06.2012	30	Linklaters LLP, Solicitor	0.21 (24,800 shares)	Mr. Anil Kumar Ruia (Father) Mr. Akhil Kumar Ruia (Brother)

\*The Company being a transferee Company pursuant to demerger, the details in respect of date of commencement of employment pertains to their employment in Warren Tea Ltd.

\*\* Resigned from directorship/employment of the Company w.e.f March 31, 2016

Notes:

1. No employee was employed for a part of the FY 2015-16 drawing remuneration of more than five lakh rupees per month.
2. No employee drawing remuneration in excess of that drawn by the Managing Director or Wholetime Director or Manager and holding two percent of the equity shares of the Company by himself or along with his spouse and dependent children was employed throughout the FY 2015-16 or part thereof

## ANNEXURE – ‘MR-3’

### SECRETARIAL AUDIT REPORT

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

**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016**

To,  
The Members,  
**James Warren Tea Limited**  
Tinsukia,  
Assam – 786 150

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. James Warren Tea Limited (hereinafter called ‘the Company’) bearing CIN : L15491AS2009PLC009345. 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 James Warren Tea Limited’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, has 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 M/s. James Warren Tea Limited (‘the Company’) for the financial year ended on 31st March, 2016, **to the extent Acts / provisions of the Acts applicable**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, 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’), to the extent applicable :-
  - (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;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable Acts, laws and Regulations to the Company, the Company has complied with the laws including the laws specifically applicable to the Company as given in **Annexure 1**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Ltd. and BSE Limited;

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



## ANNEXURE - 'MR-3'

### 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 Director that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**I further report that** during the audit period the Company has no reportable specific events, actions having a major bearing on the Company's affairs in pursuance of the laws, regulations, guidelines, standards, etc. referred to above.

Place: Kolkata  
Date : May 28, 2016

**Santosh Kumar Tibrewalla**  
*Company Secretary in Practice*  
FCS No.: 3811 C P No.: 3982

### ANNEXURE - 1

#### List of applicable laws to the Company

1. **Factories Act, 1948**
2. **Labour Laws and other applicable laws** related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation, maternity viz. The payment of wages Act, 1936, Equal Remuneration Act, 1976, The Payment of Gratuity Act, 1972, The Contract Labour (regulation & Abolition) Act, 1970, Personal Injuries Compensation Act, 1963, Indian Fatal Accidents Act, 1855, Employers Liability Act, 1938, etc.
3. **Acts for the prevention & Control of Pollution** viz. Air ( Prevention and Control of Pollution ) Act, 1981, etc.
4. **Acts for the Environmental Protection** viz. Bio medical Waste ( M & H) Rules ; Hazardous Wastes (Management and Handling) Rules, 1989, Environment Protection Act, 1986, etc.
5. **Acts as prescribed under Direct Tax and Indirect Tax** and rules made thereunder viz. Income Tax Act, 1960, The Central Excise Act, The Central Sales Tax ( Assam) Rules,1957, The Customs Act, 1962, etc.
6. **Acts & Laws applicable for Tea Industries** viz. Tea Act, 1953 & Rules made thereunder, Food Safety & Standards Act, 2006 & Rules made thereunder, The Insecticide Act, 1968, Export (Quality Control and Inspection) Act, 1963, The Tea Board Guidelines and Orders, etc.
7. **Labour Welfare Act of respective states** viz. Plantation Labour Act, 1951 & Assam Rules, The Assam Tea Plantation Provident Fund Scheme Act, 1955, etc.
8. **Land Revenue laws of respective States** viz. Assam Land & Revenue Regulation, 1886, Assam Taxation ( on Specified Lands) Act & Rules,1990, etc.
9. **Local Laws as applicable to various offices, plants** etc. viz. Assam Fire Services Act, Employment Exchange (Compulsory Notification of Vacancies) Act, 1959, Kolkata Municipal Corporation Act, 1980, Assam professions, Traders, Callings and Employment Act, 1947, W.B. Profession Tax Act, 1979, etc.
10. Conservation of Foreign Exchange & Prevention of Smuggling Act, 1974 ;
11. Negotiable Instruments Act, 1881 ;
12. Information Technology Act, 2000, etc.

**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: NIL
  - (a) Name(s) of the related party and nature of relationship: NA
  - (b) Nature of contracts/arrangements/transactions: NA
  - (c) Duration of the contracts / arrangements/transactions: NA
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
  - (e) Justification for entering into such contracts or arrangements or transactions: NA
  - (f) Date(s) of approval by the Board: NA
  - (g) Amount paid as advances, if any: NA
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA
  
2. Details of material contracts or arrangement or transactions at arm's length basis: NIL
  - (a) Name(s) of the related party and nature of relationship: NA
  - (b) Nature of contracts/arrangements/transactions: NA
  - (c) Duration of the contracts / arrangements/transactions: NA
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
  - (e) Date(s) of approval by the Board, if any: NA
  - (f) Amount paid as advances, if any: NA

For and on behalf of the Board of Directors

Sd/-

**Anil Kumar Ruia**

Chairman

DIN: 00236660

Sd/-

**Rakesh Kumar Srivastava**

Wholetime Director

DIN: 07225856

Place : Kolkata

Dated : May 28, 2016

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on March 31, 2016**

[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:**

- a. CIN:- L15491AS2009PLC009345
- b. Registration Date: 09.11.2009
- c. Name of the Company: James Warren Tea Limited
- d. Category / Sub-Category of the Company: Public Listed Company
- e. Address of the Registered office and contact details: Dhoedaam Tea Estate, P.O. Borahapjan  
Dist: Tinsukia – 786 150, Assam  
Phone: 03759 – 247922/ 214835
- f. Whether listed company: Yes
- g. Name, Address and Contact details of Registrar and Transfer Agent, if any:  
Maheshwari Datamatics Pvt. Ltd.  
Address: 6 Mangoe Lane, 2nd Floor, Kolkata – 700 001  
Tel: +91-033 2243-5809, 2243-5029  
Fax: +91-033 2248-4787;  
E-mail: mdpldc@yahoo.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 Product/ service	% to total turnover of the company
1	Tea Production	01271	100%

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

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Warren Steels Private Limited Registered Office Address -S-35A, Arvind Marg, M.I. Road, Jaipur	U27310RJ2005PTC020545	Associate	22.16%	Section 2(6) of the Companies Act, 2013

**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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2793039	0	2793039	23.27	2793039	0	2793039	23.27	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1677755	0	1677755	13.98	1677755	0	1677755	13.98	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1)</b>	<b>4470794</b>	<b>0</b>	<b>4470794</b>	<b>37.25</b>	<b>4470794</b>	<b>0</b>	<b>4470794</b>	<b>37.25</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	4527005	0	4527005	37.72	4527005	0	4527005	37.72	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2)</b>	<b>4527005</b>	<b>0</b>	<b>4527005</b>	<b>37.72</b>	<b>4527005</b>	<b>0</b>	<b>4527005</b>	<b>37.72</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>8997799</b>	<b>0</b>	<b>8997799</b>	<b>74.98</b>	<b>8997799</b>	<b>0</b>	<b>8997799</b>	<b>74.98</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	257	327	584	0.00	1957	327	2284	0.02	291.10
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies FIIs	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
h) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1)</b>	<b>257</b>	<b>327</b>	<b>584</b>	<b>0.00</b>	<b>1957</b>	<b>327</b>	<b>2284</b>	<b>0.02</b>	<b>291.10</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i. Indian	244420	6427	250847	2.09	186799	6427	193226	1.61	-22.97
ii. Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	817138	317970	1135108	9.46	799690	301102	1100792	9.17	-3.02

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1513786	34518	1548304	12.90	1518939	34518	1553457	12.94	0.33
c) Others (specify)									
i. Trust	1390	0	1390	0.01	1390	0	1390	0.01	0.00
ii. Clearing Member	511	0	511	0.00	4226	0	4226	0.04	727.01
iii. Non Resident Individual	63481	2780	66261	0.55	62443	2780	65223	0.54	-1.57
iv. Domestic Corporate Unclaimed Shares Account	0	0	0	0.00	82407	0	82407	0.6867	100.00
<b>Sub-total (B)(2)</b>	<b>2640726</b>	<b>361695</b>	<b>3002421</b>	<b>25.02</b>	<b>2655894</b>	<b>344827</b>	<b>3000721</b>	<b>25.00</b>	<b>-0.06</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2640983</b>	<b>362022</b>	<b>3003005</b>	<b>25.02</b>	<b>2657851</b>	<b>345154</b>	<b>3003005</b>	<b>25.02</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>11638782</b>	<b>362022</b>	<b>12000804</b>	<b>100</b>	<b>11655650</b>	<b>345154</b>	<b>12000804</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters:**

Sl No.	Shareholder's Name	Shareholding at the end of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	VINAY KUMAR GOENKA	1816409	15.1357	0	1816409	15.1357	0	0
2	VIVEK GOENKA	738438	6.1531	0	738438	6.1531	0	0
3	VINAY KUMAR GOENKA	188192	1.5682	0	188192	1.5682	0	0
4	ANKIT GOVIND RUIA	24800	0.2067	0	24800	0.2067	0	0
5	AKHIL KUMAR RUIA	24800	0.2067	0	24800	0.2067	0	0
6	MAULSHREE RUIA	100	0.0008	0	100	0.0008	0	0
7	RAJAT AGARWALLA	100	0.0008	0	100	0.0008	0	0
8	DARSHANA SARAF	100	0.0008	0	100	0.0008	0	0
9	VARTIKA AGARWALLA	100	0.0008	0	100	0.0008	0	0
10	DPIL LIMITED	1227120	10.2253	0	1227120	10.2253	0	0
11	MAPLE HOTELS AND RESORTS PVT LTD	371104	3.0923	0	371104	3.0923	0	0

Sl No.	Shareholder's Name	Shareholding at the end of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
12	SECTRA PLAZA PRIVATE LIMITED	79531	0.6627	0	79531	0.6627	0	0
13	ASHDENE INVESTMENTS LIMITED	1181505	9.8452	0	1181505	9.8452	0	0
14	ISIS ENTERPRISES LIMITED	1102785	9.1893	0	1102785	9.1893	0	0
15	MAYGROVE INVESTMENTS LIMITED	630106	5.2505	0	630106	5.2505	0	0
16	ENEZ INVESTMENTS LIMITED	551346	4.5942	0	551346	4.5942	0	0
17	WOODCUTTER LIMITED	535945	4.4659	0	535945	4.4659	0	0
18	MARU LIMITED	525318	4.3774	0	525318	4.3774	0	0

(iii) **Change in Promoters' Shareholding:** No change during the year

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

Sl No	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	CHANDRA KUMAR DHANUKA				
	At the beginning of the year	1416074	11.7998	1416074	11.7998
	At the end of the year			1416074	11.7998
2	RADHE SHYAM SARAF				
	At the beginning of the year	44225	0.3685	44225	0.3685
	At the end of the year			44225	0.3685
3	CHANDMULL BATIA				
	At the beginning of the year	34518	0.2876	34518	0.2876
	At the end of the year			34518	0.2876
4	VINODCHANDRA MANSUKHLAL PAREKH				
	At the beginning of the year	33093	0.2758	33093	0.2758
	At the end of the year			33093	0.2758
5	CHANDRIKA VINODCHANDRA PAREKH				
	At the beginning of the year	28369	0.2364	28369	0.2364
	At the end of the year			28369	0.2364
6	R N RUBESH				
	At the beginning of the year	18575	0.1548	18575	0.1548
	At the end of the year			18575	0.1548
7	VINODCHANDRA MANSUKHLAL PAREKH				
	At the beginning of the year	13203	0.1100	13203	0.1100
	At the end of the year			13203	0.1100

SI No	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	MOTILAL OSWAL FINANCIAL SERVICES LIMITED				
	At the beginning of the year	67410	0.5617	67410	0.5617
	08/05/2015 – Transfer	-18379	0.1531	49031	0.4086
	15/05/2015 – Transfer	-49031	0.4086	0	0.00
	At the end of the year			0	0.00
9	JAMES WARREN TEA LTD - UNCLAIMED SECURITIES SUSPENSE A/C				
	At the beginning of the year	82815	0.6901	82815	0.6901
	27/11/2015 – Transfer	-408	0.0034	82407	0.6867
	At the end of the year			82407	0.6867
10	ARINDAM TRADERS PVT LTD				
	At the beginning of the year	14560	0.1213	14560	0.1213
	10/04/2015 – Transfer	40	0.0003	14600	0.1217
	15/01/2016 – Transfer	1000	0.0083	15600	0.1300
	22/01/2016 – Transfer	3015	0.0251	18615	0.1551
	29/01/2016 – Transfer	352	0.0029	18967	0.1580
	19/02/2016 – Transfer	1385	0.0115	20352	0.1696
	At the end of the year			20352	0.1696
11	SUNIL KUMAR GUPTA				
	At the beginning of the year	9003	0.0750	9003	0.0750
	29/05/2015 - Transfer	-1000	0.0083	8003	0.0667
	05/06/2015 - Transfer	-726	0.0060	7277	0.0606
	26/06/2015 - Transfer	-277	0.0023	7000	0.0583
	17/07/2015 - Transfer	2234	0.0186	9234	0.0769
	24/07/2015 - Transfer	348	0.0029	9582	0.0798
	31/07/2015 - Transfer	450	0.0037	10032	0.0836
	07/08/2015 - Transfer	872	0.0073	10904	0.0909
	14/08/2015 - Transfer	663	0.0055	11567	0.0964
	21/08/2015 - Transfer	886	0.0074	12453	0.1038
	04/09/2015 - Transfer	1293	0.0108	13746	0.1145
	11/09/2015 - Transfer	500	0.0042	14246	0.1187
	18/09/2015 - Transfer	563	0.0047	14809	0.1234
	30/09/2015 - Transfer	500	0.0042	15309	0.1276
	09/10/2015 - Transfer	654	0.0054	15963	0.1330
	23/10/2015 - Transfer	733	0.0061	16696	0.1391
	30/10/2015 - Transfer	30	0.0002	16726	0.1394
	20/11/2015 - Transfer	580	0.0048	17306	0.1442
	27/11/2015 - Transfer	194	0.0016	17500	0.1458
11/12/2015 - Transfer	500	0.0042	18000	0.1500	
At the end of the year			18000	0.1500	
12	MONET SECURITIES PRIVATE LTD				
	At the beginning of the year	8228	0.0686	8228	0.0686
	29/05/2015 - Transfer	2950	0.0246	11178	0.0931
	05/06/2015 - Transfer	2050	0.0171	13228	0.1102
	30/09/2015 - Transfer	-4270	0.0356	8958	0.0746
	30/10/2015 - Transfer	-900	0.0075	8058	0.0671
	06/11/2015 - Transfer	-1100	0.0092	6958	0.0580
	13/11/2015 - Transfer	-1130	0.0094	5828	0.0486

SI No	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	20/11/2015 - Transfer	-1105	0.0092	4723	0.0394
	27/11/2015 - Transfer	-765	0.0064	3958	0.0330
	At the end of the year			3958	0.0330
13	MOTILAL OSWAL SECURITIES LTD				
	At the beginning of the year	92	0.0008	92	0.0008
	10/04/2015 - Transfer	403	0.0034	495	0.0041
	17/04/2015 - Transfer	-122	0.0010	373	0.0031
	24/04/2015 - Transfer	-348	0.0029	25	0.0002
	08/05/2015 - Transfer	13280	0.1107	13305	0.1109
	15/05/2015 - Transfer	-13109	0.1092	196	0.0016
	22/05/2015 - Transfer	-41	0.0003	155	0.0013
	29/05/2015 - Transfer	-130	0.0011	25	0.0002
	19/06/2015 - Transfer	-20	0.0002	5	0.0000
	26/06/2015 - Transfer	-5	0.0000	0	0.0000
	30/06/2015 - Transfer	17	0.0001	17	0.0001
	03/07/2015 - Transfer	-5	0.0000	12	0.0001
	10/07/2015 - Transfer	498	0.0041	510	0.0042
	17/07/2015 - Transfer	-510	0.0042	0	0.0000
	28/08/2015 - Transfer	46	0.0004	46	0.0004
	04/09/2015 - Transfer	-46	0.0004	0	0.0000
	11/09/2015 - Transfer	20	0.0002	20	0.0002
	18/09/2015 - Transfer	-10	0.0001	10	0.0001
	30/09/2015 - Transfer	36	0.0003	46	0.0004
	09/10/2015 - Transfer	-46	0.0004	0	0.0000
	30/10/2015 - Transfer	14	0.0001	14	0.0001
	06/11/2015 - Transfer	-14	0.0001	0	0.0000
	13/11/2015 - Transfer	60	0.0005	60	0.0005
	20/11/2015 - Transfer	-10	0.0001	50	0.0004
	27/11/2015 - Transfer	50	0.0004	100	0.0008
	04/12/2015 - Transfer	-100	0.0008	0	0.0000
	18/12/2015 - Transfer	1	0.0000	1	0.0000
	25/12/2015 - Transfer	101	0.0008	102	0.0008
	31/12/2015 - Transfer	-102	0.0008	0	0.0000
	08/01/2016 - Transfer	470	0.0039	470	0.0039
	15/01/2016 - Transfer	-470	0.0039	0	0.0000
	22/01/2016 - Transfer	17	0.0001	17	0.0001
29/01/2016 - Transfer	-17	0.0001	0	0.0000	
12/02/2016 - Transfer	30	0.0002	30	0.0002	
19/02/2016 - Transfer	-30	0.0002	0	0.0000	
31/03/2016 - Transfer	42	0.0003	42	0.0003	
At the end of the year			42	0.0003	
14	LUXMI TOWNSHIP LIMITED				
	At the beginning of the year	0	0.0000	0	0.0000
	15/05/2015 - Transfer	67067	0.5589	67067	0.5589
	16/10/2015 - Transfer	107	0.0009	67174	0.5597
	30/10/2015 - Transfer	58	0.0005	67232	0.5602
	06/11/2015 - Transfer	1734	0.0144	68966	0.5747
	13/11/2015 - Transfer	157	0.0013	69123	0.5760
	19/02/2016 - Transfer	6285	0.0524	75408	0.6284
At the end of the year			75408	0.6284	



**(v) Shareholding of Directors and Key Managerial Personnel:**

SI No	Name of the Directors and KMP*	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Akhil Kumar Ruia - Wholetime Director At the beginning of the year At the end of the year	24800	0.2067	24800 24800	0.2067 0.2067
2	Mr. Ankit Govind Ruia - Wholetime Director ** At the beginning of the year At the end of the year	24800	0.2067	24800 24800	0.2067 0.2067
3	Mr. Ajay Kumar Singh - Wholetime Director *** At the beginning of the year At the end of the year	49	0.0004	49 49	0.0004 0.0004
4	Mr. Rakesh Kumar Srivastava – Wholetime Director **** At the beginning of the year At the end of the year	3	0.0000	3 3	0.0000 0.0000

\* Directors and KMP holding shares have been considered only.

\*\*Resigned from Directorship w.e.f March 31, 2016.

\*\*\*Resigned from Directorship w.e.f June 30, 2015.

\*\*\*\*Appointed as a Wholetime Director w.e.f July 8, 2015.

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in lakhs)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	500.00	Nil	Nil	500.00
ii) Interest due but not paid	0.1438	-	-	0.1438
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Addition	-	Nil	Nil	-
Reduction	-	Nil	Nil	-
<b>Net Change</b>	-	<b>NA</b>	<b>NA</b>	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	500	Nil	Nil	500
ii) Interest due but not paid	0.1444	-	-	0.1444
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>500.14</b>	-	-	<b>500.14</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:** (₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. Akhil Kumar Ruia	Mr. Ankit Govind Ruia*	Mr. Ajay Kumar Singh**	Mr. Rakesh Kumar Srivastava***	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	79.50	93.00	3.00	6.92	182.42
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	55.76	45.47	.75	1.57	103.55
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—	—	—	—	—
2	Stock Option	—	—	—	—	—
3	Sweat Equity	—	—	—	—	—
4	Commission - as % of profit - others, specify...	—	—	—	—	—
5	Others (PF, Gratuity, Funds, LTA, Incentives)	14.33	11.59	.80	3.3	30.02
	Total (A)	149.59	150.06	4.55	11.79	315.99
	Ceiling as per the Act	10% of the Net Profit of the Company				

\*Resigned from Directorship w.e.f March 31, 2016.

\*\*Resigned from Directorship w.e.f June 30, 2015.

\*\*\*Appointed as a Wholetime Director w.e.f July 8, 2015.

**B. Remuneration to other directors:** (₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Rajendra Kumar Kanodia	Mr. Arup Kumar Chowdhuri	Mr. Harshvardhan Saraf	Mr. Abhiram Kastur Sheth	Mrs. Sucharita Basu De	
1	<b>Independent Directors</b>						
	Fee for attending board committee meetings	0.20	0.50	0.55	0.05	0.25	1.55
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	0.20	0.50	0.55	0.05	0.25	1.55
2	<b>Other Non-Executive Directors</b>	Mr. Anil Kumar Ruia	-	-	-	-	-
	Fee for attending board committee meetings	0.05	-	-	-	-	0.05
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	0.05	-	-	-	-	0.05
	Total (B)=(1+2)	0.25	0.50	0.55	0.05	0.25	1.60
	Total Managerial Remuneration (A+B)						317.59
	Overall Ceiling as per the Act - Fee for attending board/ committee Meeting - Commission	₹ 1,00,000 per Board/Committee Meeting 1% of the Net Profit of the Company					

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lakhs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Vikram Saraogi, CS till 11.2.16 & CFO w.e.f. 12.2.16	Mr. Deo Kishan Kothari (CFO) till 30.11.15*	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	11.82 0.32 —	13.09 0.10 —	24.91 0.42 —
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission - as % of profit - others, specify...	—	—	—
5	Others (PF, Gratuity, Funds, LTA, Incentives)	2.05	3.43	5.79
	Total	14.19	16.62	31.12

\*Resigned

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## BUSINESS OVERVIEW

Your Company is engaged in the business of growing, manufacturing and marketing of teas in its 7 (seven) tea estates as under, located in the top quality belt in the State of Assam;

1. Dhoedaam Tea Estate
2. Deamoolie Tea Estate
3. Balijan (H) Tea Estate
4. Rajah Alli Tea Estate
5. Thowra Tea Estate
6. Tippuk Tea Estate
7. Zaloni Tea Estate

The above tea estates are renowned for producing some of the best teas in the world and its products are sold in Indian domestic market and exported to several countries in the world such as Germany, UK, UAE and USA. These tea estates have got the ability to produce both "CTC" and "Orthodox" teas.

Your Company strives to improve its turnover by focusing on increasing our yield and quality. All seven tea estates are partners of the Ethical Tea Partnership (ETP) and are FSSC 22000 certified and have extensive experience in ensuring the products adhere to the strictest of EU and USA Food Safety Norms.

**Rainforest Alliance:** Four tea estates of your Company viz, Rajah Alli T.E., Dhoedaam T.E., Deamoolie T.E. and Thowra T.E., are Rainforest Alliance certified and Trustea certified. Balijan (H) T.E. is also under the process of obtaining the same.

Rainforest Alliance compliances are audited half yearly by a team of professionals.

**Stove Pilot Project:** Your Company in collaboration with Twinings of London has undertaken Clean Cook Stove Pilot Project in two of the tea estate viz, Dhoedaam T.E. and Deamoolie T.E. As an impact of this project 1,000 households will use fuel-efficient stoves in their homes and save an estimated 750 MT of firewood annually. This will reduce the local deforestation rate. People will be less exposed to health risk from smoke inhalation and emission of CO<sub>2</sub> will also be reduced considerably.

Tea is a sector which requires continuous investment to improve the yield. Your Company is investing significantly into uprooting and replanting which decreases the crop in the short term but will increase in 7- 10 years. Your Company have also made significant investment in irrigation systems and upgrading machinery.

## Overview of the Indian Economy

The Republic of India, located in South Asia, is the seventh largest country in the world by area. The population of over 1.2 billion makes it the second most populous country in the world as well as the largest democracy. India's economy continuous to remain the third largest by purchasing power parity (PPP) but has risen to be seventh largest by nominal gross domestic product (GDP) globally, at 22788.720 billion dollars, as opposed to last year.

As per estimates by the Central Statistics Office (CSO), the share of agriculture and allied sectors (including agriculture, livestock, forestry and fishery) was 15.35 per cent of the Gross Value Added (GVA) during 2015–16 at 2011–12 prices.

Agriculture plays a vital role in India's economy. Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, is one of the largest contributors to the Gross Domestic Product (GDP). India holds the second largest agricultural land in the world. Steady investments in technology development, irrigation infrastructure, emphasis on modern agricultural practices and

## MANAGEMENT'S DISCUSSION AND ANALYSIS

provision of agricultural credit and subsidies are the major factors contributed to agriculture growth.

Indian agriculture has undergone rapid transformation in the past two decades. The policy of globalization and liberalization has opened up new avenues for agricultural modernization. This has not only led to commercialization and diversification, but also triggered various technological and institutional innovations owing to investments from corporate entities. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage.

Factors such as reduced transaction costs and time, improved port gate management and better fiscal incentives would contribute to the sector's growth. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers.

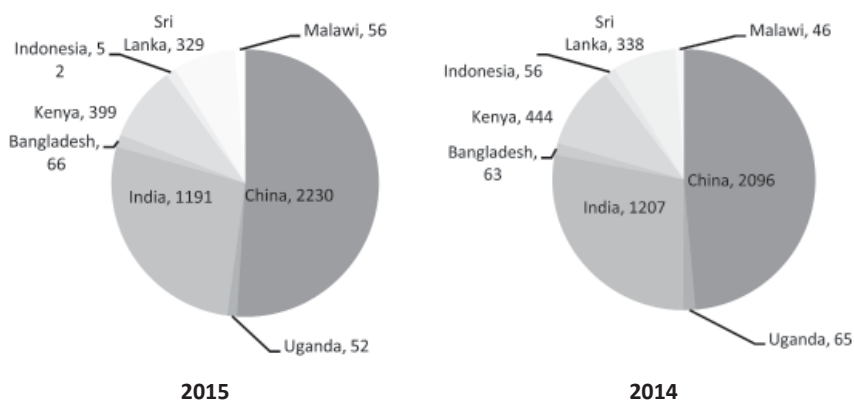
### GLOBAL & INDIAN TEA INDUSTRY

#### Global Trends

Tea is one of the most popular and lowest cost beverages in the world, next to water. Tea is consumed by a wide range of age groups in all levels of society. More than three billion cups of tea are consumed daily worldwide. Tea is considered to be a part of the huge global beverage market, not to be seen in isolation just as a "commodity".

Major tea producing countries are China, India, Kenya and Sri Lanka. The global tea market is expected to reach \$47.20 billion by 2020, growing at a CAGR of 2.8% from 2014 to 2020. Currently, green tea accounts for nearly 43.2% of the global demand while the remaining market share is divided between black tea, tea concentrates, extracts and essences. China, India, Russia Federations, United Kingdom and the Middle East markets are the largest consumers of tea.

**World Tea Production (M KG):**



Source : ITA website

#### Indian Tea Industry

India is the second largest tea producer in the world accounting 28% of global production. The tea industry, being labour intensive, directly employs over 1 million workers. Apart from its own workforce of 1 million, it also looks after more than 3 million dependants who are resident in the tea estates. The tea industry generates income and livelihood directly and indirectly, for more than 10 million people, over and above its own workforce. Women constitute 50% of the workforce. Every three years workers' wages are increased through bilateral/tripartite negotiation. Wages & associated welfare costs constitute around 65% of COP. At present the composite wage

## MANAGEMENT’S DISCUSSION AND ANALYSIS

structure in Assam which consists of cash wages and in kind benefits aggregate to a total of ₹ 266.97 per day. The cash component within this is ₹ 126/- per day effective from 1st January 2016.

The tea industry’s continued viability is, therefore of paramount importance in order to sustain the survival of the large rural population it supports, and its role in the economic development of the backward areas which encompass its operations.

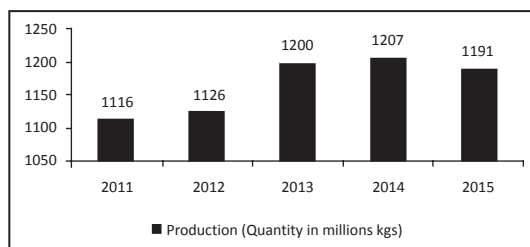
### Tea production in India

Production of tea was 1191.10 million kg (M Kg) in 2015. 963.63 million kg was produced in North India and 227.47 million kg was produced in South India. Regions contributing to tea production of North India are Assam - 614.57 M Kg, West Bengal – 323.38 M Kg and Other 25.68 M Kg, while Tamil Nadu – 162.94 M Kg, Kerala – 58.01 M Kg and Karnataka – 6.52 M Kg have contributed to the production of tea in South India. Although the Indian tea production in the year 2015 has decreased compared to the production in 2013 & 2014 but it has increased at CAGR 1.6% as compared to the production in the year 2011.

All varieties of tea are produced by India. While CTC accounts for around 89 per cent of the production, orthodox/green and instant tea account for the remaining 11 per cent.

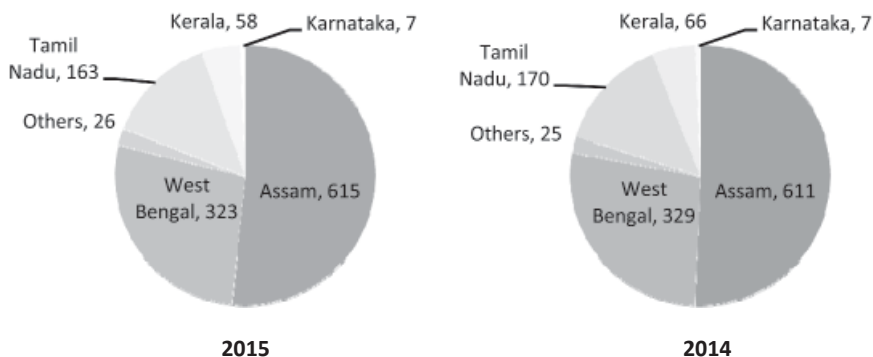
Tea cultivation is one of the premier industries of Assam. It plays a vital role in the economy of the state. Large number of workers of Assam are engaged in the tea industry. The total area under tea cultivation in Assam is accounting for more than half of the country’s total area under tea. In addition to existing large tea gardens owned by both reputed Indian and multinational Companies, the profession of tea plantation in the State has been taken up by common man as business venture at present, especially by unemployed youths.

Tea Production in India (MKG)



Source : ITA website

Comparison of Districtwise Tea Production in India (MKG)

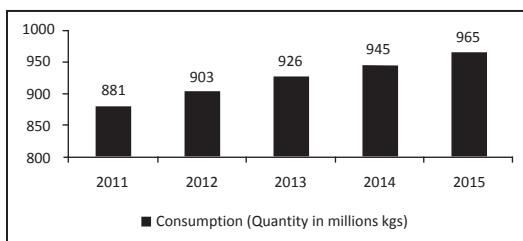


Source : ITA website

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Consumption of Tea in India

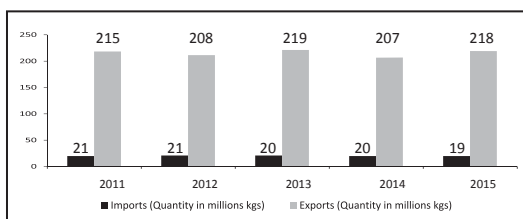
India is also the world's largest consumer of black tea with the domestic market estimated to be consuming 965 million kg of tea during 2015-16. The consumption growth in India is expected to be approximately 2.5% per annum. Though domestic consumption has increased in terms of volume, yet the per capita at 733 grams is lower when compared to neighbouring countries like Pakistan where per capita consumption is 1.3 kg.



Source : ITA website

### Exports and Imports of Tea in India

India is ranked fourth in terms of tea exports, which reached 218 million kg during 2015. The major importing Countries of Indian teas are CIS – 60.52 M Kg, UK – 17.70 M Kg, UAE/Iran – 35.42 M Kg and Pakistan 18.94 M Kg approximately.



Source : ITA website

### COMPETITION

Tea Industries in the developing countries of Asia are facing huge competition due to inefficiency in the value chain management especially related to land management, plucking efficiency and manufacturing cost. It faces global competition.

Kenya plantation is comparatively new hence yield is much higher. Kenya produces standard quality tea around the year whereas Indian tea production as well as quality is seasonal. Some other African Countries such as Rwanda and Burundi are capable of producing top quality tea throughout the year.

Supply from African origins is therefore continuous that helps the importers to manage the inventories and costs more efficiently.

On the other hand, Sri Lanka has emerged as the largest producer of clean black orthodox teas that is has become extremely popular in most of the Middle East markets. Domestic consumption is negligible in Sri Lanka hence major emphasis is given on exports fully supported by their Government.

The increase in cost of production of the Indian Tea industry has been impeding its competitiveness. India's labour cost comprises around 60% of the Cost of Production.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Your Company has set up, sales & marketing team for the sale of products. The Company has already appointed distributors and auctioneers for the sale of our products in the various states of India. A strong foundation has been laid for the marketing of the products by creation of the marketing team which was reflected in the sale of current financial year.

A full fledged corporate campaign and product campaign is being made for the consumers. The Company believes that a focused brand building exercise will help in developing loyal customer. In order to assess the perception of the Company's product and services, we have started a perception based Customer satisfaction study which will help us in improving our processes.

### OPPORTUNITIES AND THREATS

The diverse agro-climatic conditions prevailing in the tea growing areas of India lend themselves to the production of a wide range of teas (CTC, orthodox), green tea and organic teas. There is availability of modernized and upgraded manufacturing facilities.

The biggest opportunity for your Company is the global consumer trend towards health and wellness where tea which is one of the important natural beverages is strongly aligned to this trend. Therefore, it is likely to benefit your Company, now and in the future.

High cost of production mainly due to low productivity, high energy cost and high social costs are the challenges to the Company.

The rise in key input costs in the last decade has grown at a CAGR of over 10% while prices during this period have been growing at a CAGR 6 to 7 % only. Increase in domestic and export prices of Indian teas have not kept pace with increases in cost of inputs and the price of other food articles.

Some of the challenges faced by the Industry other than inadequate and irregular rainfall on which most of the agricultural crops depend on. The tea industry is constantly challenged by numerous other factors such as bad weather conditions or climate changes, wage issues with plantation laborers including migration of laborers to other industries and also the currency fluctuations.

### INTERNAL CONTROL SYSTEMS

There are well designed internal control systems and procedures in line with the size of operations and business. Your Company has engaged reputed Chartered Accountants for conducting internal audit of all the Gardens and Head Office who are providing internal audit reports. Audit Committee reviews these reports and monitors effectiveness and operational efficiency of internal control systems.

Audit Committee is giving valuable recommendations and suggestions for corrective actions from time to time for improving the business processes, systems and internal controls. Annual internal audit plans are prepared by internal auditors in consultation with Audit Committee and audit is conducted in accordance with this plan. Separate department headed by a senior officers looks after internal control systems and assists internal auditors and the Audit Committee and provides desired inputs to them. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations from time to time.

### FINANCIAL PERFORMANCES

Your Company had recorded the Total Turnover of ₹ 14346.03 lakhs and the net profit of ₹ 2738.62 lakhs (including exceptional item of ₹ 2136.89 lakhs) in the current financial year in comparison to the Total Turnover of ₹ 13767.81 lakhs and the net profit of ₹ 507.43 lakhs respectively in the last financial year. The Company had produced 69,72,008 Kgs of Tea in the current financial year which is approximately 3.41% decrease from the previous year. After the adjustments of other expenditures, the Earnings before Interest, depreciation, taxation and amortization is ₹ 1154.18 lakhs in the current financial year as compared with ₹ 1383.45 lakhs of the previous financial year.



**HUMAN RESOURCES**

Tea Industry is highly labour intensive. Your Company has employed over approximately 8,500 workers personnel at its tea estates and other establishments in India. A tea plantation worker and his family are provided with housing, medical, education etc. facilities. Workforces are also provided with social security benefits like terminal benefits, employment injury/maternity benefits, insurance, pension, gratuity etc. The employee relations remained satisfactory during the period under review. The Company would like to record its appreciation of the wholehearted support and dedication from its employees at all levels in maintaining the smooth production and manufacture of tea from all the tea estates during the year.

**CAUTIONARY STATEMENT**

*This report contains projections, estimates and expectations etc. which are just "forward-looking statements". Actual results could differ from those expressed or implied in this report. Important factors that may have impact on Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets, changes in the Government regulations / policies, tax laws and other statutes and other incidental factors. The Company assumes no responsibility to publicly modify or revise any forward looking statements on the basis of any future events or new information. Actual results may differ from those mentioned in the report.*

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

(as required under Schedule V of the Securities Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015, herein referred as “Listing Regulations”)

### 1. Company’s philosophy on Corporate Governance

The philosophy of your Company in relation to Corporate Governance is to ensure fairness, transparency, integrity, equity, honesty and accountability in its dealings with its customers, dealers, employees, lenders, Government and other stakeholders including shareholders. The Company is committed to achieve and maintain the highest standards of Corporate Governance. The cornerstone of modern enterprise system rests with good Corporate Governance mechanism. Your Company is always committed to the improvement of Corporate Governance in a bid to boost shareholders’ value and investors’ confidence.

### 2. Board of Directors

The Company has a balanced Board with diverse professionals in different fields, who primarily takes care of the business needs and stakeholders’ interest.

#### Composition and Attendance of Directors

The Board of Directors of the Company consists of eight members which comprises of:

- One Non Executive - Non Independent Chairman.
- Two Executive Directors.
- Five Non Executive - Independent Directors (including one woman Director).

The structure of Board of Directors is in conformity with Regulation 17 of the Listing Regulations. The number of Directorship and Committee membership held by them in other public limited companies are given herein below.

Sl No	Name of the Directors	Category	No. of other Directorship(s) in Public Limited Companies incorporated in India	No. of Membership on Board Committees of other Companies*	No. of Chairmanship in Board Committees of other Companies*
1	Mr Anil Kumar Ruia	Non Executive - Non Independent Chairman	NIL	NA	NA
2	Mr Akhil Kumar Ruia	Whole Time Director	NIL	NA	NA
3	Mr Ankit Govind Ruia@	Whole Time Director	NIL	NA	NA
4	Mr Rakesh Kumar Srivastava#	Whole Time Director	NIL	NA	NA
5	Mr Rajendra Kumar Kanodia	Non Executive - Independent Director	4	NIL	NIL
6	Mr Harshvardhan Saraf	Non Executive – Independent Director	1	NIL	NIL
7	Mr Abhiram Kastur Sheth	Non Executive - Independent Director	NIL	NA	NA
8	Mr Arup Kumar Chowdhuri	Non Executive - Independent Director	NIL	NA	NA
9	Mrs Sucharita Basu De	Non Executive - Independent Director	1	1	Nil

\*Membership & Chairmanship of the Audit Committees & Stakeholders Relationship Committees are only considered.

@Resigned from directorship of the Company w.e.f. March 31, 2016.

# Appointed as a Wholetime Director of the Company w.e.f July 8, 2015

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

The Company has ensured that the persons, who have been appointed as the Independent Directors (IDs) of the Company, are not promoter or related to promoters of the Company or its holding, subsidiary or associate Company and have the requisite qualifications and experience which they would continue to contribute and would be beneficial to the Company. They meet all other criteria of not having any pecuniary relationship/transaction or holding position of KMP or having voting power, etc. as provided in the Companies Act, 2013 (hereinafter referred to as 'Act') and the Listing Regulations. The appointment letters issued to the Independent Directors, inter alia contains their roles, responsibilities, fiduciary duties in the Company and the expectation of the Board from them along with other terms of their appointment.

They took active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors / Committees.

The Company in accordance with the provisions of the Listing Regulation, has taken initiatives to familiarize its Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programs posted on the website of the Company: <http://www.jameswarrentea.com/#!/corporatepolicies/c1rqi>. The Company on regular intervals updates their knowledge pertaining to changes in the laws and global economic conditions effecting activities of the Company and re-designing the business module in the changed circumstances.

The Board has carried out performance evaluation of Independent Directors based on the performance, recommended to continue the term of their appointment.

### **Separate Meeting of the Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, the Company has facilitated holding of a separate meeting of the Independent Directors, which was held on November 07, 2015, and inter alia has reviewed;

- i. the performance of non-independent Directors and the Board as a whole ;
- ii. the performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors ; and
- iii. assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

The sitting fees paid to the Non-executive Directors including the Independent Directors are within the limits prescribed under the Companies Act, 2013.

### **Attendance of Directors at the Board Meetings during the financial year ended March 31, 2016 and at the last Annual General Meeting (AGM).**

During the financial year ended March 31, 2016, 7 (seven) Board meetings were held on; May 16, 2015, July 8, 2015, August 14, 2015, November 7, 2015, November 30, 2015, February 12, 2016 and March 30, 2016. The gap between any two consecutive meetings did not exceed one hundred and twenty days which meets the stipulations of the Listing Regulations. The attendance details of each Director at the Board meetings held during their tenure and at the last Annual General Meeting (AGM) is given herein below:

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

Sl No.	Name of the Directors	No. of meetings held	No. of Board meetings attended	Attendance at the last AGM held on September 18, 2015
1	Mr Anil Kumar Ruia	7	1	Yes
2	Mr Akhil Kumar Ruia	7	6	No
3	Mr Ankit Govind Ruia*	7	7	No
4	Mr Ajay Kumar Singh**	1	1	No
5	Mr Rajendra Kumar Kanodia	7	2	No
6	Mr Harshvardhan Saraf	7	3	No
7	Mr Abhiram Kastur Sheth	7	1	No
8	Mr Arup Kumar Chowdhuri	7	5	Yes
9	Mrs Sucharita Basu De	7	5	No
10	Mr Rakesh Kumar Srivastava***	5	2	Yes

\*Resigned from directorship of the Company w.e.f. March 31, 2016.

\*\*Resigned from directorship of the Company w.e.f. June 30, 2015.

\*\*\*Appointed as the Wholetime Director of the Company w.e.f July 8, 2015

The Board periodically reviews compliance reports of all applicable laws to the Company and took requisite steps of non-compliances. The Board has introduced its plans for orderly successions for appointments to the Board and Senior Management.

### Code of Conduct

'Code of Conduct' for all the Board Members, Key Managerial Personnel and other Senior Executives of the Company as framed by the Company is in place and they have affirmed compliance with the same. Duties of the Independent Directors have suitably been incorporated in the code. A declaration signed by the Wholetime Director & Chief Executive Officer (CEO) of the Company to this effect is enclosed at the end of this report. The Code is also posted on the Company's website: [www.jameswarrentea.com](http://www.jameswarrentea.com)

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, the Board has approved the 'Code of Conduct for prohibition of Insider Trading' and entrusted the Compliance Officer to monitor the compliance of the code, who shall provide reports to the Chairman of the Audit Committee.

### Whistleblower (Vigil Mechanism) Policy

Vigil mechanism as established by the Company in line with the requirements of the Companies Act, 2013 and the Listing Regulations, enables employees to report concerns for unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics. It also provides for adequate safeguards against the victimisation of the employees who avail the said mechanism. This mechanism also allows the direct access to the Chairperson of the Audit Committee. The Audit Committee is committed to ensure the flaw less work environment by providing a platform to report any suspected or confirmed incident of fraud/misconduct.

The Vigil Mechanism (Whistle Blower Policy) aims at the followings:-

- creation of an environment where every employee feels free and secure to report specific incidents of unethical behaviour, actual or suspected incidents of fraud or any violation of the Code ;
- To investigate such reported incidents in a fair manner ;
- To take appropriate disciplinary action against the delinquent employee(s) ;
- To ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

Employees are encouraged to bring to the attention of the Company incidents pertaining, inter alia to:

- Illegal or unethical conduct including that which adversely affects investors, shareholders, customers, suppliers, other employees, or the business performance or image or reputation of the Company;
- Violation of any law or regulation including actual or suspected fraud;
- Conflict of interest with the Company;
- Leaking of confidential or proprietary information of the Company;
- Any violation of the Code of Conduct for prevention of Insider Trading, as adopted by the Company.
- Any other violation impacting the interest of the Company.

### Relationship between the Directors interse:

Names of the Director	Designation	Nature of Directorship
Anil Kumar Ruia	Akhil Kumar Ruia	Son
	Ankit Govind Ruia	Son
Akhil Kumar Ruia	Anil Kumar Ruia	Father
	Ankit Govind Ruia	Brother
Ankit Govind Ruia*	Anil Kumar Ruia	Father
	Akhil Kumar Ruia	Brother

\*Resigned from the directorship of the Company w.e.f. March 31, 2016.

**The details of equity shares/ convertible instruments held by the Non-Executive Directors of the Company in their own name, as on March 31, 2016 are as follows:**

Name of the Directors	No. of Equity shares
Mr. Anil Kumar Ruia	Nil
Mr. Arup Kumar Chowdhuri	Nil
Mr. Abhiram Kastur Sheth	Nil
Mr. Harshvardhan Saraf	Nil
Mr. Rajendra Kumar Kanodia	Nil
Mrs. Sucharita Basu De	Nil

The Company has not issued any Securities other than Equity Shares.

### 3. Committees of Board

The Board Committees focus on certain specific areas and make informed decisions within the delegated authority. Each Committee of the Board functions according to its charter (terms of reference) that defines its composition, scope, power and role in accordance with the requirements of the Companies Act, 2013 and the Companies Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) together with the Listing Regulations. The Board is responsible for constituting, assigning and co-opting the members of the Committee. The Board has the following 6 (six) Committees during the year 2015-16:

#### a) Audit Committee

The Audit Committee was established in compliance to the requirements of the erstwhile Listing Agreement and Section 177 of the Act. The terms of reference of the Committee was amended from time to time at par to the changed regulations. The Committee was re-constituted w.e.f. 31st March, 2016 due to the resignation of Mr. Ankit Govind Ruia from the Board.

#### Composition of the Committee

The Audit Committee comprises of three Non-executive Independent Directors and one Executive

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

Director, all having financial management and accounting knowledge. The members of the Audit Committee as on March 31, 2016 are;

Names of the Director	Designation	Nature of Directorship
Mr. Rajendra Kumar Kanodia	Chairman	Non Executive Independent Director
Mr. Arup Kumar Chowdhuri	Member	Non Executive Independent Director
Mr. Harshvardhan Saraf	Member	Non Executive Independent Director
Mr. Akhil Kumar Ruia	Member	Wholetime Director

The Company Secretary of the Company, acts as the Secretary to the Audit Committee.

The Company's statutory auditors and the internal auditors are invited on regular basis at the Audit Committee meetings.

### Terms of reference

The present terms of reference / scope and function of the Audit Committee are as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment 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 the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications 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 submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
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 undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

14. Discussion with internal auditors of any 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 (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Review of information by Audit Committee

The Audit Committee reviews the following information:

- a) Management discussion and analysis of financial information and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

The Audit committee is empowered to investigate any activities within its terms of reference, seek information from employees, obtain outside legal or other professional advice or secure attendance of outside experts of relevant field as and when necessitated. The Audit Committee also reviews such matters as referred to it by the Board.

### Meetings and Attendance

During the financial year ended March 31, 2016, 4 (four) audit committee meetings were held on May 16, 2015, August 14, 2015, November 7, 2015 and February 12, 2016. The attendance details of each member at the Audit Committee meetings are given below:

Name of the Members	No. of meetings Attended
Mr. Rajendra Kumar Kanodia	2
Mr. Arup Kumar Chowdhuri	3
Mr. Harshvardhan Saraf	3
Mr. Akhil Kumar Ruia	3
Mr. Ankit Govind Ruia*	4

\* Ceased to be the member of the Committee w.e.f. March 31, 2016.

### c) Nomination & Remuneration Committee

The Nomination & Remuneration Committee was constituted on October 25, 2013.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

### Composition of the Committee

The Committee presently comprises of the following members:

Names of the Director	Designation	Nature of Directorship
Mr. Arup Kumar Chowdhuri	Chairman	Non Executive Independent Director
Mr. Abhiram Kastur Sheth	Member	Non Executive Independent Director
Mr. Akhil Kumar Ruia	Member	Wholetime Director
Mr. Harshvardhan Saraf	Member	Non Executive Independent Director

The Company Secretary of the Company, acts as the Secretary to the Nomination & Remuneration Committee.

Presently, the Non Executive Directors do not receive any remuneration from the Company except by way of sitting fees for attending the meetings of the Board and its Committees.

### Terms of reference

The terms of reference of the Nomination & Remuneration Committee are as follows:

- i. To fix and finalise remuneration including salary, perquisites, benefits, bonuses, allowances, etc., fixed and performance linked incentives along with the performance criteria, increments and promotions, service contracts, notice period, severance fees, Ex-gratia payments.
- ii. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India, including:
  - a. The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
  - b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.
- iii. Reviewing, assessing and recommending the appointment, terms of appointment and reappointment including remuneration etc. of Executive and/or Non-Executive Directors and Senior Employees;
- iv. To recommend, approve and evaluate the Whole Time Director, Managing Director and Executive Director's compensation plans, policies and programmes of our Company;
- v. Recommending payment of compensation / remuneration in accordance with the provisions of the Companies Act;
- vi. To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole Time/ Executive Directors, including pension rights and any compensation payment;
- vii. To review and approve any disclosures in the annual report or elsewhere in respect of compensation policies or directors' compensation;
- viii. To obtain such outside or professional advice as it may consider necessary to carry out its duties;
- ix. To invite any employee or such document as it may deem fit for exercising of its functions;
- x. To formulate and implement any employee stock option plan or scheme for the employees; and
- xi. Carrying out any other function as may be referred to by the Board of Directors of our Company or prescribed by the Listing Agreement, as amended, from time to time.

The role of the Nomination & Remuneration Committee, inter-alia, include the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;



## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company discloses the remuneration policy and the evaluation criteria in its Annual Report.

### Meetings and Attendance

For the financial year ended March 31, 2016, 3 (three) meetings of the Committee was held on May 16, 2015, July 8, 2015 and February 12, 2016.

Name of the Members	No. of meetings Attended
Mr. Arup Kumar Chowdhuri	2
Mr. Abhiram Kastur Sheth	-
Mr. Akhil Kumar Ruia	3
Mr. Harshvardhan Saraf	2

### Nomination, Remuneration and Evaluation Policy of the Company

#### i) Appointment

- The Nomination and Remuneration Committee (hereinafter referred to as “the Committee”) is nominated to identify and ascertain the integrity, qualification, expertise and experience of the candidate for appointment as Director, KMP or at Senior Management level and recommend his/ her appointment to the Board.
- The candidate should possess adequate qualification, expertise, knowledge, skills, background and industry experience for the position against which he/ she is considered for appointment. The Committee has the discretion to decide whether the above requirements possessed by a person are sufficient/ satisfactory for the concerned position.
- While appointing the Directors and KMP, the Committee shall give due consideration to their limit of holding other directorships/office as specified in the Companies Act, 2013 read with the Rules made therein and the Listing Agreement (as amended from time to time) and/or any other applicable enactment, for the time being in force.

#### ii) Policy for remuneration of Directors, Key Managerial Personnel and other Employees:

The Company follows the policy to fix remuneration of its Directors, KMPs and other employees by taking into account the trend in the industry, qualification, experience, past performance and past remuneration of the respective Directors, KMPs and other employees, in the manner to strike a balance between the interest of the Company and its Stakeholders.

The guiding principle for fixing remuneration payable to the Directors, KMPs and other employees are as follows:

- The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other employees.
- The Remuneration/ Compensation/ Commission etc. paid to the Managing/ Whole-time/ Executive/ Independent Directors and/or KMP, shall be governed as per the provisions of the Companies Act, 2013 and rules made there under. The amount of sitting fees shall be paid in accordance with the decision of the Board, subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under.
- The Remuneration payable to the Directors, KMPs and other employees shall be reflective of the individual's role, responsibilities and experience in relation to performance of day-to-day activities.
- Remuneration package of the Executive Directors, KMPs and other employees, shall include basic salary,

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

allowances and other statutory/non-statutory benefits and it shall involve a balance between fixed and variable incentives pay reflecting short term and long term performance objectives appropriate to the Company's working and its goal.

### iii) Policy for evaluation of Independent Directors and the Board:

The following criteria may assist in determining how effective the performances of the Directors have been:

- Leadership & Managerial abilities.
- Contribution to the corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtaining adequate, relevant & timely information from external sources.
- Review & approval of strategic & operational plans of the Company, its objectives and budgets.
- Regular monitoring of corporate results against projection.
- Identification, monitoring & mitigation of significant corporate risks.
- Assessment of policies, structures & procedures followed in the Company and their significant contribution to the same.
- Direct, monitor & evaluate KMPs, senior officials.
- Regularity in attending meetings of the Company and inputs therein.
- Review & Maintenance of corporation's ethical conduct.
- Ability to work effectively with rest of the Board of Directors.
- Commitment to the promotion of equal opportunities, health and safety in the workplace.

### Details of remuneration paid to the Directors in the financial year 2015-16

SI No	Name of the Directors	Salary & Benefits (₹)	Commission & Others (₹)	Sitting Fees (₹)	Total (₹)	Service Contract (Period)	Effective date of Service Contract
1	Mr. Anil Kumar Ruia	Nil	Nil	5,000	5,000	N.A.	N.A.
2	Mr. Akhil Kumar Ruia	1,49,58,937	Nil	Nil	1,49,58,937	3 years	July 1, 2015
3	Mr. Ankit Govind Ruia*	1,50,06,255	Nil	Nil	1,50,06,255	3 years	July 1, 2015
4	Mr. Ajay Kumar Singh**	4,55,309	Nil	Nil	4,55,309	18 months	January 1, 2014
5	Mr. Arup Kumar Chowdhuri	Nil	Nil	50,000	50,000	5 years	April 1, 2014
6	Mr. Abhiram Kastur Sheth	Nil	Nil	5,000	5,000	5 years	April 1, 2014
7	Mr. Harshvardhan Saraf	Nil	Nil	55,000	55,000	5 years	April 1, 2014
8	Mr. Rajendra Kumar Kanodia	Nil	Nil	20,000	20,000	5 years	April 1, 2014
9	Mrs. Sucharita Basu De	Nil	Nil	25,000	25,000	5 years	October 1, 2014
10	Mr. Rakesh Kumar Srivastava***	11,79,094	Nil	Nil	11,79,094	3 years	July 8, 2015

\*Resigned from directorship of the Company w.e.f. March 31, 2016.

\*\*Resigned from directorship of the Company w.e.f. June 30, 2015.

\*\*\*Appointed as the Wholetime Director of the Company w.e.f. July 8, 2015.

The remuneration of the Wholetime Directors, includes basic salary, rent free accommodation, allowances, medicals, insurance, contribution to the provident fund, superannuation and gratuity funds and perquisites (including monetary value of taxable perquisites) etc. The appointment of all the Whole time Directors can be terminated by giving notice of such period, by either party, as mentioned in their respective appointment letters.

### c) Stakeholders' Relationship Committee

The 'Stakeholders' Relationship Committee' was constituted on December 27, 2013. The said committee was reconstituted on March 31, 2016. The term of reference of the said Committee was also revised on February 12, 2016.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

### Composition of the Committee

The Committee comprises of, the Chairman as Non-Executive Independent Director and two Executive Directors. The members of the Stakeholders' Relationship Committee as on March 31, 2016 are;

Names of the Director	Designation	Nature of Directorship
Mr. Harshvardhan Saraf	Chairman	Non Executive Independent Director
Mr. Rakesh Kumar Srivastava	Member	Wholetime Director
Mr. Akhil Kumar Ruia	Member	Wholetime Director

The Company Secretary of the Company, acts as the Secretary to the Stakeholders' Relationship Committee.

### Terms of reference

The broad terms of reference, inter alia, includes the following;

- i. To oversee the redressal of stakeholders/investors' grievances/complaints with respect to transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends, interests etc;
- ii. Reference to statutory and regulatory authorities regarding stakeholders'/investors' grievances;
- iii. To ensure proper and timely attendance of stakeholders'/investors' queries;
- iv. To approve the request for transfer, transmission, etc. of shares;
- v. To approve the dematerialization of shares and rematerialisation of shares, splitting and consolidation of Equity Shares and other securities issued by the Company;
- vi. To consider and approve issue of duplicate / split / consolidated share certificates;
- vii. To issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;
- viii. To review cases for refusal of transfer / transmission etc. of shares and debentures, if any;
- ix. To oversee the overall performance of Registrar and Share Transfer Agent;
- x. To review from time to time overall working of the secretarial department of the Company with respect to the securities of the Company and other related matters; and
- xi. Such other matters as may from time to time be required by any statutory, contractual or any other regulatory requirements to be attended to by such committee.

### Meetings and Attendance

During the financial year ended March 31, 2016, 5 (five) Stakeholders' Relationship Committee meeting was held on May 16, 2015, August 14, 2015, November 7, 2015, February 12, 2016 and March 30, 2016. The attendance details of each member at the Stakeholders' Relationship Committee meeting are given below:

Name of the Members	No. of meetings Attended
Mr. Harshvardhan Saraf	3
Mr. Akhil Kumar Ruia	4
Mr. Ankit Govind Ruia*	5
Mr. Ajay Kumar Singh**	1
Mr. Rakesh Kumar Srivastava***	1

\*Ceased to be the member of the Committee w.e.f March 31, 2016.

\*\*Ceased to be the member of the Committee w.e.f June 30, 2015.

\*\*\*Appointed as the member of the Committee w.e.f July 08, 2015.

### Compliance Officer

Ms. Surbhi Shah, Company Secretary of the Company was appointed as the Compliance Officer of the Company w.e.f February 12, 2016.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

### Shareholders' Complaints

The numbers of shareholders'/ investors' complaints received, resolved/ replied and pending during the year under review are as under;

Nature of complaints	Received	Resolved/ Replied	Pending
Non-receipt of share certificates	0	0	0
Non-receipt of dividend	1	1	0
Non-receipt of annual reports	0	0	0
Others	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>

### Securities and Exchange Board of India ('SEBI') Complaints Redress System ("SCORES")

Pursuant to the circular nos.CIR/OIAE/2/2011, CIR/OIAE/1/2012, CIR/OIAE/1/2013 and CIR/OIAE/1/2014 issued on respective dates June 03, 2011, August 13, 2012, April 17, 2013 and December 18, 2014 by SEBI intimating the commencement of processing of investors complaints in a centralized web based complaint redress system 'SCORES'.

As per the above circulars, all the investors complaints pertaining to the listed Companies will be electronically sent through SCORES and the Companies or their appointed Registrar & Share Transfer Agent (R&TA/ STA) are required to view the pending complaints and submit 'Action Taken Report' ('ATRs') along with necessary documents electronically in SCORES. Further, there is no need to file any physical ATRs with SEBI. The Company had completed the required registration under SCORES to efficiently and effectively redress the investors/ shareholders complaints on time.

### d) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee was constituted by a meeting of Board of Directors held on June 24, 2014. The CSR Committee is responsible for compliance of its scope mentioned in its term of reference in relation to CSR affairs and shall monitor the implementation of approved CSR policy and shall meet periodically, to review & ensure orderly and efficient execution of the CSR project, programs or activities and issue necessary direction pertaining to it. The said Committee was reconstituted on July 8, 2015 and further reconstituted w.e.f March 31, 2016.

### Composition of the Committee

The present composition of the CSR Committee is as follows:

Names of the Director	Designation	Nature of Directorship
Mr. Rakesh Kumar Srivastava	Chairman	Whole time Director
Mr. Akhil Kumar Ruia	Member	Wholetime Director
Mr. Harshvardhan Saraf	Member	Non Executive Independent Director

The Company Secretary of the Company, acts as the secretary to the CSR Committee.

### Terms of reference

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy related to the CSR activities to be undertaken by the Company as provided in the Schedule VII and any other related provisions, if any, of the Companies Act, 2013 and the rules made there under.
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- To monitor the implementation of the framed CSR Policy.
- To recommend the amount of expenditure to be incurred on the CSR activities as per the requirement of the Companies Act, 2013 and the rules made there under.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

5. To carry out such other functions as may from time to time, be authorized by the Board and/or required by any Statutory Authority, by the way of amendment and/or otherwise, as the case maybe, to be attended by this Committee.

### Meetings and Attendance

For the financial year ended March 31, 2016, 2 (two) meeting of the CSR Committee was held as on November 30, 2015 and March 21, 2016.

Name of the Members	No. of meetings Attended
Mr. Ajay Kumar Singh*	0
Mr. Ankit Govind Ruia**	2
Mr. Akhil Kumar Ruia	2
Mr. Harshvardhan Saraf	0
Mr. Rakesh Kumar Srivastava***	2

\*Ceased to be the member of the Committee w.e.f June 30, 2015.

\*\*Ceased to be the member of the Committee w.e.f March 31, 2016.

\*\*\*Appointed as the member of the Committee w.e.f July 08, 2015.

### e) Share Transfer Committee

The Share Transfer Committee was constituted on December 27, 2013 and reconstituted on July 8, 2015. The aforesaid Committee was dissolved on February 12, 2016 and its scope was included in the terms of reference of the Stakeholders' Relationship Committee.

### Composition of the Committee

The Committee comprised of the following members:

Names of the Director	Designation	Nature of Directorship
Mr. Ankit Govind Ruia	Chairman	Wholetime Director
Mr. Harshvardhan Saraf	Member	Non Executive Independent Director
Mr. Akhil Kumar Ruia	Member	Wholetime Director

The Company Secretary, acted as the secretary to the Share Transfer Committee.

### Scope and terms of reference:

The terms of reference of our Share Transfer Committee are given below:

- i. To approve the transfer, transmission, etc. of shares;
- ii. To approve the dematerialization of shares and rematerialisation of shares, split and consolidation of Equity Shares and other securities as may be issued by the Company.
- iii. Review of cases for refusal of transfer / transmission of shares and/or any other securities as may be issued by the Company from time to time, if any;
- iv. To review from time to time overall working of the secretarial department of our Company relating to the shares of our Company and functioning of the share transfer agent and other related matters.
- v. To consider and approve issue of duplicate / split / consolidated share certificates;
- vi. Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;
- vii. Oversee the performance of Registrar and Transfer Agent; and
- viii. Such other matters as may be required from time to time by any statutory, contractual or other regulatory requirements to be attended by the committee.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

### Meetings and Attendance

For the financial year ended March 31, 2016, 1 (one) meeting of the Share Transfer Committee was held on February 12, 2016.

Name of the Members	No. of meetings Attended
Mr. Ankit Govind Ruia	1
Mr. Harshvardhan Saraf	0
Mr. Ajay Kumar Singh*	0
Mr. Akhil Kumar Ruia	1

\*Ceased to be the member of the Committee w.e.f June 30, 2015

### f) Share Allotment Committee

The Committee was constituted on December 27, 2013. The Committee was reconstituted w.e.f March 31, 2016.

### Composition of the Committee

Currently, the composition of the Share Allotment Committee is as follows:

Names of the Director	Designation	Nature of Directorship
Mr. Akhil Kumar Ruia	Chairman	Wholetime Director
Mr. Harshvardhan Saraf	Member	Non Executive Independent Director

The Company Secretary of the Company, acts as the secretary to the Share Allotment Committee.

### Terms of reference

- i. Guiding the intermediaries in the preparation and finalization of the Information Memorandum and the preliminary and final international wrap, and approving such documents, including any amendments, supplements, notices or corrigenda thereto, together with any summaries thereto;
- ii. Approving the Information Memorandum and the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto;
- iii. Finalizing and arranging for the submission of the Information Memorandum and the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto, to the SEBI, the Stock Exchanges and other appropriate government and regulatory authorities, institutions or bodies;
- iv. to recommend the code of conduct as may be considered necessary by the Board as required under applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
- v. recommending a suitable policy on insider trading for approval of the Board as required under Applicable Laws;
- vi. to take all actions required to dematerialize the Equity Shares of our Company;
- vii. to recommend amendments to the Memorandum of Association and the Articles of Association of the Company from time to time;
- viii. Seeking the listing of Equity Shares on the Stock Exchanges, submitting listing applications to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreements;
- ix. Seeking the admission of the Company's Equity Shares into Central Depository Services (India) Limited and National Securities Depository Limited and taking any further action as may be necessary or required for the dematerialization of the Company's Equity Shares;
- x. Allotment of Equity Shares and/or any other securities as may be issued by the Company from time to time;
- xi. Authorizing and empowering the officers of the Company, for and on behalf of the Company, to execute

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the authorized officer considers necessary, desirable or advisable, in connection with the Issue, including, without limitation, engagement letter(s), any Memorandum of Understanding, the listing agreements, the registrar's agreement, the depositories agreements, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Issue, if any; and any such agreements or documents so executed and delivered and acts and things done by any such authorized officer shall be conclusive evidence of the authority of the authorized officer and the Company in so doing and any document so executed and delivered or acts and things done or caused to be done by any such authorized officer prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the authorized officer and the Company;

- xii. To secure the attendance of outsiders with relevant expertise, if it considers necessary;
- xiii. Submitting undertakings/certificates or providing clarifications to the SEBI and the relevant Stock Exchanges where Equity Shares of the Company are to be listed.

### Meetings and Attendance

No meeting of the Share Allotment Committee was held for the financial year ended March 31, 2016 under review.

#### 4. General Body Meetings

A. Location and time for last three Annual General Meetings:

Financial Year	Date of AGM	Venue	Time	Number of special resolutions passed
2012-13	August 1, 2013	Dhoedaam T.E, P.O. Borahapjan, Tinsukia 786150, Assam	11.00 a.m.	Nil
2013-14	September 5, 2014	Dhoedaam T.E, P.O. Borahapjan, Tinsukia 786150, Assam	9.00 a.m	1) Authority to borrow funds u/s 180(1)(c) of the Companies Act, 2013. 2) Authority to keep Register of members & other records with Registrar & Share Transfer Agent(R&TA) of the Company u/s 94 of the Companies Act, 2013.
2014-15	September 18, 2015	Dhoedaam T.E, P.O. Borahapjan, Tinsukia 786150, Assam	9:00 a.m.	1) Appointment of Mr. Rakesh Kumar Srivastava as the Wholetime Director of the Company 2) Re-appointment of Mr. Akhil Kumar Ruia as the Wholetime Director of the Company 3) Re-appointment of Mr. Ankit Govind Ruia as the Wholetime Director of the Company

- B. Special Resolution with respect to "Creation of Charge/Mortgage on Company's properties" was passed through postal ballot during the year 2015-16. The voting for aforesaid postal ballot through e-voting facility and through Postal Ballot Form has commenced from 10.00 a.m. on 25th August 2015 and ended at 5.00p.m on 23rd September 2015. The Company appointed Mr. Vikram Saraogi, as the person

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

responsible for the entire postal ballot voting process and appointed Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary as the Scrutinizer for conducting the postal ballot process (including e-voting) in a fair and transparent manner.

- C. No business is proposed to be transacted in the ensuing Annual General Meeting which requires passing of a special resolution through postal ballot.

### 5. Means of Communication

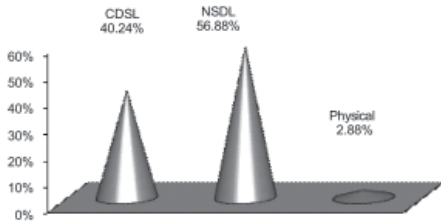
The Company's quarterly, half yearly and annual financial results and notices as required under Companies Act 2013 and Listing Regulations were published in widely circulated national English daily 'Business Standard' and in a local newspaper 'Asomiya Khabar' (Assam edition). The Company's results and official news releases are displayed on the Company's website: [www.jameswarrentea.com](http://www.jameswarrentea.com) and uploaded on the listing compliance portal of The BSE Limited and mailed/physically delivered to The Calcutta Stock Exchange Limited.

### 6. General Shareholders information

Date, time and venue of the Annual General Meeting	Wednesday, the 21st day of September, 2016, at 9:00 A.M. at Dhoedaam T.E, P.O. Borahapjan, Tinsukia 786150, Assam.
Financial Year	1st April 2015 to 31st March 2016
Book Closure Period (for share transfer & AGM)	15th September, 2016 to 21st September, 2016 (both days inclusive)
Dividend Payment Date	Not Applicable
Outstanding ADRs / GDRs / warrants or any convertible instruments, conversion date and likely impact on equity.	Not Applicable
Listing Details: Equity Shares	a) BSE Limited, P J Towers, Dalal Street, Fort, Mumbai 400 001 and b) The Calcutta Stock Exchange Limited (CSE), 7 Lyons Range, Kolkata - 700 001.
Stock code at Stock Exchange	BSE : 538564 CSE : 10020263
Demat ISIN number for NSDL & CDSL for Equity Shares	INE718P01017
Corporate Identification Number (CIN)	L15491AS2009PLC009345
Annual Listing Fees	Annual Listing fees for the financial year 2015-16 have been paid to both CSE and BSE.
Share transfer system	Share Transfer system is entrusted to the Registrar and Share Transfer Agents. Presently, Stakeholders' Relationship Committee is empowered to approve the Share Transfers. The Committee meeting is generally held on quarterly basis or on an earlier date as and when required. The shares sent for transfer in physical form are registered and returned by our Registrars and Share Transfer Agents in 15 days of receipt of the documents, provided the documents are found to be in order.



## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

	<p>The Share Transfers, Issue of duplicate certificates, split of certificates, dematerialization, rematerialisation, etc. are endorsed by the Directors/ Executives/Officers of the Company as may be authorized by the Stakeholders' Relationship Committee. Any grievances when received from the Members and/or any other miscellaneous correspondence are processed by the Registrar and Share Transfer Agent within the prescribed time.</p>								
<p>Registrar &amp; Share Transfer Agent (R&amp;TA) for both physical &amp; dematerialised shares</p>	<p>M/s. Maheshwari Datamatics Private Limited          Address: 6 Mangoe Lane, 2nd Floor, Kolkata – 700 001          Tel: +91-033 2243-5809, 2243-5029          Fax: +91-033 2248-4787; E-mail: mdpldc@yahoo.com</p>								
<p>Dematerialization of equity shares and liquidity</p>	<p>The Company's shares are compulsorily tradable in electronic form and are available for trading in the depository systems of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE718P01017.</p> <p>The Company's equity shares are being traded on the BSE Limited and poised to be traded at The Calcutta Stock Exchange Limited (CSE) but there is no trading in CSE since the Stock exchange has become non-functional. As per the agreement between the Company and the depositories NSDL &amp; CDSL, the investors also have the option to dematerialize their equity shares with either of the aforesaid depositories.</p> <p>As on March 31, 2016 the equity shares stand dematerialized/ Physical;          Physical :3,45,154equity shares (2.88%)          CDSL: 48,29,673equity shares (40.24%)          NSDL : 68,25,977equity shares (56.88%)</p>  <table border="1"> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>CDSL</td> <td>40.24%</td> </tr> <tr> <td>NSDL</td> <td>56.88%</td> </tr> <tr> <td>Physical</td> <td>2.88%</td> </tr> </tbody> </table>	Category	Percentage	CDSL	40.24%	NSDL	56.88%	Physical	2.88%
Category	Percentage								
CDSL	40.24%								
NSDL	56.88%								
Physical	2.88%								
<p>Locations of Tea Gardens of the Company</p>	<ol style="list-style-type: none"> <li>1. Dhoedhaam Tea Estate, P.O. Borhapjan, Tinsukia, Assam - 786150</li> <li>2. Balijan (H) Tea Estate, P.O. Hoogrijan, Dibrugarh, Assam – 786601</li> <li>3. Deamoolie Tea Estate, NH 37, Hapjan Block, P.O. Doom Dooma Netaji Road, Tinsukia, Assam - 786151</li> <li>4. Rajah Alli Tea Estate, P.O. Hoogrijan, Dibrugarh, Assam - 786601</li> <li>5. Thowra Tea Estate, Factory, Main Road., P.O. Rajmai, Sibsagar, Assam - 785670</li> <li>6. Tippuk Tea Estate, NH 37, Hapjan Block, P.O. Doom Dooma Netaji Road, Tinsukia, Assam - 786151</li> <li>7. Zaloni Tea Estate, Tipling Division, P.O. Hoogrijan, Dibrugarh, Assam - 786601</li> </ol>								

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

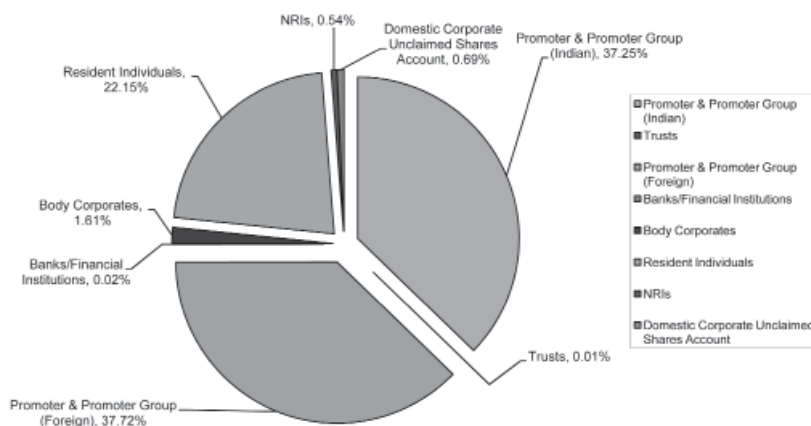
Unclaimed Equity shares	<p>As per the provisions of the Listing Regulations erstwhile Listing Agreement, the Company has sent three reminders to the respective shareholders whose physical share certificates were returned undelivered, at their registered addresses as available in the Company's record. Thereafter, the Company has consolidated and dematerialised the shares of the shareholders whose physical share certificates have been returned undelivered and is held in the "Unclaimed Suspense Account" with one of the Depository Participants and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. On receiving claims from the rightful owner i.e. shareholder, the share certificates are being released or transferred to demat account of the concerned claimant after verifying the credential of the rightful claimant.</p> <p>Details of the unclaimed shares are mentioned as below;</p> <ul style="list-style-type: none"> <li>(i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 1,419 shareholders and 82,815 equity shares, respectively.</li> <li>(ii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: 1</li> <li>(iii) Number of shareholders to whom shares were transferred from suspense account during the year: 1</li> <li>(iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: 1,418 shareholders and 82,407 equity shares.</li> </ul>
Foreign Exchange Risk and Hedging activities	The Company does forward booking of foreign exchange to the extent of its export of tea to minimise the risk of loss on price fluctuation of the currency of the respective importing countries. The risk is deemed to be inherent to the normal business activities.
Reconciliation of Share Capital Audit:	As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.
Address for Communication	<p><b>Ms. Surbhi Shah</b>  Company Secretary &amp; Compliance Officer  <b>Corporate Office Address :</b>  Aspirations Vintage,  12 Pretoria Street, Kolkata 700 071 India  Tel: +91 033 – 4034 1000 Fax: +91-033 – 4034 1015  Email: <a href="mailto:investors@jameswarrentea.com">investors@jameswarrentea.com</a></p>

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

### Shareholding pattern of the Company as on March 31, 2016

Sl. No	Category	No. of shareholders	Shareholders %	Total no. of Shares	% To Shares
1	Promoter & Promoter Group (Indian)	12	0.126%	4470794	37.25%
2	Promoter & Promoter Group (Foreign)	6	0.063%	4527005	37.72%
3	Banks/Financial Institutions	8	0.084%	2284	0.02%
4	Body Corporates	140	1.465%	193226	1.61%
5	Resident Individuals	9324	97.542%	2658475	22.15%
6	Trusts	7	0.073%	1390	0.01%
7	NRIs	61	0.638%	65223	0.54%
8	Domestic Corporate Unclaimed Shares Account	1	0.010%	82407	0.69%
	<b>Total</b>	<b>9558</b>	<b>100.00%</b>	<b>12000804</b>	<b>100.00%</b>

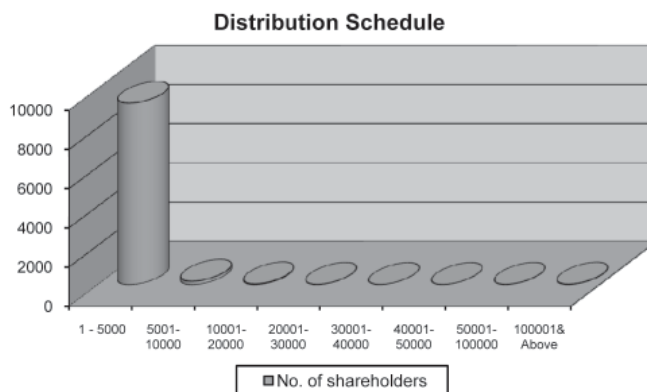
### Shareholding Pattern



### Distribution of shareholding as on March 31, 2016

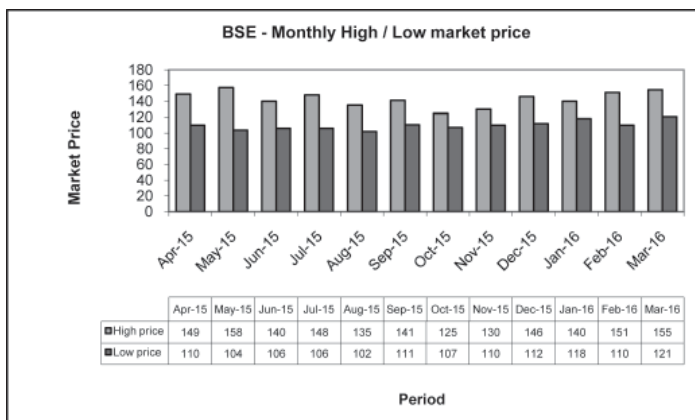
Sl No	Range of nominal value of equity shares held	No. of shareholders	% to Total shareholders	Total No. of Shareholding (Amt)	% of Total Shareholding
1	1 - 5000	9261	96.86	7596510	6.33
2	5001- 10000	175	1.83	1261570	1.05
3	10001- 20000	42	0.44	580960	0.48
4	20001- 30000	18	0.19	446180	0.37
5	30001- 40000	8	0.08	276960	0.23
6	40001- 50000	9	0.09	421950	0.35
7	50001- 100000	19	0.20	1426780	1.19
8	100001&Above	29	0.30	107997130	90.00
	<b>Total</b>	<b>9561</b>	<b>100.00</b>	<b>120008040</b>	<b>100.00</b>

# CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16



## Stock Market Price for the financial year 2015-16

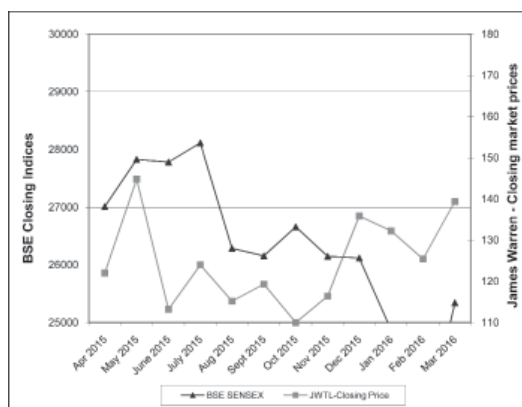
Month	Bombay Stock Exchange (BSE)		
	Month's High Price	Month's Low Price	Volume
Apr-15	149	110	7229
May-15	158	104	103404
Jun-15	140	106	14414
Jul-15	148	106	16815
Aug-15	135	102	15167
Sep-15	141	111	13289
Oct-15	125	107	12846
Nov-15	130	110	12361
Dec-15	146	112	11642
Jan-16	140	118	28738
Feb-16	151	110	21410
Mar-16	155	121	18786



## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

Share price performance in comparison to broad based indices BSE Sensex for the financial year 2015-16.

Month	BSE SENSEX	Monthly Closing Price
Apr 2015	27,011.31	122.00
May 2015	27,828.44	144.80
June 2015	27,780.83	113.20
July 2015	28,114.56	124.00
Aug 2015	26,283.09	115.20
Sept 2015	26,154.83	119.30
Oct 2015	26,656.83	110.00
Nov 2015	26,145.67	116.40
Dec 2015	26,117.54	135.80
Jan 2016	24,870.69	132.20
Feb 2016	23,002.00	125.40
Mar 2016	25,341.86	139.40



### 7. Disclosures

- The Company has identified risk involved in respect of its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per needs to minimize and control the risk.
- All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. Details of the related party transactions during the year 2015-16 have been set out under the Notes to the Financial Statements. No new material significant related party transactions made by the Company with its related party which may have potential conflict with the interest of the Company at large during the year under review. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at the web link: <http://www.jameswarrentea.com/#!corporatepolicies/c1rq1>.
- The Company has followed the guidelines of accounting standards as prescribed by the Institute of Chartered Accountants of India in preparation of financial statement.
- The Management Discussion and Analysis Report as required under Schedule V of the Listing Regulations forms part of this report.
- No penalty, strictures for non-compliances by the Company imposed by Stock Exchanges or Securities and Exchange Board of India or any other Statutory Authority on any matter related to Capital Market during last three years.
- The Company has adopted the Whistle Blower Policy (Vigil Mechanism) and affirms that no person has been denied access to the Audit Committee.
- The Chairman and the Chief Financial Officer (CFO) of the Company have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed hereto which forms part of this report.
- The Company has complied with all the mandatory requirements of Listing Regulations relating to Corporate Governance and status of adoption of the non-mandatory/discretionary requirements of Part E of Schedule II of the Listing Regulations forms part of this report.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

### 8. Status of non-mandatory requirements.

#### Shareholder Rights

The Quarterly and Half yearly financial results including summary of the significant events are currently not being sent to each shareholder. However, these are published in the newspaper, uploaded in the website of the Stock Exchanges in which the Company is listed and also posted on the Company's website at [www.jameswarrentea.com](http://www.jameswarrentea.com)

#### Modified opinion(s) in audit report

The Notes to Accounts and the audit report forming part of the financial statements are self explanatory and needs no further explanation.

#### Others:

The Company has adopted other discretionary requirements of Part E of Schedule II of the Listing Regulations.

### 9. Auditors' Certificate on Corporate Governance

The Company has received a Certificate annexed to this report, from Mr. Santosh Kumar Tibrewalla, Practising Company Secretary, certifying to its compliances with the provisions relating to the Corporate Governance as stipulated in the Listing Regulations.

For and on behalf of the Board

Sd/-

**Surbhi Shah**

*Company Secretary & Compliance Officer*

Place : Kolkata

Date : May 28, 2016

## CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

(Declaration by the Chief Executive Officer as per Para D of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

**James Warren Tea Limited**

I hereby certify that,

- a) In pursuance of the provisions of Regulation 17(5) of the Listing Regulations, a Code of Conduct has been laid down by the Company for all the Board members and the Senior Management Personnel of the Company.
- b) The said Code of Conduct is also uploaded on the website of the Company at '[www.jameswarrentea.com](http://www.jameswarrentea.com)'
- c) All the Members of the Board and Senior Management Personnel of the Company have affirmed their respective compliance with the Code of Conduct of the Company for the year ended March 31, 2016 in terms of Regulation 26(3) of the Listing Regulations.

Sd/-

**Akhil Kumar Ruia**

*Wholetime Director*

DIN : 03600526

Place : Kolkata

Dated : May 7, 2016

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## AUDITOR'S CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To ,

The Members of

**James Warren Tea Limited**

I have examined the Compliance of Corporate Governance by M/s. James Warren Tea Ltd. for the financial year 2015-16, as stipulated in Regulation 34(3) read with para E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the said Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governances. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has complied with the condition of Corporate Governance as stipulated in the abovementioned Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sd/-

**Santosh Kumar Tibrewalla**

*Practising Company Secretary*

Membership No. : 3811

Certificate of Practice No. : 3982

Place : Kolkata

Dated : May 16, 2016

## CERTIFICATION FROM CEO & CFO

(In terms of Regulation 17(8) of the Securities Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Board of Directors,  
**M/s. James Warren Tea Ltd.,**

Dear Sirs,

In terms of Regulation 17(8) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Anil Kumar Ruia, Chairman-Director and Vikram Saraogi, Chief Financial Officer, of the Company, certify that:

- a) We have reviewed financial statements and the cash flow statements of the Company for the quarter and year ended 31st March 2016 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 financial year 2015-16 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee:
  - (i) Significant changes, if any, in internal control over financial reporting during the year.
  - (ii) Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
Date : May 28, 2016

*Sd/-*  
**Akhil Kumar Ruia**  
*Chairman*  
DIN: 00236660

*Sd/-*  
**Vikram Saraogi**  
*Chief Financial Officer*



## FINANCIAL REPORTS

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

**James Warren Tea Limited**

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of JAMES WARREN TEA LIMITED ('the Company'), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.



# INDEPENDENT AUDITORS' REPORT

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note 28(a) to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SINGHI & CO.**

*Chartered Accountants*

Firm's Registration No. 302049E

Sd/-

**PRADEEP KUMAR SINGHI**

*Partner*

Membership No. 050773

Place : Kolkata

Dated : 28th day of May, 2016

## ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date in respect to statutory audit of M/s James Warren Tea Limited for the year ended 31 March 2016, we report that :

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified wherever practicable on a phased manner by the management and the reconciliation of the quantities with the book records has been done on continuous basis. Further the differences, if any, arising out of such reconciliation so far have been adjusted and no serious discrepancies between book records and physical inventory have been noticed.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified at reasonable intervals during the year by the Management. The discrepancies noticed on verification between the physical stock and the book stocks, wherever ascertained were not significant and have been properly dealt in the books of accounts.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the investments made during the year. The Company has neither issued any guarantee, given any loan nor has provided any security on behalf of any party. Further according to the information and explanations given to us, the company has not entered into any transactions as referred to in section 185 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.
- vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act, for the Company. We have broadly reviewed such accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities and there are no undisputed dues which is outstanding for more than six months from the balance sheet date.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2016 which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of Dues	Amount (₹ In Lakhs)	Forum where pending	Period to which the amount relates
Central Sales Tax Act, 1956	Sales Tax	24.04	Hon'ble High Court, Guwahati	1990-91 and 1998-99
Central Sales Tax Act, 1956	Sales Tax	11.70	Deputy Commissioner of Taxes (Appeals), Assam	1990-91 to 1994-95 and 1996-97
Assam General Sales Tax Act, 1993	Sales Tax	2.37	Commissioner of Taxes, Assam	2001-05



## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Name of the Statute	Nature of Dues	Amount (₹ In Lakhs)	Forum where pending	Period to which the amount relates
Income Tax Act, 1961	Income Tax	69.85	Commissioner of Income Tax (Appeals)	A.Y 2012-13
Income Tax Act, 1961	Income Tax	62.16		A.Y 2013-14

- viii. According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any banks as at the balance sheet date. The company did not have any dues outstanding to any debentures holders or financial institutions as at the beginning of year nor did it obtain any such loans during the year.
- ix. Based on information and explanations given to us and records of the Company examined by us, the company has neither raised moneys by way of initial public offer or further public offer (including debt instruments) nor obtained any term loans during the year.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration in excess of the limits prescribed under the provisions of section 197 read with Schedule V to the Act and has obtained the Central Government approval. The details of the same is as follows:

(Amount in ₹ Lakhs)

Name of the Director	Payment made to Whole Time Director	Amount paid/ provided in excess of the limits provided	Amount due for recovery as at Balance Sheet date	Steps taken to secure the recovery of the amount	Remarks (if any)
Akhil Kumar Ruia	157.02	7.43	7.43	A cheque of the equivalent amount has been received from the Directors.	The cheque has been encashed during the post balance sheet period.
Ankit Govind Ruia	152.40	2.34	2.34		

- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SINGHI & CO.**  
Chartered Accountants  
Firm's Registration No. 302049E

Sd/-  
**PRADEEP KUMAR SINGHI**  
Partner

Membership No. 050773

Place : Kolkata

Dated : 28th day of May, 2016

## ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s James Warren Tea Limited for the year ended 31 March 2016, we report that:

We have audited the internal financial controls over financial reporting of M/s James Warren Tea Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

### AUDITOR'S RESPONSIBILITY

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

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

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

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



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

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 ICAI.

Place : Kolkata  
Dated : 28th day of May, 2016

For **SINGHI & CO.**  
*Chartered Accountants*  
Firm's Registration No. 302049E  
Sd/-  
**PRADEEP KUMAR SINGHI**  
*Partner*  
Membership No. 050773

**BALANCE SHEET** AS AT 31ST MARCH, 2016

(₹ in lakhs)

	Notes	As at 31st March, 2016	As at 31st March, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	1,200.08	1,200.08
Reserves and Surplus	3	12,171.30	9,432.68
		<b>13,371.38</b>	<b>10,632.76</b>
<b>Non-current Liabilities</b>			
Long-term Provisions	5	996.71	943.20
		<b>996.71</b>	<b>943.20</b>
<b>Current Liabilities</b>			
Short-term Borrowings	6	500.14	500.14
Trade Payables			
-Total outstanding dues of micro enterprises & small enterprises		-	-
-Total outstanding dues of creditors other than micro enterprises & small enterprises	7	959.79	1,031.57
Other Current Liabilities	8	436.69	345.18
Short-term Provisions	9	1,888.78	1,048.30
		<b>3,785.40</b>	<b>2,925.19</b>
Total		<b>18,153.49</b>	<b>14,501.15</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible Assets	10	4,409.23	4,348.54
Intangible Assets	11	7.83	11.75
Capital Work-in-Progress		11.67	116.51
Non-current Investments	12	2,677.83	2,213.98
Deferred Tax Assets (Net)	4	6.97	42.21
Long-term Loans and Advances	13	1,101.53	1,116.52
		<b>8,215.06</b>	<b>7,849.51</b>
<b>Current Assets</b>			
Current Investments	14	7,424.59	4,329.91
Inventories	15	881.99	741.47
Trade Receivables	16	60.89	73.53
Cash and Bank Balances	17	662.16	145.57
Short-term Loans and Advances	18	555.02	998.25
Other Current Assets	19	353.78	362.91
		<b>9,938.43</b>	<b>6,651.64</b>
Total		<b>18,153.49</b>	<b>14,501.15</b>

**Significant Accounting Policies**

1

The accompanying notes are an integral part of the financial statements

**As per our Report of even date**For **Singhi & Co.**

Chartered Accountants

Firm Registration Number - 302049E

Sd/-

**(Pradeep Kumar Singhi)**

Partner

Membership Number - 50773

Kolkata, the 28th day of May, 2016

For and on behalf of the Board of Directors

Sd/-

**Anil Kumar Ruia**

Chairman

DIN : 00236660

Sd/-

**Vikram Saraogi**

Chief Financial Officer

Sd/-

**Rakesh Kumar Srivastava**

Whole Time Director

DIN : 07225856

Sd/-

**Surbhi Shah**

Company Secretary



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	Notes	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
<b>Income</b>			
Revenue from Operations	20	13,708.87	13,446.70
Other Income	21	637.16	321.11
<b>Total Revenue</b>		<b>14,346.03</b>	<b>13,767.81</b>
<b>Expenses</b>			
Cost of material consumed (Green leaf)		0.04	63.34
Changes in Inventories of Finished Goods	22	(117.78)	(108.38)
Employee Benefits Expense	23	8,318.96	6,869.69
Finance Costs	24	1.37	0.14
Depreciation and Amortisation Expense	25	340.82	914.54
Other Expenses	26	4,990.63	5,559.71
<b>Total Expenses</b>		<b>13,534.04</b>	<b>13,299.04</b>
<b>Profit before Tax &amp; Exceptional Item</b>		<b>811.99</b>	<b>468.77</b>
<b>Exceptional Item</b>	27	<b>2,136.89</b>	<b>-</b>
<b>Profit before Tax</b>		<b>2,948.88</b>	<b>468.77</b>
Tax Expense			
Current Tax		175.00	95.00
Deferred Tax		35.26	(133.66)
<b>Profit for the Year</b>		<b>2,738.62</b>	<b>507.43</b>
Earnings per Equity Share			
Basic and Diluted Earnings per Share of ₹ 10 each (₹) (Refer Note No. 37)		22.82	4.23

### Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

#### As per our Report of even date

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number - 302049E

Sd/-

**(Pradeep Kumar Singhi)**

Partner

Membership Number - 50773

Kolkata, the 28th day of May, 2016

For and on behalf of the Board of Directors

Sd/-

**Anil Kumar Ruia**

Chairman

DIN : 00236660

Sd/-

**Rakesh Kumar Srivastava**

Whole Time Director

DIN : 07225856

Sd/-

**Vikram Saraogi**

Chief Financial Officer

Sd/-

**Surbhi Shah**

Company Secretary

**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
<b>A. Cash Flow from operating activities</b>		
Profit / (Loss) before Taxation	<b>2,948.88</b>	<b>468.77</b>
Adjustment for-		
Depreciation and Amortisation	340.82	914.54
Interest Income	(121.77)	(110.45)
Profit on sale of Investments	(320.83)	(116.42)
Dividend Income	(116.47)	(46.30)
Finance Cost	1.37	0.14
Liabilities no longer required written back	(25.93)	(15.54)
Sundry Balances written off	20.15	11.31
Provision for diminution of investment	179.56	-
Provision for doubtful advances	3.01	0.96
Prior Period Items	17.10	-
(Profit)/Loss on Sale of Fixed Assets (Net)	(2,136.29)	-
<b>Operating profit before Working Capital changes</b>	<b>789.61</b>	<b>1107.01</b>
Changes in working capital		
Trade and Other Receivables	449.72	(471.75)
Inventories	(140.51)	72.78
Trade Payables and other liabilities	907.01	757.70
<b>Cash generated from Operations</b>	<b>2,005.83</b>	<b>1465.73</b>
Direct Tax Paid (net of refund)	(227.86)	(284.28)
<b>Net Cash from operating activities</b>	<b>1,777.97</b>	<b>1181.45</b>
<b>B. Cash Flow from investing activities</b>		
Purchase of Fixed Assets/ Advance for fixed assets	(284.79)	(661.32)
Sale of Fixed Assets	2,196.39	10.71
Dividend Income	116.47	46.30
Purchase of Non Current Investments	(1,104.18)	(959.35)
Purchase of Current Investments	(11,937.69)	(1,729.74)
Proceeds from Sale of Current & Non- Current Investments	9,624.58	816.42
Interest Income	129.22	88.70
<b>Net Cash from/ (used) in investing activities</b>	<b>(1,260.00)</b>	<b>(2388.28)</b>

**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

<b>C. Cash Flow from financing activities</b>		
Proceeds from Short term Borrowings	(0.01)	500.14
Repayment of Short Term Borrowings	–	–
Finance cost paid	(1.37)	(0.14)
<b>Net Cash from / (used) in financing activities</b>	<b>(1.38)</b>	<b>500.00</b>
<b>Net increase / (decrease) in Cash and Cash Equivalent</b>	<b>516.59</b>	<b>(706.83)</b>
<b>Cash and Cash Equivalent</b>		
<b>Opening Balance of cash and cash equivalent</b>	<b>145.57</b>	<b>852.40</b>
Cash and Bank Balances [Note 17]		
Add : Transferred pursuant to the Scheme of arrangement	–	–
<b>Closing Balance of cash and cash equivalent</b>	<b>662.16</b>	<b>145.57</b>
Cash and Bank Balances [Note 17]		

- 1) The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statement
- 2) Previous year figures have been regrouped and rearranged, wherever considered necessary

The accompanying notes are an integral part of the financial statements

**As per our Report of even date**For **Singhi & Co.**

Chartered Accountants

Firm Registration Number - 302049E

Sd/-

**(Pradeep Kumar Singhi)**

Partner

Membership Number - 50773

Kolkata, the 28th day of May, 2016

For and on behalf of the Board of Directors

Sd/-

**Anil Kumar Ruia**

Chairman

DIN : 00236660

Sd/-

**Vikram Saraogi**

Chief Financial Officer

Sd/-

**Rakesh Kumar Srivastava**

Whole Time Director

DIN : 07225856

Sd/-

**Surbhi Shah**

Company Secretary

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### Note No.1: Significant Accounting Policies

#### 1.1 Basis of Accounting

These Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India and Indian GAAP. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 to the extent notified. These financial statements have been prepared under historical cost convention on accrual basis.

#### 1.2 Use of Estimates

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of revenue and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are actually known/materialized.

#### 1.3 Fixed Assets

- a) Tangible Fixed assets are stated at cost less accumulated depreciation and cumulative impairment losses, if any. Cost includes duties, taxes, incidental expenses, erection/commissioning expenses and borrowing cost attributable to qualifying assets up to the date, the asset is put to use. Tangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".
- b) Costs incurred on intangible assets, resulting in future economic benefits are capitalised as intangible assets. Intangible assets are stated at cost less accumulated amortisation and cumulative impairment losses, if any.
- c) Compensation received for acquisition of Assets of the Company is accounted for upon acceptance of the Company's claim by the appropriate authorities.

#### 1.4 Depreciation and Amortization

- a) Depreciation on fixed assets is provided under Straight Line Method at the rates determined based on Useful Lives of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013.
- b) The cost of a part of the asset which is significant to the total cost of the assets and whose useful life is different from the useful life of the main asset is depreciated separately over its useful life.
- c) Although Tea Plantation is an item of wasting asset, no depreciation is charged on such assets as it is customary in the Tea Industry. Replantation/uprooting expenditure is charged off in the year of incurrence.

#### 1.5 Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value, being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

#### 1.6 Leases

For assets acquired under Operating Lease, rentals payable are charged to Statement of Profit and Loss. Assets acquired under Finance Lease are capitalised at lower of the Fair Value and Present Value of Minimum Lease Payments. Lease income from operating leases is recognised in the Statement of Profit and Loss over the period of Lease.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 1.7 Investments

Non Current Investments are stated at cost with an appropriate provision for diminution in value, other than temporary in nature. Current Investments are stated at lower of cost and fair value. Gains/Losses on disposal of investments are recognised as income/expenditure.

### 1.8 Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost is determined on weighted average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition and includes appropriate overheads. Provision is made for obsolete and slow moving stocks, wherever necessary.

### 1.9 Recognition of Revenue & Expenses

- a) All revenue and expenses are accounted for on accrual basis except as otherwise stated.
- b) Sales are net of returns, Sales Tax/VAT and trade discount

### 1.10 Government Grants

- a) Government Grants related to specific assets are adjusted with value of fixed assets.
- b) Government Grants in the nature of Promoter's Contribution towards fixed assets are credited to Capital Reserve.
- c) Government Grant related to revenue items are adjusted with the related expenditure/ taken in income.

### 1.11 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.12 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end exchange rates.

Gains/Losses arising out of fluctuations in the exchange rates are recognized in the Accounts in the period in which they arise. Differences between the forward exchange rates and the exchange rates at the date of transactions are accounted for as income/expense over the life of the contracts.

### 1.13 Derivative Instruments

The Company uses forward exchange contracts to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of forward exchange contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortized as income or expense over the life of contract. Other forward exchange contracts outstanding at the Balance Sheet date are marked to market and in case of loss the same is provided for in the financial statement. Any profit or loss arising on cancellation of forward exchange contracts are recognised as income or expense for the period.

### 1.14 Employees Benefits

- a) Short Term Employee Benefits

The amount of Short Term Employee Benefits payable in terms of employment for the services rendered by such employees is recognized during the period when the employee renders services.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### b) Post-Employment Benefits

- i. The Company operates defined Contribution Schemes of Provident Funds and makes regular contributions to Provident Funds which are fully funded and administered by the Government. Such contributions are recognized in the accounts when an employee renders the related service. The company has no obligations other than contribution payable to the respective funds.
- ii. The Company operates defined benefit Superannuation and Gratuity Schemes administered by the Trustees, which are independent of the Company's finance. Such obligations are recognized in the accounts on the basis of actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.
- iii. The Company operates a defined benefit Pension Scheme and Additional Retrial Benefit for certain categories of employees for which obligations are recognized in the accounts based on actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.

### c) Other Long Term Employee Benefits

Other Long Term Employee Benefits are recognized in the accounts based on actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.

### 1.15 Taxes on Income

- a) Current Tax in respect of taxable income is provided based on computation of tax as per taxation laws under the Income Tax Act, 1961.
- b) Deferred Tax is recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- c) Tax Credit for Minimum Alternate Tax (MAT) is recognized when there is convincing evidence of its realizability against future normal tax liability.

### 1.16 Provisions, Contingent Liabilities and Contingent Assets

- a) Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- b) Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote.
- c) Contingent Asset is neither recognized nor disclosed in the financial statements.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	As at 31st March 2016	As at 31st March 2015
<b>NOTE NO. 2</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
130,00,000 (P.Y- 130,00,000) Equity Shares of ₹ 10/- each	1,300.00	1,300.00
<b>Issued, Subscribed and Fully Paid-up</b>		
120,00,804 (P.Y- 120,00,804) Equity Shares of ₹ 10/- each	1200.08	1200.08
	1,200.08	1,200.08

- a) There is no movement/change in number of shares outstanding at the beginning and at the end of the reporting period.
- b) **Rights, preferences and restrictions attached to equity shares**  
The Company has only one class of shares being Equity Shares having a par value of ₹ 10/-each. Each holder of the Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.
- c) The Company does not have any Holding or Ultimate Holding Company.
- d) **Shareholders holding more than 5% shares of the Company.**

Name of the Shareholders	As at 31st March 2016		As at 31st March 2015	
	No. of shares	%	No. of shares	%
Mr Vinay Kumar Goenka	20,04,601	16.71	20,04,601	16.71
Mr C. K. Dhanuka, Mr P.K. Khaitan & Mr. D.P. Jindal (jointly as Escrow Agents)	14,16,074	11.80	14,16,074	11.80
DPIL Limited	12,27,120	10.23	12,27,120	10.23
ISIS Enterprises Limited	11,02,785	9.19	11,02,785	9.19
Ashdene Investments Limited	11,81,505	9.85	11,81,505	9.85
Mr Vivek Goenka	7,38,438	6.15	7,38,438	6.15
Maygrove Investments Limited	6,30,106	5.25	6,30,106	5.25

- e) No Equity Shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

- f) Aggregate no. of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Particulars	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2012
Equity Shares allotted as fully paid up shares for consideration other than cash pursuant to the scheme of arrangement	-	-	1,19,50,804	-	-

- g) The company has neither issued any bonus shares nor it has bought back any shares during the last five years preceding immediately the reporting date.
- h) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.
- i) No calls are unpaid by any Director or Officer of the Company during the year. (₹ in lakhs)

	As at 31st March 2016	As at 31st March 2015
<b>NOTE NO. 3</b>		
<b>RESERVES AND SURPLUS</b>		
General Reserve		
Balance as at the beginning and at the end of the year	3,821.70	3,821.70
Surplus/(Deficit) in the statement of profit and loss		
At the beginning of the year	5,610.98	5,103.55
Add : Profit/ (Loss) for the Year	2,738.62	507.43
At the end of the year	8,349.60	5,610.98
<b>Total</b>	<b>12,171.30</b>	<b>9,432.68</b>

	As at 31st March 2016	As at 31st March 2015
<b>NOTE NO.4</b>		
<b>DEFERRED TAX (ASSETS)/LIABILITIES (NET)</b>		
<b>Deferred Tax Liabilities</b>		
Timing Difference on account of Depreciation	25.34	-10.83
<b>Deferred Tax Assets</b>		
Provision for doubtful advances	32.31	31.38
<b>Deferred Tax (Assets) /Liabilities (Net) Total</b>	<b>(6.97)</b>	<b>(42.21)</b>

	As at 31st March 2016	As at 31st March 2015
<b>NOTE NO. 5</b>		
<b>LONG-TERM PROVISIONS</b>		
Provision for Employee Benefits	996.71	943.20
	996.71	943.20





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	As at 31st March 2016	As at 31st March 2015
<b>NOTE NO. 6</b>		
<b>SHORT TERM BORROWINGS</b>		
Working Capital Facilities		
- From ICICI Bank Limited	500.14	500.14
(Secured by exclusive charge on Company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other moveables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future and further secured by Investments in Mutual Fund, Tax free bonds, Fixed Deposits, etc up to ₹ 500 Lakhs)		
	500.14	500.14
<b>NOTE NO. 7</b>		
<b>TRADE PAYABLES</b>		
For Goods & Services		
- Total outstanding dues of micro enterprises & small enterprises (Refer Note No. 38)	–	–
- Others	959.79	1031.57
	959.79	1,031.57
<b>NOTE NO. 8</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Employee Benefits Payable	305.51	270.46
Advance received from Customers	5.30	1.80
Statutory Dues	125.88	72.92
	436.69	345.18
<b>NOTE NO. 9</b>		
<b>SHORT-TERM PROVISIONS</b>		
Provision for Employee Benefits	1888.78	1048.30
	1,888.78	1,048.30

## NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

(₹ in lakhs)

### NOTE NO. 10 FIXED ASSETS - TANGIBLE

PARTICULARS	GROSS BLOCK - AT COST/VALUATION			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 31st March 2015	Additions	Sales/ Adjust-ment	As at 31st March 2016	As at 31st March 2015	Adjustment For schedule II	For the Period	Sales	As at 31st March 2016	As at 31st March 2015
Estate and Development	801.64	0.00	1.03	800.61	0.00	0.00	0.00	0.00	800.61	801.64
Building, Roads and Bridges	6,630.56	85.26	0.00	6,715.82	4,539.56	0.00	152.51	0.00	4,692.07	2,091.00
Plant & Machinery	3,557.66	321.16	59.22(a)	3,819.60	2,600.82	0.00	109.02	3.54	2,706.30	956.84
Airconditions, Refrigerators, Etc	52.84	4.20	0.12	56.92	26.20	0.00	6.81	0.11	32.90	26.64
Furniture And Fixtures	310.52	16.23	0.00	326.75	55.49	0.00	27.36	0.00	82.85	255.03
Vehicles	537.10	26.49	36.67	526.92	334.97	0.00	33.59	33.28	335.28	202.13
Computer	70.17	3.59	0.00	73.76	58.26	0.00	6.75	0.00	65.01	11.91
Networking Equipments	31.51	0.76	0.00	32.27	28.16	0.00	0.85	0.00	29.01	3.35
<b>Total</b>	<b>11,992.00</b>	<b>457.69</b>	<b>97.04</b>	<b>12,352.65</b>	<b>7,643.46</b>	<b>0.00</b>	<b>336.89</b>	<b>36.93</b>	<b>7,943.42</b>	<b>4,348.54</b>
Previous Year	11,396.45	692.96	97.41	11,992.00	6,819.55	430.88	479.73	86.70	7,643.46	4,348.54

### NOTE NO. 11 FIXED ASSETS - INTANGIBLE

PARTICULARS	GROSS BLOCK - AT COST/VALUATION			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 31st March 2015	Additions	Sales/ Adjust-ment	As at 31st March 2016	As at 31st March 2015	Adjustment For schedule II	For the Period	Sales	As at 31st March 2016	As at 31st March 2015
Computer Software	86.26	0.00	0.00	86.26	74.51	0.00	3.93	0.00	78.44	11.75
Total	86.26	0.00	0.00	86.26	74.51	0.00	3.93	0.00	78.44	11.75
Previous Year	86.26	0.00	0.00	86.26	70.58	0.00	3.93	0.00	74.51	11.75

a) Includes ₹ 52.54 (P.Y. - Nil) received during the year by the company as capital subsidy under the Quality Up-gradation and Product Diversification (QUPD) Scheme of the Tea board of India

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	Face Value ₹	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
		No. of Units/shares	No. of Units/Shares		
<b>NOTE NO. 12</b>					
<b>NON-CURRENT INVESTMENTS</b>					
(Valued at Cost unless stated otherwise)					
<b>Long Term (Unquoted)</b>					
<b>Equity Instruments - Trade</b>					
<b>Investment in Associates</b>					
Warren Steels Private Limited of ₹ 10/- each fully paid-up (Net of Provision for diminution in the value of Investments - ₹ 209.37 (P.Y- ₹ 50.25)) (Refer Note - 39)	10	167500	167500	-	159.12
<b>Other Investments</b>					
ABC Tea Workers Welfare Services of ₹ 10/- each fully paid up [Net of Provision for diminution in the value of Investments - ₹ 1.00 (P.Y- ₹ 1.00)]	10	10,000	10,000	-	-
<b>Other than Trade Investments (Quoted)</b>					
<b>Equity Instruments</b>					
Pal Peugeot Limited [Net of Provision for diminution in the value of Investments - ₹ 1.52 (P.Y- ₹ 1.52)]	10	15,150	15,150	-	-
Hindustan Engineering & Industries Limited (Net of Provision for diminution in the value of Investments - ₹ 0.35 (P.Y- ₹ 0.35))	10	35	35	-	-
Asian Paints Limited	1	2,000	2,000	16.51	16.51
Assam Co India Ltd (Refer Note. f)	1	100	-	0.00	-
Bengal Tea & Fabrics Ltd	10	10,000	-	4.02	-
Camson Bio Technologies Limited	10	15,500	15,500	7.66	15.96
CCL Products India Ltd	2	10	-	0.02	-
Century Plyboards (I) Ltd.	1	10,000	-	16.58	-
CESC Ltd	10	1,000	-	4.81	-
Crompton Greaves Consumer Electricals Limited (Refer Note a)	2	22,100	-	-	-
Crompton Greaves Limited	2	22,100	14,500	37.57	24.68
Dhunseri Tea & Industries Ltd	10	10	-	0.02	-
Diana Tea Co Ltd (Refer Note. f)	5	10	-	0.00	-
Duncans Industries Ltd (Refer Note. f)	10	10	-	0.00	-
Gillanders Arbuthnot & Co Ltd	10	10	-	0.01	-
Goodricke Group Ltd	10	10	-	0.01	-
Grasim Industries Limited	10	200	200	7.41	7.41

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	Face Value ₹	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
		No. of Units/shares	No. of Units/Shares		
Gujarat State Petronet Limited	10	–	32,500	–	27.04
Harrison Malyalam Ltd (Refer Note. f)	10	10	–	0.00	–
HDFC Bank Limited	2	4,900	4,100	37.99	29.87
Hero Motocorp Limited	2	2,180	2,180	63.75	63.75
ICICI Bank Limited	2	21,500	16,500	57.46	44.54
Idea Cellular Limited	10	10,000	10,000	9.95	15.25
IDFC Bank Limited	10	36,500	–	17.25	–
Infrastructure Development Finance Corporation Limited	10	36,500	36,500	26.51	43.77
Jagran Prakashan Limited	2	–	23,100	–	24.45
Jayshree Tea & Industries Ltd	5	10	–	0.01	–
Jindal Polyfilms Ltd	10	4,738	–	17.25	–
Jindal Steel & Power Ltd.	1	10,000	–	5.94	–
JK Tyre & Industries Limited	2	53,000	53,000	30.37	30.37
Just Dial Limited	10	151	2,540	1.29	30.44
Kanco Tea & Industries Ltd	10	10	–	0.02	–
Karur Vysya Bank Limited	10	5,300	5,300	25.25	25.25
Larsen & Toubro Limited	2	2,500	2,500	37.36	37.36
Lykis Ltd	10	10	–	0.01	–
Maharastra Seamless Limited	5	14,435	14,665	22.37	31.19
Mangalam Cement Limited	10	7,000	3,500	19.62	9.75
Maruti Suzuki India Ltd.	5	650	–	26.88	–
McLeod Russel India Limited	5	235	225	0.08	0.05
MT Educare Limited	10	7,990	7,990	9.16	9.16
National Building Construction Corporation Limited	10	1,500	1,500	10.91	10.91
Polaris Consulting & Services Limited	5	–	17,400	–	25.03
Rossel India Ltd	2	10	–	0.01	–
Shree Cements Limited	10	100	–	10.01	–
Sun Pharmaceuticals Industries Limited	1	3,689	1,000	33.15	9.18
Suzlon Energy Ltd	2	1,00,000	–	13.69	–
Syndicate Bank Limited	10	864	864	0.43	0.44
Tata Communications Limited	10	8,850	7,100	33.59	26.89
Tata Consultancy Services Limited	1	2,300	2,300	51.14	51.14
Tata Global Beverages Ltd	1	10	–	0.01	–
Tata Motors Ltd DVR	10	4,000	–	10.22	–
Terai Tea Co Ltd	10	10	–	0.01	–
Torent Power Limited	10	–	15,200	–	25.00
TV18 Broadcast Limited	2	1,14,150	96,400	29.90	24.46
Tech Mahindra Limited (Refer Note No. b)	5	1,000	1,000	–	–
Kotak Mahindra Bank Limited (Refer Note No. b)	5	1,400	–	–	–

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	Face Value ₹	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
		No. of Units/shares	No. of Units/Shares		
<b>Tax Free Bonds</b>					
8.41% NTPC Tax Free Bonds - 2023	1,000	9,499	9,499	94.99	94.99
8.51% HUDCO Tax Free Bonds - 2024	1,000	20,000	20,000	200.00	200.00
8.16% India Infrastructure Finance Company Ltd - 2024	1,000	20,000	20,000	200.00	200.00
8.16% Indian Renewable Energy Development Agency Ltd - 2024	1,000	20,000	20,000	200.00	200.00
7.19% Indian Railway Finance Corporation Limited - 2025	10,00,000	20	-	200.00	-
7.35% National Highways Authority of India - 2031	1,000	7,142	-	71.42	-
7.49% Indian Renewable Energy Development Agency Ltd - 2031	1,000	10,218	-	102.18	-
7.39% HUDCO Tax Free Bonds - 2031	1,000	2,803	-	28.03	-
7.39% National Highways Authority of India - 2031	1,000	9,251	-	92.51	-
7.39% HUDCO Tax Free Bonds - 2031	1,000	7,529	-	75.29	-
7.35% Indian Railway Finance Corporation Limited - 2031	1,000	5,878	-	58.78	-
7.35% National Bank for Agriculture and Rural Development - 2031	1,000	5,010	-	50.10	-
<b>Mutual Funds</b>					
Birla Sun Life Fixed Term Plan-Corporate Bond Series A - Regular Growth (Refer Note. c)		2000000	2000000	200.00	200.00
HDFC FMP 1184D January 2015(1) Series 33 - Regular Growth (Refer Note. c)		3000000	3000000	300.00	300.00
Reliance Fixed Horizon Fund XXV Series-15-Growth Plan (Refer Note. d)		-	2000000	-	200.00
Kotak India Growth Fund Series 1 - Growth		1000000	-	100.00	-
<b>Other than Trade Investments (Un Quoted)</b>					
<b>Government Securities</b>					
3% Government of India Conversion Loan (Refer Note. e)		-	-	0.01	0.01
<b>Equity Instruments</b>					
Camson Seeds Ltd	10	15,500	-	8.30	-
Woodland Multispeciality Hospital Limited	10	7035	7035	0.01	0.01
<b>Debentures and Bonds</b>					
5% 10 Years Debentures	100	145	145	-	-
Shillong Club Limited (Refer Note. f)				-	-
				2,677.83	2,213.98

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	Face Value ₹	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
		No. of Units/shares	No. of Units/Shares		
<b>Notes :</b>					
Market Value of Quoted Investments				2772.94	2,229.02
Aggregate Book Value of Quoted Investments				2669.90	2,054.83
Aggregate Book Value of Unquoted Investments				8.32	159.14
Aggregate Provision for diminution in the value of Non-Current Investments				212.24	53.12

- Represents Shares received on demerger of Crompton Greaves Ltd. at NIL Cost as per cost allocation sheet provided by the resultant company.
- Represents Bonus Shares
- Pledged against facilities availed from ICICI Bank Limited
- Pledged against facilities availed from Kotak Mahindra Bank Limited
- Deposited with Government Department as security
- Amount is below the rounding off norm adopted by the Company

	As at 31st March 2016	As at 31st March 2015
<b>NOTE NO. 13</b>		
<b>LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured - Considered Good, unless otherwise stated)		
Capital Advances	9.64	77.69
Deposits with Government Authorities and Others	30.13	22.96
Security Deposits		
- With Others	144.02	147.35
-With Related Parties (Refer Note no. 35)	605.00	605.00
Loans and Advances to Employees	-	-
- Good	4.42	8.05
- Doubtful	102.38	100.48
Less: Provision for doubtful advances	(102.38)	(100.48)
Advance Tax (Net of Provisions)	308.32	255.46
	<b>1,101.53</b>	<b>1,116.52</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
<b>NOTE NO. 14</b>	<b>No. of Units/ shares</b>	<b>No. of Units/shares</b>		
<b>CURRENT INVESTMENTS</b>				
(Valued at lower of Cost or Market Value)				
<b>Other than Trade Investments (UnQuoted)</b>				
<b>Current Maturities of Long Term Investments</b>				
(Investment in Mutual Funds)				
Kotak FMP - Series 127- Growth	–	20,00,000	–	200.00
Reliance Fixed Horizon Fund XXV Series - 11- Growth Plan	–	20,00,000	–	200.00
Reliance Fixed Horizon Fund XXV Series - 15- Growth Plan	20,00,000	–	200.00	–
Reliance Fixed Horizon Fund XXV Series - 17- Growth Plan	–	50,00,000	–	500.00
Reliance Fixed Horizon Fund XXV Series - 22- Growth Plan	–	50,00,000	–	500.00
<b>Other than Trade Investments (UnQuoted)</b>				
<b>Other Investments</b>				
Reliance Money Manager Fund- Growth Plan Growth Option	2,79,868	1,09,968	5733.09	2064.91
ICICI Prudential Exports & Other Services Fund - Regular Plan-Growth	3,58,680	3,58,680	100.00	100.00
HDFC Index Fund-Nifty Plan	-	1,89,435	-	100.00
Kotak Liquid Scheme Plan A- Growth	1,173	23,704	33.09	665.00
Kotak Floater Short Term Regular Plan Growth	7,184	-	177.00	-
BNP Paribas Equity Fund - Dividend	2,27,920	-	35.56	-
Franklin India Prima Fund - Dividend	36,912	-	20.33	-
HDFC Equity Fund - Regular Plan - Dividend	75,466	-	32.48	-
ICICI Prudential Arbitrage Fund - Dividend	46,35,940	-	495.34	-
Kotak Equity Arbitrage Fund - Regular Plan - Monthly Dividend	36,05,111	-	497.90	-
Reliance Arbitrage Advantage Fund - Monthly Dividend Plan	9,50,634	-	99.80	-
			7,424.59	4,329.91
<b>Notes :</b>				
Market Value of Quoted Investments			246.99	1,557.91
Aggregate Book Value of Quoted Investments			200.00	1,400.00
Aggregate Book Value of Unquoted Investments			7,224.59	2,929.91

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	As at 31st March 2016	As at 31st March 2015
<b>NOTE NO. 15</b>		
<b>INVENTORIES</b>		
(At lower of cost or net realisable value)		
Stock of Tea (includes Stock in Transit ₹ 78.74 (P.Y.-Nil))	464.16	346.38
Stock of Stores and Spares (Net of Provision - ₹. 38.13 (P.Y. - ₹ 38.13))	417.83	395.09
	<b>881.99</b>	<b>741.47</b>

<b>NOTE NO. 16</b>		
<b>TRADE RECEIVABLES</b>		
(Unsecured and considered good )		
Outstanding for a period exceeding six months from the date due for payment	17.28	9.14
Other Receivables	43.61	64.39
	<b>60.89</b>	<b>73.53</b>

<b>NOTE NO. 17</b>		
<b>CASH AND BANK BALANCES</b>		
Balances with Banks		
In current account	565.36	40.25
Cheques in hand	-	0.25
Cash in hand	96.80	105.07
	<b>662.16</b>	<b>145.57</b>

<b>NOTE NO. 18</b>		
<b>SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Deposits with NABARD	490.82	868.54
Deposits with Government Authorities and Others	0.70	1.72
Loans to Employees	5.62	8.51
Advances to Suppliers, Service Providers, etc. (Net of Provision - ₹ 1.10 (P.Y. - Nil))	4.16	62.95
Prepaid Expenses	53.72	56.53
	<b>555.02</b>	<b>998.25</b>

<b>NOTE NO. 19</b>		
<b>OTHER CURRENT ASSETS</b>		
(Unsecured and Considered Good)		
Interest Accrued on Nabard	39.76	43.79
Interest Accrued on Investment	20.79	24.21
Receivables from Directors	9.77	-
Other Receivables	44.50	17.64
Incentive/ Subsidy Receivable	238.96	277.27
	<b>353.78</b>	<b>362.91</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
<b>NOTE NO. 20</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale of finished goods - Tea	13,395.17	13,201.36
<b>Other Operating Revenues</b>		
Sale of Tea Waste	34.15	15.95
Subsidies and Export Incentives	261.12	220.89
Miscellaneous Income	18.43	8.50
	<b>13,708.87</b>	<b>13,446.70</b>

<b>NOTE NO. 21</b>		
<b>OTHER INCOME</b>		
Interest on Long Term Investments	75.28	57.65
Interest on Bank & Other Deposits	46.49	52.80
Profit on sale of Investment		
-Long Term (Net)	66.46	-
-Current (Net)	254.37	116.42
Dividend Income from Investment		
-Long Term	13.75	-
-Current	102.72	46.30
Liabilities no longer required written back	25.93	15.54
Net Gain on Foreign Currency Transactions and Translation	47.67	13.95
Miscellaneous Receipts	4.49	18.45
	<b>637.16</b>	<b>321.11</b>

<b>NOTE NO. 22</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
Opening Stock of Finished Goods	346.38	238.00
Less : Closing Stock of Finished Goods	464.16	346.38
	<b>(117.78)</b>	<b>(108.38)</b>

<b>NOTE NO. 23</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	5,670.59	5,037.45
Contributions to Provident and Other Funds	1860.88	1110.12
Staff Welfare Expenses	787.49	722.12
	<b>8,318.96</b>	<b>6,869.69</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
<b>NOTE NO. 24</b>		
<b>FINANCE COSTS</b>		
Interest Expense		
-To Banks	1.37	0.14
	<b>1.37</b>	<b>0.14</b>
<b>NOTE NO. 25</b>		
<b>DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation on Tangible Assets	336.89	910.61
Amortisation on Intangible Assets	3.93	3.93
(Based on transitional provisions as per Schedule II of the Companies Act, 2013 read with notification no. 456 dated 29th August 2014, an amount of ₹ 430.88 Lakhs has been charged in the statement of profit & loss for the FY 2014-15.)		
	<b>340.82</b>	<b>914.54</b>
<b>NOTE NO. 26</b>		
<b>OTHER EXPENSES</b>		
Consumption of Stores and Spare Parts including packing material	1,382.72	2,198.79
Power and Fuel	1,213.90	1,179.43
Rent	160.61	100.86
Rates and Taxes	40.25	45.10
Insurance	34.95	37.03
Repairs & Maintenance		
-Repairs to Buildings	34.54	59.01
-Repairs to Plant & Machinery	88.03	41.34
-Repairs to Others assets	57.91	81.45
Legal & Professional Consultancy charges	142.57	87.84
Auditors Remuneration		
- Audit Fees	8.00	8.00
- Limited Review Fees	8.00	6.00
- Tax Audit Fees	2.50	2.00
- Fees for other services	9.70	0.65
- Re-imburement of Expenses and service tax	4.69	2.71



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Director's sitting fees	1.60	1.69
Travelling & conveyance expenses	160.64	140.35
Freight, Delivery & Selling Expenses	472.54	610.35
Brokerage & Commission on Sales	312.56	262.20
Cess on Green leaf & Made tea	161.80	167.67
Provision for dimunition of long term investment	159.13	–
Provision for dimunition of current investment	20.44	–
(Profit)/ Loss on Disposal of Fixed Assets (Net)	0.61	7.46
Sundry Balances written off	20.15	11.31
Provision for doubtful advances (net of write back)	3.01	0.96
Charity & Donations	33.97	–
Prior Period Items	17.10	–
Other Miscellaneous Expenses	438.71	507.51
	<b>4,990.63</b>	<b>5,559.71</b>

<b>NOTE NO. 27</b>		
<b>EXCEPTIONAL ITEM</b>		
Surplus arising on acquisition of agricultural Land	2,136.89	–
	<b>2,136.89</b>	<b>–</b>

Exceptional Item during the quarter ended and year ended 31 March, 2016 represents aggregate compensation received during the year for compulsory acquisition of approx. 56 Bighas of land by Govt. of Assam vide its notification dated 22nd December, 2014 read along with order issued by Govt. of Assam dated 13th April 2015.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 28. Contingent Liabilities & Commitments

(₹ in lakhs)

Particulars	As at 31st March 2016	As at 31st March 2015
a.) Contingent Liabilities not provided for in respect of		
i. Claim not acknowledged as debts	6.00	6.00
ii. Sales Tax Demand in dispute (Under Appeal)	60.06	60.06
iii. Income Tax demand in dispute (Under Appeal)	132.01	-
b) Commitments	166.40	51.19
Estimated amount of contracts remaining to be executed on Capital Account and not provided for [net of advance ₹ 9.64 (₹ 77.69)]		

Note:

In respect of the above contingent liabilities, future cash flows are determinable only on receipt of judgments pending at various forums/ authorities, which in the opinion of the Company is not tenable.

29. Pursuant to an agreement dated 8th October, 2002, Tippuk Tea Estate located in Doom Dooma (Assam) was acquired by Warren Tea Limited with effect from 1st October, 2002. The above tea estate has been transferred to the Company under the Scheme of arrangement between the company and Warren Tea Limited. The conclusion of the deed of conveyance for agreement dated 8th October, 2002 is in process.

30. Under the Assam Fixation of Ceiling of Land Holding Act, 1956, undeveloped lands, approximately 1600 (PY-1600) hectares of the Company have been vested in the State Government. Necessary adjustments in respect of land compensation will be made in the accounts on settlement of the same.

### 31. Imported and Indigenous Material consumed :

(₹ in Lakhs)

Particulars	2015-16	%	2014-15	%
Stores & Spare Parts				
- Imported	66.32	4.79	36.11	1.64
- Indigenous	1,316.40	95.21	2,162.68	98.36
<b>Total</b>	<b>1,382.72</b>	<b>100.00</b>	<b>2,198.79</b>	<b>100.00</b>

### 32. Expenditure in Foreign Currency

(₹ in Lakhs)

Particulars	2015-16	2014-15
CIF value of Import	81.95	62.36
Commission on export sales	202.29	85.10
Export Sale Charges	1.59	2.72
Pension	-	2.96
Travelling Expenditure	27.86	29.06
<b>Total</b>	<b>313.69</b>	<b>182.20</b>

### 33. Earnings in Foreign Currency

(₹ In Lakhs)

Particulars	2015-16	2014-15
Export of Tea calculated on F.O.B. basis	2,644.19	1,722.70
<b>Total</b>	<b>2,644.19</b>	<b>1,722.70</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 34. Details of Employee Benefits as required by Accounting Standard -15, "Employee Benefits" are as follows-

The Company operates defined Benefit Schemes like Gratuity, Superannuation, Pension and Additional Retiral Benefit Plans based on current salaries in accordance with the Rules of the Funds/Plans.

In terms of Accounting Policies enumerated in Note no. 1 the following Table sets forth the particulars in respect of Defined Benefit

Plans of the Company for the year ended 31st March, 2016 arising out of actuarial valuations:

#### A) Funded and Unfunded Plans

Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation

(₹ in Lakhs)

		Funded Plans				Unfunded Plans			
		Gratuity		Superannuation		Pension		Additional Retiral Benefit	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
I.	Present Value of Obligation at the beginning of the year	1,895.48	1,535.68	575.65	409.18	855.28	761.52	27.16	28.46
	Current Service Cost	124.87	91.14	64.16	50.23	61.90	79.56	1.42	1.16
	Interest Cost	141.87	118.52	46.05	32.73	67.70	60.22	2.17	2.05
	Actuarial (Gains)/Losses	188.12	258.59	270.13	83.51	24.46	(28.55)	2.87	1.05
	Benefits paid	(244.28)	(108.45)	-	-	(18.07)	(17.48)	-	(5.56)
	Present Value of Obligation at the end of the year	2,106.05	,895.48	955.99	575.65	991.27	855.28	33.62	27.16
II.	Reconciliation of opening and closing balances of the fair value of Plan Assets								
	Fair value of Plan Assets at the beginning of the year	1,546.70	1,479.66	420.19	378.18	-	-	-	-
	Expected Return on Plan Asset	123.74	118.37	33.62	30.25	-	-	-	-
	Actuarial Gains/(Losses)	(156.28)	-	(204.46)	-	-	-	-	-
	Contributions	348.77	57.12	161.08	11.76	-	-	-	-
	Benefits paid	(244.28)	(108.45)	-	-	-	-	-	-
	Fair value of Plan Assets at the end of the year	1,618.65	1,546.70	410.43	420.19	-	-	-	-
III.	Reconciliation of the present value of the Defined Benefit Obligation and the fair value of Plan Assets								
	Present Value of the Obligation at the end of the year	2,106.05	1,895.48	955.99	575.65	991.27	855.28	33.62	27.16
	Fair value of Plan Assets at the end of the year	1,618.65	1,546.70	410.42	420.19	-	-	-	-
	(Asset)/Liabilities recognised in the Balance Sheet	487.40	348.77	545.57	155.46	991.27	855.28	33.62	27.16

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lakhs)

		Funded Plans				Unfunded Plans			
		Gratuity		Superannuation		Pension		Additional Retiral Benefit	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
IV.	Expenses recognised in the Statement of Profit and Loss								
	Current Service Cost	124.87	91.14	64.16	50.23	61.90	79.56	1.42	1.16
	Interest Cost	141.87	118.52	46.05	32.73	67.70	60.22	2.17	2.05
	Expected Return on Plan Asset	(123.74)	(118.37)	(33.62)	(30.25)	-	-	-	-
	Actuarial (Gains)/Losses	344.40	258.59	474.60	83.51	24.46	(28.55)	2.87	1.05
	Total Expenses Recognised and Disclosed under Contributions to Provident and Other Funds and to Staff Welfare Expenses in Note No.23	487.40	349.87	551.19	136.22	154.06	111.24	6.46	4.26
V.	Category of Plan Assets								
	James Warren Tea Limited Employees Gratuity Fund/ James Warren Tea Limited Employees Superannuation Fund	100.00	100.00	100.00	100.00				
		100.00	100.00	100.00	100.00				
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
B)	Principal Actuarial Assumptions of funded and unfunded Plans, as applicable	%	%	%	%	%	%	%	%
	Discount Rate	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
	Salary Escalation	7.00	5.00	7.00	5.00	7.00	5.00	7.00	5.00
	Inflation Rate	7.00	5.00	7.00	5.00	7.00	5.00	7.00	5.00
	Expected Return on Asset	8.00	8.00	8.00	8.00	-	-	-	-
	Mortality Table	IALM (2006-2008) Ultimate	IALM (2006-2008) Ultimate	IALM (2006-2008) Ultimate	IALM (2006-2008) Ultimate	IALM (2006-2008) Ultimate	IALM (2006-2008) Ultimate	IALM (2006-2008) Ultimate	IALM (2006-2008) Ultimate
Actuarial valuation considered estimates of future salary increases taking into account inflation and other relevant factors.									

- C) The company expects to contribute ₹ 100.00 (100.00) to its Gratuity fund and Superannuation fund in 2016-17.
- D) James Warren Tea Limited Employees Gratuity Fund and James Warren Tea Limited Employees Superannuation Fund has received ₹ 1,577.66 and ₹ 400.03 respectively represented by Central Loans, State Loans, PSU Bonds, Fixed Deposit, Special Deposit and Bank Balance from Warren Tea Gratuity Fund and Warren Industrial & Associated Companies Superannuation Fund, towards its share of assets, pursuant to demerger based on the market value as on 30.11.2015.
- E) Deed of Variation in respect of Superannuation Fund has been filed with appropriate authorities and will be given effect upon receipt of the approval.

### Post Employment Contribution Plan

During the year an aggregate amount of ₹ 822.29 (Previous Year - ₹ 624.03) has been recognised as expenditure towards Provident Fund and DLI.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 35. Related Party Disclosures

(₹ in lakhs)

Sl. No.	Name of the Related Party	Relationship	Remuneration	Sitting Fees	Reimbursement of expense	Security Deposits	Rent	Outstanding Balance as on 31st March, 2015
			Paid	Paid	Paid	Paid	Paid	Receivable
1	Akhil Kumar Ruia	Whole Time Director	149.59 (81.46)	- (-)	5.58 (-)	- (-)	- (-)	7.43 (-)
2	Ankit Govind Ruia	Whole Time Director (Resigned w.e.f. 31st March, 2016)	150.06 (79.44)	- (-)	6.33 (-)	- (-)	- (-)	2.34 (-)
3	Anil Kumar Ruia	Relative of KMP	- (-)	0.05 (0.10)	- (-)	- (-)	- (-)	- (-)
4	Purna Ruia	Relative of KMP	5.00 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
5	Ajay Kumar Singh	Whole Time Director (Resigned w.e.f. 30th June, 2015)	4.55 (18.36)	- (-)	- (-)	- (-)	- (-)	- (-)
6	Rakesh Kumar Srivastava	Whole Time Director (Appointed since 8th July, 2015)	11.79 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
7	Vikram Saraogi	Company Secretary (Resigned w.e.f. 12th February, 2016) Chief Financial Officer (Appointed since 12th February, 2016)	14.19 (14.03)	- (-)	- (-)	- (-)	- (-)	- (-)
8	Deo Kishan Kothari	Chief Financial Officer (Resigned w.e.f. 30th November, 2015)	16.62 (21.77)	- (-)	- (-)	- (-)	- (-)	- (-)
9	JW Properties Pvt. Ltd.	Companies over which the KMP are able to exercise a significant influence	- (-)	- (-)	- (-)	- (-)	66.00 (73.86)	350.00 (350.00)
10	JWR Properties Pvt. Ltd.	Companies over which the KMP are able to exercise a significant influence	- (-)	- (-)	- (-)	- (-)	36.00 (3.00)	255.00 (255.00)

Note: All the above transactions were done at arm's length.

Figures in bracket indicate for previous year.

### 36. Information in accordance with the requirement of the Accounting Standard -17 on 'Segment Reporting'

- The Company is mainly engaged in the cultivation, manufacturing and selling of Tea. Accordingly, the Company is a single business segment Company.
- Geographical Segments of the Company has been identified on the basis of location of customers for generating revenue from operation as follows - (₹ in Lakhs)

Particulars	Within India		Outside India		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Revenue	11,042.35	11,710.71	2,666.52	1,735.99	13,708.87	13,446.70
Segment Assets	7,574.53	7,701.80	-	-	7,574.53	7,701.80
Capital Expenditure	457.69	692.96	-	-	457.69	661.35

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 37. Basic and Diluted Earnings per Share

(₹ in lakhs)

Particulars	2015-16	2014-15
i. Profit/(Loss) after tax available for Equity Shareholders (₹ in Lakhs)	2,738.62	507.43
ii. Weighted average of Equity Shares of ₹ 10/- each outstanding during the year (Numbers)	1,20,00,804	1,20,00,804
iii. Basic and Diluted Earnings per Share [(i) / (ii)] (in ₹)	22.82	4.23

### 38. Disclosure as required under the micro, small and medium enterprises development act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015

S. No	Particulars	2015-16	2014-15
a.	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	—	—
b.	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	—	—
c.	the amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	—	—
d.	the amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
e.	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	—	—

### 39. Warren Steels Private Limited is an associate of the company by virtue of shareholding, however, the same has been held by the company exclusively with a view to its subsequent disposal in the near future and hence the same is not required to be consolidated with the accounts of the Company.

### 40. Operating Lease Commitments

The Company's leasing agreements (as lessee) in respect of lease for office accommodation & guest house, which are on periodic renewal basis. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit & Loss amounts to ₹ 160.61 lakhs (P.Y. - ₹ 100.86 lakhs)

### 41. Foreign Currency Exposure- Hedged

The company uses forward contracts to hedge its risk relating to foreign currency exposures. At the year ended 31st March, 2016, the outstanding forward contracts for firm commitments of future sales are ₹ Nil (P.Y- 184.25 lakhs).





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

42. Confirmations for the balances shown under long term and short term loans & advances, current liabilities, Trade payables, subsidy & Incentive Receivables and other current assets have been sought from the respective parties. Consequential adjustments shall be done on the receipt of the same. In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.
43. As per the requirements of Accounting Standard -28 on "Impairment of Assets", the Company has assessed the carrying amount of the assets vis-à-vis their recoverable values and no impairment is envisaged at the balance sheet date.
44. Miscellaneous Expenditure under Note No.26 includes revenue expenditure on research and development ₹ 14.78 lakhs (P.Y- ₹ 14.61 lakhs) incurred towards subscription to Tea Research Association.
45. A CSR committee has been formed by the company as per provisions of Section 135 of the Companies Act, 2013. The areas of CSR activities areas are as prescribed under Schedule VII of the Companies Act, 2013. Gross amount required to be spent by the company during the year was ₹ 29.08 lakhs (P.Y. – 29.86 lakhs). Amount Spent during the year on:

Particulars	In Cash	Yet to be in Cash	Total
(i) Construction/ acquisition of any asset	Nil	Nil	Nil
(ii) On purposes other than (i) above	Nil	Nil	Nil

46. Comparative financial information (i.e. the amounts and other disclosure for the preceding year presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to the figure of current year.

### As per our Report of even date

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number - 302049E

Sd/-

**(Pradeep Kumar Singhi)**

Partner

Membership Number - 50773

Kolkata, the 28th day of May, 2016

For and on behalf of the Board of Directors

Sd/-

**Anil Kumar Ruia**

Chairman

DIN : 00236660

Sd/-

**Vikram Saraogi**

Chief Financial Officer

Sd/-

**Rakesh Kumar Srivastava**

Whole Time Director

DIN : 07225856

Sd/-

**Surbhi Shah**

Company Secretary





# James Warren Tea Limited

CIN: L15491AS2009PLC009345

12 Pretoria Street, Kolkata 700071 Telephone: 91-33-40341000 Tele fax: 91-33-40341015

Email: investors@jameswarrentea.com Website: www.jameswarrentea.com

Dear Shareholders,

### Subject: Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. The Companies Act, 2013 under the provisions of Section 20 read with rule 35 of the Companies (Incorporation) Rules, 2014 has also permitted to send various notices / documents to its shareholders through electronic mode to the registered email addresses of shareholders.

SEBI vide its circular ref. no. CIR/CFD/DIL/2011 dated 5th October 2011, has directed the listed companies to send the soft copies of full Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose.

This move by the Ministry has been welcomed by all since it will benefit the society and the Company at large through reduction in paper consumption, saving cost on paper and postage and avoid loss of document in postal transit.

This is also a golden opportunity for every shareholder to contribute to the Corporate Social Responsibility initiative of the Company. In view of this, the Company proposes to send all notices and documents like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, Postal Ballot Papers etc. henceforth to the shareholders in the electronic mode, at the designated/registered e-mail addresses furnished by them.

**You are therefore requested to register your email address with your depositories or by signing and returning the enclosed slip to the Company or by way of an email to investors@jameswarrentea.com; mdpldc@yahoo.com at the earliest.**

Please note that these documents will also be available on the Company's website <http://www.jameswarrentea.com> for download by the shareholders. The physical copies of the Annual Report will also be available at our Registered Office in Assam for inspection during office hours.

Please note that even if you opt for electronic mode, you shall be entitled to be furnished free of cost, with a copy of the Balance Sheet of the Company and all other documents required by statute to be attached thereto including the Profit & Loss Account and Auditors' Report etc., upon receipt of a requisition from you, any time, as a shareholder of the Company.

We are sure that as a responsible citizen, you would appreciate and cooperate with the "Green Initiative" taken by your Company and in implementation of the same.

Thanking you,

Yours faithfully,

For **James Warren Tea Limited**

Sd/-

**Surbhi Shah**

Company Secretary

(Tear Here)

.....(Tear Here).....

DP ID  CLIENT ID  FOLIO NO.

To,

The Company Secretary

James Warren Tea Limited

12 Pretoria Street, Kolkata - 700071

Dear Sir,

I hereby give my consent to receive all future communications from James Warren Tea Limited at my below email id and/or at my e-mail registered with my/our depository:-

E-mail id ..... Alternative email id .....

Thanking you,

Yours faithfully,

.....  
Signature of Sole / 1st Holder

.....  
Name

.....  
Date



**ECS FORM**

M/s. Maheshwari Datamatics Pvt Ltd  
Unit : **James Warren Tea Limited**  
6, Mangoe Lane, 2nd Floor,  
Kolkata – 700 001.

**Re : Payments of Dividend Through NECS**

# I wish to participate in the National Electronics Clearing Service (NECS) introduced by the Reserve Bank of India.

# I do not wish to Participate in the NECS. However, kindly print the bank particulars given below on the Dividend Warrant being issued to me

- 1. Name of the Shareholder(s) : \_\_\_\_\_
- 2. Reg. Folio No. : \_\_\_\_\_
- 3. Particulars of Bank Accounts
  - a. Name of the Bank : \_\_\_\_\_
  - b. Name of the Branch : \_\_\_\_\_
  - Address : \_\_\_\_\_
  - Telephone No. : \_\_\_\_\_

c. 9 digit code Number of the Bank and Branch as appearing on the MICR Cheque issued by the bank :

--	--	--	--	--	--	--	--	--	--

d. Type of the account (Please tick) :

Savings       Current       Cash credit

e. Ledger and Ledger folio Number (if any) of your bank account : \_\_\_\_\_

f. Account number (as appearing on the Cheque Book) : \_\_\_\_\_

*(In lieu of the bank certificate to be obtain as under, please attach a blank cancelled cheque or photocopy of a cheque or front page of your saving/current bank passbook issued by your bank for verification of the above particulars).*

I hereby declared that the Particulars given above are correct and complete. I undertake to inform any subsequent changes in the above particulars before the relevant book closure date(s). If the payment is delayed or not effected at all for any reason(s), beyond the control of the Company, I would not hold the Company responsible.

Date : \_\_\_\_\_

\_\_\_\_\_  
Signature of the first holder

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp )

Date & Signature of the )

Authorized Official of the Bank )

# Delete whichever is not applicable.

**Note :**

- 1. The nine digit code number of your bank and branch is mentioned on the MICR band next to the cheque number.
- 2. In case the amount of Dividend is failed to be transmitted in the aforesaid process and on confirmation by our Bankers, the Company shall issue Dividend warrant in physical mode to the respective shareholders.

(Tear Here)



Form SH-13

**NOMINATION FORM**

*[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1)  
of the Companies (Share Capital and Debentures) Rules 2014]*

To

**JAMES WARREN TEA LIMITED**

Dhoedaam Tea Estate, P.O. Borahapjan, Dist. Tinsukia, Assam 786150

I/We ..... (name of the shareholder) and .....  
..... (name of the joint shareholder, if any) the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

**1. PARTICULARS OF THE SECURITIES** (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.	
				From	To
Equity Shares					

**2. PARTICULARS OF NOMINEE/S**

- a. Name :
- b. Date of Birth :
- c. Father's/Mother's/Spouse's name :
- d. Occupation :
- e. Nationality :
- f. Address :
- g. E-mail id :
- h. Relationship with the security holder :

**3. IN CASE NOMINEE IS A MINOR**

- a. Date of birth :
- b. Date of attaining majority :
- c. Name of guardian :
- d. Address of guardian :

**Signature of Shareholder(s)**

**1. Signature (1st holder)**

- Name :
- Address :
- Date :

**2. Signature (2nd holder)**

- Name :
- Address :
- Date :

**Signature of two witnesses**

Name, Address and Signature with date

- 1.
- 2.

**Instructions:**

- 1. To be filled in by physical shareholders holding shares of the Company, either singly or jointly. If held jointly by more than two, then to be filled only by 1st and 2nd joint holders.

(Tear Here)







# James Warren Tea Limited

CIN: L15491AS2009PLC009345

12 Pretoria Street, Kolkata 700071 Telephone: 91-33-40341000 Tele fax: 91-33-40341015

Email: investors@jameswarrentea.com Website: www.jameswarrentea.com

## PROXY FORM

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

CIN : **L15491AS2009PLC009345**  
Name of the company : **JAMES WARREN TEA LIMITED**  
Registered office : **Dhoedaam Tea Estate, P.O. Borahapjan, Dist. Tinsukia, Assam 786150**

Name of the member (s) :

Registered Address :

E-mail Id :

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of \_\_\_\_\_ shares of James Warren Tea Limited, hereby appoint;

(Tear Here)

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

2. Name :  
Address :  
E-mail Id : Signature: \_\_\_\_\_, or  
failing him

3. Name :  
Address :  
E-mail Id : Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **7<sup>th</sup>Annual General Meeting** of the company, to be held on **Wednesday, the 21<sup>st</sup> day of September, 2016 at 9.00 a.m.** at Dhoedaam Tea Estate, P.O. Borahapjan, Dist. Tinsukia 786150, Assam and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolution Proposed	Please Tick (Optional)		
		Refer note 3		
Ordinary Business:		For	Against	Abstain
1	Adoption of Audited Balance Sheet as at 31st March, 2016 and Profit & Loss Account for the year ended on that date, together with the Report of Board of Directors' and Auditors' thereon.			
2	Approval to the re-appointment of Mr Akhil Kumar Ruia, Director retiring by rotation			
3	Ratification of appointment of M/s Singhi & Company, Chartered Accountants as the statutory auditors of the Company and authorize the Board to fix their remuneration.			
Special Business:				
4	Approval to the appointment of Cost Auditor of the Company and authorize the Board to fix their remuneration.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016

Affix a  
Revenue  
Stamp of  
not less than  
Re.1/-

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

**Note:**

1. *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
2. *For the text of the aforesaid resolutions, statements and notes, please refer to the Notice including the explanatory statement, convening this Annual General Meeting of the Company.*
3. *It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem fit.*

Route map to the venue of the 7th AGM of James Warren Tea Ltd



• Dhoedaam Tea Estate, P.O. Borahapjan, Dist. Tinsukia, Assam - 786 150



**JAMES WARREN TEA LIMITED**

CIN: L15491AS2009PLC009345

Dhoedaam Tea Estate, P.O. Borahapjan

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