



Joonktollee Tea  
& Industries Ltd.



ANNUAL  
REPORT  
2017



*A glimpse of the Hanuman Mandir at Joonktollee Tea Estate, Assam*

## Statutory Reports 2-48

Directors' Report **2** Management Discussion and Analysis Report **7**  
CSR Report **9** Report on Corporate Governance **11**  
Shareholder Information **21** Secretarial Audit Report **31**  
Extract of the Annual Return **34** Particulars of Conservation of Energy **45**  
Risk and Concerns **46** Highlights of Financial Performance **48**

## Standalone Financials 49-80

Independent Auditors' Report **49** Balance Sheet **54**  
Statement of Profit & Loss **55** Cash Flow Statement **56**  
Notes to Financial Statements **58**

## Consolidated Financials 82-113

Independent Auditors Report **82** Consolidated Balance Sheet **86**  
Consolidated Statement of Profit & Loss **87**  
Consolidated Cash Flow Statement **88**  
Notes to Consolidated Financial Statements **90**  
Information regarding Subsidiary Companies **113**

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Mr. Hemant Bangur**

Chairman

**Mrs. P. D. Bangur**

Director

**Mr. M. K. Daga**

Independent Director

**Mr. J. K. Surana**

Independent Director

**Mr. M. M. Pyne**

Independent Director

**Mr. K. C. Mohta**

Executive Director &  
Chief Executive Officer

## CHIEF FINANCIAL OFFICER

Mr. B. L. Dhanuka

## MANAGER (FINANCE) & COMPANY SECRETARY

Mr. S. Bagree

## BANKERS

HDFC Bank  
Yes Bank  
ICICI Bank

## AUDITORS

Singhi & Co., Kolkata

## REGISTRARS & SHARE TRANSFER AGENTS

Maheshwari Datamatics Pvt. Ltd.  
23, R.N. Mukherjee Road, 5th Floor,  
Kolkata - 700 001

## REGISTERED OFFICE

21, Strand Road  
Kolkata - 700 001

# DIRECTORS' REPORT



Dear Members,

Your Directors have pleasure in presenting the Annual Report with Audited Accounts of the Company for the year ended 31st March, 2017.

## FINANCIAL PERFORMANCE

(Amount in ₹)

	Standalone		Consolidated	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Profit/(Loss) for the year before Depreciation	(10,17,13,042)	4,16,13,965	(9,20,70,912)	4,56,71,006
Deduct : Depreciation	4,67,55,559	4,04,80,743	5,23,34,898	4,27,38,116
<b>Profit / (Loss) before Tax</b>	<b>(14,84,68,601)</b>	<b>11,33,222</b>	<b>(14,44,05,810)</b>	<b>29,32,890</b>
Deduct : Tax Expense –				
Current Year	–	–	14,30,000	8,82,000
Deferred Tax	(91,66,034)	71,83,385	(91,65,759)	71,70,361
Income Tax for earlier years	–	1,33,045	(4,913)	4,67,900
<b>Net Profit / (Loss)</b>	<b>(13,93,02,567)</b>	<b>(61,83,208)</b>	<b>(13,66,65,138)</b>	<b>(55,87,371)</b>
Less : Share of Profit / (Loss) of Associate	–	–	(2,86,906)	(5,61,951)
Add : Balance of Profit brought forward from previous year	8,94,96,795	10,01,59,506	9,18,65,536	10,24,94,361
<b>Surplus / (Deficit)</b>	<b>(4,98,05,772)</b>	<b>9,39,76,298</b>	<b>(4,50,86,508)</b>	<b>9,63,45,039</b>

## DIVIDEND

Your Directors have recommended for your approval, a dividend of ₹1/- per share for the year ended 31st March, 2017.

## OPERATIONAL REVIEW

The turnover of your Company stood at ₹8,821.08 lacs which is lower as compared to the previous

## DIRECTORS' REPORT

year's turnover of ₹10,291.29 lacs. The loss before tax for the year was ₹1,484.69 lacs as against profit before tax of ₹11.33 lacs in previous year. Your Company produced 58,13,206 Kgs. of Tea during the year as against 62,83,258 Kgs. produced during the year 2015-16, a decrease of 4,70,052 Kgs. to the previous year; 2,82,951 Kgs. of Coffee during the year as against 2,97,222 Kgs. during the year 2015-16, a decrease of 14,271 Kgs. from the previous year and 9,25,313 Kgs. of Rubber during the year as against 8,20,072 Kgs. produced during the year 2015-16, an increase of 1,05,241 Kgs. from the previous year.

### EXPANSION / CAPITAL EXPENDITURE

Company has incurred capital expenditure amounting to ₹320.78 lacs during the year ended 31st March, 2017 as compared to ₹660.73 lacs for the same period last year.

### FIXED DEPOSITS

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

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review is provided in Annexure - A forming part of this Report.

### RISK MANAGEMENT

The Company has laid down well defined risk management mechanism covering the risk exposure, potential impact and risk mitigation process. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined frame work. Risk and Concerns as envisaged by the Company is presented in a separate section forming part of the Annual Report.

### LOANS, GUARANTEES AND INVESTMENTS

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

### RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with promoters, directors or key managerial personnel etc. during the year which might have potential conflict with the interest of the Company at large.

### SAFETY, HEALTH & ENVIRONMENT

The Company has committed to maintaining highest standard of safety, health environment protection and has complied with all applicable statutory requirements and prevention of pollution.

It always strives to keep the estates greener and cleaner and committed to the safety and health of its employees.

### HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The Company has built its workforce with a diverse background of individuals - essential for the kind of organization what it is. The Company constantly endeavours to provide a platform where people have opportunities to actualize their maximum potential through work which helps to stretch their intellect. Continuous efforts are on for a work-culture which encourages innovation, transparency in communication, trust and amity. The present workforce of the Company is 6493. Industrial relations in all the estates, factories and offices of the organization were cordial throughout the year under review. Attrition rate during the year ended 31st March, 2017 was zero and during the last decade it was not even 1%.

Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013.

### CORPORATE SOCIAL RESPONSIBILITY

The Board has constituted a Corporate Social Responsibility Committee. A Corporate Social Responsibility Policy has also been framed which is placed on the Company's website. Corporate Social Responsibility activities as required u/s 135 of the Companies Act, 2013 are provided in the Annexure – B forming part of this Report.

Your Company also continues its welfare activities by participating in various projects sponsored by TAI, ITA, ABITA, TOKLAI, UPASI, KPA in the States of Assam, Karnataka & Kerala and also directly contributes to the area's social causes.

### CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Policies and Code of Conduct which set out the principle of running the Company with fairness, transparency and accountability. A report on the Corporate Governance forming part of the Directors' Report is attached. A certificate from a Practicing Company Secretary regarding compliance of the Corporate Governance is given in the Annexure – C forming part of this Report.

### BOARD DIVERSITY

The Company believes that a truly diverse board will leverage difference in thought, perspective, knowledge, skill, regional and industry experience, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.

## DIRECTORS' REPORT

### BOARD EVALUATION

The evaluation of all the Directors and the Board as a whole was conducted and the Board approved the evaluation results as collated by the nomination and remuneration committee.

None of the Independent Directors is due for re-appointment.

### NOMINATION AND REMUNERATION POLICY

The Company has an appropriate combination of Executive and Independent Directors for maintaining the independence of the Board and separate its functions and management. The Board consists of six members, of which, three are Independent Non-Executive Directors, one is Promoter Non-Executive Chairman, one is woman Promoter Non-Executive Director and one is Non-Promoter Professional Executive Director. The need for change in its composition and size is evaluated periodically. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

### DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. There are no material departures from prescribed Accounting Standards in the adoption of these standards.

The Board of Directors of the Company confirms that :

- i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure;
- ii) the selected Accounting Policies were applied consistently and the Directors 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 as at March 31, 2017 and of the losses of the Company for the year ended on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis;
- v) the internal financial controls have been laid down and such internal financial controls are adequate and are operating effectively; and
- vi) the Company has adequate internal systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board with grief regret to inform you of the sad demise of Shri B.R. Bhansali, an Independent Director of the Company, who passed away for his heavenly abode on 26th January, 2017. Shri B.R. Bhansali served the Company as an Independent Director since 2014. The Board acknowledges the contribution made by Shri B.R. Bhansali for the growth of the Company during his tenure.

Shri K. C. Mohta ceased to be the Wholetime Director of the Company on expiry of his term on 3rd May, 2017. However, he continues to be a Director of the Company. Shri Mohta has been appointed again as Wholetime Director, designated as Executive Director and Chief Executive Officer of the Company for a period of 3 years with effect from 11th May, 2017.

In accordance with the provisions of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Smt. Pushpa Devi Bangur will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment.

During the year, the Company had three Key Managerial Personnel, being Shri K. C. Mohta, Executive Director & Chief Executive Officer, Shri B. L. Dhanuka, Chief Financial Officer and Shri S. Bagree, Manager (Finance) & Company Secretary.

The Board met four times during the financial year, the details of which are given in the "Report on Corporate Governance" forming part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

Independent Directors have submitted their disclosures to the Board that they meet the criteria as stipulated in Section 149(6) of the Companies Act, 2013 and in accordance with the SEBI (LODR) Regulations, 2015.

Independent Directors have been familiarized with the nature of operations of the Company and the industry in which it operates and business module of the Company. The details of the familiarization programme have been posted on the website of the Company.

### SUBSIDIARY & ASSOCIATE COMPANIES

- a) The Company as on 31st March, 2017 has three wholly owned Subsidiary Companies namely, Keshava Plantations Pvt. Ltd., Cowcoody Builders Pvt. Ltd. and Pranav Infradev Co. Pvt. Ltd. and one Associate Company namely The Cochin Malabar Estates And Industries Ltd.
- b) During the year under review, the Company divested its entire stake in its Wholly-owned Subsidiary M/s. Gloster Real Estates Pvt. Ltd. As a result of the sale of shares,

## DIRECTORS' REPORT

M/s. Gloster Real Estates Pvt. Ltd. ceased to be the Subsidiary of the Company w.e.f. 19th January, 2017.

- c) Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's Subsidiaries and Associates is attached to the financial statements of the Company.
- d) Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements alongwith the relevant documents and separate audited accounts in respect of Subsidiaries are available on the website of the Company.

### CONSOLIDATED FINANCIAL STATEMENTS & CASH FLOW

The audited consolidated financial statements of the Company together with Auditors' Report for the year ended 31st March, 2017 and Cash Flow Statement as on that date are annexed.

### AWARDS & RECOGNITIONS / CREDIT RATING

#### Awards & Recognitions

- The Company has been accredited with ISO 9001:2008 certification by SGS, U.K.
- Joonktollee Tea Estate in Assam has been accredited with ISO 22000 : 2005 certification by SGS, Switzerland.
- Goomankhan Tea Estate in Karnataka has been accredited with ISO 9001:2008 & HACCP certification by SGS.
- Goomankhan Tea Estate has bagged The Golden Leaf Awards for the leaf and fannings categories for 2016.
- Pullikanam Tea Estate has bagged The Golden Leaf Awards for the leaf, fannings and dust categories for 2016.

#### Credit Rating

The Company has domestic credit ratings of BB+/Negative from CRISIL for its banking facilities.

### AUDITORS AND AUDITORS' REPORT

#### Statutory Auditors

The term of the Statutory Auditors of the Company, M/s. Singhi & Co. Chartered Accountants, expires at the ensuing Annual General Meeting in accordance with the provisions of the Companies Act, 2013.

The Board has appointed M/s. Jitendra K. Agarwal & Associates, Chartered Accountants (Firm Registration No.318086E) as the Statutory Auditors of the Company to hold the office from the conclusion of the forthcoming Annual General Meeting till the conclusion of the Annual General Meeting for the Financial Year 2021-22, subject to ratification by the Shareholders annually.

The Company has received a letter from M/s. Jitendra K. Agarwal

& Associates, Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Act and that they are not disqualified for appointment.

#### Secretarial Auditors

The Board of Directors of the Company had appointed M/s. MKB & Associates, Company Secretaries to carry out secretarial audit for the financial year 2016-17 in terms of the provisions of Section 204(1) of the Companies Act, 2013 and Rules made thereunder. The Secretarial Audit Report for the Financial Year 2016-17 is provided in the Annexure – D forming part of this report.

The Board has reappointed M/s. MKB & Associates, Company Secretaries, as Secretarial Auditors of the Company for the Financial Year 2017-18.

#### Cost Auditors

On the recommendation of the Audit Committee and in compliance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, the Board has appointed M/s. A. Basu & Co., Cost Accountants, as Cost Auditors for conducting the audit of cost records of the Company for the Financial Year 2017-18.

In accordance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for the Financial Year 2017-18 would be placed at the ensuing Annual General Meeting for approval.

### ANNUAL RETURN

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return as required under Section 92(3) of the Companies Act, 2013 and the Rules made thereunder is provided in Annexure – E forming part of this report.

### INTERNAL FINANCIAL CONTROL

For ensuring methodical and efficient conduct of its business, the Board has adopted policies and procedures. Thus, it ensures on the one hand, safeguarding of assets and resources of the Company, prevention and detention of frauds and errors, accuracy and completeness of the accounting records, timely preparation of financial disclosures and on the other hand, encourages the improvement of the operational performance of the Company.

The Internal Audit of the Company is conducted by an Independent Chartered Accountant Firm. The findings of the Internal Audit and the Action Taken Report on the Internal

## DIRECTORS' REPORT

Audit are placed before the Audit Committee which reviews the audit findings, steps taken and the adequacy of Internal Control System.

### OTHER DISCLOSURES

- i) There were no material changes and commitments affecting the financial position of the Company occurring between 31st March, 2017 and the date of this Report.
- ii) There is no change in the business of the Company.
- iii) There were no significant and material orders passed by regulator or courts or tribunals impacting the going concern status and Company's operation in future.

### PARTICULARS OF EMPLOYEES

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) & Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are also provided in the Annual Report, which forms part of this Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding

the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

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

The particulars as prescribed under Clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of energy, Research and Development, Technology Absorption and Foreign Exchange Earnings and Out go is provided in Annexure – F forming part of this Report.

### ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Banks, Central and State Government authorities, Regulatory authorities, Stock Exchanges and the stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from the employees of the Company.

On behalf of the Board

Place : Kolkata  
Date : 11th May, 2017

**(H. Bangur)**  
Chairman



Annexure - A

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT



Economic growth, geopolitics, monetary policy, currency; and weather played out in varying degrees and impacted the global commodity markets during the year. The overall prospects for emerging market and developing economy are dampened by tepid international trade, subdued investment and weak productivity growth. The clamp down on black money by the Indian Government due to demonitisation led to lowering of real demand in the Indian economy. The impact on unorganized and small organized sectors which thrived on cash was substantial. Once the demonitisation effects subside, growth is expected to bounce back in the 2nd half of 2017. The impact of GST is foreseen to be positive for agricultural sector.

## TEA

The world Tea production estimated at 5463 million kgs. in 2016 as compared to 5282 million kgs. in 2015. Indian Tea production was estimated at 1250 million kgs. during the year 2016 as compared to 1233 million kgs. in 2015. Indian Tea production was higher by 17 million kgs. during the year 2016. The North Indian crop was higher by 34 million kgs. while South Indian crop was estimated lower by 17 million kgs. during the year 2016. The average price of Tea was ₹143.65 per kg. in the North and ₹106.41 per kg. in the South. The average price of Tea (North & South) stood at ₹135.33 per kg. in 2016 as against ₹128.61 per kg. in 2015.



The Company produced 58,13,206 kgs. of Tea during the year ended 31st March, 2017 against 62,83,258 kgs. for the same period last year. The average price for Tea realized by the Company during the year ended 31st March, 2017 was ₹150/- per kg. in the North and ₹104/- per kg. in the South. Tea business of the Company in North India suffered losses due to loss of production of 4,16,664 Kgs. of made tea due to erratic weather conditions affecting production, cost and income.

Prices are expected to remain firm for quality teas in the domestic market. The outlook for good liquoring teas is promising and is expected to have strong demand.

## COFFEE

The global Coffee production during 2016 season was estimated at 152 million bags as compared to 151 million bags in the previous year, an increase of 1% on the previous year. The world Coffee consumption during 2016 was estimated at 151 million bags as compared to 148 million bags in 2015, an increase of 3 million bags on the previous year. The international consumption of Coffee is growing @ 2.5 to 3% p.a. The International Coffee Organisation estimated that consumption would grow by 25% from 2015 to 2020. This would bring total consumption to

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT



175.8 million bags. Rising consumption, especially in emerging markets, means global production will have to rise by an extra 30 to 40 million bags of Coffee in the next decade. Stocks and inventories are at low levels and as such there seems to be limited potential for further downward price corrections.

The Production of Coffee in India for the season 2016 was estimated at around 317 million kgs. comprising of 96 million kgs. of Arabica and 220 million kgs. of Robusta as compared to 348 million kgs. consisting of 103 million kgs. of Arabica and 245 million kgs. of Robusta in 2015 and thus Coffee production in India has decreased as compared to last year.

The Company produced 2,82,951 kgs of Coffee comprising of 1,07,602 kgs. of Arabica and 1,75,349 kgs. of Robusta during the year ended 31st March, 2017 against 2,97,222 kgs. comprising of 1,26,203 Kgs. of Arabica and 1,71,019 kgs. of Robusta harvested for the same period last year. The average price for Coffee realized by the Company during the year ended 31st March, 2017 was higher at ₹167/- per kg. as compared to ₹165/- per kg. last year. The Company has taken extensive re-plantation which will give higher yield in the years to come.

The supply shortage in the world's coffee market is forecast to continue for a third consecutive year with the output of Robusta sliding to a level not seen since 2012. With Robusta supplies continue to be scarce while Arabica remains in abundance, it is expected that the price difference between the two beans shall narrow.

### RUBBER

The global production of Natural Rubber (NR) in 2016 was estimated at 122.95 million tonnes as compared to 122.74 million tons in 2015 registering a marginal increase of 0.3% from 2015. The global NR consumption was around 125.11 million tonnes as compared to 121.46 million tons last year, registering an increase of 3% from 2015. International factors e.g. OPEC's decision to cut oil production, depreciation of the YUAN and YEN against the DOLLAR, increase in consumption of Natural Rubber by China and floods in Thailand have resulted in higher global prices which were above the domestic price. They have since corrected and are presently below the domestic prices.

The NR Production of India during 2016 was estimated at 6,91,000 tonnes as against 5,62,000 tonnes during the previous year. The NR consumption in India was estimated 10,43,000 tonnes which was 5% higher than the previous year. The prices of NR plummeted to as low as ₹136/- per kg. as against ₹210 per kg. 5-6 years back.

The Company produced 9.25 lac kgs. of rubber during 2016-17 as against 8.20 lac kgs. during the previous year, an increase of 1.05 lac kgs. The Company continues to focus on quality to fetch premium in the market for its product comprises of latex and skim rubber. The average price of rubber realized by the Company for 2016-17 was ₹135/- per DRC kg. as against ₹127/- per DRC kg. last year, which was higher by ₹8/- per DRC kg. Besides, the favourable demand-supply fundamental, bearish sentiments generally, weigh on NR market in the near future but, there are positive indications of an increase in consumption, mainly on the basis of hopeful growth projections.



## CSR REPORT

## Annexure - B

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.	<p>The Company shall identify any one or more of the following areas for its CSR spending :</p> <p>Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation, Promoting education, Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres, Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, Protection of national heritage, art &amp; culture, measures for the benefit of armed forces veterans, war widows and their dependents, training to promote rural sports, Contribution to Prime Minister's National relief Fund, Rural development projects.</p> <p>The web-link for the same is <a href="http://www.joonktolleetea.in">www.joonktolleetea.in</a> / About Us / Policies / CSR Policy.</p>
2. The Composition of the CSR Committee.	<p>(i) Smt. Pushpa Devi Bangur (Chairperson)</p> <p>(ii) Shri M. K. Daga (Independent Director)</p> <p>(iii) Shri K. C. Mohta (Executive Director &amp; Chief Executive Officer)</p>
3. Average net profit of the company for last three financial years (Amount in lacs)	₹ 263.35 lacs.
4. Prescribed CSR Expenditure (two per cent, of the amount as in item 3 above) (Amount in lacs)	₹ 5.27 lacs
5. Details of CSR spent during the financial year.	<p>(1) Total amount to be spent for the F.Y. ₹ 5.27 lacs.</p> <p>(2) Amount unspent, if any; ₹ 4.64 lacs. The Company shall identify CSR projects or activities in the coming year for spending the remaining amount.</p> <p>(3) Manner in which the amount spent during the financial year; As detailed in Annexure - B(i)</p>

## CSR REPORT

### Annexure - B(i)

#### CSR ACTIVITIES AT JOONKTOLLEE TEA & INDUSTRIES LTD.

(₹ in lacs)

(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 (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent : Direct or through implementing agency
1.	Rural Development	Education Development.	Nawada Bihar	0.40	0.40	0.40	Direct
2.	Promoting education among children.	Education Development.	Kolkata, West Bengal	0.22	0.22	0.22	Direct

The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Place : Kolkata  
Date : 11th May, 2017

(K. C. Mohta)  
Executive Director & Chief Executive Officer

(Pushpa Devi Bangur)  
Chairperson – CSR Committee

## Annexure - C

# REPORT ON CORPORATE GOVERNANCE



Pursuant to regulation 34(3) read with Part C of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 a report on Corporate Governance is given below :

### 1. COMPANY'S GOVERNANCE PHILOSOPHY :

Corporate Governance is to put in place a system of checks and balances for the benefit of all stakeholders. It rests on the four cornerstones of fairness, transparency, accountability and responsibility. It extends beyond corporate law and encompasses the entire spectrum of functioning of a Company. The Corporate Governance is about commitment to values and integrity in directing the affairs of the Company and it is a collective responsibility of each of the three pillars of an enterprise – the board of directors, shareholders and management.

The Company believes and is committed to and always strives for excellence through adoptions of good corporate governance which are founded upon the core values of adherence to the ethical business practices, delegations, responsibilities and accountabilities, honesty and transparency, empowerment, independent monitoring and environmental consciousness in the functioning of the management and the Board; true, complete and timely disclosures and compliance of law, ultimately resulting in maximizing shareholders' value and protecting the interest of the other stakeholders.

### 2. BOARD OF DIRECTORS :

The Board of Directors of the Company is headed by Shri Hemant Bangur, Chairman. The Board consists of eminent persons with considerable professional experience in industry and fields e.g. tea industry, finance, banking, law and marketing. The present strength of the Board of Directors is six, of which, five are Non-Executive Directors and one is the Executive Director. The Board has three Independent Non-Executive Directors, one Promoter Non-Executive Chairman, one woman Promoter Non-Executive

Director and one Non-Promoter Professional Executive Director.

Category	Name of Directors
<b>Promoter Directors</b>	
Non-Executive Chairman	Shri Hemant Bangur
Non-Executive Director	Smt. P. D. Bangur
<b>Executive Director</b>	
Professional Executive Director & Chief Executive Officer	Shri K. C. Mohta
<b>Independent Directors/Non-Executive Directors</b>	Shri M.K. Daga Shri J.K. Surana Shri M.M. Pyne

i. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

#### ii. Independent Directors :

- Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter-alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

## REPORT ON CORPORATE GOVERNANCE

- All the Independent Directors of the Company shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re-appointment for another term of five years on passing of a special resolution by the Company. However, they may hold just two consecutive terms at a time.
- The Board of Directors of the Company have adopted the Familiarisation Programme for Independent Directors. The Programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The details of such Familiarisation Programme has been disclosed in the Company's website and the weblink for the same is [http://www.joonktolleetea.in/downloads/familiarisation\\_programme.pdf](http://www.joonktolleetea.in/downloads/familiarisation_programme.pdf)
- The Independent Directors of the Company shall elect from amongst themselves the Lead Independent Director. The Lead Independent Director's role is as follows :
  - To preside over all meetings of Independent Directors;
  - To ensure that there is an adequate and timely flow of information to Independent Directors;
  - To liaise between the Chairman, the Management and the Independent Directors;
  - To perform such other duties as may be delegated to the Lead Independent Director by the Board/ Independent Directors.
- The Company's Independent Directors are required to meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director.
- The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman.
- Separate Meeting of Independent Directors :

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 11th February, 2017 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. 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.

### iii. Board's Process

The Company holds a minimum of four Board Meetings in each year. The maximum time gap between any two Board Meetings did not exceed 120 days.

- The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.
- All the divisions / departments of the Company are encouraged to plan their functions well in advance with regard to the matters requiring directions / approvals / decisions in the Board / Committee Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda of the Board Meeting.
- The Chairman and the Company Secretary in consultation with the other concerned persons in the Senior Management finalise the Agenda Papers for the Board Meeting.
- The Board papers, comprising of Agenda backed by comprehensive documents, information, are circulated to the Directors in advance and, in the exceptional cases, the same is tabled at the Board Meeting. All the material information is included in the Agenda Papers for facilitating meaningful and focused discussions at the meeting. The Board is also free to recommend the inclusion of any matters for discussion in consultation with the Chairman.
- In special and exceptional circumstances, additional or supplementary item/(s) on the Agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance or at the meeting.

During the year under review four Board Meetings were held on 13th May, 2016, 11th August, 2016, 11th November, 2016, & 11th February, 2017 to deliberate on various matters. The composition of the Board of Directors and their attendance

## REPORT ON CORPORATE GOVERNANCE

at the Board Meetings during the year and at the last Annual General Meeting and also the number of other directorships in Indian public companies are as follows :

Name of Director	Attendance at last AGM	No. of Board meetings attended	Category of Director	Other Directorships *	No. of Chairmanship/ Membership of Board Committees (Other than Joonktollee)		No. of Shares held in the Company
					Chairman	Member	
Smt. P.D. Bangur (DIN : 00695640)	No	3	NED	3	–	2	517928
Shri Hemant Bangur (DIN : 00040903)	Yes	4	NEC	7	–	3	226729
Shri M.K. Daga (DIN : 00123386)	Yes	4	ID/NED	2	1	2	–
Shri J.K. Surana (DIN : 00582653)	Yes	4	ID/NED	–	–	–	–
Shri M.M. Pyne (DIN : 00680120)	Yes	4	ID/NED	1	–	–	–
Shri B.R. Bhansali # (DIN : 00595341)	No	3	ID/NED	–	–	–	–
Shri K.C. Mohta (DIN : 00127656)	Yes	4	ED	–	–	–	250

NEC – Non-Executive Chairman      NED – Non-Executive Director

ID – Independent Director      ED – Executive Director

\* Excludes Alternate Directorships, Directorships in Pvt. Ltd. Companies, Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013.

# ceased to be associated as a Director due to demise on 26.01.2017

• In accordance with Regulation 26 (1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Membership/Chairmanship of only Audit Committee and Stakeholders Relationship Committee has been considered.

### Relationship Amongst Directors :

No Director is related to any other Director on the Board in the Company except Shri Hemant Bangur, Chairman and Smt. Pushpa Devi Bangur, Director who are related to each other.

### 3. AUDIT COMMITTEE :

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. The Audit Committee of the Company normally meets before the finalization of accounts each year and also meets every quarter to review the financial results of the previous quarter before the same are approved at Board Meetings. The Audit Committee may also meet in addition to the above if called by the Chairman of Audit Committee.

### (i) Terms of Reference

The broad terms of Reference of the Audit Committee as per the guidelines set out in the Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the Stock Exchanges read with Section 177 of the Companies Act, 2013 are as under :

- 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.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the internal auditor and the fixation of audit fees.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the cost auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

## REPORT ON CORPORATE GOVERNANCE

- f) Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
- Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - Changes if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- g) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- h) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- i) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- j) Approval or any subsequent modification of transactions of the Company with related parties;
- k) Scrutiny of inter-corporate loans and investments;
- l) Valuation of undertakings or assets of the Company, wherever it is necessary;
- m) Evaluation of internal financial controls and risk management systems;
- n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- o) 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;
- p) Discussion with internal auditors of any significant findings and follow up there on;
- q) 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;
- r) 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;
- s) 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;
- t) To review the function of the Whistle Blower mechanism;
- u) Approval of appointment of CFO (i.e. the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- v) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- The Audit Committee also reviews the following –
- Management discussion and analysis of financial condition and result of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal audit reports relating to internal control weaknesses.
- Audit Committee if required may seek information from any employee of the Company and obtain outside legal & professional advices and make attendance of the outsiders having relevant expertise to be present at the Audit Committee Meeting on requirement. If situation warrants the Audit Committee may investigate any activities within its terms of reference.
- (ii) Composition**
- The Audit Committee comprises of three Independent Non-



## REPORT ON CORPORATE GOVERNANCE

Executive Directors namely, Shri M.K. Daga, Shri M.M. Pyne and Shri J.K. Surana respectively.

The Committee met 4 times during the year on 13th May, 2016, 11th August, 2016, 11th November, 2016 and 11th February, 2017. The attendance of the Members at the Audit Committee Meetings is as under :

Name of the Director	Status	No. of meetings entitled to attend	No. of meetings attended
Shri M.K. Daga	Chairman	4	4
Shri M.M. Pyne	Member	4	4
Shri B.R. Bhansali *	Member	3	3
Shri J.K. Surana \$	Member	1	1

\* associated upto 25.01.2017

\$ appointed as member 30.01.2017

The Secretary of the Company who is also Secretary of the Committee and Chief Financial Officer of the Company attended the meetings. At the invitation of the Committee, the Statutory Auditors, the Internal Auditors of the Company also attend the meetings to answer and clarify the queries at the meetings.

### (iii) Internal Audit

The Company has an internal audit system which is conducted by an Independent Chartered Accountant firm which submits its report to the Chairman of Audit Committee and Chief Financial Officer of the Company.

### (iv) Internal Control

Company's system of internal control covering financial, operational, compliances, IT applications are reviewed time to time by the experts and the findings of such review are reported to the Chief Executive Officer & Executive Director of the Company.

## 4. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors of the Company had constituted a Nomination & Remuneration Committee of Directors to review/recommend remuneration of Wholetime Director, Directors, Key Managerial Personnel and the employees of the Company and such other matters as the Board may from time to time mandate the committee to examine and recommend/approve.

### (i) Terms of Reference

The broad terms of Reference of the Nomination & Remuneration Committee as per the guidelines set

out in Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013 are as under :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Reviewing the overall compensation policy, service agreements and other employment conditions of Wholetime Director and Key Managerial Personnel.
- Reviewing the performance of the Wholetime Director and Key Managerial Personnel and recommending to the Board, the quantum of annual increments and annual commission.
- Approving and recommending to the Board, the remuneration and commission payable to the Directors.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

### (ii) Composition

The Nomination & Remuneration Committee comprises of three Independent Non-Executive Directors namely Shri J.K. Surana, Shri M.M. Pyne and Shri M.K. Daga respectively. Shri J.K. Surana is the Chairman of the Committee.

During the year under review, the Committee met once on 30th September, 2016. The attendance of the Members at the Nomination & Remuneration Committee Meeting is as under:

Name of the Director	Status	No. of meetings attended
Shri J. K. Surana	Chairman	1
Shri M. M. Pyne	Member	1
Shri M. K. Daga	Member	1

## REPORT ON CORPORATE GOVERNANCE

The Secretary of the Company who is also acting as Secretary of the Committee attended the meeting.

### (iii) Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing Industry practice.

The Executive Director is paid remuneration as per their agreements with the Company. These agreements are placed for approval before the Board and the shareholders and such other authorities as may be necessary. The remuneration structure of the Executive Director comprises of salary, commission, perquisites and other benefits. There are no stock option benefits to any of the Directors. There is no variable components

of the remuneration availed by the Working Directors and also there is no performance linked incentives. The remuneration of Executive Director is in the nature of Fixed Component except commission.

The Executive Director is not paid sitting fee for attending meetings of the Board or Committees thereof. Other Directors are being paid a sitting fee of ₹10,000/- for attending each Board Meeting and ₹5,000/- for attending each Committee Meeting.

The Chief Financial Officer & Company Secretary and the Key Managerial Personnel are paid remunerations as approved and recommended by the Nomination & Remuneration Committee and finally approved by the Board of Directors. There are no stock option benefits to the Key Managerial Personnel. There is no variable components availed by the Chief Financial Officer & Company Secretary.

### DETAILS OF REMUNERATION PAID / PAYABLE TO ALL THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 2017

(Figures in Rupees)

Name of the Director	Sitting Fees*	Salary	Perquisites and other benefits	Retiral benefits	Total
Smt.P.D.Bangur	1,00,000	-	-	-	1,00,000
Shri H. Bangur	40,000	-	-	-	40,000
Shri M.K. Daga	70,000	-	-	-	70,000
Shri J.K. Surana	50,000	-	-	-	50,000
Shri M.M. Pyne	1,30,000	-	-	-	1,30,000
Shri B.R. Bhansali	45,000	-	-	-	45,000
Shri K.C. Mohta	-	36,00,000	19,94,232	9,72,000	65,66,232

\* Includes Sitting Fee paid for Committee Meetings.

### Details of Agreement

Name	From	To	Tenure	Capacity
Shri K.C. Mohta	04.05.2012	03.05.2017	5 years	Executive Director
Shri K.C. Mohta *	11.05.2017	10.05.2020	3 years	Executive Director

\* For termination of agreement, the Company and the Executive Director are required to give a notice of six months or six months' salary in lieu thereof.

Shri K. C. Mohta ceased to be the Wholetime Director of the Company on expiry of his term on 3rd May, 2017. However, he continues to be a Director of the Company. Shri Mohta has been appointed again as Wholetime Director, designated as Executive Director and Chief Executive Officer of the Company for a period of 3 years with effect from 11th May, 2017 at the Board Meeting held on 11th May, 2017.

### 5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted a CSR Committee as required under Section 135(1) of the Companies Act, 2013.

The said Committee has formulated a CSR policy which has activities envisaged in Schedule VII of the Companies Act, 2013 and has been disclosed on the website of the Company. The weblink for the same is [http://www.joonktolleeta.in/downloads/corporate\\_social\\_responsibility\\_policy.pdf](http://www.joonktolleeta.in/downloads/corporate_social_responsibility_policy.pdf)

#### (i) Terms of Reference

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

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate

## REPORT ON CORPORATE GOVERNANCE

the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;

- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- c) Monitor the Corporate Social Responsibility Policy of the company from time to time.
- d) Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

### (ii) Composition

The Corporate Social Responsibility Committee comprises of one Promoter Non-Executive Director, one Independent Non-Executive Director and one Professional Non-Promoter Executive Director & Chief Executive Officer namely Smt. P. D. Bangur, Shri M. K. Daga and Shri K.C. Mohta respectively. Smt. Pushpa Devi Bangur is the Chairperson of the Committee.

During the year under review, the Committee met once on 3rd February, 2017. The attendance of the Members at the Corporate Social Responsibility Committee Meeting is as under:

Name of the Director	Status	No. of meetings attended
Smt. P. D. Bangur	Chairperson	1
Shri M. K. Daga	Member	1
Shri K. C. Mohta	Member	1

The Secretary of the Company who is also acting as Secretary of the Committee attended the meeting.

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

The Board of Directors of the Company had constituted a Stakeholders Relationship Committee as per regulation 20(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, with the Stock Exchanges read with Section 178(5) of the Companies Act, 2013 to approve transfer / transmission / rematerialisation of shares; consolidation / splitting of folios; issue of duplicate share certificates etc. and oversee redressal of shareholders' and investors' grievances e.g. transfer of credit of shares, non-receipt of dividend/notice/annual reports etc.

### (i) Terms of Reference

The broad terms of Reference of the Stakeholders' Relationship Committee are as under :

- a) transfer / transmission / transposition of shares;

- b) consolidation / splitting of folios;

- c) issue of share certificates for lost, sub-divided, consolidated, rematerialized, defaced, etc.;

- d) review of shares dematerialized and all other related matters;

- e) investors' grievances and redressal mechanism and recommend measures to improve the level of investor services.

- f) oversee the performance of the Company's Registrars and Transfer Agents.

- g) carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

### (ii) Composition

The Stakeholders' Relationship Committee comprises of one woman Promoter Non-Executive Director, one Independent Non-Executive Director and one Professional Non-Promoter Executive Director & Chief Executive Officer namely Smt. P.D. Bangur, Shri M.M. Pyne and Shri K.C. Mohta respectively. Shri S. Bagree, Manager (Finance) & Company Secretary, is the Compliance Officer of the Company.

During the year under review, 13 (Thirteen) Stakeholders' Relationship Committee Meetings were held. The attendance of the Members at the Stakeholders' Relationship Committee Meeting is as under :

Name of the Director	Status	No. of meetings attended
Smt. P. D. Bangur	Chairperson	13
Shri M. M. Pyne	Member	13
Shri K. C. Mohta	Member	13

The Secretary of the Company who is also acting as Secretary of the Committee attended the meetings.

The Board of Directors have authorized the Secretary to approve the transfer / transmission / rematerialisation of shares which are properly processed and related formalities are done by the Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd., Kolkata. A statement showing such transfer / transmission / rematerialisation and also sub-division, consolidation of share certificates, issue of duplicate share certificates etc. is tabled at the Committee meetings. On approval of the Committee, necessary effects to such transfer / transmission / rematerialisation etc., are given. The Committee also keeps a close watch on all the complaints/grievances from the

## REPORT ON CORPORATE GOVERNANCE

shareholders which are duly attended. Details of Complaints received, redressed and pending during the financial year and reported under Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as under :

Pending at the beginning of the year	Received during the year	Redressed/ Replied during the year	Pending at the year end
Nil	3	3	Nil

The normal period of redressal of grievance is two weeks from the date of receipt of letters/complaints. There was no unresolved complaint as on 31st March, 2017. There were no share transfers pending for registration on 31st March, 2017.

### 7. ISSUE & ALLOTMENT COMMITTEE :

The Issue & Allotment Committee of the Board considers and approves issue and allotment of shares under agreed scheme e.g. Rights Issue, Bonus Issue, Capitalization or any other scheme as approved by the Board.

### 8. GENERAL BODY MEETINGS :

LAST THREE ANNUAL GENERAL MEETINGS OF THE COMPANY WERE HELD AS UNDER :

Financial Year	Date of Meeting	Time	Location
2013-2014	Aug. 26, 2014	11.15 A.M.	Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020
2014-2015	Sep 22, 2015	10.30 A.M.	Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020
2015-2016	Aug 30, 2016	10.30 A.M.	Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020

- Special resolutions were passed by the Company at the Annual General Meeting held on 26th August, 2014 pursuant to Section 180(1)(a) of the Companies Act, 2013, for securing the assets of the Company against its borrowing and pursuant to Section 180(1)(c) of the Companies Act, 2013 for increasing the borrowing limits.
- During the Financial Year ended 31/03/2017, following resolution was passed through Postal Ballot in accordance with the Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 –

Particular of Resolution	Resolution passed on	Applicable Section of the Companies Act, 2013	No. and % of Votes in favour	No. and % of Votes in against
<b>Special Resolution</b>	17.01.2017	Section 2(76), 188 and other applicable provisions, if any of the Companies Act, 2013	360472	24066
Disposal of Investments in M/s. Gloster Real Estates Pvt. Ltd, a wholly-owned subsidiary of the Company			93.7416%	6.2584%

Ms. Sweety Kapoor, a Practising Company Secretary, appointed as the Scrutinizer, conducted the Postal Ballot voting process.

### 9. SUBSIDIARY COMPANIES :

#### Non-listed Subsidiary

The Company has one non-material Non-listed Subsidiary

#### (i) Terms of Reference

The broad terms of reference of the Issue & Allotment Committee are as under :

- a) notifying Registrar & Share Transfer Agents of the Company to issue share certificates for the shares to be allotted pursuant to any agreed scheme;
- b) notifying the stock exchange(s) for issue and allotment of shares;
- c) notifying the Registrar of Companies for issue and allotment of shares, through return of allotment;
- d) taking up any other duties as determined by the Board from time to time.

#### (ii) Composition

The Issue and Allotment Committee comprises of one Promoter Non-Executive Director and two Independent Non-Executive Directors namely Shri H. Bangur, Shri M.M. Pyne and Shri M.K. Daga respectively.

No meeting was held during the year.

Company and two material Non-listed Subsidiary Companies. It has appointed independent directors of the Company in each of such Subsidiary Companies. The Minutes of the meetings of the Board of Directors of these Subsidiary

## REPORT ON CORPORATE GOVERNANCE

Companies are periodically placed before the Board of Directors of the Company and attention of the Directors is drawn to the significant transactions and arrangements entered into by the Subsidiary Companies.

The Company has acquired 80,000 Equity Shares of Rs.100/- each being 100% paid-up share capital of M/s. Keshava Plantations Private Limited owning Azizbagh Tea Estate at Assam. By virtue of this acquisition, M/s. Keshava Plantations Private Limited has become wholly-owned subsidiary of the Company w.e.f. 5th April, 2016.

During the year under review, the Company divested its entire stake in its Wholly-owned Subsidiary M/s. Gloster Real Estates Pvt. Ltd. As a result of sale of the shares, M/s. Gloster Real Estates Pvt. Ltd. ceased to be the Subsidiary of the Company w.e.f. 19th January, 2017.

The Company has formulated a policy for determining 'material' subsidiaries in accordance with the guidelines set out in the Listing Regulation with the Stock Exchanges. The policy has been disclosed on the website of the Company and the weblink for the same is [http://www.joonktolleetea.in/downloads/material\\_subsidaries\\_policy.pdf](http://www.joonktolleetea.in/downloads/material_subsidaries_policy.pdf).

### 10. DISCLOSURES :

#### (a) Related Party Transactions :

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act and the listing agreement. There are no materially significant related party transactions made by the Company with promoters, directors or key managerial personnel etc. which might have potential conflict with the interest of the Company at large.

A statement of all related party transactions is presented before Audit Committee on a quarterly basis specifying the nature, value and terms & conditions of the transactions.

The details of the transactions with the related parties are provided in the Company's Financial Statement.

The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website and the weblink for the same is [http://www.joonktolleetea.in/downloads/party\\_transaction\\_policy.pdf](http://www.joonktolleetea.in/downloads/party_transaction_policy.pdf).

#### (b) Non-compliance/strictures/penalties imposed :

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets for non-compliance by the Company during the last three years.

#### (c) Accounting Treatment :

Compliance of the Accounting Standards as applicable to the Company has been ensured in the Financial

Statements for the year ended March 31, 2017.

#### (d) Risk Management :

Risk evaluation and management is an ongoing process within the organization and the Board of Directors is informed time to time accordingly. Risk & Concerns and its management, analysis and process form the part of Directors' Report attached to this Annual report.

#### (e) Policy On Board Diversity :

The Company has adopted a Policy on Board Diversity. The policy has been disclosed on the website of the Company and the weblink for the same is [http://www.joonktolleetea.in/downloads/policy\\_on\\_board\\_diversity.pdf](http://www.joonktolleetea.in/downloads/policy_on_board_diversity.pdf).

#### (f) Whistle Blower Policy And Affirmation that no personnel has been denied access to the Audit Committee :

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism, for directors & employees to report concerns about unethical behavior or suspected fraud in violation of Company's Code of Conduct or any other point of concern. The policy has been disclosed on the website of the Company and the weblink for the same is [http://www.joonktolleetea.in/downloads/whistle\\_blower\\_policy.pdf](http://www.joonktolleetea.in/downloads/whistle_blower_policy.pdf).

#### (g) Sexual Harassment Policy :

The Company has adopted sexual harassment policy and has established necessary mechanism for protection of women from sexual harassment at work place. The policy has been disclosed on the website of the Company and the weblink for the same is [http://www.joonktolleetea.in/downloads/sexual\\_harassment\\_policy.pdf](http://www.joonktolleetea.in/downloads/sexual_harassment_policy.pdf).

#### (h) Code of Conduct :

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management. The said Code has been communicated to the Directors and the members of the Senior Management. For the purpose of this Code, Senior Management would comprise Members of the management one level below the Executive Director, including all functional heads. For the year under review, all the Directors and the Senior Management Personnel of the Company have confirmed their adherence to the provisions of this Code on an annual basis. A declaration to this effect given by the Executive Director & Chief Executive Officer of the Company is annexed alongwith this report. The Code has been posted on the website of the Company and the weblink for the same is [http://www.joonktolleetea.in/downloads/code\\_of\\_conduct.pdf](http://www.joonktolleetea.in/downloads/code_of_conduct.pdf).

## REPORT ON CORPORATE GOVERNANCE

**(i) Code of Conduct for the Independent Directors :**

The Board of Directors has adopted the Code of Conduct for the Independent Directors in terms of requirement of the Companies Act, 2013. The Code has been posted on the website of the Company, [www.joonktolleeta.in](http://www.joonktolleeta.in) and the weblink for the same is [http://www.joonktolleeta.in/downloads/code\\_for\\_independent\\_directors.pdf](http://www.joonktolleeta.in/downloads/code_for_independent_directors.pdf)

**(j) Insider Trading :**

The Company has adopted the Code of Internal Procedures and Conduct as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015 for prevention of any unauthorized trading in the shares of the Company by insiders. Shri S. Bagree, Manager (Finance) & Company Secretary, is the Compliance Officer for the purpose of this regulation.

**(k) Code of Practices & Procedures for Fair Disclosures of Unpublished Price Sensitive Information :**

The Board of Directors has adopted the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Code has been posted on the website of the Company, [www.joonktolleeta.in](http://www.joonktolleeta.in) and the weblink for the same is [http://www.joonktolleeta.in/downloads/code\\_of\\_practices.pdf](http://www.joonktolleeta.in/downloads/code_of_practices.pdf).

**(l) Policy for Determination of Materiality of Events or Information :**

The Board of Directors have approved a Policy for determining materiality of events for the purpose of making disclosure to the Stock Exchange(s). The Policy has been posted on the website of the Company, [www.joonktolleeta.in](http://www.joonktolleeta.in) and the weblink for the same is [http://www.joonktolleeta.in/downloads/determination\\_materiality.pdf](http://www.joonktolleeta.in/downloads/determination_materiality.pdf).

**(m) CEO / CFO Certification :**

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification, on financial statements has been issued pursuant to regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and is annexed to the Corporate Governance Report and forms part of the Annual Report.

**(n) Review of Directors' Responsibility Statement :**

The Board in its report has confirmed that the Annual Accounts of the Company for the year ended 31st March, 2017 have been prepared as per the Accounting Standard and Policies.

**(o) Compliance with Corporate Governance Norms:**

The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated in regulation 27(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company has submitted the compliance

report in the prescribed format to the Stock Exchange(s) for the quarters ended 30th June, 2016, 30th September, 2016, 31st December, 2016 and 31st March, 2017.

**(p) Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India:**

The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, has issued Secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. The Company adheres to these standards.

### 11. MEANS OF COMMUNICATION :

(a) As the quarterly and annual audited financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board/Committee and published in 'Business Standard' / 'The Echo of India' (English Newspaper) and 'Arthik Lipi' / 'Aaj Kal' (Bengali Newspaper), the same are not separately sent to each household of shareholders.

(b) The results are being uploaded on the website at [www.joonktolleeta.in](http://www.joonktolleeta.in). Distribution of shareholdings is also displayed on the website.

(c) Company has not made any official news release and presentations to any institutional investors/analysts during the year.

**(d) SEBI Complaints Redress System (SCORES) :**

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(e) **Designated Exclusive Email-id :** The Company has designated the following email-id exclusively for investor servicing :-  
[investors@joonktolleeta.in](mailto:investors@joonktolleeta.in)

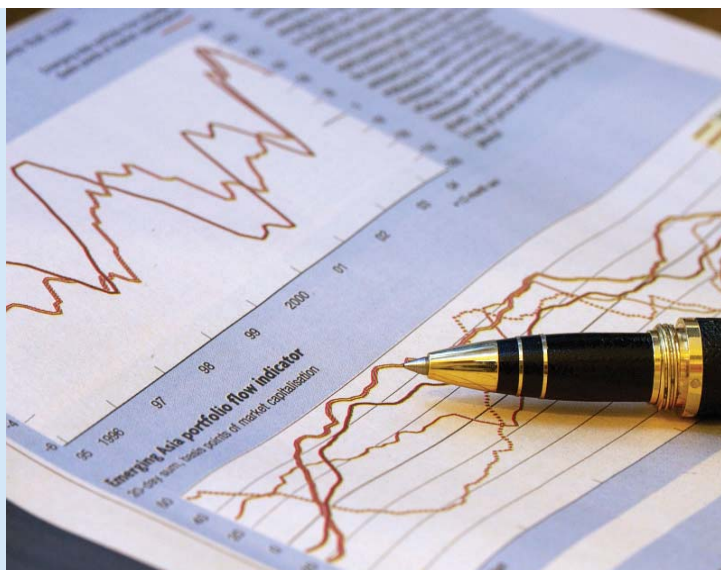
### 12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

Management Discussion and Analysis Report has been discussed in the Directors' Report.

### 13. GENERAL SHAREHOLDER INFORMATION :

The required information under regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is given in the "Shareholder Information" separately in the annexure to this Corporate Governance Report.

# SHAREHOLDER INFORMATION



**(i) Company Registration Details :**

The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L01132WB1900PLC000292.

**(ii) Annual General Meeting :**

Day	Date	Time	Venue
Thursday	August 31, 2017	10.30 A.M.	"Shripati Singhanian Hall" Rotary Sadan 94/2, Chowringhee Road Kolkata – 700 020

**(iii) Financial Year :** April 1, 2017 to March 31, 2018

**(iv) Financial Calendar (tentative) :**

June 30, 2017	Second week of September, 2017
September 30, 2017	Second week of December, 2017
December 31, 2017	Second week of February, 2018
March 31, 2018	Within May, 2018

**(v) Date of Book Closure :**

Day	Date	To	Day	Date
Friday	August 25, 2017		Thursday	August 31, 2017

**(vi) Dividend Payment Date :**

Credit/dispatch of dividend warrants between 1st September, 2017 to 5th September, 2017.

**(vii) Listing on Stock Exchanges :**

**A) Equity Shares**

*BSE Limited (BSE)*  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001  
Scrip Code : 538092  
Demat ISIN No. for NSDL & CDSL : INE574G01013

*The Calcutta Stock Exchange Ltd.*  
7, Lyons Range  
Kolkata-700 001  
Scrip Code : 10020009

**B) Payment of Listing Fees :** Annual listing fees for the year 2017-18 has been paid by the company to CSE & BSE.

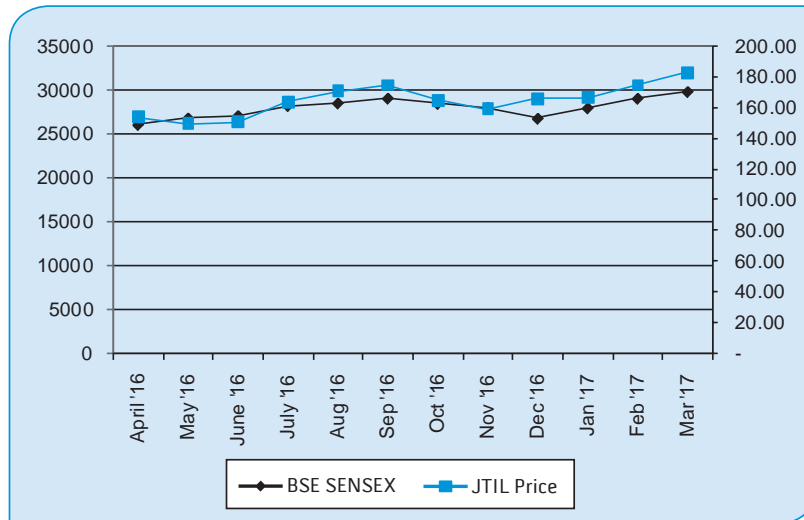
## SHAREHOLDER INFORMATION

**C) Payment of Depository Fees :** Annual Custody/Issuer fee for the year 2017-18 has been paid by the Company to NSDL and CDSL.

### (viii) Stock Market Price Data

There were no transactions in the equity shares of the Company at The Calcutta Stock Exchange, hence there is no monthly high and low quotations and volume of shares traded on the Stock Exchange during the year. However, the month-wise high, low of the market price of the Company's shares traded on BSE along with month-wise high, low of the BSE SENSEX are as under :

Months	Stock Price at BSE		BSE SENSEX	
	High (₹)	Low (₹)	High	Low
April, 2016	154.20	137.30	26100.54	24523.20
May, 2016	149.90	128.40	26837.20	25057.93
June, 2016	151.00	131.20	27105.41	25911.33
July, 2016	163.90	137.10	28240.20	27034.14
August, 2016	171.00	131.15	28532.25	27627.97
September, 2016	174.95	140.00	29077.28	27716.78
October, 2016	165.00	138.05	28477.65	27488.30
November, 2016	159.55	132.05	28029.80	25717.93
December, 2016	165.95	140.00	26803.76	25753.74
January, 2017	166.75	146.35	27980.39	26447.06
February, 2017	174.90	146.00	29065.31	27590.10
March, 2017	182.90	155.00	29824.62	28716.21



### (ix) Registrars and Share Transfer Agent :

The Company has appointed M/s. Maheshwari Datamatics Pvt. Ltd. as its Registrar & Share Transfer Agents (RTA) for handling work related to share registry in terms of both physical and electronic modes. Accordingly, all correspondence, shares for transfer, demat/remat requests and other communication in relation thereto should be mailed/hand delivered to the said RTA directly at the following address:

M/s. Maheshwari Datamatics Pvt. Ltd.  
 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001  
 Phone : (033) 2248-2248, Fax No. : (033) 2248-4787  
 E-mail : mdpldc@yahoo.com



## SHAREHOLDER INFORMATION

### (x) Share Transfer System :

Requests for transfer/transmission of shares are registered by the Registrars and placed before the Stakeholders' Relationship Committee and after approval certificates are returned to the respective transferee within a period of fifteen days, provided the documents lodged with the Registrars/Company are clear and complete in all respects. A total of 4,092 shares were transferred/transmitted/ rematerialized / sub-divided / endorsed during the year 2016-17. The dematerialized shares are credited directly to the respective Demat Account of beneficiaries by the Depositories.

### (xi) A) Categories of Shareholders as on March 31, 2017 :

Category		No. of Shares Held	% of Share Capital
<b>A. PROMOTER'S HOLDING</b>			
1.	<b>Promoters</b>		
	a. Indian Promoters	3106138	74.9876
	b. Foreign Promoters	-	-
	<b>Total</b>	<b>3106138</b>	<b>74.9876</b>
<b>B. NON-PROMOTER'S HOLDING</b>			
2.	<b>Institutional Investors</b>		
	a. Mutual Funds	-	-
	b. Banks, Financial Institutions, Insurance Companies	249437	6.0219
	c. FIIs	-	-
	<b>Total</b>	<b>249437</b>	<b>6.0219</b>
3.	<b>OTHERS</b>		
	a. Bodies Corporate	79558	1.9207
	b. Indian Public	671552	16.2124
	c. NRIs/OCBs	17539	0.4234
	d. Any Other	17977	0.4340
	<b>Total</b>	<b>786626</b>	<b>18.9905</b>
	<b>GRAND TOTAL</b>	<b>4142201</b>	<b>100.0000</b>

### B) Distribution of Shareholding as on March 31, 2017 :

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Upto 500	4334	95.4205	254622	6.1470
501 to 1000	110	2.4218	79869	1.9282
1001 to 2000	41	0.9027	52407	1.2652
2001 to 3000	16	0.3523	38981	0.9411
3001 to 4000	4	0.0881	14985	0.3618
4001 to 5000	5	0.1101	23636	0.5706
5001 to 10000	6	0.1321	41728	1.0074
10001 and above	26	0.5724	3635973	87.7788
<b>GRAND TOTAL</b>	<b>4542</b>	<b>100.0000</b>	<b>4142201</b>	<b>100.0000</b>

## SHAREHOLDER INFORMATION

### C) Build up of Equity Share Capital :

Sl. No.	Particulars	Allotment Date	No. of Shares
	Subscribers to Memorandum	Aug, 1874	7
1	80 Equity Shares of ₹1,000/- each	Jan, 1875	
	Sub-divided into 8,000 Equity Shares of ₹10/- each	Jun, 1915	8,000
2	Issue of 4,000 Equity Shares of ₹10/- each	Nov, 1947	4,000
3	Bonus Issue	Dec, 1957	48,000
4	Bonus Issue	Jun, 1961	60,000
5	Bonus Issue	May, 1967	30,000
6	Bonus Issue	Jun, 1974	50,000
7	Bonus Issue	May, 1977	1,00,000
8	Bonus Issue	Sep, 1999	1,50,000
9	Issued to Shareholders of Kalasa Tea & Produce Co. Ltd. pursuant to Scheme of Amalgamation	Apr, 2002	3,51,825
	Issued to Shareholders of Cowcoody Estates Ltd. pursuant to Scheme of Amalgamation	Apr, 2002	2,94,163
10	Scheme of Arrangement & Amalgamation	Nov, 2008	21,37,659
11	Issued to Shareholders of Jamirah Tea Co. Ltd. pursuant to Scheme of Amalgamation	Aug, 2010	22,600
12	Issued to Shareholders of The Cochin Malabar Estates And Industries Ltd. pursuant to Scheme of Amalgamation	Feb, 2013	8,85,954
	<b>Total Equity as on 31<sup>st</sup> March, 2017</b>		<b>41,42,201</b>

### (xii) Corporate Benefits to Investors :

#### A) Dividend Declared for the last 10 Years :

Financial Year	Dividend Declaration	Dividend per Share (₹)
2006-07	22nd December, 2007	1.50
2007-08	29th November, 2008	1.50
2008-09	2nd September, 2009	1.50
2009-10	29th September, 2010	2.50
2010-11	28th September, 2011	2.50
2011-12	21st December, 2012	2.50
2012-13	31st August, 2013	3.00
2013-14	26th August, 2014	6.00
2014-15	22nd September, 2015	3.00
2015-16	30th August, 2016	1.00

**Note :** Dividend of ₹ 1/- per share recommended by the Directors on 11th May, 2017 is subject to declaration by the Shareholders at the Annual General Meeting.

#### B) Bonus Issues of Fully Paid-up Equity Shares :

Financial Year	Ratio
1957-58	1:4
1961-62	1:1
1967-68	4:1
1974-75	3:1
1977-78	2:1
1999-00	2:1

## SHAREHOLDER INFORMATION

### (xiii) Dematerialisation of Shares And Liquidity :

As per notifications issued by the Securities and Exchange Board of India (SEBI), the trading in Company's shares on the Stock Exchange is permitted only in dematerialized form. In order to enable the shareholders to hold their share in electronic form and to facilitate scripless trading, the Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have the option to dematerialize their shares with either of the Depositories.

Status of Dematerialisation as on 31st March, 2017 was as under :

Particulars	No. of Shares	% to Total Capital	No. of Accounts
National Securities Depository Limited	2143570	51.7495	1613
Central Depository Services (India) Limited	1755592	42.3831	886
<b>Total Dematerialised</b>	<b>3899162</b>	<b>94.1326</b>	<b>2499</b>
Physical	243039	5.8674	2043
<b>Grand Total</b>	<b>4142201</b>	<b>100.0000</b>	<b>4542</b>

### (xiv) Unclaimed Dividend

Pursuant to Section 124 of the Companies Act, 2013 read with provisions of Investors Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules 2016 (as amended), all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more, are to be transferred by the Company in favour of Investor Education and Protection Fund (IEPF). The Company has communicated to all the concerned shareholders individually whose shares are liable to be transferred to IEPF. The Company had also given newspaper advertisement dated December 22, 2016 & March 28, 2017, regarding proposed transfer in favour of IEPF in respect of which dividend has not been paid or claimed for seven consecutive years by the respective shareholders. The Company had also uploaded the details of such shareholders and shares due for transfer to IEPF on the website of the Company at [http://joonktolleeta.in/downloads/shares\\_iepf.pdf](http://joonktolleeta.in/downloads/shares_iepf.pdf). Accordingly, in case the Company does not receive any communication from the concerned shareholder, the Company shall transfer the shares to the IEPF Demat account by the due date as per the procedure stipulated in the Rules.

Shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the Rules. Shareholders may refer Rule 7 of the said Rules for Refund of shares / dividend etc.

#### Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund :

During the year under review, the Company has credited ₹ 85,596/- lying in the unpaid / unclaimed dividend account, to the Investor Education and Protection Fund (IEPF) pursuant to Section 125 of the Companies Act, 2013.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 30, 2016 (date of last Annual General Meeting) on the website of the Company ([www.joonktolleeta.in](http://www.joonktolleeta.in)), as also on the Ministry of Corporate Affairs website.

(xv) As per Schedule VI read with regulation 39(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 the company has sent reminders to shareholder, who are holding shares in physical form and whose certificates have been returned undelivered and are currently lying with RTA of the Company.

### (xvi) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on Equity :

The Company did not have any outstanding GDRs / ADRs / Warrants or Convertible Instruments as on 31st March, 2017.

### (xvii) Commodity price risk or foreign exchange risk and hedging activities:

The Company did not have any commodity price risk or foreign exchange risk and hedging activities as on 31st March, 2017.

## SHAREHOLDER INFORMATION

### (xviii) Reconciliation of Share Capital :

As stipulated by SEBI, a Qualified Practising Company Secretary carries out Reconciliation of 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. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

### (xix) Weblinks for the policies adopted by the Company :

The Company has adopted the following Policies and the same has been disclosed on the website of the Company –

- Policy on Board Diversity  
Weblink is –  
[http://www.joonktoleetea.in/downloads/board\\_diversity.pdf](http://www.joonktoleetea.in/downloads/board_diversity.pdf)
- Familiarisation Programme for Independent Directors  
Weblink is –  
[http://www.joonktoleetea.in/downloads/familiarisation\\_programme.pdf](http://www.joonktoleetea.in/downloads/familiarisation_programme.pdf)
- Remuneration Policy  
Weblink is –  
[http://www.joonktoleetea.in/downloads/remuneration\\_policy.pdf](http://www.joonktoleetea.in/downloads/remuneration_policy.pdf)
- Policy for determining Material Subsidiaries  
Weblink is –  
[http://www.joonktoleetea.in/downloads/material\\_subsidaries\\_policy.pdf](http://www.joonktoleetea.in/downloads/material_subsidaries_policy.pdf)
- Corporate Social Responsibility Policy  
Weblink is –  
[http://www.joonktoleetea.in/downloads/corporate\\_social\\_responsibility\\_policy.pdf](http://www.joonktoleetea.in/downloads/corporate_social_responsibility_policy.pdf)
- Related Party Transaction Policy  
Weblink is –  
[http://www.joonktoleetea.in/downloads/party\\_transaction\\_policy.pdf](http://www.joonktoleetea.in/downloads/party_transaction_policy.pdf)
- Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information  
Weblink is –  
[http://www.joonktoleetea.in/downloads/code\\_of\\_practices.pdf](http://www.joonktoleetea.in/downloads/code_of_practices.pdf)
- Code of Conduct to regulate, monitor and report trading in securities  
Weblink is –  
[http://www.joonktoleetea.in/downloads/code\\_to\\_regulate.pdf](http://www.joonktoleetea.in/downloads/code_to_regulate.pdf)
- Whistle Blower Policy  
Weblink is –  
[http://www.joonktoleetea.in/downloads/whistle\\_blower\\_policy.pdf](http://www.joonktoleetea.in/downloads/whistle_blower_policy.pdf)
- Policy on prevention of Sexual Harassment at workplace  
Weblink is –  
[http://www.joonktoleetea.in/downloads/sexual\\_harassment\\_policy.pdf](http://www.joonktoleetea.in/downloads/sexual_harassment_policy.pdf)
- Policy for Determination of Materiality of Events or Information  
Weblink is –  
[http://www.joonktoleetea.in/downloads/determination\\_materiality.pdf](http://www.joonktoleetea.in/downloads/determination_materiality.pdf)
- Policy on Document Preservation & Archival of Documents  
Weblink is –  
[http://www.joonktoleetea.in/downloads/preservation\\_archival.pdf](http://www.joonktoleetea.in/downloads/preservation_archival.pdf)

## SHAREHOLDER INFORMATION

### (xx) Locations :

A. Tea / Coffee/ Rubber Estates and Factories are located at :

#### TEA

**Joonktollee Tea Estate**

P.O. Barbam-786 624  
Dist. Dibrugarh, Assam

**Shree Ganga Tea Estate**

P.O. Barbam-786 624  
Dist. Dibrugarh, Assam

**Goomankhan Tea Estate**

Hirebile P.O.577121  
Dist. Chikmagalur,  
Karnataka

**Kolahalamedu Tea Estate**

Vagamon Post  
P.O. Pullikanam-685503  
Dist. Idukki, Kerala

**Jamirah Tea Estate**

P.O. Dibrugarh-786 001  
Dist. Dibrugarh, Assam

**Nilmoni Tea Estate**

P.O. Tinkhong-786 112  
Rajgarh, Assam

**Pullikanam Tea Estate**

Vagamon Post  
P.O. Pullikanam-685503  
Dist. Idukki, Kerala

**Azizbagh Tea Estate**

Rajgarh - 786 611  
Dist. Dibrugarh, Assam

#### COFFEE

**Cowcoody Estate**

Somwarpet-571236  
Dist. Coorg, Karnataka

#### RUBBER

**Chemoni Rubber Estate**

P.O. Palapilly-680304  
Dist. Trichur, Kerala

**Pudukad Rubber Estate**

P.O. Palapilly-680304  
Dist. Trichur, Kerala

**Echipara Rubber Estate**

P.O. Palapilly-680304  
Dist. Trichur, Kerala

B. Registered & Corporate Office -

21, Strand Road,  
Kolkata - 700 001  
West Bengal

C. Branches / Sales Depots are located at :

**AHMEDABAD**

C-303-306, Supath II  
Near Usmanpura, Ashram Road  
Ahmedabad-380 013  
Gujarat

**COIMBATORE**

Post Box No.3837,  
234-A, Race Course Road  
Coimbatore-641 018,  
Tamil Nadu

## SHAREHOLDER INFORMATION

### HUBLI

C.T.S. No.1730, House No.6938,  
"Hondonnavar Building", Chelinavar Oni  
Veerapur Road, Hubli-580 020  
Karnataka

### MUMBAI

45/46, Ali Chambers  
N.M. Road, Mumbai - 400 023  
Maharashtra

### JAIPUR

"KHETAN BHAVAN", M.I. Road  
Jaipur-302 001  
Rajasthan

### (xxi) Address for correspondence :

#### Physical Shares

Maheshwari Datamatics Pvt. Ltd.  
23, R.N. Mukherjee Road, 5th Floor  
Kolkata-700 001.  
Tel : 033-2248-2248, Fax : 033-2248-4787  
e-mail : mdpldc@yahoo.com

#### Demat Shares

Respective Depository Participants of the shareholders.

Investors may also write to or contact Shri S. Bagree, Manager (Finance) & Company Secretary at the Registered Office for any assistance that they may need.

Telephone No. 91 33 2230 0780, Fax No. 91 33 2230 2105  
E-mail : investors@joonktoleetea.in

#### Addresses of regulatory authority / stock exchanges

##### Securities and Exchange Board of India

Plot No.C40A, G Block, Bandra Kurla Complex  
Bandra (East), Mumbai 400 051  
Telephone No.91 22 2644 9000 / 91 22 4045 9000  
Fax No. 91 22 2644 9019 to 9022

##### BSE Limited

Phiroze Jeejeebhoy Towers, 25th Floor  
Dalal Street, Mumbai 400 001  
Scrip Code : 538092  
Telephone No. 91 22 2272 1233  
Fax No. 91 22 2272 1003

##### The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata – 700 001  
Telephone No. 91 33 4025 3000, Fax No. 91 33 4025 3030

##### National Securities Depository Limited

Trade World, A Wing, 4th and 5th Floor  
Kamala Mills Compound  
Senapathi Bapat Marg, Lower Parel  
Mumbai 400 013  
Telephone No. 91 22 2499 4200  
Fax No. 91 22 2497 6351

##### Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers, 17th Floor  
Dalal Street, Fort, Mumbai 400 001  
Telephone No. 91 22 2272 3333  
Fax No. 91 22 2272 2072

### (xxii) Brief Resume of Directors seeking appointment / re-appointment :

The resume and other details of the Directors seeking appointment/re-appointment as required to be disclosed under the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 is provided in the AGM Notice.

### (xxiii) Corporate Governance Compliance Certificate :

Certificate from Ms. Sweety Kapoor, a practicing Company Secretary, confirming compliance with the relevant provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred in Regulation 15(2) of the Listing Regulations for the financial year ended 31st March, 2017 is attached to the Corporate Governance Report forming part of the Directors' Report.

This Certificate will be forwarded to the Stock Exchanges alongwith the Annual Report of the Company.

**DECLARATION BY THE EXECUTIVE DIRECTOR & CHIEF EXECUTIVE OFFICER ON CODE OF CONDUCT**

This is to certify that all the Members of the Board of Directors and Senior Management (i.e. one level below the Executive Director) of the Company, have confirmed compliance with the Company's Code of Conduct during April, 2016 to March, 2017 as provided under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For **JOONKTOLLEE TEA & INDUSTRIES LTD.**

Place : Kolkata  
Date : 11th May, 2017

**K.C. Mohta**  
*Executive Director  
& Chief Executive Officer*

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

To  
The Members of  
**Joonktollee Tea & Industries Ltd.**

I have examined the compliance of conditions of Corporate Governance by Joonktollee Tea & Industries Limited ('the Company'), for the year ended 31st March, 2017, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the said Company with stock exchanges.

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

In my opinion and to the best of my information and according to the explanations given to me, read with the matter described hereinabove, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations'), of the said Company with stock exchanges.

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.

Place : Kolkata  
Date : 11th May, 2017

**Sweety Kapoor**  
*Practising Company Secretary  
Membership No.FCS 6410, C.P. No.5738*

### CEO AND CFO CERTIFICATION

We, K. C. Mohta, Executive Director & Chief Executive Officer and B.L. Dhanuka, Chief Financial Officer of Joonktollee Tea & Industries Limited, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year 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 existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) there were no significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) there were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Joonktollee Tea & Industries Ltd.**

**B. L. Dhanuka**  
*Chief Financial Officer*

**K.C. Mohta**  
*Executive Director  
& Chief Executive Officer*

Place : Kolkata  
Date : 11th May, 2017



# SECRETARIAL AUDIT REPORT

Annexure - D

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,  
The Members,

**Joonktollee Tea & Industries Limited**

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

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, to the extent 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 and Rules made thereunder;
- iii) The Depositories Act, 1996 and 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 Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

- b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- d) The Securities & Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008
- f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, the following laws/Acts are also, inter alia, applicable to the Company:
  - a) The Food Safety and Standards Act, 2006 and Food Safety and Standards Rules, 2011;
  - b) The Legal Metrology Act, 2009 & Legal Metrology (Packaged Commodities) Rules, 2011;
  - c) The Tea Act, 1953 and Rules thereunder;
  - d) Tea Warehouse (Licensing) Order, 1989;
  - e) The Tea Waste (Control) Order, 1959;
  - f) The Tea (Marketing) Control Order, 1984;
  - g) The Coffee Act, 1942 and the Rules made thereunder;
  - h) The Coffee Market Expansion Act, 1942;
  - i) The Bureau of Indian Standards (BIS) Act, 1986;
  - j) The Plantations Labour Act, 1951;
  - k) The Assam Plantation Labour Rules, 1956;
  - l) The Plantation Labour (Karnataka) Rules, 1956;
  - m) The Rubber Act, 1947

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India

## SECRETARIAL AUDIT REPORT

- b) Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

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

- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the audit period there are no specific events/actions which have any major bearing on the Company's affairs.

This report is to be read with our letter of even date which is annexed as Annexure – I which forms an integral part of this report.

Date : 11th May, 2017  
Place : Kolkata

For **MKB & Associates**  
*Company Secretaries*

**Neha Somani**  
*[Partner]*

ACS no. 44522  
COP no.17322

FRN: P2010WB042700

# SECRETARIAL AUDIT REPORT

## Annexure - I

To,  
The Members,  
**Joonktollee Tea & Industries Limited**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **MKB & Associates**  
*Company Secretaries*

**Neha Somani**  
*[Partner]*

ACS no. 44522

COP no.17322

FRN: P2010WB042700

Date : 11th May, 2017

Place : Kolkata

# EXTRACT OF THE ANNUAL RETURN

Annexure - E

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

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

### I. REGISTRATION AND OTHER DETAILS:

i) <b>CIN</b>	L01132WB1900PLC000292
ii) <b>Registration Date</b>	07/08/1874
iii) <b>Name of the Company</b>	Joonktolee Tea & Industries Limited
iv) <b>Category / Sub-Category of the Company</b>	Public Company limited by shares
v) <b>Address of the Registered office and contact details</b>	21, Strand Road, Kolkata - 700 001
vi) <b>Whether listed company Yes / No</b>	Yes
vii) <b>Name, Address and Contact details of Registrars and Transfer Agent, if any</b>	Maheshwari Datamatics Private Ltd. 23, R.N. Mukherjee Road, 5th Floor Kolkata - 700 001 Phone : (033) 2248-2248 Fax No. :(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	01271	86%

### 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	Cowcoody Builders Pvt. Ltd. 21, Strand Road, Kolkata - 700 001	U45203WB2006PTC111436	Subsidiary	100.00%	2(87)
2	Pranav Infradev Company Pvt. Ltd. 21, Strand Road, Kolkata - 700 001	U45203WB2006PTC111437	Subsidiary	100.00%	2(87)
3	Keshava Plantations Pvt. Ltd Azizbgah Tea Estate, Rajgarh, Dibrugarh, Assam - 786611	U01132AS1999PTC005666	Subsidiary	100.00%	2(87)
4	The Cochin Malabar Estates and Industries Ltd. 21, Strand Road, Kolkata - 700 001	L01132WB1991PLC152586	Associate	24.68%	2(6)



## EXTRACT OF THE ANNUAL RETURN

Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2016)				No. of Shares held at the end of the year (31st March, 2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	235975	208335	444310	10.7264	250772	200848	451620	10.9029	0.1765
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	240009	-	240009	5.7942	219932	-	219932	5.3095	(0.4847)
c) Others	-	-	-	-	-	-	-	-	-
i) Trusts	-	147	147	0.0035	-	-	-	-	(0.0035)
ii) Foreign National	-	16268	16268	0.3927	-	16268	16268	0.3927	0.0000
iii) Custodian of Enemy Property	-	240	240	0.0058	-	240	240	0.0058	0.0000
iv) Clearing Member	911	-	911	0.0220	1468	-	1468	0.0354	0.0134
v) Non Resident Individual	1395	16404	17799	0.4297	1135	16404	17539	0.4234	(0.0063)
vi) NBFCs registered with RBI	1	-	1	0.0000	1	-	1	0.0000	0.0000
<b>Sub-total (B)(2)</b>	<b>538886</b>	<b>247230</b>	<b>786116</b>	<b>18.9781</b>	<b>546531</b>	<b>240095</b>	<b>786626</b>	<b>18.9904</b>	<b>0.0123</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>785390</b>	<b>250673</b>	<b>1036063</b>	<b>25.0123</b>	<b>793024</b>	<b>243039</b>	<b>1036063</b>	<b>25.0123</b>	<b>0.0000</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Promoter and Promoter Group									
Public									
<b>Grand Total (A+B+C)</b>	<b>3891528</b>	<b>250673</b>	<b>4142201</b>	<b>100.000</b>	<b>3899162</b>	<b>243039</b>	<b>4142201</b>	<b>100.000</b>	<b>-</b>

## EXTRACT OF THE ANNUAL RETURN

### (ii) Shareholding of Promoters (including Promoter Group)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Pushpa Devi Bangur	970181	23.4219	-	517928	12.5037	-	(10.9182)
2.	Hemant Bangur	289070	6.9787	-	226729	5.4736	-	(1.5051)
3.	Vinita Bangur	133502	3.2230	-	21800	0.5263	-	(2.6967)
4.	Gopal Das Bangur HUF	106916	2.5811	-	100	0.0024	-	(2.5787)
5.	Hemant Kumar Bangur HUF	66916	1.6155	-	34490	0.8326	-	(0.7829)
6.	Purushottam Dass Bangur HUF	41000	0.9898	-	41000	0.9898	-	-
7.	Purushottam Dass Bangur	7750	0.1871	-	7750	0.1871	-	-
8.	Pranov Bangur	250	0.0060	-	250	0.0060	-	-
9.	Kettlewell Bullen & Company Ltd.	538838	13.0085	-	538838	13.0085	-	-
10.	The Oriental Company Ltd.	493643	11.9174	-	493643	11.9174	-	-
11.	The Cambay Investment Corporation Ltd.	265227	6.4030	-	110737	2.6734	-	(3.7296)
12.	Credwyn Holdings (India) Pvt Ltd	98524	2.3785	-	98524	2.3785	-	-
13.	Madhav Trading Corporation Ltd.	54102	1.3061	-	374130	9.0322	-	7.7261
14.	Wind Power Vinimay Pvt Ltd.	27719	0.6692	-	27719	0.6692	-	-
15.	Mugneeram Bangur & Company LLP	12500	0.3018	-	612500	14.7868	-	14.4850
	<b>Total</b>	<b>3106138</b>	<b>74.9877</b>	<b>-</b>	<b>3106138</b>	<b>74.9877</b>	<b>-</b>	<b>0.0000</b>

### (iii) Change in Promoters (including Promoter Group) Shareholding

Sl. No.		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	<b>Pushpa Devi Bangur, Director</b>				
	a)At the Beginning of the Year	970181	23.42	970181	23.42
	b)Changes during the Year				
	As on 24/03/2017 – Sell	(452253)	(10.92)	517928	12.50
	c)At the end of the Year	-	-	517928	12.50
2	<b>Hemant Bangur - Chairman</b>				
	a)At the Beginning of the Year	289070	6.98	289070	6.98
	b)Changes during the Year				
	As on 29/04/2016 – Buy	120000	2.89	409070	9.87
	As on 17/03/2017 – Sell	(182341)	(4.40)	226729	5.47
	c)At the end of the Year	-	-	226729	5.47
3	<b>Vinita Bangur</b>				
	a)At the Beginning of the Year	133502	3.22	133502	3.22
	b)Changes during the Year				
	As on 17/03/2017 – Sell	(111702)	(2.69)	21800	0.52
	c)At the end of the Year	-	-	21800	0.52

## EXTRACT OF THE ANNUAL RETURN

Sl. No.		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
4	<b>Gopal Das Bangur HUF</b>				
	a)At the Beginning of the Year	106916	2.58	106916	2.58
	b)Changes during the Year				
	As on 17/03/2017 – Sell	(20000)	(0.48)	86916	2.09
	As on 24/03/2017 – Sell	(86816)	(2.09)	100	0.00
	c)At the end of the Year	-	-	100	0.00
5	<b>Hemant Kumar Bangur HUF</b>				
	a)At the Beginning of the Year	66916	1.61	66916	1.61
	b)Changes during the Year				
	As on 29/04/2016 – Buy	34490	0.83	101406	2.44
	As on 24/03/2017 – Sell	(66916)	(1.61)	34490	0.83
	c)At the end of the Year	-	-	34490	0.83
6	<b>The Cambay Investment Corporation Limited</b>				
	a)At the Beginning of the Year	265227	6.40	265227	6.40
	b)Changes during the Year				
	As on 29/04/2016 – Sell	(154490)	(3.72)	110737	2.67
	c)At the end of the Year	-	-	110737	2.67
7	<b>Madhav Trading Corporation Limited</b>				
	a)At the Beginning of the Year	54102	1.30	54102	1.30
	b)Changes during the Year				
	As on 24/03/2017 – Buy	320028	7.72	374130	9.03
	c)At the end of the Year	-	-	374130	9.03
8	<b>Mugneeram Bangur &amp; Company LLP</b>				
	a)At the Beginning of the Year	12500	0.30	12500	0.60
	b)Changes during the Year				
	As on 24/03/2017 – Buy	600000	14.48	612500	14.78
	c) At the end of the Year	-	-	612500	14.78



## EXTRACT OF THE ANNUAL RETURN

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

Sl. No.	For Each 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.	<b>Life Insurance Corporation of India</b>				
	a) At the Beginning of the Year	246493	5.9508		
	b) Changes during the Year			NO CHANGE DURING THE YEAR	
	c) At the end of the Year			246493	5.9508
2.	<b>Surendra Kumar Nathany</b>				
	a) At the Beginning of the Year	55000	1.3278		
	b) Changes during the year			NO CHANGE DURING THE YEAR	
	c) At the end of the Year			55000	1.3278
3.	<b>Yashwardhan Nathany</b>				
	a) At the Beginning of the Year	49000	1.1829		
	b) Changes during the year			NO CHANGE DURING THE YEAR	
	c) At the end of the Year			49000	1.1829
4.	<b>Mahendra Girdharilal</b>				
	a) At the Beginning of the Year	50539	1.2201	50539	1.2201
	b) Changes during the year				
	As on 10/03/2017 – Buy	179	0.0043	50718	1.2244
	c) At the end of the Year			50718	1.2244
5.	<b>Vijay Kumar Bangur</b>				
	a) At the Beginning of the Year	27499	0.6639		
	b) Changes during the year			NO CHANGE DURING THE YEAR	
	c) At the end of the Year			27499	0.6639
6.	<b>Abhay Gandhi</b>				
	a) At the Beginning of the Year	25250	0.6096	25250	0.6096
	b) Changes during the Year				
	As on 05/08/2016 – Sell	(250)	(0.0060)	25000	0.6036
	c) At the end of the Year			25000	0.6036
7.	<b>Carwin Trading Pvt. Ltd.</b>				
	a) At the Beginning of the Year	19901	0.4804		
	b) Changes during the year			NO CHANGE DURING THE YEAR	
	c) At the end of the Year			19901	0.4804
8.	<b>Margaret Barker</b>				
	a) At the Beginning of the Year	14062	0.3395		
	b) Changes during the Year			NO CHANGE DURING THE YEAR	
	c) At the end of the Year			14062	0.3395

## EXTRACT OF THE ANNUAL RETURN

Sl. No.	For Each 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
9.	<b>Joan Patricia Hardy</b>				
a)	At the Beginning of the Year	14062	0.3395		
b)	Changes during the Year	NO CHANGE DURING THE YEAR			
c)	At the end of the Year			14062	0.3395
10.	<b>Janardhanan Ramanujalu</b>				
a)	At the Beginning of the Year	20625	0.4979	20625	0.4979
b)	Changes during the Year				
	As on 15/04/2016 – Buy	125	0.0030	20750	0.5009
	As on 22/04/2016 – Buy	44	0.0011	20794	0.5020
	As on 29/04/2016 – Buy	311	0.0075	21105	0.5095
	As on 13/05/2016 – Buy	344	0.0083	21449	0.5178
	As on 20/05/2016 – Buy	200	0.0048	21649	0.5226
	As on 27/05/2016 – Sell	(700)	(0.0169)	20949	0.5057
	As on 10/06/2016 – Sell	(90)	(0.0022)	20859	0.5036
	As on 17/06/2016 – Sell	(729)	(0.0176)	20130	0.4860
	As on 30/06/2016 – Buy	9	0.0002	20139	0.4862
	As on 08/07/2016 – Sell	(13889)	(0.3353)	6250	0.1509
	As on 15/07/2016 – Sell	(311)	(0.0075)	5939	0.1434
	As on 22/07/2016 – Sell	(2000)	(0.0483)	3939	0.0951
	As on 29/07/2016 – Sell	(3376)	(0.0815)	563	0.0136
	As on 05/08/2016 – Buy	500	0.0121	1063	0.0257
	As on 30/09/2016 – Buy	100	0.0024	1163	0.0281
	As on 07/10/2016 – Buy	113	0.0027	1276	0.0308
	As on 21/10/2016 – Sell	(271)	(0.0065)	1005	0.0243
	As on 04/11/2016 – Buy	99	0.0024	1104	0.0267
	As on 11/11/2016 – Buy	206	0.0050	1310	0.0316
	As on 09/12/2016 – Sell	(110)	(0.0027)	1200	0.0290
	As on 16/12/2016 – Sell	(7)	(0.0002)	1193	0.0288
	As on 23/12/2016 – Buy	305	0.0074	1498	0.0362
	As on 30/12/2016 – Buy	5	0.0001	1503	0.0363
	As on 20/01/2017 – Sell	(121)	(0.0029)	1382	0.0334
	As on 10/02/2017 – Sell	(312)	(0.0075)	1070	0.0258
	As on 17/02/2017 – Sell	(70)	(0.0017)	1000	0.0241
	As on 24/02/2017 – Buy	200	0.0048	1200	0.0290
	As on 03/03/2017 – Sell	(1200)	(0.0290)	-	-
c)	At the end of the Year			-	-

## EXTRACT OF THE ANNUAL RETURN

Sl. No.	For Each 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
11.	<b>Kailash Chandra Dhanuka</b>				
a)	At the Beginning of the Year	12603	0.3043	12603	0.3043
b)	Changes during the Year				
	As on 13/05/2016 – Buy	200	0.0048	12803	0.3091
	As on 20/05/2016 – Buy	85	0.0021	12888	0.3111
	As on 27/05/2016 – Sell	(100)	(0.0024)	12788	0.3087
	As on 03/06/2016 – Sell	(100)	(0.0024)	12688	0.3063
	As on 24/02/2017 – Buy	34	0.0008	12722	0.3071
c)	At the end of the Year			12722	0.3071

**NOTE :** The above information is based on the weekly beneficiary position received from Depositories.

- Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) :

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

Sl. 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	<b>Hemant Bangur - Chairman</b>					
a)	At the Beginning of the Year	289070	6.98	289070	6.98	
b)	Changes during the Year					
	Date	Reason				
	29.04.2016	Buy	120000	2.89	409070	9.87
	17.03.2017	Sell	(182341)	(4.40)	226729	5.47
c)	At the end of the Year		-	226729	5.47	
2	<b>Pushpa Devi Bangur, Director</b>					
a)	At the Beginning of the Year	970181	23.42	970181	23.42	
b)	Changes during the Year					
	Date	Reason				
	24.03.2017	Sell	(452253)	(10.92)	517928	12.50
c)	At the end of the Year			517928	12.50	
3	<b>B.R. Bhansali, Non-Executive Independent Director</b>					
a)	At the Beginning of the Year	150	0.003			
b)	Changes during the Year					
	Date	Reason				
	23.12.2016	Sell	(150)	(0.003)	-	-
c)	At the end of the Year			-	-	

## EXTRACT OF THE ANNUAL RETURN

Sl. 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
4	<b>K. C. Mohta</b> , Executive Director & Chief Executive Officer				
	a) At the Beginning of the Year	-	-	-	-
	b) Changes during the Year				
	<b>Date</b>		<b>Reason</b>		
	16.12.2016	250	Buy	250	0.01
	c) At the end of the Year			250	0.01
5	<b>B.L. Dhanuka</b> , Chief Financial Officer				
	a) At the Beginning of the Year	53	0.01		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the Year			53	0.01
6	<b>S. Bagree</b> , Manager (Finance) & Company Secretary				
	a) At the Beginning of the Year	350	0.09	350	0.09
	b) Changes during the Year				
	<b>Date</b>		<b>Reason</b>		
	23.09.2016	(200)	Sell	150	0.04
	30.09.2016	(100)	Sell	50	0.01
	c) At the end of the Year			50	0.01

### V. INDEBTEDNESS

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	52,59,87,494	10,82,00,000	-	63,41,87,494
ii) Interest due but not paid	23,64,618	-	-	23,64,618
iii) Interest accrued but not due	16,73,151	-	-	16,73,151
<b>Total (i+ii+iii)</b>	<b>53,00,25,263</b>	<b>10,82,00,000</b>	<b>-</b>	<b>63,82,25,263</b>
Change in Indebtedness during the financial year				
• Addition	1,34,56,86,814	34,08,22,446	-	1,68,65,09,260
• Reduction	1,23,60,77,319	29,65,23,202	-	1,53,26,00,521
<b>Net Change</b>	<b>10,96,09,495</b>	<b>4,42,99,244</b>	<b>-</b>	<b>15,39,08,739</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	63,33,07,431	15,24,99,244	-	78,58,06,675
ii) Interest due but not paid	29,63,528	-	-	29,63,528
iii) Interest accrued but not due	33,63,799	-	-	33,63,799
<b>Total (i+ii+iii)</b>	<b>63,96,34,758</b>	<b>15,24,99,244</b>	<b>-</b>	<b>79,21,34,002</b>

## EXTRACT OF THE ANNUAL RETURN

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

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

Sl. No.	Particulars of Remuneration	Shri K. C. Mohta Executive Director & CEO	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43,32,000	43,32,000
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	22,34,232	22,34,232
	(c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others	-	-
5.	Others		
	<b>Total (A)</b>	<b>65,66,232</b>	<b>65,66,232</b>
	Ceiling as per the Act	**	

\*\*The remuneration paid to Shri K.C. Mohta, Executive Director & CEO of the Company, who is functioning in the professional capacity is in line with Clause B of Section II of Part II of Schedule V of the Companies Act, 2013.

B. Remuneration to other directors : (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. M.K. Daga	Mr. M.M. Pyne	Mr. J.K. Surana	Mr. B.R. Bhansali (upto 25.01.2017)	
1.	Independent Directors					
	• Fee for attending board/committee meetings	70,000	1,30,000	50,000	45,000	2,95,000
	• Commission	-	-	-	-	-
	• Others	-	-	-	-	-
	Total (1)	70,000	1,30,000	50,000	45,000	2,95,000
2.	Other Non-Executive Directors					
	• Fee for attending board/committee meetings	1,00,000	40,000	-	-	1,40,000
	• Commission	-	-	-	-	-
	• Others	-	-	-	-	-
	Total (2)	1,00,000	40,000	-	-	1,40,000
	Total (B)=(1+2)					4,35,000
	Total Managerial Remuneration					70,01,232
	Overall Ceiling as per the Act					\$

\$ Payments to Non-Executive Directors consists only of sitting fees for attending Board/Committee meetings.

## EXTRACT OF THE ANNUAL RETURN

C. Remuneration to Key Managerial Personnel Other Than MD / Manager /WTD : (Amount in ₹)

Sl. no.	Particulars of Remuneration	Mr. B.L. Dhanuka Chief Financial Officer	Mr. S. Bagree Company Secretary	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,15,000	11,82,067	31,97,067
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,81,200	8,34,600	10,15,800
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission			
	- as % of profit	–	–	–
	- others	–	–	–
5.	Others			
	<b>Total (C)</b>	<b>21,96,200</b>	<b>20,16,667</b>	<b>42,12,867</b>

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

There were no default / punishment or compounding of offences for any breach of any Section of the Companies Act, 2013 against the Company, its Directors or other Officers in default during the year ended 31st March, 2017.

On behalf of the Board

Place : Kolkata  
Date : 11th May, 2017

**(H. Bangur)**  
Chairman

## PARTICULARS OF CONSERVATION OF ENERGY

### Annexure - F

#### PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO REQUIRED U/S 134(3)(m) READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

##### A. CONSERVATION OF ENERGY

- i. In line with the Company's commitment towards conservation of energy, all the estates continue with their efforts aimed at improving energy efficiency through improved operational and maintenance practices. The steps taken in this direction at various estates are as under:
  - Reducing power consumption by using VFBD driers.
  - Replacement of inefficient motors with energy efficient motors.
  - Installation of Gas Generating Sets for generating power.
  - Upgradation of Machineries and installation of new machineries based on fuel or power efficiency.
  - Maintenance and overhauls of generators to achieve a high unit per ltr. Delivery
  - Monitoring the maximum demand and power load factor on daily basis.
  - Installation of adequate power capacitors for efficient utilization of available power.
  - Optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity consumption bills.

##### B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- 1 Efforts, in brief, made towards technology absorption, adaptation and innovation. The Company undertakes regular efforts to upgrade and modernize its equipments through adoption of improved technology. Managerial staff are encourages to attend seminars and training programmes for agricultural practice in the field of manufacturing process in the factories.
- 2 Benefits derived as a result of the above efforts e.g. Products improvement, Cost reduction, Products development, Import substitution etc. Adoption of improved technology, regular upgradation, modernization of equipments help in improving the yield and quality of Tea.
- 3 In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year). The Company did not import any technology during the last 3 financial years.

##### 4. RESEARCH AND DEVELOPMENT (R &D)

The Company contributes for the activities of Tea Research Association (TRA), Karnataka Planters Association (KPA) and United Planters Association of Southern India's (UPASI) scientific development regularly.

Their recommendations are adopted wherever feasible, in addition to our own efforts for obtaining better results.

The Company has incurred an expenditure of ₹ 5.68 lacs being amount paid to TRA, KPA & UPASI as above.

##### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review foreign exchange earnings were NIL and foreign exchange outgo NIL.

## RISKS AND CONCERNS

Risk management is an ongoing process that can help improve operation, prioritise resources, ensure regulatory compliance, achieve performance target, improve financial stability and ultimately prevent loss/damage to the entity. But business entities cannot be risk averse as profits in business without taking risk is highly unlikely. Risk management plays a key role in protecting the assets and resources and ensuring that risks are reduced to an acceptable level. The essence of the risk management is to reduce the risk to a reasonable and in manageable level on an ongoing basis. Risk management is a two-step process – determining what risks exist and, then, handling those risks in ways best-suited to the objectives. The Company has risk management which inter alia provides for review of the risk assessment and mitigation procedure, laying down procedure to inform and report periodically to the Board of Directors and to ensure that the procedure is properly followed to mitigate the risks. Some of the key risks and its mitigation are illustrated below :

### INDUSTRY RISK :

- i) Tea, Coffee & Rubber are agricultural products and their performance depends on the vagaries of nature. For Tea & Rubber, timely rainfall is a pre-requisite. Similarly, for Coffee, adequate rainfall for pre and post blossom is required for formation of fruits. Untimely rain during the Coffee harvest season, and attack of tea thrips and jassids; caterpillar pests; tea mosquito bugs e.g. helopeltis; red spider mites, looper, termites etc. result in crop loss.

#### Risk Mitigation :

- Since timely information of weather plays a vital role for initiating steps towards application of fertilizers, chemicals and pesticides, steps are taken to get the weather information well in advance.
- Automatic weather prediction system has been installed at our Coffee Estate.
- Company is uprooting and replanting the uneconomical areas for the plantation of Tea, Coffee & Rubber in a phased manner.
- Company is in the process of adopting Tea Plantation Code introduced by the Tea Board of India.

- ii) Demand slowdown could dampen Company's profitability.

#### Risk Mitigation :

- There is no additional land available which even otherwise could be converted into Tea production by the organized sectors and as such production of Tea for the next few years appears to be stagnant which may lead to demand & supply mismatch. Moreover, the

domestic consumption of Tea in India is likely to have an annual growth of 3 to 4% and as such the Tea prices will remain firm.

- Similarly, Coffee prices will remain firm due to the low level of stocks especially of Robusta grade coffee.
- The domestic NR consumption is exceeding at the rate of 3 to 4% and the domestic NR prices now started rolling after prolong spell of depression due to the hike in the import duty of the commodity to 25% from 20% and as such the NR prices will remain firm.

### INDUSTRIAL RELATION RISK:

The Company being labour intensive is faced with the threat of the labour unrest & labour shortage.

#### Risk Mitigation :

- The Company has been maintaining exceptionally good relations with the labour force since its inception and there have been no loss of man-days on this account. The Company expects that with the employee friendly approach being adopted by it, the industrial relations continue to remain cordial. The Company is attempting to attract workers from the non-traditional plantation districts of Orissa, Jharkhand and Assam.
- The Company is in the process of introducing Mechanical Harvesting System.

### INTELLECTUAL CAPITAL RISK:

The Company may not have competent people to run the business.

#### Risk Mitigation :

- Geared up recruitment process, focusing on prospective growth.
- Developed functional and behavioural skills through proactive training.
- Enjoys one of the lowest attrition rate in the industry.

### OPERATING RISK:

Operating risk refers to things that go wrong during the Company's everyday operations. Factory breakdown, or consignments of materials do not arrive on time etc.

#### Risk Mitigation :

Operating team is available to take corrective measures for such risks when it occurs.

### COMPETITION RISK:

Owing to the opening of the world trade Company is faced



## RISKS AND CONCERNS

with the menace of pressure on margins on its products more particularly, Coffee & Rubber. The prices of the finished goods are based on the movement of the international prices.

### **Risk Mitigation :**

Your Company has stepped up its focus on the quality, structural cost optimization and cost control measures.

### **FUNDING & LIQUIDITY RISK:**

The Company may not be able to source fund for capital expenditure and to manage daily operations.

### **Risk Mitigation :**

- Your Company has large reserves and surplus to fund the capital expenditure.
- Maintains low debt-equity ratio to facilitate low-cost funds mobilization over the coming years.
- Rated 'BBB' for (long term) credit by CRISIL, providing ample scope for further fund raising.

- Your Company has enough cash for meeting the operational cash requirements.
- Managed debtors' cycle at a comfortable level.
- Maintained a quick ratio of 0.30
- Reduced average inventory days from 45 to 30 days.

### **GEOPOLITICAL AND ENVIRONMENTAL RISK:**

War and terrorism represent a threat to disruption of entire activities of the Company. Geopolitical risk includes changes of government that might result in new and unfavourable regulations or tax regimes.

### **Risk Mitigation :**

Such risks are analysed through the expert consultant and are to be understood once risks are stemming from the global issues. Once the range of possible future crises has been established, contingency plans can then be put in place to deal with them.

## HIGHLIGHTS OF FINANCIAL PERFORMANCE

(₹ in Lacs)

Particulars	2016-17	2015-16
1. Net Sales	8,821.08	10291.29
2. Operating Profit/(Loss) before Interest, Dep. and Taxation	(260.33)	974.89
3. Less : Interest and Financial charges	756.80	558.75
4. Profit/(Loss) after Interest	(1,017.13)	416.14
5. Less : Depreciation	467.56	404.81
6. Profit/(Loss) after Depreciation	(1,484.69)	11.33
7. Profit/(Loss) before Tax	(1,484.69)	11.33
8. Provision for Taxes	(91.66)	73.16
9. Net Profit/(Loss) after Tax	(1,393.03)	(61.83)

### Net Worth

Net worth decreased from ₹12,774.11 lacs in the Financial Year 2015-16 to ₹10,977.23 lacs in the Financial Year 2016-17.

### Loan Funds

- a. Short Term Borrowings :  
Increased from ₹3,258.54 lacs in the Financial Year 2015-16 to ₹ 4,458.07 lacs in the Financial Year 2016-17.
- b. Long Term Borrowings :  
Increased from ₹2,279.17 lacs in the Financial Year 2015-16 to ₹ 2,545.83 lacs in the Financial Year 2016-17.

### Capital Assets / Additions

Company has incurred capital expenditure amounting to ₹320.78 lacs during the year ended 31st March, 2017 as compared to ₹660.73 lacs for the same period last year.

### Sales

Revenue from operations decrease from ₹10,291.29 lacs in the Financial Year 2015-16 to ₹8,821.08 lacs in the Financial Year 2016-17.

### Depreciation & Amortisation Expenses

Increase from ₹404.81 lacs in the Financial Year 2015-16 to ₹467.56 lacs in the Financial Year 2016-17.

### Profit/(Loss) before Depreciation, Interest and Tax

Decrease from ₹974.89 lacs in the Financial Year 2015-16 to (₹260.33) lacs in the Financial Year 2016-17.

### Cash Profit / (Loss) after Tax

Decrease from ₹342.98 lacs in the Financial Year 2015-16 to ₹ (925.47) lacs in the Financial Year 2016-17.

### Net Profit / (Loss) after Tax

Decrease from ₹(61.83) lacs in the Financial Year 2015-16 to ₹(1,393.03) lacs in the Financial Year 2016-17.

## INDEPENDENT AUDITORS' REPORT

To The Members of  
**JOONKTOLLEE TEA & INDUSTRIES LIMITED**

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Joonktollee Tea & Industries Limited (‘the Company’), which comprise the Balance Sheet as at 31 March 2017, 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 STANDALONE FINANCIAL STATEMENTS

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation 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 standalone financial statements.

### OPINION

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure ‘A’ a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid 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

## INDEPENDENT AUDITORS' REPORT

- the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note 2. 24 (A) to the financial statements;
- ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company during the year.
- iv. The company has provided requisite disclosures in the note no. 2.24 R in these standalone financial statement as to holdings as well as dealing in the Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedure and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the company and as produced to us by the management.

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

**Gopal Jain**  
*Partner*

Place : Kolkata  
Date: 11th day of May, 2017

Membership No. 059147

## 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 Auditors' Report of even date in respect to statutory audit of Joonktollee Tea & Industries Limited for the year ended 31st March 2017, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, based on a phased manner, the fixed assets of

Name of the Unit	Assets Description	As at 31st March, 2017 (Amount in Rs. Lakh)		Remarks
		Gross Block	Net Block	
Sreemoni Tea Factory	Leasehold land and Building	630.25	407.57	In the process of transfer in the name the Company
Joonktollee Tea Estate	Leasehold land	2.25	2.25	

- ii. According to the information and explanation given to us, the inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have been substantially confirmed by them. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 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 185 and 186 of the Act, with respect to the loans and investments made. The Company has neither issued any guarantee nor has provided any security on behalf of any party.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act 2013 and the rules framed there under.
- vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act,

Name of the Statute	Nature of Dues	Amount (₹ In Lakh)	Period to which the amount relates	Forum where dispute pending
Income Tax Act 1961	Income Tax Demand	49.03	A.Y 2007-08 to 2013-14	Commissioner of Income Tax Appeal
Karnataka Agricultural Income Tax Act 1957	Agricultural Income Tax	26.92	A.Y 2009-10 and 2010-11	Joint Commissioner of Commercial Taxes (appeal)

- viii. Based on our audit procedures and on the basis of information and explanations given by the management, the Company did not default in repayment of dues to banks

the Company have been physically verified by the management and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.

- (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 except for in as follows:

for the Company's Tea, Rubber and Coffee Units. 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, the Company is generally been regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues during the year by the Company with the appropriate authorities and no such dues were in arrears, as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2017 which have not been deposited on account of dispute and the forum where the disputes are pending are as under:

during the year. The Company does not have any outstanding debentures or dues to the financial institutions during the year.

## ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

- ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained.
- x. According to the information and explanations given to us, no 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 for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. 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 did not make 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 them. 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

**Gopal Jain**  
Partner

Place : Kolkata  
Date : 11th day of May, 2017

Membership No. 059147

## 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 Auditors' 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 **Joonktollie Tea & Industries Limited** for the year ended 31 March 2017, we report that:

We have audited the internal financial controls over financial reporting of **Joonktollie Tea & Industries Limited** ("the Company") as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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

## ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

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

**Gopal Jain**  
Partner

Place : Kolkata  
Date : 11th day of May, 2017

Membership No. 059147

**BALANCE SHEET** as at 31st March, 2017

(Amount in ₹)

	Note No.	As at 31st March, 2017		As at 31st March, 2016	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2.1	41,422,010		41,422,010	
Reserves and Surplus	2.2	1,056,300,666	1,097,722,676	1,235,989,252	1,277,411,262
<b>Non-Current Liabilities</b>					
Long-Term Borrowings	2.3	254,583,333		227,916,666	
Long-Term Provisions	2.4	27,942,938	282,526,271	2,059,938	229,976,604
<b>Current Liabilities</b>					
Short-Term Borrowings	2.5	445,806,675		325,854,160	
Trade Payables					
Total outstanding due of Micro Enterprises & Small Enterprises	2.6	-		-	
Total outstanding due of Creditors other than Micro Enterprises & Small Enterprises	2.6	38,040,996		29,441,598	
Other Current Liabilities	2.7	135,530,774		121,345,343	
Short-Term Provisions	2.4	21,702,366	641,080,811	37,971,404	514,612,505
<b>Total</b>			<b>2,021,329,758</b>		<b>2,022,000,371</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Fixed Assets	2.8				
- Tangible Assets		744,090,586		799,369,006	
- Intangible assets		370,393		507,392	
- Capital Work-In-Progress		31,244,875	775,705,854	5,394,451	805,270,849
Non-Current Investments	2.9	622,786,723		448,914,704	
Deferred Tax Assets (Net)	2.10	8,658,352		(507,682)	
Long-Term Loans and Advances	2.11	79,021,533	710,466,608	103,216,231	551,623,253
<b>Current Assets</b>					
Inventories	2.12	237,785,747		139,744,191	
Trade Receivables	2.13	49,656,251		62,471,887	
Cash and Bank Balances	2.14	88,414,090		297,376,165	
Short-Term Loans and Advances	2.11	144,209,215		151,776,774	
Other Current Assets	2.15	15,091,993	535,157,296	13,737,252	665,106,269
<b>Total</b>			<b>2,021,329,758</b>		<b>2,022,000,371</b>
Significant Accounting Policies	1				

The accompanying notes 2.1 to 2.24 are an integral part of the Financial Statements.

As per our report of even date annexed.

For and on behalf of  
**SINGHI & CO.**  
Chartered Accountants  
Firm Registration No. 302049E  
**Gopal Jain**  
Partner  
Membership No. 059147  
Place : Kolkata  
Dated : 11th May, 2017

**H. Bangur** Chairman  
**M. K. Daga** Director  
**K. C. Mohta** Executive Director  
**B. L. Dhanuka** Chief Financial Officer  
**S. Bagree** Manager (Finance) & Company Secretary



## STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2017

(Amount in ₹)

	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>INCOME</b>			
Revenue from Operations	2.16	882,107,863	1,029,128,990
Other Income	2.17	59,046,560	81,458,118
<b>Total</b>		<b>941,154,423</b>	<b>1,110,587,108</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	2.18	237,516,294	266,084,809
(Increase)/ Decrease in Inventories of Finished Goods and Semi Finished Goods	2.19	(99,452,386)	(27,317,641)
Employee Benefits Expense	2.20	517,569,287	454,137,393
Finance Costs	2.21	75,679,776	55,874,748
Depreciation and Amortization Expense	2.22	46,755,559	40,480,743
Other Expenses	2.23	311,554,494	320,193,834
<b>Total</b>		<b>1,089,623,024</b>	<b>1,109,453,886</b>
<b>Profit before Tax</b>		<b>(148,468,601)</b>	<b>1,133,222</b>
<b>Tax Expense :</b>			
Current Tax		-	-
Deferred Tax		(9,166,034)	7,183,385
Income Tax for earlier years		-	133,045
<b>Profit/(Loss) for the year</b>		<b>(139,302,567)</b>	<b>(6,183,208)</b>
Basic & Diluted Earnings Per Share [nominal value ₹ 10/-] (Refer Note No.2.24 Q)		(33.63)	(1.49)
Significant Accounting Policies	1		

The accompanying notes 2.1 to 2.24 are an integral part of the Financial Statements.

As per our report of even date annexed.

For and on behalf of  
**SINGHI & CO.**  
Chartered Accountants  
Firm Registration No. 302049E  
**Gopal Jain**  
Partner  
Membership No. 059147  
Place : Kolkata  
Dated : 11th May, 2017

**H. Bangur** Chairman  
**M. K. Daga** Director  
**K. C. Mohta** Executive Director  
**B. L. Dhanuka** Chief Financial Officer  
**S. Bagree** Manager (Finance) & Company Secretary

## CASH FLOW STATEMENT for the year ended 31st March, 2017

(Amount in ₹)

	2016-2017		2015-2016	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Tax and extra ordinary items		(148,468,601)		1,133,222
<b>Adjustments for :</b>				
Depreciation	46,755,559		40,480,743	
Loss / ( Profit) on Sale/discard of Fixed Assets (net)	1,904,267		(876,712)	
Loss / (Profit) on Sale of Investment	5,378,670		(1,223,909)	
Interest and Dividend Income	(21,508,660)		(30,098,276)	
Finance Cost	75,679,776		55,874,748	
Provision for Obsolescence of Stores	2,495,927		-	
Sundry Credit bal. no longer required written back	(1,011,768)		(1,362,520)	
Provision for doubtful debts/Advances and Advances written off (Net)	3,465,357	113,159,128	128,807	62,922,881
<b>Operating Profit before working capital changes</b>		<b>(35,309,473)</b>		<b>64,056,103</b>
<b>Adjustments for :</b>				
Trade Receivables, Current Assets and Loans & Advances	33,797,710		(34,972,114)	
Inventories	(100,537,484)		(27,904,159)	
Trade Payables , Current Liabilities and Provisions	31,555,902	(35,183,872)	13,054,490	(49,821,783)
<b>Cash Generated from Operations</b>		<b>(70,493,345)</b>		<b>14,234,320</b>
Direct Taxes (Paid)/Refund received (Net)		(2,556,150)		(6,410,516)
<b>Net Cash from operating activities</b>		<b>(73,049,495)</b>		<b>7,823,804</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets/CWIP/ Capital Advance	(60,861,258)		(58,997,444)	
Sale of Fixed Assets	815,535		2,219,462	
(Purchase)/ Sale of Investments	(151,750,689)		1,234,484	
Advance against purchase of Investment	-		(27,500,000)	
Redemption of Fixed Deposits	153,502,930		(3,539,313)	
Loans to Corporates (Net)	7,022,770		12,977,230	
Advance to/from subsidiary (Net)	(26,705,147)		3,500,000	
Interest Received	21,775,799		32,127,857	
Dividend Received	-		20,145	
<b>Net cash used in Investing Activities</b>		<b>(56,200,060)</b>		<b>(37,957,579)</b>
		<b>(129,249,555)</b>		<b>(30,133,775)</b>

**CASH FLOW STATEMENT** for the year ended 31st March, 2017

(Amount in ₹)

	2016-2017		2015-2016	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long Term Borrowings	100,000,000		200,000,000	
Payments of Long Term Borrowings	(68,333,333)		(58,333,334)	
Proceeds from Other Borrowings ( Net)	119,952,515		70,541,311	
Interest paid	(73,390,218)		(54,913,688)	
Dividends Paid (including Tax on Dividend)	(4,479,503)		(13,438,509)	
<b>Net Cash from/(used in) Financing Activities</b>		<b>73,749,461</b>		<b>143,855,780</b>
<b>Net Change in Cash and Cash Equivalents</b>		<b>(55,500,094)</b>		<b>113,722,005</b>
Cash and Cash Equivalents - Opening Balance	141,624,450		27,902,445	
Cash and Cash Equivalents - Closing Balance	86,124,356		141,624,450	

Notes :

1. Cash and cash equivalents consists of cash on Hand and balances with banks in current / Cash Credit accounts as per note 2.14
2. Previous year's figures have been regrouped/rearranged wherever necessary
3. Cash and cash equivalents consists of:

Particulars	2016-2017	2015-2016
Cash on hand	3,148,040	3,757,794
Bank Balance	82,976,316	137,866,656
<b>Total</b>	<b>86,124,356</b>	<b>141,624,450</b>

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date annexed.

For and on behalf of

**SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

**Gopal Jain**

Partner

Membership No. 059147

Place : Kolkata

Dated : 11th May, 2017

**H. Bangur** Chairman**M. K. Daga** Director**K. C. Mohta** Executive Director**B. L. Dhanuka** Chief Financial Officer**S. Bagree** Manager (Finance) & Company Secretary

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

### 1. Significant Accounting Policies :

#### a) Accounting Convention

The financial statements have been prepared in accordance with historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards and the relevant provisions of Companies Act, 2013.

#### b) Use of Estimates

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known /materialized.

#### c) Change in accounting policy

##### Accounting for proposed dividend

As per the requirements of AS-4 (Revised w.e.f. 01/04/16) on "Contingencies & events occurring after the Balance Sheet date", proposed final dividend including dividend distribution tax are recognised as a liability in the period in which they are approved by the shareholders in the general meeting unlike requirement of recognising the same as liability in the period to which relates. Had the company continued with its earlier practise, surplus in the statement of profit & loss would have been lower by ₹ 4,479,503/- with a corresponding increase in the provision.

##### Bearer Plant Accounting

As per the requirement of AS-10 (Revised w.e.f. 01/04/16) on "Property plant & equipment", expenditure incurred on "Bearer Plants" have been capitalised which were hitherto charged to statement of profit & loss in case of existing area of cultivation. The impact of change in accounting policy has been given in note no. 2.24 J.

#### d) Property Plant & Equipment and Depreciation (Fixed Asset)

##### Fixed Assets

i) Tangible Fixed Assets are stated at their original cost less depreciation. Cost includes incidental expenses. Profits or losses on sale of tangible fixed assets are included in the statement of profit and loss and calculated as difference between the value realized and book value. Capital work-in-progress is stated at cost. Subsidies received in respect of tangible fixed assets are deducted from the cost of respective assets.

ii) Bearer plant which is used in the production or supply of agriculture produce and expected to bear produce for more than a period of twelve months are capitalized as part of property, plant & equipment. The cost of Bearer plant includes uprooting cost, replantation cost and upkeep expenses of young Bearer plant.

iii) Land taken on perpetual lease is capitalized together with development expenditure incurred on the same.

##### Depreciation

iv) Depreciation on tangible fixed assets other than land and Bearer plant is provided on written down value method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act,2013 except as mentioned in (v) & (vi) below

v) In case of asset "Fences, wells, tube wells" & "Carpeted Roads – Other than RCC", depreciation has been provided on written down value method at the rates determined considering the useful lives of 15 years which is based on assessment carried out by external valuers and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.

vi) Depreciation on Bearer plants has been provided on straight line basis at the rates determined considering the following useful lives. The Residual value in case of Bearer plant has been considered as NIL.

Tea Bushes	50 years to 60 years
Coffee Bushes	30 years to 80 years
Rubber plants	30 years
Minor produce	30 years

vii) Land taken on perpetual lease is not amortized.

viii) Intangible assets are being amortized over a period of 5 years.

#### e) Government Grants

Grants and subsidies from the Government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Government grants related to specific tangible fixed assets are deducted from gross value of related assets in arriving at their book value. Government grants related to revenue are recognized in the statement of profit and loss.

#### f) Investment

Long term and unquoted investments are considered at cost, unless there is a permanent decline in value thereof, in which case, adequate provision is made in

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

the accounts. Current investments are stated at lower of cost or market / fair value.

### g) Inventories

- i) Stock of finished rubber, tea, coffee and minor produce (i.e. pepper and cardamom) are valued at cost (determined on weighted average basis) or net realizable value whichever is lower.
- ii) Stock of stores and spare parts are valued at cost (using the weighted average cost basis) or net realizable value which ever is lower.
- iii) Cost comprises all direct and indirect expenses.
- iv) Net realizable value is the estimated selling price in ordinary course of business less estimated cost of completion and estimated cost necessary to make the sale.
- v) Materials and other items held for use in the production of inventories are not written down below the cost of the finished products in which they will be incorporated are expected to be sold at or above cost.
- vi) Provision is made for obsolete and slow moving stocks where necessary.

### h) Foreign Currency Transactions

- i) Foreign currency transactions are recorded at the rate of exchange prevailing on the dates when the relevant transactions take place.
- ii) Year end balances of foreign currency transactions are translated at exchange rates prevailing at the end of the year.
- iii) Any income or expense on account of exchange difference either on settlement or translation is recognized in the Statement of Profit and Loss.

### i) Revenue Recognition

Sales are recognized in the accounts on passing of titles of the goods, i.e. delivery as per terms of sales or completion of auction in case of auction sale. Sale of standing trees is accounted as and when they are removed and the proceeds are credited to the Statement of Profit & Loss. Other income with related tax credits and expenditure are accounted for on accrual basis.

### j) Employee Benefits

#### Short Term Employee Benefits

The undiscounted amount of short term employee benefit expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee rendered the service. This benefit includes salary, wages, short term compensatory

absences and bonus.

#### Long Term Employee Benefits

##### Defined Contribution Scheme

This benefit includes contribution to provident fund schemes and superannuation fund. The contribution is recognized during the period in which the employee renders service.

##### Defined Benefit Scheme

For defined benefit scheme the cost of providing benefit is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. The benefit obligation recognized in the balance sheet represents value of defined benefit obligation determined at the end of the year. Actuarial gains and losses are recognized in full during the period in which they occur.

#### Other Long Term Benefits

Long term compensation absence is provided for on the basis of an actuarial valuation, using the projected unit credit method as at the date of balance sheet.

### k) Borrowing Costs

Borrowing costs, if attributable to qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale) are capitalized. Other borrowing costs are charged to Statement of Profit and Loss in the period they are incurred.

### l) Taxes on Income

Current tax comprise of Income Tax & Wealth Tax that would be payable based on computation of tax as per taxation laws under the Income Tax Act, 1961 and under the respective state Agricultural Income Tax Acts. Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, 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 recognised unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Tax credit for Minimum Alternate Tax (MAT) is recognized when there is convincing evidence of its realisability against future normal tax liability.

### m) Leases

- i) For assets acquired under operating lease, rentals payable are charged to the Statement of Profit and Loss.
- ii) For assets acquired under finance lease/ hire purchase agreement, the assets are capitalized

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

at lower of their respective fair value and present value of minimum lease payments after discounting them at an appropriate discount rate.

iii) Hire purchase charges are being amortized based on a constant periodic rate of interest on the remaining balance of the liability of each period.

n) **Proposed Dividend**

Dividends recommended/declared after the balance sheet date but before the Financial statements are approved by the shareholders in the general meeting are not recognized as a liability at the balance sheet date because no obligation exists at the balance sheet date. Such proposed dividends are disclosed in the Notes.

o) **Impairment**

An impairment loss is recognized where applicable when the carrying value of fixed assets exceeds its

market value or value in use whichever is higher. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

p) **Provisions and Contingent Liabilities**

The Company recognizes a provision 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 obligation. A disclosure for a 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. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made. Contingent assets are not provided for or disclosed.

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.1 SHARE CAPITAL</b>		
<b>AUTHORIZED :</b>		
<b>Equity Shares :</b>		
1,12,49,000 Ordinary Shares of ₹ 10/- each	112,490,000	112,490,000
35,000 Ordinary Shares of ₹ 100/- each	3,500,000	3,500,000
<b>Preference Shares :</b>		
50,000 Redeemable Cumulative Shares of ₹ 10/- each	500,000	500,000
100, 13.5% Redeemable Cumulative Shares of ₹ 100/- each	10,000	10,000
	<b>116,500,000</b>	<b>116,500,000</b>
<b>ISSUED :</b>		
41,42,201 Ordinary Shares of ₹ 10/- each (Previous year 41,42,201 Ordinary Shares of ₹ 10/- each)	41,422,010	41,422,010
	<b>41,422,010</b>	<b>41,422,010</b>
<b>SUBSCRIBED AND PAID UP :</b>		
41,42,201 Ordinary Shares of ₹ 10/- each fully paid up (Previous year 41,42,201 Ordinary Shares of ₹ 10/- each fully paid up)	41,422,010	41,422,010
	<b>41,422,010</b>	<b>41,422,010</b>

a) **Reconciliation of Shares outstanding at the beginning and at the end of year**

	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	4,142,201	4,142,201
Shares outstanding at the end of the year	4,142,201	4,142,201

b) The Company has only one class of issued shares i.e. Ordinary Shares having par value of ₹ 10/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

c) The Company does not have any holding company or ultimate holding company.

d) **Details of shareholders holding more than 5% shares in the Company :**

Ordinary Shares of ₹ 10/- each fully paid up	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	%	No. of Shares	%
1) Mugneeram Bangur & Co.LLP	612,500	14.78	12,500	0.30
2) Kettlewell Bullen and Company Limited	538,838	13.01	538,838	13.01
3) Pushpa Devi Bangur	517,928	12.50	970,181	23.42
4) The Oriental Company Limited	493,643	11.92	493,643	11.92
5) Madhav Trading Corporation Limited	374,130	9.03	54,102	1.30
6) Life Insurance Corporation of India	246,493	5.95	246,493	5.95
7) Hemant Bangur	226,729	5.47	289,070	6.98
8) The Cambay Investment Corporation Limited	110,737	2.67	265,227	6.40

e) No Ordinary 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 as at and for the year ended 31st March, 2017

- f) No Ordinary Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- g) No securities convertible into Ordinary/Preference shares have been issued by the Company during the year.
- h) No calls are unpaid by any Director or Officer of the Company during the year.

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.2 RESERVES AND SURPLUS</b>		
<b>Capital Reserves</b>		
As per the last Financial Statements	701,260,038	701,260,038
<b>Capital Redemption Reserve</b>		
As per the last Financial Statements	41,600	41,600
<b>Capital Reserve in the nature of Share Premium</b>		
As per the last Financial Statements	69,839,105	69,839,105
<b>Securities Premium</b>		
As per the last Financial Statements	24,701,440	24,701,440
<b>Revaluation Reserve (created on revaluation of land)(Refer note no. 2.8 )</b>		
As per the last Financial Statements	-	40,386,019
<b>General Reserve</b>		
As per the last Financial Statements	310,264,255	310,264,255
	<b>310,264,255</b>	<b>310,264,255</b>
<b>Surplus</b>		
As per the last Financial Statements	89,496,795	100,159,506
Add : Profit/(Loss) for the year	(139,302,567)	(6,183,208)
	<b>(49,805,772)</b>	<b>93,976,298</b>
Less : Appropriations		
Proposed Dividend	-	4,142,201
Corporate Dividend Tax	-	337,302
<b>Net Surplus</b>	<b>(49,805,772)</b>	<b>89,496,795</b>
<b>Total</b>	<b>1,056,300,666</b>	<b>1,235,989,252</b>



## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	Non-current portion		Current Maturities	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
<b>2.3 LONG-TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan from banks	254,583,333	227,916,666	85,416,667	80,416,667
<b>Total Secured Borrowings</b>	<b>254,583,333</b>	<b>227,916,666</b>	<b>85,416,667</b>	<b>80,416,667</b>
Amount disclosed under the head "Other Current Liabilities" (Note 2.7)	-	-	85,416,667	80,416,667
<b>Total</b>	<b>254,583,333</b>	<b>227,916,666</b>	<b>-</b>	<b>-</b>

### Security and Repayment Terms :

- Term Loan from a Bank amounting to ₹ 2,50,00,000/- together with working capital facility from the same Bank is secured by equitable mortgage of Jamirah and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division. Loan is repayable in remaining 12 quarterly installments of ₹ 20,83,333/- .
- Term Loan from a Bank amounting to ₹ 19,00,00,000/- together with working capital facility from the same Bank is secured / to be secured by exclusive charge on the title deeds of Goomankhan Tea Estate and also by way of hypothecation of Plant and Machinery of Goomankhan Tea Estate. Loan is repayable in 19 quarterly installments of ₹ 1,00,00,000/- starting from 31.03.2017.
- Term Loans from a Bank amounting to ₹ 12,50,00,000/- together with working capital facility from the same Bank is secured by exclusive charge on the title deeds of Nilmoni Tea Estate, current assets of Karnataka division both present and future . Out of the above loan , loan of ₹ 2,50,00,000 /- is payable in remaining 3 quarterly installments and loan of ₹ 10,00,00,000/- is payable in remaining 20 quarterly installments after a moratorium of one year starting from 31.12.2017.

	Long-term		Short-term	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
<b>2.4 PROVISIONS</b>				
<b>Provision for Employee Benefits</b>				
Gratuity	25,883,000	-	-	13,185,545
Bonus	-	-	20,767,366	19,406,356
Leave	-	-	935,000	900,000
<b>Other Provisions</b>				
Provisions for Taxation (Net of advance)	2,059,938	2,059,938	-	-
Proposed Dividend	-	-	-	4,142,201
Corporate Dividend Tax ##	-	-	-	337,302
	<b>27,942,938</b>	<b>2,059,938</b>	<b>21,702,366</b>	<b>37,971,404</b>

## In view of favorable order from Hon'ble Supreme Court in case of other tea Company, the liability for dividend distribution tax has been provided to the extent of 40% of the proposed dividend.

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.5 SHORT TERM BORROWINGS</b>		
<b>Working Capital Borrowings</b>		
From Banks (Secured)	293,307,431	217,654,160
From Banks (Unsecured)	152,499,244	108,200,000
<b>Total</b>	<b>445,806,675</b>	<b>325,854,160</b>

### Security and Charge :

- i) Working Capital Loan of ₹ 10,53,94,482/- is secured by way of exclusive charge on the title deeds of Nilmoni Tea Estate and the Current Assets of the Karnataka Division, both present and future.
- ii) Working Capital Loan from a Bank amounting to ₹ 15,50,09,361/- is secured by way of exclusive charge on the title deeds and entire movable fixed assets of Joonktollee Tea Estate & Factory, and hypothecation of entire stock, book debts and other current assets of Joonktollee Tea Estate, Nilmoni Tea Estate & Shreemoni Tea Factory.
- iii) Working Capital Loan from a Bank of ₹ 3,29,03,588/- is secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division.

	As at 31st March, 2017	As at 31st March, 2016
<b>2.6 TRADE PAYABLES</b>		
<b>For Goods and Services</b>		
- towards dues to Micro Enterprises & Small Enterprises (Refer note no. 2.24K)	-	-
- Others	38,040,996	29,441,598
<b>Total</b>	<b>38,040,996</b>	<b>29,441,598</b>

	As at 31st March, 2017	As at 31st March, 2016
<b>2.7 OTHER CURRENT LIABILITIES</b>		
Current maturities of Long Term Debt (See Note 2.3)	85,416,667	80,416,667
Employee Related Liability	20,116,158	16,503,004
Interest accrued but not due on Borrowings	3,363,799	1,673,151
Interest accrued and due on Borrowings	2,963,528	2,364,618
Unpaid and unclaimed dividends #	2,104,826	2,063,877
Short term deposits	345,863	471,664
Statutory Dues Payable	16,453,806	14,584,562
Amount payable for Capital Goods	321,000	1,276,398
Advances Received from Customers	4,445,127	1,991,402
<b>Total</b>	<b>135,530,774</b>	<b>121,345,343</b>

# There are no amounts due for payment to the Investor Education and Protection Fund at the end of the year.

# NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

	Gross Block						Accumulated Depreciation			Net Block	
	Balance as at 31.03.2016	Adjustments	Additions	Disposals	Balance as at 31.03.2017	Balance as at 31.03.2016	Depreciation charge for the year	On disposals	Balance as at 31.03.2017	Balance as at 31.03.2016	
<b>2.8 FIXED ASSETS</b>											
(i) <b>Tangible Assets</b>											
Land* #											
-Freehold	48,936,796	-	-	-	48,936,796	-	-	-	48,936,796	48,936,796	
-Leasehold	359,693,049	(112,532,567)	-	-	247,160,482	-	-	-	247,160,482	359,693,049	
Buildings	267,345,066	-	15,673,920	141,010	282,871,976	129,676,341	13,842,531	23,614	143,495,258	139,382,718	
Plant and Equipment	334,276,477	-	9,360,018	2,017,724	344,618,771	232,379,285	21,080,990	1,902,293	251,557,982	90,060,789	
Furniture and Fixtures	18,515,663	-	415,694	9,810	18,921,547	15,844,111	688,915	9,320	16,523,706	2,397,841	
Vehicles	56,559,779	-	5,626,437	1,634,362	60,551,854	41,374,934	5,592,564	1,526,480	45,441,018	15,110,836	
Office equipment	6,350,032	-	1,001,952	167,298	7,184,686	5,204,370	817,964	156,635	5,865,699	1,318,987	
Bearer Plant	132,171,185	72,146,548	-	-	204,317,733	-	4,595,596	-	199,722,137	132,171,185	
<b>Total</b>	<b>1,223,848,047</b>	<b>(40,386,019)</b>	<b>32,078,021</b>	<b>3,970,204</b>	<b>1,211,569,845</b>	<b>424,479,041</b>	<b>46,618,560</b>	<b>3,618,342</b>	<b>467,479,259</b>	<b>799,369,006</b>	
(ii) <b>Intangible Assets</b>											
Computer software	6,118,356	-	-	-	6,118,356	5,610,964	136,999	-	5,747,963	370,393	
<b>Total</b>	<b>6,118,356</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,118,356</b>	<b>5,610,964</b>	<b>136,999</b>	<b>-</b>	<b>5,747,963</b>	<b>507,392</b>	
(iii) <b>Capital Work in Progress - Others</b>											
Capital Work in Progress - Others	-	-	3,039,830	-	-	-	-	-	3,039,830	5,394,451	
<b>Capital Work in Progress - Bearer Plant</b>											
Capital Work in Progress - Bearer Plant	-	-	28,205,045	-	-	-	-	-	28,205,045	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>31,244,875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,244,875</b>	<b>5,394,451</b>	
<b>Grand Total</b>	<b>1,229,966,403</b>	<b>(40,386,019)</b>	<b>63,322,896</b>	<b>3,970,204</b>	<b>1,217,688,201</b>	<b>430,090,005</b>	<b>46,755,559</b>	<b>3,618,342</b>	<b>473,227,222</b>	<b>805,270,849</b>	
Corresponding figures for previous year	1,171,766,946	-	66,073,020	7,873,563	1,229,966,403	396,330,442	40,480,743	6,721,180	430,090,005	799,876,398	
Capital Work in Progress											
<b>Total</b>										<b>805,270,849</b>	

Note : The title deeds of immovable properties of Shreevani Tea Factory are in the process of transfer in the name of the Company.

\* Land amounting to ₹ 10,58,262/- cannot be distinguished between freehold & leasehold. The same has been included under Freehold Land.

# Title deeds in respect of land purchased in Assam during the years 1985, 1986, 1996 and 1998 amounting to ₹ 2,25,320/- (Previous year ₹ 2,25,320/-) are under registration. However, the company is in the possession of the said land and is already under plantation. Such delay is on the part of relevant authorities.

In view of transitional provision vide para 91 of amended Accounting Standard AS- 10 " Property Plant & Equipment " effective from 1st April 2016, the revaluation reserve amounting to ₹ 4,03,86,019/- has been adjusted with carrying value of leasehold land as on 1st April 2016 as the company has adopted cost model for accounting for its property plant & equipment. Further component of tea plantation in the nature of bearer plant amounting to ₹ 7,21,46,548/- which was part of leasehold land in earlier years has been transferred to bearer plant as on 1st April, 2016.

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

As at 31st March, 2017	As at 31st March, 2016	Particulars	As at 31st March, 2017	As at 31st March, 2016
		<b>2.9 NON CURRENT INVESTMENTS</b>		
		(Fully Paid up Equity Shares of ₹ 10 each, unless otherwise stated)		
		Long Term (Valued at Cost)		
		<b>Trade Investment</b>		
		In Subsidiary Company - Un-Quoted		
-	63135	Gloster Real Estate Pvt. Ltd.	-	53,235,000
156982	156982	Cowcoody Builders Pvt. Ltd.	147,082,000	147,082,000
212271	212271	Pranav Infradev Co. Pvt. Ltd.	202,371,000	202,371,000
80000	-	Keshava Plantations Private Limited	227,108,049	-
		<b>In Associate- Quoted</b>		
437294	437294	The Cochin Malabar Estates & Ind. Ltd. * #	42,366,029	42,366,029
		<b>Other Investment</b>		
		In other Companies - Quoted		
138680	138680	The Phosphate Co. Ltd.	3,859,645	3,859,645
-	200	Apeejay Tea Ltd.	-	1,030
		<b>TOTAL NON CURRENT INVESTMENT</b>	<b>622,786,723</b>	<b>448,914,704</b>
		Aggregate Book Value of Non Current Quoted Investments	46,225,674	46,226,704
		Aggregate Book Value of Non Current Unquoted Investments	576,561,049	402,688,000
		Aggregate Market Value of Non Current Quoted Investments	16,776,332	16,185,985
		Aggregate Amount of Diminution in the value of Investments	10,006,274	10,006,274

\* Net of provision for diminution in the value of investment ₹ 10006274/- (Previous Year : ₹ 10006274/-)

# Although the market value of Investment in "The Cochin Malabar Estates & Industries Limited" is lower than cost, considering the investee company as an Associate and the investment as long term and strategic in nature, in the opinion of the management, such decline is temporary in nature and no further provision is necessary for the same.

	As at 31st March, 2017	As at 31st March, 2016
<b>2.10 DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Assets</b>		
Arising on account of :		
Section 43B of Income-tax Act	11,148,892	968,370
Unabsorbed depreciation	7,093,556	-
Less: Deferred Tax Liabilities		
Arising on account of :		
Accumulated Depreciation	9,584,096	859,106
Others	-	616,946
<b>Total</b>	<b>8,658,352</b>	<b>(507,682)</b>

### Deferred Tax Assets (Net)

- Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation law.
- Deferred tax asset on unabsorbed depreciation, has been recognised on the certainty of reversal of the same based on the projected availability of future taxable income.

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	Long-term		Short-term	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
<b>2.11 LOANS &amp; ADVANCES</b>				
(Unsecured & Considered good unless otherwise mentioned)				
Secured, considered good				
Capital Advances	910,900	980,900	–	353,595
Security Deposits	17,029,200	16,852,048	–	–
Advance against purchase of Investment (Refer note no. 2.24.G)	–	27,500,000	–	–
Loan & Advances to Related Parties ^				
Loan to a subsidiary (Maximum amount outstanding during the year ₹48449352/- (Previous Year ₹ Nil/-)	–	–	26,705,147	–
	<b>17,029,200</b>	<b>44,352,048</b>	<b>26,705,147</b>	<b>–</b>
<b>Other Loans and Advances (Unsecured, Considered good unless otherwise mentioned)</b>				
Deposit with Nabard	–	–	50,000	50,000
Deposit with Assam Financial Corporation	–	–	2,766,982	2,733,859
Advance Tax and TDS (Net of provisions)	33,791,214	31,235,064	–	–
MAT credit Entitlement	–	–	1,800,000	1,800,000
Advance Receivable in cash or in kind *	26,407,034	23,788,678	3,762,855	26,841,369
Less: Provision for Doubtful Advances	(2,618,356)	–	–	–
Loans to Companies / Firm ^	–	–	100,000,000	107,022,770
Prepaid Expenses	–	–	2,556,708	2,632,917
Loan / Advance to Employees	1,718,500	1,076,500	4,972,369	8,814,664
Balances with Government & Statutory Authorities **	1,783,041	1,783,041	361,817	294,263
Income Tax Refundable	–	–	1,233,337	1,233,337
	<b>61,081,433</b>	<b>57,883,283</b>	<b>117,504,068</b>	<b>151,423,179</b>
<b>Total</b>	<b>79,021,533</b>	<b>103,216,231</b>	<b>144,209,215</b>	<b>151,776,774</b>

\* Represents payment under protest ₹ 23,788,678/- (Previous Year - ₹ 23,788,678/-)

\*\* Represents payment under protest ₹ 1,783,041/- (Previous Year - ₹ 1,783,041/-)

^ Loans to Related parties /Companies/ Firm are given for general business purpose and payable on demand.

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.12 INVENTORIES</b>		
<b>(As valued and certified by the Management)</b>		
Finished Goods	195,945,843	97,920,525
Semi-Finished Goods	1,584,268	157,200
Stores and Spares (net of obsolesce)	40,255,636	41,666,466
<b>Total</b>	<b>237,785,747</b>	<b>139,744,191</b>
<b>Details of Inventories :</b>	<b>Finished Goods</b>	
Tea	89,936,606	45,905,410
Coffee	30,128,825	27,857,760
Rubber - Semi-Finished	1,584,268	157,200
Rubber - Finished	74,231,953	22,305,865
Minor Produce	1,648,459	1,851,490
<b>Total</b>	<b>197,530,111</b>	<b>98,077,725</b>
	As at 31st March, 2017	As at 31st March, 2016
<b>2.13 TRADE RECEIVABLES</b>		
<b>Outstanding for a period exceeding six months</b>		
Unsecured, considered good	1,372,876	1,848,900
Doubtful	363,068	363,068
	1,735,944	2,211,968
Less : Provision for doubtful receivables	363,068	363,068
	<b>1,372,876</b>	<b>1,848,900</b>
<b>Other Receivables</b>		
Unsecured, considered good	48,283,375	60,622,987
	<b>48,283,375</b>	<b>60,622,987</b>
<b>Total</b>	<b>49,656,251</b>	<b>62,471,887</b>

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.14 CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
<b>Balances With Banks :</b>		
In Current Account	82,976,316	9,616,559
In Cash Credit Account	-	128,250,097
Cash on hand	3,148,040	3,757,794
	<b>86,124,356</b>	<b>141,624,450</b>
<b>Other Bank Balances</b>		
Unpaid Dividend Account	2,104,826	2,063,877
Fixed Deposit with Banks (Kept under lien ₹ 184908/-, Previous Year - ₹ 153687838/-)	184,908	153,687,838
	<b>2,289,734</b>	<b>155,751,715</b>
<b>Total</b>	<b>88,414,090</b>	<b>297,376,165</b>

	As at 31st March, 2017	As at 31st March, 2016
<b>2.15 OTHER CURRENT ASSETS</b>		
Interest accrued on Fixed deposit / Loan	3,331,517	3,598,656
Subsidy Receivable	9,092,730	8,723,586
Fixed Asset held for Disposal (net of provision ₹250,000/-, P.Y - ₹ 250,000/-)	635,331	602,260
Others Receivable	2,032,415	812,750
<b>Total</b>	<b>15,091,993</b>	<b>13,737,252</b>

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.16 REVENUE FROM OPERATIONS</b>		
Sale of Finished Goods	860,950,722	1,003,934,162
<b>Other Operating Revenues</b>		
Sale of Minor Produce / Timber	12,836,874	19,758,225
Incentives & Subsidies	4,580,400	3,405,415
Insurance and Other Claims (Net)	3,739,867	2,031,188
	21,157,141	25,194,828
<b>Total</b>	<b>882,107,863</b>	<b>1,029,128,990</b>
<b>Details of Sale of Finished Goods :</b>		
Tea	743,918,921	863,890,833
Rubber	71,467,269	98,733,834
Coffee	45,564,532	41,309,495
<b>Total</b>	<b>860,950,722</b>	<b>1,003,934,162</b>

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.17 OTHER INCOME</b>		
<b>Interest Income</b>		
On Bank Deposits	3,131,438	9,039,778
On Inter Corporate Deposits and Others	18,377,222	21,038,353
Dividend on Long term investment	–	20,145
Other Non Operating Income		
Rent	80,822	133,674
Excess Liabilities and Unclaimed Balances written back	1,011,768	1,362,520
Proceed on Maturity of Keyman Insurance Policy	32,747,626	47,329,950
Miscellaneous Income	3,697,684	2,533,698
<b>Total</b>	<b>59,046,560</b>	<b>81,458,118</b>
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.18 COST OF MATERIALS CONSUMED</b>		
Purchase of Green Leaf	237,516,294	266,084,809
<b>Total</b>	<b>237,516,294</b>	<b>266,084,809</b>
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.19 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS AND SEMI FINISHED GOODS</b>		
<b>Inventories at the end of the year</b>		
Tea	89,936,606	45,905,410
Rubber	75,816,221	22,463,065
Coffee	30,128,825	27,857,760
Minor Produce	1,648,459	1,851,490
<b>Total</b>	<b>197,530,111</b>	<b>98,077,725</b>
<b>Inventories at the beginning of the year</b>		
Tea	45,905,410	28,031,354
Rubber	22,463,065	16,779,843
Coffee	27,857,760	23,765,375
Minor Produce	1,851,490	2,183,512
<b>Total</b>	<b>98,077,725</b>	<b>70,760,084</b>
(Increase)/ Decrease in Inventories of Finished Goods	<b>(99,452,386)</b>	<b>(27,317,641)</b>



## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.20 EMPLOYEE BENEFIT EXPENSE</b>		
Salaries & Wages	425,142,450	372,591,950
Contribution to Provident Funds and Others	42,285,293	37,992,828
Contribution to Gratuity Fund	25,883,000	8,974,000
Contribution to Superannuation Fund	3,921,210	3,633,775
Staff Welfare Expenses	38,202,548	30,944,840
Less: Transferred to Bearer Plant	(17,865,214)	-
<b>Total</b>	<b>517,569,287</b>	<b>454,137,393</b>
<b>2.21 FINANCE COST</b>		
<b>Interest Expenses</b>		
Term Loans	33,851,753	21,077,331
Working Capital Loans	40,547,660	31,764,617
Other Borrowing Cost	2,719,650	3,032,800
Less: Borrowing Cost Capitalised	(1,439,287)	-
<b>Total</b>	<b>75,679,776</b>	<b>55,874,748</b>
<b>2.22 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
On Tangible Assets	42,022,964	39,907,032
On Intangible Assets	136,999	573,711
On Bearer Plant	4,595,596	-
<b>Total</b>	<b>46,755,559</b>	<b>40,480,743</b>
<b>2.23 OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Stores, Spare Parts & Packing Materials Consumed	28,217,906	18,039,281
Power & Fuel	81,570,671	95,115,286
Cultivations	74,033,591	82,257,852
Repairs to Buildings	10,471,273	10,777,229
Repairs to Machinery	10,416,670	10,497,742
Repairs to Other Assets	504,364	414,149
Tea Cess	2,910,402	3,121,145
Less: Transferred to Bearer Plant	(8,900,544)	-
<b>Total</b>	<b>199,224,333</b>	<b>220,222,684</b>

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.23 OTHER EXPENSES</b>		
<b>Selling and Administration</b>		
Freight & Cartage	21,731,261	28,635,805
Commission , Brokerage & Discount	14,204,258	18,880,873
Rent	2,104,780	2,081,485
Rates & Taxes	7,845,786	6,760,567
Insurance	5,560,001	5,130,623
Vehicle Running & Maintenance Expense	13,306,687	11,949,141
Charity & Donation	42,500	358,946
Corporate Social Responsibility Expenses	62,800	62,000
<b>Auditors' Remuneration -</b>		
Statutory Auditors -		
- Audit Fees	1,200,000	1,200,000
- Issue of Certificates	1,040,000	1,080,000
- Reimbursement of Expenses	28,872	9,616
- Reimbursement of Service Tax	336,000	327,950
<b>Cost Auditors' Remuneration -</b>		
- Audit Fees	150,000	-
Legal & Professional Fees	11,214,670	1,789,725
Advances written off	847,001	128,807
Provision for obsolescence on stores	2,495,927	-
Loss/(Profit) on Sale of Fixed Assets	1,904,267	(876,712)
Loss/(Profit) on Sale of Long Term Investment	5,378,670	(1,223,909)
Provision for doubtful advances	2,618,356	-
Travelling Expenses	1,558,031	3,967,277
Director Sitting Fees	435,000	455,000
Prior Period Expenses	35,643	470,740
Other Miscellaneous Expenses	18,229,651	18,783,216
	<b>112,330,161</b>	<b>99,971,150</b>
<b>Total</b>	<b>311,554,494</b>	<b>320,193,834</b>

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

	2016-17	2015-16
<b>2.24 NOTES TO ACCOUNTS (Continued)</b>		
<b>A. Contingent Liability not provided for –</b>		
Claims against the Company not acknowledged as debts :		
i) Income Tax under appeal *	19,847,195	15,599,345
* ₹ 14,943,629/- (Previous Year - ₹ 9,239,139/-) paid / adjusted.		
ii) Sales Tax under appeal (Total amount paid under protest)	1,783,041	1,783,041
iii) Karnataka Agriculture Income Tax under Appeal (Advance paid ₹ 73,538/-)	2,765,240	4,669,274
iv) Claims of Creditors & workers	1,940,429	829,945
v) Seigniorage Charges (KERALA Forest Dept.) (Total amount paid under protest)	17,702,033	17,702,033
vi) Provident Fund Damages	5,689,919	4,500,608
vii) Lease Rent **	10,286,315	8,886,425

\*\*The Government of Kerala has increased the Lease Rent payable in respect of Chemoni and Pudukad Estates from ₹ 2/- per Acre to ₹ 1300/- per Hectare with effect from 25th November, 2009. The Company filed Writ Petition before the Hon'ble Court of Kerala challenging the increase and the case is subjudice. The Company has paid ₹ 60,86,645/- (Previous Year ₹ 60,86,645/-) on account of the increased Lease rental under protest.

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various forums/ authorities.

B. The Company's entitlement of ₹ 17,560,442/- (Previous Year ₹ 17,560,442/-) under section 80-IC of the Income Tax Act, 1961 in respect of income generated from facilities situated in North East states is pending before Hon'ble High Court since assessment year 2004-05 to 2013-14. The management of the Company does not foresee any additional liability of the income tax at this point.

C. Estimated amount of contract remaining to be executed on capital account and not provided for ₹ 140,800/- (Previous Year ₹ 2,423,901/-) (Net of Advances).

D. Transfer of certain assets/liabilities from/to transferor companies/demerged units under the scheme of arrangement/amalgamations carried out in earlier years are still in the process of completion.

E. Pending settlement with trade unions in respect to full implementation of minimum wages notification in the rubber estate of the Company, the Company was paying advances to the workers in lieu of proposed increased in the wages during the year. In view of settlement reached with the trade unions during the month of April, 2017, the Company has recognized all wages related expenditure at the balance sheet date.

F. As reported in earlier years a special leave petition filed by the Company has been admitted before the Hon'ble Supreme Court in the matter of transfer of rights of legal proceedings of "Sampaji Rubber Estate", against the order

passed by the Division Bench of Hon'ble High Court at Madras. The above rights was transferred to the Company under a Scheme in earlier years. The matter is subjudice and value of above rubber estate in the books of the company is ₹ Nil (Previous Year ₹ Nil)

G. Trade Receivables, Loans & Advances and Deposits include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the value stated in the accounts.

H. Miscellaneous Expenditure under Note No.2.23 includes revenue expenditure on research and development ₹ 5,67,940/- (Previous Year ₹ 4,42,783/-) incurred towards subscription to Tea Research Association.

I. The Board of Directors of the Company has recommended dividend of Rs. 1/- per equity share which is subject to approval in the ensuing general meeting. The dividends would attract dividend distribution tax when paid.

J. In accordance with revised accounting standard AS -10 on "Property Plant & Equipment (PPE)" effective from 1st April, 2016, Bearer plant have been recognized as an item of PPE and has been depreciated over their useful life resulting an additional depreciation amounting to Rs. 4,595,596/- during the year ended 31st March, 2017. Further to comply with the requirements of revised AS-10, expenditure on uprooting, replanting and upkeep of young bearer plants have been capitalized to the tune of Rs. 28,205,045/- during the year ended 31st March, 2017 which were hitherto charged to statement of profit & loss.

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

- K. There are no outstanding dues to suppliers / service providers covered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). The disclosures as required under the said Act are as under :-

Particulars	Amount
i) Principal amount and interest due to Supplier under MSMED act and remaining unpaid.	NIL
ii) Interest paid and any payment made to supplier beyond appointed date (under section 16 of the Act)	NIL
iii) Interest due and payable to Suppliers under MSMED Act.	NIL
iv) Interest accrued and remaining unpaid as at 31st March 2017	NIL
v) Interest remaining due and payable under section 23 of the Act	NIL

The above information has been determined to the extent such parties identified on the basis of information available with the Company.

- L. The exposure of the Company in foreign currency at the end of the year is ₹ Nil (Previous year ₹ Nil).
- M. The Company has considered business segments as the primary segment for disclosure. The business segments of company are Tea, Coffee and Rubber which have been identified taking into account the organizational structure as well as the differing risks and returns of these segments. The segment wise revenue, assets and liabilities relate to the respective amounts directly identifiable with each other of the segments. There is no inter-segment revenue. The company does not have any secondary/geographical segments :

(Amount in ₹)

Particulars	31.03.2017	31.03.2016
1. Segment Revenue		
a) Tea	752,239,188	869,335,769
b) Coffee	50,091,587	43,023,862
c) Rubber	72,501,944	100,913,870
d) Others	7,275,144	15,855,489
<b>Total</b>	<b>882,107,863</b>	<b>1,029,128,990</b>
2. Segment Results [Profit/(Loss) before Tax & Interest]		
a) Tea	(81,027,381)	3,981,016
b) Coffee	2,159,612	(1,030,868)
c) Rubber	(12,884,605)	(9,605,233)
d) Others	4,956,703	13,363,444
<b>Total</b>	<b>(86,795,671)</b>	<b>6,708,359</b>
Less : Interest Expenses	75,679,776	55,874,748
Add : Interest Income	21,508,660	30,078,131
Add : Other Unallocated Income (net of Unallocated Expenses)	(7,501,814)	20,221,480
<b>Total Profit before Tax</b>	<b>(148,468,601)</b>	<b>1,133,222</b>
Less : Income Taxes	(9,166,034)	7,316,430
<b>Total Profit/(Loss) after Tax</b>	<b>(139,302,567)</b>	<b>(6,183,208)</b>

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

Particulars	2016-17		2015-16	
	Assets	Liabilities	Assets	Liabilities
3. Segment Assets (including revaluation reserve) & Segment Liabilities				
a) Tea	902,990,870	77,024,350	1,058,039,775	71,758,486
b) Coffee	85,967,062	3,558,346	85,124,629	2,688,890
c) Rubber	137,548,301	27,115,488	82,983,363	13,259,336
d) Others	1,648,459	-	1,851,490	-
e) Unallocable	884,516,724	30,609,905	794,508,796	23,202,586
<b>Total</b>	<b>2,012,671,416</b>	<b>138,308,089</b>	<b>2,022,508,053</b>	<b>110,909,298</b>
4. Capital Expenditure & Depreciation/Amortization (excluding on revaluation reserve) for the year	<b>Capital Expenditure</b>	<b>Depreciation/Amortization</b>	<b>Capital Expenditure</b>	<b>Depreciation/Amortization</b>
a) Tea	43,074,048	38,891,942	64,864,938	32,066,446
b) Coffee	11,899,912	2,724,645	1,624,240	2,395,284
c) Rubber	7,709,430	3,229,067	4,833,097	3,153,301
d) Unallocable	639,507	1,909,905	145,196	2,865,712
<b>Total</b>	<b>63,322,897</b>	<b>46,755,559</b>	<b>71,467,471</b>	<b>40,480,743</b>

N. As per the requirements of Accounting Standard – 28 on “Impairment of Assets”, the Company has assessed the carrying amount of assets vis a vis their recoverable values and no impairment is envisaged at the balance sheet date.

### O. Employee Benefits (Revised Accounting Standard 15)

#### a) Defined Contribution Plan

The Company makes contribution towards provident fund and superannuation fund to a defined contribution retirement plan for qualifying employees. The Provident fund plan is operated by statutory authorities. Under the said scheme the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits.

The Company operates a superannuation scheme for certain employees and contributions by the Company under the scheme, is charged against revenue every year.

During the year the company has contributed ₹ 37,886,361/- (Previous Year ₹ 33,796,235/-) for Provident Fund and Pension Fund and ₹ 3,921,210/- (Previous Year ₹ 3,633,775/-) for Superannuation Fund. The contributions payable to these plans by the

Company are at the rates specified in the rules of the scheme.

#### b) Defined Benefit Plans

- The Company makes annual contribution of gratuity to gratuity funds duly constituted and administered by independent trustees and funded with Birla Sun Life Insurance Company Limited/ independent trust for the qualifying employees. The scheme provides for a lump sum payment to vested employees upon retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of 5 years of continuous service.
- The employees of the Company are also eligible for encashment of leave upon retirement up to 30 days for each year (maximum 120 days). The benefit obligation related to leave liability are funded with Life Insurance Corporation of India.
- The present value of defined obligation and related current cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

### Disclosure as per Accounting Standard - 15 related to Employee Benefit.

(Amount in lacs)

Particulars	2016-2017	2015-2016
	Gratuity Funded	Gratuity Funded
<b>Expenses recognised in the Statement of Profit and Loss for the year ended 31st March, 2017</b>		
A. Current Service Cost	98.95	96.31
Interest Cost	122.21	111.06
Expected return on Plan Assets	(131.56)	(125.24)
Actuarial (Gain)/Losses	169.23	7.61
<b>Expenses recognised in Statement of Profit and Loss</b>	<b>258.83</b>	<b>89.74</b>
<b>B. Net (Asset) / Liabilities recognised in Balance Sheet as at 31st March, 2017</b>		
Present Value of the Defined Benefit Obligation	1,854.38	1,613.81
Fair value of Plan Assets	1,595.55	1,481.95
<b>Net (Asset) / Liabilities recognised in Balance Sheet</b>	<b>258.83</b>	<b>131.86</b>
<b>C. Changes in the Present Value of Defined Benefit Obligation during the year ended 31st March, 2017</b>		
Present Value of Defined Benefit Obligations at 1st April, 2016	1,613.81	1,494.25
Current Service Cost	98.95	96.31
Interest Cost	122.21	111.06
Actuarial (Gain) / Losses	191.70	(6.83)
Benefits Paid	(172.29)	(80.98)
<b>Present Value of Obligation as at 31st March, 2017</b>	<b>1,854.38</b>	<b>1,613.81</b>
<b>D. Changes in Fair Value of Plan Assets during the year ended 31st March, 2017</b>		
Fair Value of Plan Assets as at 1st April, 2016	1,481.95	1,411.89
Expected return on Plan Assets	131.56	125.24
Actuarial Gain / (Losses)	22.47	(14.44)
Benefits Paid	(172.29)	(80.98)
Contributions	131.86	40.24
<b>Fair Value of Plan Assets as at 31st March, 2017</b>	<b>1,595.55</b>	<b>1,481.95</b>
<b>E. Principal Actuarial Assumptions used</b>		
Actual return on Plan Assets	8.50%	8.50%
Discount rates as at 31st March, 2017	7.10%	8.00%
Expected return on Plan Assets	9.00%	9.00%
Expected salary increase rates	6% to 8%	6% to 8%
Mortality Rates	India Assured Lives Mortality (2006-08) (modified) Ult.	India Assured Lives Mortality (2006-08) (modified) Ult.
F. Withdrawal Rate	1% to 2% depending on age	1% to 2% depending on age
G. Major categories of Plan Assets as a percentage of Fair Value of Plan Assets	Assets under Scheme of Insurance	Assets under Scheme of Insurance

(a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in lacs)

- (b) The Gratuity Scheme is invested in a Group Unit Linked Gratuity Plan managed by Birla Sun Life Insurance Company Limited and the Independent Administered Gratuity Fund. The information on the allocations of fund managed by Birla Sun Life Insurance Company Limited into major assets classes and expected return on each major classes are not readily available. In case of company's administered trust, 100% allocation of fund has been made towards government securities. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's actuary.
- (c) The Company expects to contribute ₹ NIL (Previous Year ₹ 132.00 lacs) to its gratuity fund in 2017-18.
- (d) The table below illustrates experience adjustment disclosure as per Para 120 (n) (ii) of Accounting Standard 15 – Employee Benefits.

	2016-17	2015-16	2014-15	2013-14	2012-13
Defined benefit obligation	1854.38	1613.81	1494.25	1417.01	1365.52
Plan asset	1595.55	1481.95	1411.89	1358.36	683.08
Surplus/(Deficit)	(258.83)	(131.86)	(82.36)	(58.65)	(682.44)
Experience adjustments on plan liability	(64.59)	(48.72)	(89.02)	25.10	(92.68)
Experience adjustments on plan asset	22.47	(14.44)	4.47	-	(3.02)

- P. Related party disclosures as required by Accounting Standard – 18 “Related Party Disclosures” are given below :

### Relationships:

- (a) Subsidiaries of the Company :

Gloster Real Estate Private Limited. (GREPL) (subsidiary upto 19.01.2017)  
 Cowcoody Builders Private Limited (CBPL)  
 Pranav Infradev Company Private Limited (PICPL)  
 Keshava Plantations Private Limited (KPPL) (subsidiary w.e.f. 05.04.2016)

- (b) Associate of the Company :

The Cochin Malabar Estates & Industries Limited (TCMEIL)

- (c) Enterprises/Individual having control over the Company :

- i) Pushpa Devi Bangur
- ii) Hemant Bangur
- iii) Vinita Bangur
- iv) Kettlewell Bullen & Company Limited (KBCL)
- v) The Oriental Company Limited (TOCL)
- vi) Madhav Trading Corporation Limited (MTCL)
- vii) The Cambay Investment Corporation Limited (TCICL)
- viii) Credwyn Holdings (I) Private Limited (CHPL)
- ix) Wind Power Vinimay Private Limited (WPVPL)
- x) Mugneeram Bangur & Company LLP (MB)

- (d) Other Companies over which the Key Management Personnel are able to exercise a significant influence and with whom transactions took place during the year:

- i) Gloster Ltd. (GL)

- (e) Key Management Personnel :

- i) Mr. K. C. Mohta - Executive Director & C.E.O.

# NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

The following transactions were carried out with the related parties in the ordinary course of business :

(i) Relating to parties referred to in (a), (b), (c), (d) and (e) above.

Sl.	PARTICULARS	TCICL	WPVPL	CHPL	MTCL	GL	TOCL	KBCL	MB	TCMEIL	KPPL	Directors & their relatives
1	Loans Given during the year	-	-	-	-	-	-	-	-	7,500,000	45,124,185	-
	Previous Year	-	-	-	-	-	-	-	-	500,000	-	-
2	Advances Received / (Refunded) during the year (Net)	-	-	-	-	-	-	-	-	7,500,000	28,246,716	-
	Previous Year	-	-	-	-	-	-	-	-	4,000,000	-	-
3	Closing balance of advances/ loan receivable/ (payable) as at 31.03.2017	-	-	-	-	-	-	-	-	-	26,705,147	-
	Previous Year	-	-	-	-	-	-	-	-	-	-	-
4	Interest Income / Receivable	-	-	-	-	-	-	-	-	24,658	3,116,566	-
	Previous Year	-	-	-	-	-	-	-	-	224,691	-	-
5	Rent Paid	-	-	-	-	-	-	2,067,750	-	-	-	-
	Previous Year	-	-	-	-	-	-	2,046,870	-	-	-	-
6	Rent Deposit as at 31.03.2017	-	-	-	-	-	-	7,500,000	-	-	-	-
	Previous Year	-	-	-	-	-	-	7,500,000	-	-	-	-
7	Purchase	-	-	-	-	11,274,510	-	-	-	-	-	-
	Previous Year	-	-	-	-	9,753,424	-	-	-	-	-	-
8	Sales	-	-	-	-	77,496	-	-	-	-	-	-
	Previous Year	-	-	-	-	83,787	-	-	-	-	-	-
9	Dividend Paid	110,737	27,719	98,524	54,102	-	493,643	538,838	12,500	-	-	* 1,512,753
	Previous Year	1,084,368	83,157	295,572	162,306	22,500	1,480,929	1,616,514	37,500	-	-	* 3,867,072
10	Sale of Investment	-	5,408,330	9,096,000	9,096,000	-	9,096,000	-	-	-	-	-
	Previous Year	-	-	-	-	-	-	-	-	-	-	-
11	Sitting fees	-	-	-	-	-	-	-	-	-	-	* 140,000
	Previous Year	-	-	-	-	-	-	-	-	-	-	* 125,000

\* Also includes dividend and sitting fees paid to individuals mentioned in (c) (i), (ii) & (iii).

(ii) Relating to persons referred to in (e) above :

Remuneration of ₹ 6,566,232/- (31.03.2016 - ₹ 6,566,239/-)

The management certifies that there are no other payments to any relatives of Key Management Personnel.



## NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

### Q. Earnings per share

Particulars	2016-17	2015-16
a) Profit/(Loss) after taxation as per Statement of Profit and Loss	(139,302,567)	(6,183,208)
b) Number of equity shares outstanding (including shares to be issued in lieu of scheme)	4,142,201	4,142,201
c) Basic and diluted earnings per share (in ₹) (Face value ₹ 10/- per share)	(33.63)	(1.49)

### R. Disclosure relating to details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided below:-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1,084,500	2,289,906	3,374,406
(+) Permitted receipts	-	38,731,802	38,731,802
(-) Permitted payments	141,000	35,413,359	35,554,359
(-) Amount deposited in Banks	943,500	45,000	988,500
Closing cash in hand as on 30.12.2016	-	5,563,349	5,563,349

### S. (i) Information pursuant to Regulation 34(3) of SEBI (Listing Obligation and disclosure requirements) Regulation 2015. Loan to subsidiary/associate company are as under :

Particulars	Balance as at 31st March, 2017	Balance as at 31st March, 2016	Maximum amount outstanding during the year ended 31st March, 2017	Maximum amount outstanding during the year ended 31st March, 2016
Keshava Plantations Pvt. Ltd (Subsidiary)	26,705,147	-	48,449,352	-

Particulars	Balance as at 31st March, 2017	Balance as at 31st March, 2016	Maximum amount outstanding during the year ended 31st March, 2017	Maximum amount outstanding during the year ended 31st March, 2016
The Cochin Malabar Estates and Industries Ltd. (Associate)	-	-	7,500,000	4,000,000

Note: The loan was given for the general business purpose of the subsidiary & associate.

### S. ii) Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

(Amount in lacs)

Particulars	2016-17	2015-16
A) Amount of CSR expenditure to be incurred during the year	5.27	12.70
B) CSR Expenditure (Revenue Nature) incurred during the year	0.62	0.62

### T. a) Expenditure in Foreign Currency :

Particulars	2016-17	2015-16
Travelling	-	1,028,799
Others	-	121,999

(Amount in ₹)

## b) Value of Raw Materials and Spares Consumed :

Particulars	Raw Material Consumed				Stores and Spares-Parts Consumed			
	2016-17		2015-16		2016-17		2015-16	
	Value	%	Value	%	Value	%	Value	%
Imported	-	-	-	-	-	-	-	-
Indigenous	237,516,294	100	266,084,809	100	102,251,497	100	100,297,133	100

U. Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with that of current year.

For and on behalf of  
**SINGHI & CO.**  
Chartered Accountants  
Firm Registration No. 302049E  
**Gopal Jain**  
Partner  
Membership No. 059147  
Place : Kolkata  
Dated : 11th May, 2017

**H. Bangur** Chairman  
**M. K. Daga** Director  
**K. C. Mohta** Executive Director  
**B. L. Dhanuka** Chief Financial Officer  
**S. Bagree** Manager (Finance) & Company Secretary

**NOTES TO FINANCIAL STATEMENTS** as at and for the year ended 31st March, 2017

---

# **Consolidated Financial Statements**

---

## INDEPENDENT AUDITORS' REPORT

To the members of  
**JOONKTOLLEE TEA & INDUSTRIES LIMITED**

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of JOONKTOLLEE TEA & INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") its subsidiaries and its associate (Collectively referred to as "the Group" or Company), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit & Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### AUDITOR'S RESPONSIBILITY

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

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

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

### OPINION

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

### OTHER MATTERS

We did not audit the financial statements/financial information of three subsidiaries, whose financial statements reflect total assets of Rs.4495.07 Lakh and net assets of Rs. 3641.74 Lakh as at 31st March, 2017, total revenues of Rs.750.01 Lakh and net cash outflows amounting to Rs.34.41 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated

## INDEPENDENT AUDITORS' REPORT

financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143 (3) of the Act, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company, none of the directors of the Group is disqualified as on 31st March, 2017 from being appointed as a director of that company in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 2.25.D to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
  - iv. The group has provided requisite disclosures in the note no. 2.25 S in these financial statement as to holding as well as dealings in Specified Bank Notes during the period 8th November, 2016 to 30th December, 2016. Based on audit procedure and relying on the management representation and other auditor's report, we report that the disclosure are in accordance with books of accounts maintained by the group and as produced to us by the management.

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

**Gopal Jain**  
*Partner*  
Membership No. 059147

Place : Kolkata  
Date : 11th day of May, 2017

## ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

**The Annexure referred to in paragraph 1 (f) under the heading “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ 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 JOONKTOLLEE TEA & INDUSTRIES LIMITED for the year ended 31st March 2017, we report that:**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of the Holding Company. Based on the comments made by the Independent Auditors of the Subsidiary Companies and associate company with respect to the internal financial controls over financial reporting as required in terms of sub-section (3) (i) of Section 143 of the Act, we report as under:

### MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

### AUDITORS’ RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

## ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

### OPINION

In our opinion, the Holding Company, its subsidiary companies & its associate company, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls over financial reporting in so far as it relates to three subsidiaries companies and the associate company, is based on the corresponding reports of the auditors of such companies.

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

**Gopal Jain**  
*Partner*  
Membership No. 059147

Place : Kolkata  
Date : 11th day of May, 2017

## CONSOLIDATED BALANCE SHEET as at 31st March, 2017

(Amount in ₹)

	Note No.	As at 31st March, 2017		As at 31st March, 2016	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2.1	41,422,010		41,422,010	
Reserves and Surplus	2.2	1,081,788,969	1,123,210,979	1,259,127,032	1,300,549,042
<b>Non-Current Liabilities</b>					
Long-Term Borrowings	2.3	254,583,333		227,916,666	
Other Long-Term Liabilities	2.4	6,906,928		5,799,650	
Long-Term Provisions	2.5	27,942,938	289,433,199	2,059,938	235,776,254
<b>Current Liabilities</b>					
Short-Term Borrowings	2.6	475,680,373		329,304,160	
Trade Payables					
Total outstanding due of Micro Enterprises & Small Enterprises	2.7	-		-	
Total outstanding due of Creditors other than Micro Enterprises & Small Enterprises	2.7	42,004,197		29,580,926	
Other Current Liabilities	2.8	138,499,516		121,381,343	
Short-Term Provisions	2.5	36,617,237	692,801,323	40,312,404	520,578,833
<b>Total</b>			<b>2,105,445,501</b>		<b>2,056,904,129</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Goowill on Consolidation			280,240,643		41,255,446
Fixed Assets	2.9				
- Tangible Assets		1,109,518,205		1,181,389,701	
- Intangible assets		1,169,593		507,392	
- Capital Work-In-Progress		31,614,708	1,142,302,506	5,394,451	1,187,291,544
Non-Current Investments	2.10	48,699,295		44,699,765	
Deferred Tax Assets (Net)	2.11	8,780,014		(385,745)	
Long-Term Loans and Advances	2.12	87,203,284	144,682,593	107,158,435	151,472,455
<b>Current Assets</b>					
Inventories	2.13	248,619,692		139,744,191	
Trade Receivables	2.14	58,219,458		65,224,173	
Cash and Bank Balances	2.15	89,940,076		298,732,931	
Short-Term Loans and Advances	2.12	126,179,816		159,174,782	
Other Current Assets	2.16	15,260,717	538,219,759	14,008,607	676,884,684
<b>Total</b>			<b>2,105,445,501</b>		<b>2,056,904,129</b>
Significant Accounting Policies	1				

The accompanying notes 2.1 to 2.25 are an integral part of the Consolidated Financial Statements.  
As per our report of even date annexed.

For and on behalf of

**SINGHI & CO.**

Chartered Accountants

Firm Registration No. 302049E

**Gopal Jain**

Partner

Membership No. 059147

Place : Kolkata

Dated : 11th May, 2017

**H. Bangur** Chairman

**M. K. Daga** Director

**K. C. Mohta** Executive Director

**B. L. Dhanuka** Chief Financial Officer

**S. Bagree** Manager (Finance) & Company Secretary



## CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2017

(Amount in ₹)

	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>INCOME</b>			
Revenue from Operations	2.17	946,138,962	1,029,128,990
Other Income	2.18	68,824,738	92,396,308
<b>Total</b>		<b>1,014,963,700</b>	<b>1,121,525,298</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	2.19	237,516,294	266,084,809
(Increase)/ Decrease in Inventories of Finished / Semi-Finished Goods	2.20	(101,634,941)	(27,317,641)
Employee Benefits Expense	2.21	554,908,899	454,137,393
Finance Costs	2.22	79,105,066	56,382,478
Depreciation and Amortization Expense	2.23	52,334,898	42,738,116
Other Expenses	2.24	337,139,294	326,567,253
<b>Total</b>		<b>1,159,369,510</b>	<b>1,118,592,408</b>
<b>Profit before Tax</b>		<b>(144,405,810)</b>	<b>2,932,890</b>
<b>Tax Expense :</b>			
Current Tax		1,430,000	882,000
Deferred Tax		(9,165,759)	7,170,361
Income Tax for earlier years		(4,913)	467,900
<b>Profit / (Loss) after Tax</b>		<b>(136,665,138)</b>	<b>(5,587,371)</b>
Add : Share of loss in associate for the year		(286,906)	(561,951)
<b>Profit / (Loss) for the year</b>		<b>(136,952,044)</b>	<b>(6,149,322)</b>
Basic & Diluted Earnings Per Share [nominal value ₹ 10/-] (Refer Note No. 2.25.R)		(33.06)	(1.48)
Significant Accounting Policies	1		

The accompanying notes 2.1 to 2.25 are an integral part of the Consolidated Financial Statements  
As per our report of even date annexed.

For and on behalf of  
**SINGHI & CO.**  
Chartered Accountants  
Firm Registration No. 302049E  
**Gopal Jain**  
Partner  
Membership No. 059147  
Place : Kolkata  
Dated : 11th May, 2017

**H. Bangur** Chairman  
**M. K. Daga** Director  
**K. C. Mohta** Executive Director  
**B. L. Dhanuka** Chief Financial Officer  
**S. Bagree** Manager (Finance) & Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2017

(Amount in ₹)

	2016-2017		2015-2016	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Tax and extra ordinary items		(144,692,716)		2,370,939
<b>Adjustments for :</b>				
Depreciation	52,334,898		42,738,116	
Loss / ( Profit) on Sale/discard of Fixed Assets (net)	1,904,267		(876,712)	
Profit on Sale of Investment	(1,520,952)		(1,550,331)	
Interest and Dividend Income	(19,482,089)		(32,692,356)	
Provision for obsolescence on stores	2,495,927		-	
Finance Cost	79,105,066		56,382,478	
Sundry Credit bal. no longer required written back	(1,858,470)		(1,362,520)	
Bad Debts & Provision for doubtful debts/Advances (Net)	6,447,146		128,807	
Loss of an Associate	286,906	119,712,699	561,951	63,329,433
<b>Operating Profit before working capital changes</b>		<b>(24,980,017)</b>		<b>65,700,372</b>
<b>Adjustments for :</b>				
Trade Receivables, Current Assets and Loans & Advances	27,511,105		(43,078,472)	
Inventories	(105,895,558)		(27,904,159)	
Trade Payables , Current Liabilities and Provisions	33,463,652	(44,920,801)	13,104,734	(57,877,897)
<b>Cash Generated from Operations</b>		<b>(69,900,818)</b>		<b>7,822,475</b>
Direct Taxes (Paid)/Refund received (Net)		(3,758,599)		(7,817,916)
<b>Net Cash from operating activities</b>		<b>(73,659,417)</b>		<b>4,559</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets/CWIP/ Capital Advance	(15,795,093)		(58,260,548)	
Sale of Fixed Assets	(1,585,475)		1,430,272	
(Purchase)/ Sale of Investments	(202,373,534)		(4,532,378)	
Advance against purchase of Investment	-		(27,500,000)	
Investment in Fixed Deposits	153,956,904		(3,993,287)	
Advances from/to associate (Net)	-		3,500,000	
Loans/Advance to Corporates (Net)	113,917		22,863,313	
Interest Received	19,749,228		34,721,937	
Dividend Received	-		20,145	
<b>Net cash used in Investing Activities</b>		<b>(45,934,053)</b>		<b>(31,750,546)</b>
		<b>(119,593,470)</b>		<b>(31,745,987)</b>

**CONSOLIDATED CASH FLOW STATEMENT** for the year ended 31st March, 2017

(Amount in ₹)

	2016-2017		2015-2016	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long Term Borrowings	92,613,997		263,966,668	
Payments of Long Term Borrowings	(68,333,333)		(122,300,002)	
Proceeds from Other Borrowings ( Net)	116,959,587		71,191,311	
Interest paid	(76,399,088)		(55,421,418)	
Dividends Paid (including Tax on Dividend)	(4,479,503)		(13,438,509)	
<b>Net Cash from/(used in) Financing Activities</b>		<b>60,361,660</b>		<b>143,998,050</b>
<b>Net Change in Cash and Cash Equivalents</b>		<b>(59,231,810)</b>		<b>112,252,063</b>
Cash and Cash Equivalents - Opening Balance **		146,882,152		30,275,179
Cash and Cash Equivalents - Closing Balance		87,650,342		142,527,242

\*\* Including ₹ 4,354,910/- added in respect of subsidiary viz Keshava Plantations Private Limited

Notes :

1. Cash and cash equivalents consists of cash on Hand and balances with banks in current / Cash Credit accounts as per note 2.15
2. Previous year's figures have been regrouped/rearranged wherever necessary
3. Cash and cash equivalents consists of:

Particulars	2016-2017	2015-2016
Cash on hand	3,306,445	3,900,204
Bank Balance	84,343,897	138,627,038
<b>Total</b>	<b>87,650,342</b>	<b>142,527,242</b>

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date annexed.

For and on behalf of  
**SINGHI & CO.**  
Chartered Accountants  
Firm Registration No. 302049E  
**Gopal Jain**  
Partner  
Membership No. 059147  
Place : Kolkata  
Dated : 11th May, 2017

**H. Bangur** Chairman  
**M. K. Daga** Director  
**K. C. Mohta** Executive Director  
**B. L. Dhanuka** Chief Financial Officer  
**S. Bagree** Manager (Finance) & Company Secretary

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

### 1. Significant Accounting Policies :

#### a) Accounting Convention

The consolidated financial statements have been prepared in accordance with historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards and the relevant provisions of Companies Act, 2013.

#### b) Principles of Consolidation

- i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- ii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- iii) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Statement of Profit and Loss Account being the profit or loss on disposal of investment in subsidiary.
- iv) Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
- v) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- vi) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

#### c) Use of Estimates

The preparation of consolidated financial statements

require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known /materialized.

#### d) Change in accounting policy

##### Accounting for proposed dividend

As per the requirements of AS-4 (Revised w.e.f. 01/04/16) on "Contingencies & events occurring after the Balance Sheet date", proposed final dividend including dividend distribution tax are recognised as a liability in the period in which they are approved by the shareholders in the general meeting unlike requirement of recognising the same as liability in the period to which relates. Had the company continued with its earlier practise, surplus in the statement of profit & loss would have been lower by Rs. 4,479,503/- with a corresponding increase in the provision.

##### Bearer Plant Accounting

As per the requirement of AS-10 (Revised w.e.f. 01/04/16) on "Property plant & equipment", expenditure incurred on "Bearer Plants" have been capitalised which were hitherto charged to statement of profit & loss in case of existing area of cultivation. The impact of change in accounting policy has been given in note no. 2.25 L

#### e) Property Plant & Equipment and Depreciation (Fixed Asset)

##### Fixed Assets

- i) Tangible Fixed Assets are stated at their original cost less depreciation. Cost includes incidental expenses. Profits or Losses on sale of tangible fixed assets are included in the Statement of Profit & Loss and calculated as difference between the value realized and book value. Capital Work-in-Progress is stated at cost. Subsidies received in respect of tangible fixed assets are deducted from the cost of respective assets.
- ii) Bearer plants which are used in the production or supply of agriculture produce and expected to bear produce for more than a period of twelve months are capitalized as part of property, plant & equipment. The cost of Bearer plant includes uprooting cost, replantation cost and upkeep expenses of young Bearer plant.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

- iii) Land taken on perpetual lease is capitalized together with development expenditure incurred on the same.

### Depreciation

- iv) Depreciation on tangible fixed assets other than land and Bearer plant is provided on written down value method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013 except as mentioned in (v) & (vi) below
- v) In case of asset "Fences, wells, tube wells" & "Carpeted Roads – Other than RCC", depreciation has been provided on written down value method at the rates determined considering the useful lives of 15 years which is based on assessment carried out by external valuers and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.
- vi) Depreciation on Bearer plants has been provided on straight line basis at the rates determined considering the following useful lives. The Residual value in case of Bearer plant has been considered as NIL.

Tea Bushes	50 years to 60 years
Coffee Bushes	30 years to 80 years
Rubber plants	30 years
Minor produce	30 years

- vii) Land taken on perpetual lease is not amortized.
- viii) Intangible Assets are being amortized over a period of 5 years.

### f) Government Grants

Grants and subsidies from the Government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Government grants related to specific tangible fixed assets are deducted from gross value of related assets in arriving at their book value. Government grants related to revenue are recognized in the Statement of Profit & Loss.

### g) Investment

Long -Term and Unquoted Investments are considered at cost, unless there is a permanent decline in value thereof, in which case, adequate provision is made in

the accounts. Current Investments are stated at lower of cost or market / fair value.

### h) Inventories

- i) Stock of finished rubber, tea, coffee and other minor produce (i.e. pepper and cardamom) are valued at cost (determined on weighted average basis) or net realizable value whichever is lower.
- ii) Stock of stores and spare parts are valued at cost (using the weighted average cost basis) or net realizable value which ever is lower.
- iii) Cost comprises all direct and indirect expenses.
- iv) Net realizable value is the estimated selling price in ordinary course of business less estimated cost of completion and estimated cost necessary to make the sale.
- v) Materials and other items held for use in the production of Inventories is not written down below the cost of the finished products in which they will be incorporated are expected to be sold at or above cost.
- vi) Provision is made for obsolete and slow moving stocks where necessary.

### i) Foreign Currency Transactions

- i) Foreign Currency Transactions are recorded at the rate of exchange prevailing on the dates when the relevant transactions take place.
- ii) Year end balances of foreign currency transactions are translated at exchange rates prevailing at the end of the year.
- iii) Any income or expense on account of exchange difference either on settlement or translation is recognized in the Statement of Profit & Loss.

### j) Revenue Recognition

Sales are recognized in the accounts on passing of titles of the goods, i.e. delivery as per terms of sales or completion of auction in case of auction sale. Sale of standing trees is accounted as and when they are removed and the proceeds are credited to the Statement of Profit & Loss. Other income with related tax credits and expenditure are accounted for on accrual basis.

### k) Employee Benefits

#### Short - Term Employee Benefits:

The undiscounted amount of short-term employee benefit expected to be paid in exchange for the services

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

rendered by employee is recognized during the period when the employee rendered the service. This benefit includes salary, wages, short term compensatory absences and bonus.

### Long - Term Employee Benefits

#### Defined Contribution Scheme -

This benefit includes contribution to provident fund schemes and superannuation fund. The contribution is recognized during the period in which the employee renders service.

#### Defined Benefit Scheme -

For defined benefit scheme the cost of providing benefit is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. The benefit obligation recognized in the balance sheet represents value of defined benefit obligation determined at the end of the year. Actuarial gains and losses are recognized in full during the period in which they occur.

#### Other Long-Term Benefits -

Long-term compensation absence is provided for on the basis of an actuarial valuation, using the projected unit credit method as at the date of balance sheet.

#### l) Borrowing Costs

Borrowing costs, if attributable to qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale) are capitalized. Other borrowing costs are charged to Statement of Profit & Loss in the period they are incurred.

#### m) Taxes on Income

Current Tax comprise of Income Tax & Wealth Tax that would be payable based on computation of tax as per taxation laws under the Income Tax Act, 1961 and under the respective state Agricultural Income Tax Acts. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, 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. Tax credit for Minimum Alternate Tax (MAT) is recognized when there is convincing evidence of its realisability against future normal tax liability.

#### n) Leases

i) For assets acquired under operating lease, rentals payable are charged to the Statement of Profit and Loss.

ii) For assets acquired under finance lease/hire purchase agreement, the assets are capitalized at lower of their respective fair value and present value of minimum lease payments after discounting them at an appropriate discount rate.

iii) Hire purchase charges are being amortized based on a constant periodic rate of interest on the remaining balance of the liability of each period.

#### o) Proposed Dividend

Dividends recommended/declared after the balance sheet date but before the Financial statements are approved by the shareholders in the general meeting are not recognized as a liability at the balance sheet date because no obligation exists at the balance sheet date. Such dividends are disclosed in the Notes.

#### p) Impairment

An impairment loss is recognized where applicable when the carrying value of fixed assets exceeds its market value or value in use whichever is higher. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

#### q) Provisions and Contingent Liabilities

The Company recognizes a provision 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 obligation. A disclosure for a 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. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made. Contingent Assets are not provided for or disclosed.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.1 SHARE CAPITAL</b>		
<b>AUTHORIZED :</b>		
<b>Equity Shares :</b>		
1,12,49,000 Ordinary Shares of ₹ 10/- each	112,490,000	112,490,000
35,000 Ordinary Shares of ₹ 100/- each	3,500,000	3,500,000
<b>Preference Shares :</b>		
50,000 Redeemable Cumulative Shares of ₹ 10/- each	500,000	500,000
100, 13.5% Redeemable Cumulative Shares of ₹ 100/- each	10,000	10,000
	<b>116,500,000</b>	<b>116,500,000</b>
<b>ISSUED :</b>		
41,42,201 Ordinary Shares of ₹ 10/- each (Previous year 41,42,201 Ordinary Shares of ₹ 10/- each)	41,422,010	41,422,010
	<b>41,422,010</b>	<b>41,422,010</b>
<b>SUBSCRIBED AND PAID UP :</b>		
41,42,201 Ordinary Shares of ₹ 10/- each fully paid up (Previous year 41,42,201 Ordinary Shares of ₹ 10/- each fully paid up)	41,422,010	41,422,010
	<b>41,422,010</b>	<b>41,422,010</b>

a) **Reconciliation of Shares outstanding at the beginning and at the end of year**

	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	4,142,201	4,142,201
Shares outstanding at the end of the year	4,142,201	4,142,201

- b) The Company has only one class of issued shares i.e. Ordinary Shares having par value of ₹ 10/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
- c) The Company does not have any holding company or ultimate holding company.
- d) Details of shareholders holding more than 5% shares in the Company :

	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	%	No. of Shares	%
<b>Ordinary Shares of ₹ 10/- each fully paid up</b>				
1) Mugneeram Bangur & Co. LLP	612,500	14.78	12,500	0.30
2) Kettlewell Bullen and Company Limited	538,838	13.01	538,838	13.01
3) Pushpa Devi Bangur	517,928	12.50	970,181	23.42
4) The Oriental Company Limited	493,643	11.92	493,643	11.92
5) Madhav Trading Corporation Limited	374,130	9.03	54,102	1.30
6) Life Insurance Corporation of India	246,493	5.95	246,493	5.95
7) Hemant Bangur	226,729	5.47	289,070	6.98
8) The Cambay Investment Corporation Limited	110,737	2.67	265,227	6.40

- e) No Ordinary 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 CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

- f) No Ordinary Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- g) No securities convertible into Ordinary/Preference shares have been issued by the Company during the year.
- h) No calls are unpaid by any Director or Officer of the Company during the year.

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.2 RESERVES AND SURPLUS</b>		
<b>Capital Reserves</b>		
As per the last Financial Statements	791,863,250	791,863,250
	791,863,250	791,863,250
<b>Capital Redemption Reserve</b>		
As per the last Financial Statements	41,600	41,600
<b>Securities/Share Premium</b>		
As per the last Financial Statements	24,701,440	24,701,440
<b>Revaluation Reserve</b> (created on revaluation of land)(Refer note no. 2.9)		
As per the last Financial Statements	-	40,386,019
	-	40,386,019
<b>General Reserve</b>		
As per the last Financial Statements	310,269,187	310,269,187
	<b>310,269,187</b>	<b>310,269,187</b>
<b>Surplus</b>		
As per the last Financial Statements	91,865,536	102,494,361
Add : Profit/(Loss) for the year	(136,952,044)	(6,149,322)
	<b>(45,086,508)</b>	<b>96,345,039</b>
Less : Appropriations		
Proposed Dividend	-	4,142,201
Corporate Dividend Tax	-	337,302
<b>Net Surplus</b>	<b>(45,086,508)</b>	<b>91,865,536</b>
<b>Total</b>	<b>1,081,788,969</b>	<b>1,259,127,032</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	Non-current portion		Current Maturities	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
<b>2.3 LONG-TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan from banks	254,583,333	227,916,666	85,416,667	80,416,667
<b>Total Secured Borrowings</b>	<b>254,583,333</b>	<b>227,916,666</b>	<b>85,416,667</b>	<b>80,416,667</b>
Amount disclosed under the head "Other Current Liabilities" (Note 2.8)	-	-	85,416,667	80,416,667
<b>Total</b>	<b>254,583,333</b>	<b>227,916,666</b>	<b>-</b>	<b>-</b>

### Security and Repayment Terms :

- Term Loan from a Bank amounting to ₹ 2,50,00,000/- together with working capital facility from the same Bank is secured by equitable mortgage of Jamirah and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division. Loan is repayable in remaining 12 quarterly installments of ₹ 20,83,333/- .
- Term Loan from a Bank amounting to ₹ 19,00,00,000/- together with working capital facility from the same Bank is secured / to be secured by exclusive charge on the title deeds of Goomankhan Tea Estate and also by way of hypothecation of Plant and Machinery of Goomankhan Tea Estate. Loan is repayable in 19 quarterly installments of ₹ 1,00,00,000/- starting from 31.03.2017.
- Term Loans from a Bank amounting to ₹ 12,50,00,000/- together with working capital facility from the same Bank is secured by exclusive charge on the title deeds of Nilmoni Tea Estate, current assets of Karnataka division both present and future. Out of the above loan, loan of ₹ 2,50,00,000 /- is payable in remaining 3 quarterly installments and loan of ₹ 10,00,00,000/- is payable in remaining 20 quarterly installments after a moratorium of one year starting from 31.12.2017.

	As at 31st March, 2017	As at 31st March, 2016
<b>2.4 OTHER LONG-TERM LIABILITIES</b>		
Trade and Security Deposit	6,906,928	5,799,650
<b>Total</b>	<b>6,906,928</b>	<b>5,799,650</b>

	Long-term		Short-term	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
<b>2.5 PROVISIONS</b>				
<b>Provision for Employee Benefits</b>				
Gratuity	25,883,000	-	10,274,957	13,185,545
Bonus	-	-	22,482,280	19,406,356
Leave	-	-	935,000	900,000
<b>Other Provisions</b>				
Provisions for Taxation (Net of advance)	2,059,938	2,059,938	2,925,000	2,341,000
Proposed Dividend	-	-	-	4,142,201
Corporate Dividend Tax ##	-	-	-	337,302
<b>Total</b>	<b>27,942,938</b>	<b>2,059,938</b>	<b>36,617,237</b>	<b>40,312,404</b>

## In view of favorable order from Hon'ble Supreme Court in case of other tea Company, the liability for dividend distribution tax has been provided to the extent of 40% of the proposed dividend.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.6 SHORT TERM BORROWINGS</b>		
<b>Working Capital Borrowings</b>		
From Banks ( Secured)	319,031,129	217,654,160
From Banks ( Unsecured)	152,499,244	108,200,000
From Others ( Unsecured)	4,150,000	3,450,000
<b>Total</b>	<b>475,680,373</b>	<b>329,304,160</b>

### Security and Charge :

- i) Working Capital Loan of ₹ 10,53,94,482/- is secured by way of exclusive charge on the title deeds of Nilmoni Tea Estate and the Current Assets of the Karnataka Division, both present and future.
- ii) Working Capital Loan from a Bank amounting to ₹ 15,50,09,361/- is secured by way of exclusive charge on the title deeds and entire movable fixed assets of Joonktollee Tea Estate & Factory , and hypothecation of entire stock , book debts and other current assets of Joonktollee Tea Estate, Nilmoni Tea Estate & Shreemoni Tea Factory .
- iii) Working Capital Loan from a Bank of ₹ 3,29,03,588/- is secured by equitable mortgage of Jamirah Tea Estate and Pullikanam Tea Estate and also by way of hypothecation of current assets of Kerala Division.
- iv) Working Capital Loan from a bank amounting to ₹ 2,57,23,698/- is secured by equitable mortgage of Azizbagh Tea Estate and also by way of hypothecation of standing tea crop, tea in process, finished tea in factory etc. and book debts of the Keshava Plantations Pvt.Ltd.

	As at 31st March, 2017	As at 31st March, 2016
<b>2.7 TRADE PAYABLES</b>		
<b>For Goods and Services</b>		
- towards dues to Micro Enterprises & Small Enterprises (Refer note no. 2.25M)	-	-
- Others	42,004,197	29,580,926
<b>Total</b>	<b>42,004,197</b>	<b>29,580,926</b>

	As at 31st March, 2017	As at 31st March, 2016
<b>2.8 OTHER CURRENT LIABILITIES</b>		
Current maturities of Long Term Debt (See Note 2.3)	85,416,667	80,416,667
Employee Related Liability	21,009,689	16,503,004
Interest accrued but not due on Borrowings	3,363,799	1,673,151
Interest accrued and due on Borrowings	3,379,948	2,364,618
Unpaid and unclaimed dividends #	2,104,826	2,063,877
Short term deposits	345,863	471,664
Statutory Dues Payable	17,727,389	14,584,562
Amount payable for Capital Goods	321,000	1,276,398
Advances Received from Customers	4,830,335	1,991,402
Others	-	36,000
<b>Total</b>	<b>138,499,516</b>	<b>121,381,343</b>

# There are no amounts due for payment to the Investor Education and Protection Fund at the end of the year.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	Gross Block						Accumulated Depreciation				Net Block	
	Balance as at 31.03.2016	Adjon a/c of acquisition / cessation of subsidiary	Other Adjustments	Additions	Disposals	Balance as at 31.03.2017	Balance as at 31.03.2016	Adjon a/c of acquisition / cessation of subsidiary	Depreciation charge for the year	On disposals	Balance as at 31.03.2017	Balance as at 31.03.2016
<b>2.9 FIXED ASSETS</b>												
(i) <b>Tangible Assets</b>												
Land * #												
- Freehold	405,324,941	(41,202,317)	-	-	-	364,122,624	-	-	-	-	364,122,624	405,324,941
- Leasehold	359,693,049	9,917,747	(12,954,427)	-	-	247,656,369	-	-	-	-	247,656,369	359,693,049
Buildings incl. Roads & Bridges	311,775,629	12,744,057	-	15,714,233	141,010	340,092,909	150,936,018	7,038,050	15,864,421	23,614	173,814,875	166,278,034
Plant and Equipment	335,269,955	37,807,405	-	10,027,172	2,017,724	381,086,808	232,956,318	25,789,065	23,626,764	1,902,293	280,469,854	100,616,954
Furniture and Fixtures	19,064,580	2,857,105	-	607,570	9,810	22,519,445	16,223,641	2,310,588	857,186	9,320	19,382,095	2,940,939
Vehicles	56,559,779	4,287,792	-	5,626,437	1,634,362	64,839,646	41,374,934	3,793,876	5,725,675	1,526,480	49,368,005	15,184,845
Office equipment	6,350,032	1,063,821	-	1,066,180	167,298	8,312,735	5,204,370	721,139	1,008,703	156,635	6,777,577	1,456,662
Plantation/ Development	134,047,017	-	81,568,408	-	-	215,615,425	-	-	4,915,350	-	4,915,350	134,047,017
<b>Total</b>	<b>1,628,084,382</b>	<b>27,475,610</b>	<b>(40,386,019)</b>	<b>33,041,392</b>	<b>3,970,204</b>	<b>1,644,245,961</b>	<b>446,695,281</b>	<b>39,652,718</b>	<b>51,998,099</b>	<b>3,618,342</b>	<b>534,727,756</b>	<b>1,109,518,205</b>
(ii) <b>Intangible Assets</b>												
Computer software	6,118,356	-	-	999,000	-	7,117,356	5,610,964	-	336,799	-	5,947,763	1,169,593
<b>Total</b>	<b>6,118,356</b>	<b>-</b>	<b>-</b>	<b>999,000</b>	<b>-</b>	<b>7,117,356</b>	<b>5,610,964</b>	<b>-</b>	<b>336,799</b>	<b>-</b>	<b>5,947,763</b>	<b>507,392</b>
(iii) <b>Capital Work in Progress</b>												
- Others	-	-	-	3,039,630	-	3,039,630	-	-	-	-	-	3,039,630
- Bearer Plant	-	-	-	28,574,878	-	28,574,878	-	-	-	-	-	28,574,878
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,614,708</b>	<b>-</b>	<b>31,614,708</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,394,451</b>
<b>Grand Total</b>	<b>1,634,203,338</b>	<b>27,475,610</b>	<b>(40,386,019)</b>	<b>65,655,300</b>	<b>3,970,204</b>	<b>1,662,978,025</b>	<b>452,306,245</b>	<b>39,652,718</b>	<b>52,334,898</b>	<b>3,618,342</b>	<b>540,675,519</b>	<b>1,142,302,506</b>
Corresponding figures for previous year	1,575,951,587	-	-	66,125,314	7,873,563	1,634,203,338	416,289,309	-	42,738,116	6,721,180	462,306,245	1,181,897,093
Capital Work in Progress												
<b>Total</b>												<b>5,394,451</b>
<b>Total</b>												<b>1,187,291,544</b>

Note : The title deeds of immovable properties of Shreemoni Tea Factory are in the process of transfer in the name of the Company.

\* Land amounting to ₹ 10,58,262/- cannot be distinguished between freehold & leasehold. The same has been included under Freehold Land .

# Title deeds in respect of land purchased in Assam during the years 1985, 1986, 1996 and 1998 amounting to ₹ 2,25,320/- (Previous year ₹ 2,25,320/-) are under registration. However, the company is in the possession of the said land and is already under plantation. Such delay is on the part of relevant authorities.

In view of transitional provision vide para 91 of amended Accounting Standard AS- 10 "Property Plant & Equipment" effective from 1st April 2016, the revaluation reserve amounting to ₹ 4,03,86,019/- has been adjusted with carrying value of leasehold land as on 1st April 2016 as the company has adopted cost model for accounting for its property plant & equipment. Further component of tea plantation in the nature of bearer plant amounting to ₹ 8,15,68,408/- which was part of leasehold land in earlier years has been transferred to bearer plant as on 1st April, 2016.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

As at 31st March, 2017	As at 31st March, 2016	Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Number of Shares</b>		<b>2.10 NON CURRENT INVESTMENTS</b>		
		(Fully Paid up Equity Shares of ₹ 10 each, unless otherwise stated)		
		Long Term (Valued at Cost)		
		<b>Trade Investment</b>		
		<b>In Associate– Quoted</b>		
437294	437294	The Cochin Malabar Estates & Ind. Ltd. *	-	286,906
		<b>Other Investment</b>		
		<b>In other Companies - Quoted</b>		
138680	138680	The Phosphate Co. Ltd.	3,859,645	3,859,645
-	200	Apeejay Tea Ltd.	-	1,030
25473	19998	Thirumbadi Rubber Co. Ltd	13,976,400	10,998,900
		<b>In other Companies – Un–Quoted</b>		
63,000	63,000	Sudipta Traders Pvt Ltd	28,351,575	28,350,000
		<b>Investment In Mutual Funds – Quoted</b>		
-	-	HDFC Mutual Fund	2,511,675	1,203,284
		<b>TOTAL NON CURRENT INVESTMENT</b>	<b>48,699,295</b>	<b>44,699,765</b>
		Aggregate Book Value of Non Current Quoted Investments	20,347,720	16,349,765
		Aggregate Book Value of Non Current Unquoted Investments	28,351,575	28,350,000
		Aggregate Market Value of Non Current Quoted Investments	19,288,007	5,363,684
		Aggregate Amount of Diminution in the value of Investments	10,006,274	10,006,274

\* Net of provision for diminution in the value of investment ₹ 1,00,06,274/- (Previous Year : ₹ 1,00,06,274/-)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.11 DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Assets</b>		
Arising on account of :		
Section 43B of Income-tax Act	11,271,542	1,091,020
Unabsorbed depreciation	7,093,556	-
Accumulated Depreciation		
Less: Deferred Tax Liabilities		
Arising on account of :		
Accumulated Depreciation	9,585,084	859,819
Others	-	616,946
<b>Deferred Tax Assets (Net)</b>	<b>8,780,014</b>	<b>(385,745)</b>

- a) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation law.  
b) Deferred tax asset on unabsorbed depreciation, has been recognised on the certainty of reversal of the same based on the projected availability of future taxable income.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	Long-term		Short-term	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
<b>2.12 LOANS &amp; ADVANCES</b>				
(Unsecured & Considered good unless otherwise mentioned)				
Capital Advances	910,900	980,900	-	353,595
	<b>910,900</b>	<b>980,900</b>	-	<b>353,595</b>
Security Deposits	19,741,482	16,852,048	492,415	568,112
Advance against purchase of Investment	-	27,500,000		
	<b>19,741,482</b>	<b>44,352,048</b>	<b>492,415</b>	<b>568,112</b>
<b>Other Loans and Advances (Unsecured, Considered good unless otherwise mentioned)</b>				
Deposit with Nabard	-	-	412,465	50,000
Deposit with Assam Financial Corporation	-	-	2,766,982	2,733,859
Advance Tax and TDS (Net of provisions)	38,473,679	34,214,170	4,372	39,928
Advance Receivable in cash or in kind *	26,407,034	23,788,678	11,088,288	33,483,467
Less : Provision for Doubtful Advances	(2,618,356)	-	-	-
Loans to Companies / Firm	-	-	100,000,000	107,136,687
Prepaid Expenses	-	-	2,744,568	2,632,917
Loan / Advance to Employees	1,718,500	1,076,500	5,124,137	8,814,664
Balances with Government & Statutory Authorities **	1,783,041	1,783,041	379,523	294,263
MAT credit Entitlement	-	-	1,833,953	1,833,953
Income Tax Refundable	787,004	963,098	1,233,337	1,233,337
Others	-	-	99,776	-
	<b>66,550,902</b>	<b>61,825,487</b>	<b>125,687,401</b>	<b>158,253,075</b>
<b>Total</b>	<b>87,203,284</b>	<b>107,158,435</b>	<b>126,179,816</b>	<b>159,174,782</b>

\* Represents payment under protest ₹ 23,788,678/- (Previous Year - ₹ 23,788,678/-)

\*\* Represents payment under protest ₹ 1,783,041/- (Previous Year - ₹ 1,783,041/-)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.13 INVENTORIES</b>		
(As valued and certified by the Management)		
Finished Goods	201,701,872	97,920,525
Semi-Finished Goods	1,584,268	157,200
Stores and Spares (net of obsolescence)	45,333,552	41,666,466
<b>Total</b>	<b>248,619,692</b>	<b>139,744,191</b>
<b>Details of Inventories :</b>	<b>Finished Goods</b>	
Tea	95,692,635	45,905,410
Coffee	30,128,825	27,857,760
Rubber - Finished	74,231,953	22,305,865
Rubber -Semi-Finished	1,584,268	157,200
Minor Produce	1,648,459	1,851,490
<b>Total</b>	<b>203,286,140</b>	<b>98,077,725</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	As at 31st March, 2017	As at 31st March, 2016
<b>2.14 TRADE RECEIVABLES</b>		
<b>Outstanding for a period exceeding six months</b>		
Unsecured, considered good	1,372,876	2,186,292
Doubtful	363,068	363,068
	1,735,944	2,549,360
Less : Provision for doubtful receivables	363,068	363,068
	<b>1,372,876</b>	<b>2,186,292</b>
<b>Other Receivables</b>		
Unsecured, considered good	56,846,582	63,037,881
	<b>56,846,582</b>	<b>63,037,881</b>
<b>Total</b>	<b>58,219,458</b>	<b>65,224,173</b>
	As at 31st March, 2017	As at 31st March, 2016
<b>2.15 CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
<b>Balances With Banks :</b>		
In Current Account	84,343,897	10,376,941
In Cash Credit Account	-	128,250,097
Cash on hand	3,306,445	3,900,204
	<b>87,650,342</b>	<b>142,527,242</b>
<b>Other Bank Balances</b>		
Unpaid Dividend Account	2,104,826	2,063,877
Fixed Deposit with Banks	184,908	154,141,812
(Kept under lien ₹ 184,908/-, Previous Year - ₹ 154,141,812/-)	2,289,734	156,205,689
<b>Total</b>	<b>89,940,076</b>	<b>298,732,931</b>
	As at 31st March, 2017	As at 31st March, 2016
<b>2.16 OTHER CURRENT ASSETS</b>		
Interest accrued on Fixed deposit	3,331,517	3,598,656
Subsidy Receivable	9,092,730	8,723,586
Fixed Asset held for Disposal (net of provision ₹ 250,000/- , P.Y - ₹ 250,000/-)	635,331	602,260
Others Receivable	2,201,139	1,084,105
<b>Total</b>	<b>15,260,717</b>	<b>14,008,607</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.19 COST OF MATERIALS CONSUMED</b>		
Purchase of Green Leaf	237,516,294	266,084,809
<b>Total</b>	<b>237,516,294</b>	<b>266,084,809</b>

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.20 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS AND SEMI FINISHED GOODS</b>		
<b>Inventories at the end of the year</b>		
Tea	95,692,635	45,905,410
Coffee	30,128,825	27,857,760
Rubber	75,816,221	22,463,065
Minor Produce	1,648,459	1,851,490
<b>Total</b>	<b>203,286,140</b>	<b>98,077,725</b>
<b>Inventories at the beginning of the year</b>		
Tea (Including ₹ 35,73,474/- pertaining to Keshava Plantations Pvt Ltd)	49,478,884	28,031,354
Coffee	27,857,760	23,765,375
Rubber	22,463,065	16,779,843
Minor Produce	1,851,490	2,183,512
<b>Total</b>	<b>101,651,199</b>	<b>70,760,084</b>
(Increase)/ Decrease in Inventories of Finished/Semi-Finished Goods	<b>(101,634,941)</b>	<b>(27,317,641)</b>

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.21 EMPLOYEE BENEFIT EXPENSE</b>		
Salaries & Wages	455,099,577	372,591,950
Contribution to Provident Funds and Others	46,013,041	37,992,828
Contribution to Gratuity Fund	25,883,000	8,974,000
Contribution to Superannuation Fund	3,921,210	3,633,775
Staff Welfare Expenses	41,881,835	30,944,840
Less: Transferred to Bearer Plant	(17,889,764)	-
<b>Total</b>	<b>554,908,899</b>	<b>454,137,393</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.22 FINANCE COST</b>		
<b>Interest Expenses</b>		
Term Loans	33,851,753	21,077,331
Working Capital Loans	43,433,006	31,764,617
Other Borrowing Cost	2,820,275	3,032,800
Others	463,120	507,730
Less: Borrowing Cost Capitalised	(1,463,088)	-
<b>Total</b>	<b>79,105,066</b>	<b>56,382,478</b>

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.23 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
On Tangible Assets	47,082,749	42,164,405
On Intangible Assets	336,799	573,711
On Bearer Plant	4,915,350	-
<b>Total</b>	<b>52,334,898</b>	<b>42,738,116</b>

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.24 OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Stores, Spare Parts & Packing Materials Consumed	29,180,731	18,039,281
Power & Fuel	89,125,851	95,736,785
Cultivations	81,224,477	82,257,852
Repairs to Buildings	11,338,226	11,041,293
Repairs to Machinery	12,387,196	10,497,742
Repairs to Other Assets	559,845	415,294
Tea Cess	3,114,252	3,121,145
Less: Transferred to Bearer Plant	(9,222,031)	-
	<b>217,708,547</b>	<b>221,109,392</b>
<b>Selling and Administration</b>		
Freight & Cartage	23,363,236	28,635,805
Commission, Brokerage & Discount	15,450,461	18,880,873
Rent	2,104,780	2,081,485
Rates & Taxes	9,554,045	8,936,341
Insurance	5,621,790	5,130,623
Vehicle Running & Maintenance Expense	14,323,403	11,958,423
Charity & Donation	42,500	418,946
Corporate Social Responsibility Expenses	62,800	62,000

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>2.24 OTHER EXPENSES</b>		
<b>Auditors' Remuneration -</b>		
Statutory Auditors -		
- Audit Fees	1,262,550	1,228,015
- Issue of Certificates	1,040,000	1,080,000
- Reimbursement of Expenses	28,872	9,616
- Reimbursement of Service Tax	336,000	327,950
<b>Cost Auditors' Remuneration -</b>		
- Audit Fees	150,000	-
Legal & Professional Fees	11,371,352	1,820,670
Advances written off	3,828,790	128,807
Provision for obsolescence on stores	2,495,927	-
Loss/(Profit) on Sale of Fixed Assets	1,904,267	(876,712)
Provision for doubtful advances	2,618,356	-
Travelling Expenses	1,559,876	3,969,291
Director Sitting Fees	551,000	471,000
Prior Period Expenses	75,256	470,740
Other Miscellaneous Expenses	21,685,486	20,723,988
	<b>119,430,747</b>	<b>105,457,861</b>
<b>Total</b>	<b>337,139,294</b>	<b>326,567,253</b>

### 2.25 NOTES TO ACCOUNTS (Continued)

A. Enterprises consolidated as subsidiary in accordance with Accounting Standard 21-Consolidated Financial Statements :

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest	Reporting Period and Date
Keshava Plantations Pvt. Ltd. (KPPL) \$	India	100.00%	Year ended 31-Mar-17
Gloster Real Estates Pvt. Ltd. (GREPL) *	India	100.00%	Year ended 31-Mar-17
Cowcoody Builders Pvt. Ltd. (CBPL)	India	100.00%	Year ended 31-Mar-17
Pranav Infradev Co. Pvt. Ltd. (PICPL)	India	100.00%	Year ended 31-Mar-17

\$ w.e.f. 5th April, 2016

\*ceased to be a subsidiary w.e.f. 19th January, 2017

During the year, the company has acquired 100% equity shares of Keshava Plantations Private Limited (KPPL) on 5th April, 2016. In accordance with Accounting Standard - 21 on "Consolidated Financial Statement", the difference between the cost of acquisition of shares over the net assets of the KPPL at the time of acquisition amounting to Rs. 23,89,85,197 has been recognised as goodwill on consolidation. The consolidation statement of profit & loss for the year includes loss of Rs. 80,01,792 and consolidated balance sheet includes net liability of Rs. 1,98,78,939 on account of KPPL.

Further during the year the entire stake in Gloster Real Estates Private Limited has been disposed off. A sum of Rs. 14,63,719 has been recognised as profit on such disposal after considering the profit during the year of such subsidiary amounting to Rs. 1,55,613 in the consolidated statement of profit & loss.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

- B. Enterprise consolidated as Associate in accordance with Accounting Standard 23 - Accounting for Investments in Associates in Consolidated Financial Statements :

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest	Reporting Period and Date
The Cochin Malabar Estates & Industries Ltd. (TCMEIL)	India	24.68%	Year ended 31-Mar-17

- C. Investment in "The Cochin Malabar Estates & Industries Limited (CMEIL)" has been considered as an investment in an associate and as per the provisions of Companies Act, 2013 and Accounting Standard - 23 "Accounting for investment in Associates in Consolidated Financial Statements", the same has been considered for purpose of consolidation by applying the equity method of accounting. In view of provision of Accounting Standard - 23, a sum of ₹ 41,255,446/- has been recognized as goodwill as arisen on 1st April, 2014.

- D. **Contingent Liability not provided for –**

Claims against the Company not acknowledged as debts:

	2016-17	2015-16
i) Income Tax under appeal * * ₹ 14,943,629/- (Previous Year - ₹ 9,239,139/-) paid under protest.	19,847,195	15,599,345
ii) Sales Tax under appeal (Total amount paid under protest)	1,783,041	1,783,041
iii) Karnataka Agriculture Income Tax under Appeal (Advance paid ₹ 73,538/-)	2,765,240	4,669,274
iv) Claims of Creditors & workers	1,940,429	829,945
v) Seigniorage Charges (KERALA Forest Dept.) (Total amount paid under protest)	17,702,033	17,702,033
vi) Provident Fund Damages	5,689,919	4,500,608
vii) Lease Rent **	10,286,315	8,886,425

\*\*The Government of Kerala has increased the Lease Rent payable in respect of Chemoni and Pudukad Estates from ₹ 2 /- per Acre to ₹ 1300 /- per Hectare with effect from 25th November 2009. The Company filed Writ Petition before the Hon'ble Court of Kerala challenging the increase and the case is subjudice. The Company has paid ₹ 6,086,645 /- (Previous Year ₹ 6,086,645/-) on account of the increased Lease rental under protest.

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various forums / authorities.

- E. The Company's entitlement of ₹ 17,560,442/- (Previous Year ₹ 17,560,442/-) under section 80-IC of the Income Tax Act, 1961 in respect of income generated from facilities situated in North East states is pending before Hon'ble High Court since assessment year 2004-05 to 2013-14. The management of the Company does not foresee any additional liability of the income tax at this point.
- F. Estimated amount of contract remaining to be executed on capital account and not provided for ₹ 140,800/- (Previous Year ₹ 2,423,901/-) (Net of Advances).
- G. Pending settlement with trade unions in respect to full implementation of minimum wages notification in the rubber estate of the Company, the Company was paying advances to the workers in lieu of proposed increased in the wages during the year. In view of settlement reached with the trade unions during the month of April, 2017, the Company has recognized all wages related expenditure at the balance sheet date.
- H. As reported in earlier years a special leave petition filed by the Company has been admitted before the Hon'ble Supreme Court in the matter of transfer of rights of legal proceedings of "Sampaji Rubber Estate", against the order passed by the Division Bench of Hon'ble High Court at Madras. The above rights was transferred to the Company under a Scheme in previous year. The matter is subjudice and value of above rubber estate in the books of the Company is ₹ Nil (Previous Year ₹ Nil).
- I. Trade Receivables, Loans & Advances and Deposits include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the value stated in the accounts.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

- J. Miscellaneous Expenditure under Note No.2.24 includes revenue expenditure on research and development ₹ 858,916/- (Previous Year ₹ 442,783/-) incurred towards subscription to Tea Research Association.
- K. The Board of Directors of the Company has recommended dividend of ₹ 1/- per equity share which is subject to approval in the ensuing general meeting. The dividends would attract dividend distribution tax when paid.
- L. In accordance with revised accounting standard AS -10 on "Property Plant & Equipment (PPE)" effective from 1st April, 2016, Bearer plant have been recognized as an item of PPE and has been depreciated over their useful life resulting an additional depreciation amounting to ₹ 4,915,350/- during the year ended 31st March, 2017. Further to comply with the requirements of revised AS-10, expenditure on uprooting, replanting and upkeep of young bearer plants have been capitalized to the tune of ₹ 28,574,883/- during the year ended 31st March, 2017 which was hitherto charged to statement of profit & loss.
- M. (i) There are no outstanding dues to suppliers / service providers covered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). The disclosures as required under the said Act are as under :-

Particulars	Amount
a) Principal amount and interest due to Supplier under MSMED act and remaining unpaid	NIL
b) Interest paid and any payment made to supplier beyond appointed date (under section 16 of the Act)	NIL
c) Interest due and payable to Suppliers under MSMED Act.	NIL
d) Interest accrued and remaining unpaid as at 31st March 2017	NIL
e) Interest remaining due and payable under section 23 of the Act	NIL

The above information has been determined to the extent such parties identified on the basis of information available with the company.

- (ii) Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

	2016-17	2015-16
A) Amount of CSR expenditure to be incurred during the year	5.27	12.70
B) CSR Expenditure (Revenue Nature) incurred during the year	0.62	0.62

- N. The exposure of the Company in foreign currency at the end of the year is ₹ Nil (Previous year ₹ Nil).
- O. The Company has considered business segments as the primary segment for disclosure. The business segments of company are Tea, Coffee and Rubber which have been identified taking into account the organizational structure as well as the differing risks and returns of these segments. The segment wise revenue, assets and liabilities relate to the respective amounts directly identifiable with each other of the segments. There is no inter-segment revenue. The company does not have any secondary/ geographical segments :

Particulars	31.03.2017	31.03.2016
1. Segment Revenue		
a) Tea	815,516,332	869,335,769
b) Coffee	50,091,587	43,023,862
c) Rubber	72,501,944	100,913,870
d) Others	8,029,099	15,855,489
<b>Total</b>	<b>946,138,962</b>	<b>1,029,128,990</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

Particulars	31.03.2017	31.03.2016
2. Segment Results [Profit/(Loss) before Tax & Interest]		
a) Tea	(86,128,033)	3,981,016
b) Coffee	2,159,612	(1,030,868)
c) Rubber	(12,884,605)	(9,605,233)
d) Others	4,956,703	13,363,444
<b>Total</b>	<b>(91,896,323)</b>	<b>6,708,359</b>
Less : Interest Expenses	79,105,066	56,382,478
Add : Interest Income	19,482,089	32,672,211
Add : Other Unallocated Income (net of Unallocated Expenses)	6,826,584	19,372,847
<b>Total Profit before Tax</b>	<b>(144,692,716)</b>	<b>2,370,939</b>
Less : Income Taxes	(7,740,672)	8,520,261
<b>Total Profit/(Loss) after Tax</b>	<b>(136,952,044)</b>	<b>(6,149,322)</b>

Particulars	2016-17		2015-16	
	Assets	Liabilities	Assets	Liabilities
3. Segment Assets (including revaluation reserve) & Segment Liabilities				
a) Tea	953,851,035	95,334,609	1,058,039,775	71,758,486
b) Coffee	85,967,062	3,558,346	85,124,629	2,688,890
c) Rubber	137,548,301	27,115,488	82,983,363	13,259,336
d) Others	1,648,459	-	1,851,490	-
e) Unallocable	926,430,644	40,545,706	8,29,290,617	31,396,627
<b>Total</b>	<b>2,105,445,501</b>	<b>166,554,149</b>	<b>2,057,289,874</b>	<b>119,103,339</b>
4. Capital Expenditure & Depreciation/Amortization (excluding on revaluation reserve) for the year				
a) Tea	45,162,085	43,173,627	64,864,938	32,066,446
b) Coffee	11,899,912	2,724,645	1,624,240	2,395,284
c) Rubber	7,709,430	3,229,067	4,833,097	3,153,301
d) Unallocable	883,874	3,207,559	197,490	5,123,085
<b>Total</b>	<b>65,655,301</b>	<b>52,334,898</b>	<b>71,519,765</b>	<b>42,738,116</b>

### P. Employee Benefits (Revised Accounting Standard 15)

#### a) Defined Contribution Plan

The Company makes contribution towards provident fund and superannuation fund to a defined contribution retirement plan for qualifying employees. The Provident fund plan is operated by statutory authorities. Under the said scheme the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits.

The Company operates a superannuation scheme for certain employees and contributions by the Company under the scheme, is charged against revenue every year.

During the year the company has contributed ₹ 38,214,785 /- (Previous Year ₹ 33,796,235 /-) for Provident Fund and Pension Fund and ₹ 3,921,210/- (Previous Year ₹ 3,633,775/-) for Superannuation Fund. The contributions payable to these plans by the Company are at the rates specified in the rules of the scheme.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

### b) Defined Benefit Plans

- i) The Company makes annual contribution of gratuity to gratuity funds duly constituted and administered by independent trustees and funded with Birla Sun Life Insurance Company Limited / independent trust for the qualifying employees. The scheme provides for a lump sum payment to vested employees upon retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of 5 years of continuous service.
- ii) The employees of the Company are also eligible for encashment of leave upon retirement up to 30 days for each year (maximum 120 days). The benefit obligation related to leave liability is funded with Life Insurance Corporation of India of holding Company.
- iii) The present value of defined obligation and related current cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

#### Disclosure as per Accounting Standard - 15

(₹ in Lacs)

Particulars	2016-2017	2015-2016
	Gratuity Funded	Gratuity Funded
<b>Expenses recognised in the Statement of Profit and Loss for the year ended 31st March, 2017</b>		
A. Current Service Cost	109.26	96.31
Interest Cost	131.27	111.06
Expected return on Plan Assets	(131.92)	(125.24)
Actuarial (Gain)/Losses	144.03	7.61
<b>Expenses recognised in Statement of Profit and Loss</b>	<b>252.64</b>	<b>89.74</b>
B. Net (Asset) / Liabilities recognised in Balance Sheet as at 31st March, 2017		
Present Value of the Defined Benefit Obligation	1,957.68	1,613.81
Fair value of Plan Assets	1,596.10	1,481.95
<b>Net (Asset) / Liabilities recognised in Balance Sheet</b>	<b>361.58</b>	<b>131.86</b>
C. Changes in the Present Value of Defined Benefit Obligation during the year ended 31st March, 2017		
Present Value of Defined Benefit Obligations at 1st April, 2016	1,734.34	1,494.25
Current Service Cost	109.26	96.31
Interest Cost	131.27	111.06
Actuarial Gain / (Losses)	163.96	(6.83)
Benefit Paid	(181.15)	(80.98)
<b>Present Value of Obligation as at 31st March, 2017</b>	<b>1,957.68</b>	<b>1,613.81</b>
D. Changes in Fair Value of Plan Assets during the year ended 31st March, 2017		
Fair Value of Plan Assets as at 1st April, 2016	1,487.77	1,411.89
Expected return on Plan Assets	131.92	125.24
Actuarial Gain / (Losses)	19.93	(14.44)
Benefits Paid	(181.15)	(80.98)
Contributions	137.63	40.24
<b>Fair Value of Plan Assets as at 31st March, 2017</b>	<b>1,596.10</b>	<b>1,481.95</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(₹ in Lacs)

Particulars	2016-2017	2015-2016
	Gratuity Funded	Gratuity Funded
E. Principal Actuarial Assumptions used		
Actual return on Plan Assets	8.50%	8.50%
Discount rates as at 31st March, 2017	7.10%	8.00%
Expected return on Plan Assets	9.00%	9.00%
Expected salary increase rates	6% to 8%	6% to 8%
Mortality Rates	India Assured Lives Mortality (2006-08) (modified) Ult.	India Assured Lives Mortality (2006-08) (modified) Ult.
F. Withdrawal Rate	1% to 2% depending on age	1% to 2% depending on age
G. Major categories of Plan Assets as a percentage of Fair Value of Plan Assets	Assets under Scheme of Insurance	Assets under Scheme of Insurance

- (a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (b) (b) The Gratuity Scheme is invested in a Group Unit Linked Gratuity Plan managed by Birla Sun Life Insurance Company Limited and the Independent Administered Gratuity Fund. The information on the allocations of fund managed by Group Unit Linked Gratuity Plan by Birla Sun Life Insurance Company Limited into major assets classes and expected return on each major classes are not readily available. In case of company's administered trust, 100% allocation of fund has been made towards government securities. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's actuary.
- (c) The Group expects to contribute ₹ NIL (Previous Year ₹ 132.00 lacs) to its gratuity fund in 2017-18.
- (d) The table below illustrates experience adjustment disclosure as per Para 120 (n) (ii) of Accounting Standard 15 – Employee Benefits.

(₹ in lacs)

	2016-17	2015-16	2014-15	2013-14	2012-13
Defined benefit obligation	1957.68	1613.81	1494.25	1417.01	1365.52
Plan asset	1596.10	1481.95	1411.89	1358.36	683.08
Surplus / (Deficit)	(361.58)	(131.86)	(82.36)	(58.65)	(682.44)
Experience adjustments on plan liabilities	(70.99)	(48.72)	(89.02)	25.10	(92.68)
Experience adjustments on plan assets	19.93	(14.44)	4.47	-	(3.02)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

(Amount in ₹)

Q. Related party disclosures as required by AS – 18 “Related Party Disclosures” are given below:

### Relationships :

(a) Enterprises/Individual having control over the Company

- i. Pushpa Devi Bangur
- ii. Hemant Bangur
- iii. Vinita Bangur
- iv. Kettlewell Bullen & Company Limited (KBCL)
- v. The Oriental Company Limited (TOCL)
- vi. Madhav Trading Corporation Limited (MTCL)
- vii. The Cambay Investment Corporation Limited (TCICL)
- viii. Credwyn Holdings (I) Private Limited (CHPL)
- ix. Wind Power Vinimay Private Limited (WPVPL)
- x. Mugneeram Bangur & Company LLP (MB)

(b) Other Companies over which the Key Management Personnel are able to exercise a significant influence and with whom transactions took place during the year :

- i. Gloster Ltd. (GL)

(c) Key Management Personnel

- i. Mr. K. C. Mohta - Executive Director & C.E.O.

R. Earnings per share

	2016-17	2015-16
a) Profit / (Loss) after taxation as per Statement of Profit and Loss (in ₹)	(136,952,044)	(6,149,322)
b) Number of equity shares outstanding	4,142,201	4,142,201
c) Basic and diluted earnings per share (in ₹) (Face value ₹ 10/- per share)	(33.06)	(1.48)

S. Disclosure relating to details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided below:-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1,104,500	2,333,333	3,437,833
(+) Permitted receipts	-	39,161,802	39,161,802
(-) Permitted payments	141,000	35,532,085	35,673,085
(-) Amount deposited in Banks	963,500	45,000	1,008,500
Closing cash in hand as on 30.12.2016	-	5,918,050	5,918,050



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

The following transactions were carried out with the related parties in the ordinary course of business:

(i) Relating to parties referred to in (a), (b), (c), (d) and (e) above.

Sl.	PARTICULARS	TCICL	WPVPL	CHPL	MTCL	GL	TOCL	KBCL	MB	TCMEIL	Directors & their relatives
1	Loans Given during the year	-	-	-	-	-	-	-	-	7,500,000	-
	Previous Year	-	-	-	-	-	-	-	-	500,000	-
2	Advances Received / (Refunded) during the year (Net)	-	-	-	-	-	-	-	-	7,500,000	-
	Previous Year	-	-	-	-	-	-	-	-	4,000,000	-
3	Closing balance of advances/ loan receivable/(payable) as at 31.03.2017	-	-	-	-	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-	-	-	-	-
4	Interest Income / Receivable	-	-	-	-	-	-	-	-	24,658	-
	Previous Year	-	-	-	-	-	-	-	-	224,691	-
5	Rent Paid	-	-	-	-	-	-	2,067,750	-	-	-
	Previous Year	-	-	-	-	-	-	2,046,870	-	-	-
6	Rent Deposit as at 31.03.2017	-	-	-	-	-	-	7,500,000	-	-	-
	Previous Year	-	-	-	-	-	-	7,500,000	-	-	-
7	Purchase	-	-	-	-	11,274,510	-	-	-	-	-
	Previous Year	-	-	-	-	9,753,424	-	-	-	-	-
8	Sales	-	-	-	-	77,496	-	-	-	-	-
	Previous Year	-	-	-	-	83,787	-	-	-	-	-
9	Dividend Paid	110,737	27,719	98,524	54,102	-	493,643	538,838	12,500	-	* 1,512,753
	Previous Year	1,084,368	83,157	295,572	162,306	22,500	1,480,929	1,616,514	37,500	-	* 3,867,072
10	Sale of Investment	-	5,408,330	9,096,000	9,096,000	-	9,096,000	-	-	-	-
	Previous Year	-	-	-	-	-	-	-	-	-	-
11	Sitting fees	-	-	-	-	-	-	-	-	-	* 140,000
	Previous Year	-	-	-	-	-	-	-	-	-	* 125,000

\* Also includes dividend and sitting fees paid to individuals mentioned in (c) (i), (ii) & (iii).

(ii) Relating to persons referred to in (e) above :

Remuneration of ₹ 6,566,232/- (31.03.2016 - ₹ 6,566,239/-)

The management certifies that there are no other payments to any relatives of Key Management Personnel.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2017

T. a) Expenditure in Foreign Currency :

Particulars	2016-17	2015-16
Travelling	-	1,028,799
Others	-	121,999

b) Value of Raw Materials and Spares Consumed :

Particulars	Raw Material Consumed				Stores and Spares-Parts Consumed			
	2016-17		2015-16		2016-17		2015-16	
	Value	%	Value	%	Value	%	Value	%
Imported	-	-	-	-	-	-	-	-
Indigenous	237,516,294	100	266,084,809	100	110,405,208	100	100,297,133	100

U. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates:

Name of Enterprise	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
Joonktollee Tea & Industries Limited	84.40%	1,097,722,676	(101.72%)	(139,302,567)
<b>Subsidiaries - Indian</b>				
1. Cowcoody Builders Pvt. Ltd.	14.10%	183,355,548	3.33%	4,560,420
3. Pranav Infradev Co. Pvt. Ltd.	15.43%	200,698,131	(0.67%)	(919,201)
4. Keshava Plantations Pvt. Ltd	(1.53%)	(19,878,939)	(5.84%)	(8,001,792)
<b>Associate (Investment as per the equity method)</b>				
<b>Indian</b>				
The Cochin Malabar Estates & Industries Limited (24.68%)	-	-	(0.21%)	(286,906)

V. Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with that of current year.

For and on behalf of  
**SINGHI & CO.**  
Chartered Accountants  
Firm Registration No. 302049E  
**Gopal Jain**  
Partner  
Membership No. 059147  
Place : Kolkata  
Dated : 11th May, 2017

**H. Bangur** Chairman  
**M. K. Daga** Director  
**K. C. Mohta** Executive Director  
**B. L. Dhanuka** Chief Financial Officer  
**S. Bagree** Manager (Finance) & Company Secretary

**INFORMATION** regarding subsidiary Companies**Form AOC - 1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A" : Subsidiaries**

Name of the subsidiary	Keshava Plantations Pvt. Ltd.	Cowcoody Builders Pvt. Ltd.	Pranav Infradev Co. Pvt. Ltd.
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March, 2017	31st March, 2017	31st March, 2017
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INDIAN RUPEES	INDIAN RUPEES	INDIAN RUPEES
Share Capital	80,00,000	15,69,820	21,22,710
Reserves & Surplus	(2,78,78,939)	18,17,85,728	19,85,75,421
Total Assets	5,08,60,165	19,32,52,897	20,53,94,271
Total Liabilities	5,08,60,165	19,32,52,897	20,53,94,271
Investments	-	4,48,39,650	-
Turnover	6,41,89,686	1,00,57,302	7,53,955
Profit / (Loss) before taxation	(80,01,792)	59,85,507	(9,18,926)
Provision for taxation	-	14,25,087	275
Profit after taxation	(80,01,792)	45,60,420	(9,19,201)
Proposed Dividend	-	-	-
% of shareholding	100%	100%	100%

**Part "B" : Associate**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Name of Associate	The Cochin Malabar Estates & Industries Limited
Latest audited Balance Sheet Date	31st March, 2017
Shares of Associate held by the Company on the year end	
No.	437294
Amount of Investment in Associate	₹ 42,366,029/- (net of provision for diminution in the value of investment ₹ 1,00,06,274/-)
Extend of Holding %	24.68
Description of how there is significant influence	By virtue of holding more than 20% equity shares
Reason why the associate is not consolidated	N.A
Networth attributable to Shareholding as per latest audited Balance Sheet	(9,33,752)
Profit / (Loss) for the year	(12,20,658)
i. Considered in Consolidation	(2,86,906)
ii. Not Considered in Consolidation	(9,33,752)







## Safe Harbour

The statements made in this Annual Report including the Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "Forward Looking Statements" within the meaning of applicable Securities Laws & Regulations and are based on the currently held beliefs and assumptions of our management, which are expressed in good faith and in their opinion, reasonable. Actual results could differ from those expressed and implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. Several factors could make a significant difference to the Company's operations which includes climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamities, raw material price changes, domestic supply and prices conditions, Company's success in attracting and retaining Key Personnel, integration and re-structuring activities, general business and economic conditions over which the Company does not have any direct control. Because such statements deal with the future events they are subject to various risks and uncertainties. You are cautioned not to place undue relies on these forward looking statements.

The Company undertakes no obligations to revise or update the forward looking statements, whether as a result of new information, future events or otherwise.



**Joonktoll Tea & Industries Ltd.**  
[www.joonktolleetea.in](http://www.joonktolleetea.in)





## JOONKTOLLEE TEA & INDUSTRIES LIMITED

Regd. Office : 21, Strand Road

Kolkata - 700 001, Phone : 033 2230 9601 - 4

Website : www.joonktolleetea.in, E-mail : info@joonktolleetea.in

CIN : L01132WB1900PLC000292

### NOTICE

NOTICE is hereby given that the 143rd Annual General Meeting (AGM) of the Members of Joonktoll Tea & Industries Limited will be held on **Thursday, the 31st August, 2017 at 10:30 A.M.** IST at Shripati Singhanian Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020 to transact the following Business :

#### ORDINARY BUSINESS :

##### Item No.1 – Adoption of accounts

To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2017, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.

##### Item No.2 – Declaration of Dividend

To declare dividend for the financial year ended March 31, 2017.

##### Item No.3 – Re-appointment of Mrs. Pushpa Devi Bangur

To appoint a Director in place of Mrs. Pushpa Devi Bangur (holding DIN 00695640), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.

##### Item No.4 – Appointment of Auditors

To consider and if thought fit, to pass with or without modification(s), the following resolutions as Ordinary Resolution :

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 including any statutory enactment or modification thereof, M/s. Jitendra K. Agarwal & Associates, Chartered Accountants, (Firm Registration No.318086E), Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting for the Financial Year 2021-22, subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors.

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

#### SPECIAL BUSINESS :

##### Item No.5 – Ratification of Cost Auditors' remuneration

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and

other applicable provisions of the Companies Act, 2013 and the Rules made thereunder including any statutory enactment or modification thereof, the Company hereby accords its approval and consent for the payment of remuneration of ₹ 1,50,000/- (Rupees One Lac Fifty Thousand Only) plus applicable service tax and re-imbursment of travelling and out of pocket expenses payable to Messrs A. Basu & Co. Cost Accountants (Firm Registration No.100754) who have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the Financial Year ending 31<sup>st</sup> March, 2018.”

##### Item No.6 – Appointment of Wholetime Director

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactments thereof for the time being in force, applicable clauses of Articles of Association of the Company and subject to other approvals, if any, the Company hereby accords its approval and consent for the appointment of Shri Kailash Chand Mohta [holding DIN 00127656] as Wholetime Director of the Company designated as Executive Director & Chief Executive Officer, not liable to retire by rotation, for a period of 3 (Three) years, with effect from 11<sup>th</sup> May, 2017 on such remuneration and other terms and conditions as set out in the explanatory statement and as contained in the agreement entered into between the Company and Shri Kailash Chand Mohta, placed before this meeting which is hereby approved, with the authority to the Board of Directors to alter and vary the terms and conditions of his appointment from time to time during his tenure of appointment in such manner as may be agreed to between the Company and Shri Kailash Chand Mohta provided such variation or increase, as the case may be, is within the overall limits as prescribed under Section 197 and/or Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Shri Kailash Chand Mohta, the Company will pay him, in respect of such financial year, the same salary, perquisites and benefits as provided in the agreement entered into between the Company and Shri Kailash Chand Mohta which shall be within the overall limits as prescribed under Section 197 and/or Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to vary, from time to time the percentage and quantum of the commission payable to the Executive Director & Chief Executive Officer, provided that the total remuneration payable whether by way of salary, perquisites, commission, allowances and benefits, shall not exceed the ceiling laid down under Section 197 and/or Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**  
**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**  
**A PROXY CAN VOTE ONLY IF THE MEMBER HIMSELF IS NOT PRESENT AT THE MEETING. THE PROXY-HOLDER SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING. PROXIES ARE REQUESTED TO CARRY A PHOTO-IDENTIFICATION TO THE AGM VENUE.**
2. **Book Closure Period :** Notice is also given under Section 91 of the Companies Act, 2013 read with regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI-LODR”) that the Register of Members and Share Transfer Books of the Company will remain closed from **25<sup>th</sup> August, 2017 to 31<sup>st</sup> August, 2017** (both days inclusive) to determine those Members who hold shares in physical form and who will be entitled to receive dividend which will be declared at the Annual General Meeting.
3. **Record Date :** Notice is also given under Section 91 of the Companies Act, 2013 read with regulation 42 of SEBI-LODR that the Record Date will be **24<sup>th</sup> August, 2017** to determine those Members who hold shares in dematerialized form and who will be entitled to receive dividend which will be declared at the Annual General Meeting.
4. **Cut Off Date :** Notice is also given that the Cut Off Date has been fixed as **24<sup>th</sup> August, 2017** to determine the Members entitled to undertake voting electronically on the business and all resolutions set forth in this Notice by remote e-Voting.
5. Any person who is not a Member as on the cut off date should treat this notice for information purpose only.
6. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be dispatched/ remitted commencing on or from **1<sup>st</sup> September, 2017**.
8. **Bank Account Details :** Regulation 12 and Schedule I of SEBI-LODR require all companies to use the facilities of electronic clearing services for payment of dividend. **In compliance with these regulations, payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars.**  
**YOU ARE REQUESTED TO SUBMIT YOUR BANK DETAILS ALONG WITH AN ORIGINAL CANCELLED CHEQUE OR A XEROX COPY OF THE CHEQUE to our Registrars, M/s. Maheshwari Datamatics Pvt. Ltd. to enable them to update our records, in case you hold shares in physical form and to your Depository Participants in respect of shares held by you in dematerialized form.**
9. All documents referred to in the notice requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays, Sundays and public holidays, from the date hereof up to the time of the Annual General Meeting.
10. In terms of the provisions of Section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of Financial Year 2009-10 is due for transfer to the said Fund in September, 2017.  
  
Pursuant to the provisions of Investor Education & Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 30<sup>th</sup> August, 2016 (date of last AGM) on the website of the Company and also on the website of the Ministry of Corporate Affairs.

11. In accordance with Investors Education Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016 as amended upto date, those Equity Shares against which the dividend has remained or unclaimed for seven or more consecutive years shall be transferred to IEPF Authority. The Cut-Off date for determining such transfer has been notified as 31<sup>st</sup> May, 2017. In terms of the said Rules, the Company has sent reminders to all the Shareholders who have not encashed their dividend for seven consecutive years on and from the Financial Year 2009-10 to claim their dividend so that their shares are not transferred to the IEPF Demat Account. The details of such Equity Shares alongwith name of the Shareholders and their Folio Number are available at the website of the Company i.e. [www.joonktolleetea.in](http://www.joonktolleetea.in).
12. Members who have neither received nor encashed their dividend warrant(s) so far, are requested to write to the Company, mentioning the relevant Folio Number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
13. Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details to the Secretarial Department of the Company at its Registered Office at 21, Strand Road, Kolkata-700 001 or the Registrar & Share Transfer Agent (RTA), M/s. Maheshwari Datamatics Pvt. Ltd. at 23, R.N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata-700 001. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
14. Equity Shares of the Company are under compulsory demat trading by all investors. The ISIN Number allotted is INE574G01013. Considering the advantage of scripless trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
15. Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to the Registrar & Share Transfer Agent (RTA), M/s. Maheshwari Datamatics Pvt. Ltd. at 23, R.N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata-700 001.

#### 16. Voting through electronic means

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 143<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through

e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for e-voting are as under:

- (i) The voting period begins on **28th August, 2017 at 9 A.M.** and ends on **30th August, 2017 at 5 P.M.** During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. **24th August, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" tab.
- (v) Now, Enter your User ID
  - (a) For CDSL : 16 digits beneficiary ID,
  - (b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](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 e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>

- |  |  |
|--|--|
| Dividend, Bank Details <b>OR</b> Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>▪ If both the details are not recorded with the depository or Company please enter the Member ID / Folio Number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul> |
|--|--|
- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly 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 Company.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](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.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II. 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. 24th August, 2017.
- III. Any person who becomes a Member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 24th August, 2017, may obtain the Sequence No. from RTA.
- IV. Ms. Sweety Kapoor, Practicing Company Secretary, (Membership No. FCS:6410) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or

against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

- VI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.joonkollteeta.in> and on the website of CDSL [www.evoting.cdsl.com](http://www.evoting.cdsl.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") and The Calcutta Stock Exchange Limited ("CSE"), where the shares of the Company are listed.
- VII. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Annual General Meeting i.e. on Thursday, 31st August, 2017.
17. The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
18. Corporate Members are requested to send to the Company/ RTA, a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
19. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company for admission to the Meeting hall.
20. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID Nos. for easy identification of attendance at the Meeting.
21. In all correspondence with the Company or the RTA, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
23. Members who wish to obtain any information on the Company or the Accounts for the financial year ended 31st March, 2017 may send their queries at the Registered Office of the Company at least 10 days before the Annual General Meeting.
24. Members who are holding Shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holding into one folio. The Share Certificates will be returned to the Members after incorporating requisite changes thereon.
25. Electronic copy of the Annual Report 2017 and Notice are being sent to the members whose email IDs are

registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice 2017 are being sent in the permitted mode.

26. The Company's website is [www.joonkollteeta.in](http://www.joonkollteeta.in). Annual Reports of the company, unclaimed dividend list, standard downloadable forms and other Shareholder Communication are made available on the Company's website.
27. A Route map showing directions to reach the venue of the 143rd AGM is given at the end of this Notice as per the requirement of the Secretarial Standards – 2 on "General Meeting".

**Members are requested to bring their copies of Annual Report and Attendance Slip to the Meeting. Please note that duplicate Attendance Slips will not be issued.**

#### **ANNEXURE TO THE NOTICE**

- A. EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

#### **Item No.4**

In terms of Section 139 of the Companies Act, 2013, the term of M/s. Singhi & Co., Chartered Accountants, the current Statutory Auditors of the Company will end at the conclusion of the 143rd Annual General Meeting and the Company is required to appoint new Statutory Auditors to conduct the statutory audit for the Financial Year 2017-18 onwards. The Board of Directors on the recommendation of the Audit Committee, appointed M/s. Jitendra K. Agarwal & Associates (Firm Registration No.318086E), Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of the 143rd Annual General Meeting till the conclusion of the 148th Annual General Meeting to be held in the year 2022 subject to ratification of their appointment at every intervening Annual General Meeting. M/s. Jitendra K. Agarwal & Associates, Chartered Accountants have consented to their appointment as Statutory Auditors and have confirmed that, if appointed, their appointment will be in accordance with Rule 139 read with Section 141 of the Act.

The Board recommends the resolution set forth in Item No.4 for approval of the Members.

None of Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise in the resolution mentioned in Item No.4 of the Notice.

#### **Item No.5**

The Company is required under Section 148 of the Act to have the audit of its cost records conducted by a Cost Accountant in practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of Messrs A. Basu & Co., Cost Accountants, the Cost Auditors of the Company to conduct audit of cost records of the Company for products covered under

the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year ending 31st March, 2018, at a remuneration of ₹ 1,50,000/- plus reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No.5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2018.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.5 of the Notice.

The Board recommends the resolution set forth in Item No.5 for the approval of the Members.

#### **Item No.6**

Shri Kailash Chand Mohta, [DIN : 00127656] the Executive Director & Chief Executive Officer of the Company, has been associated with the Company since 25th April, 2007. He was appointed as an Additional Director of the Company on 30th April, 2007 and also a Wholetime Director designated as Executive Director with effect from 4th May, 2007 for a period of 5 years. Shri Mohta was re-appointed for a further period of 5 years with effect from 4th May, 2012 and his term of office as Executive Director & Chief Executive Officer expired on 3rd May, 2017. However, he continued to be a Non-Executive Director of the Company.

Looking to the ample experience of Shri Kailash Chand Mohta in various fields the Nomination and Remuneration Committee of the Board in its meeting held on 2nd May, 2017 recommended his appointment as Wholetime Director of the Company designated as Executive Director & Chief Executive Officer with effect from 11th May, 2017 for a period of 3 (Three) years which was approved by the Board in its meeting held on 11th May, 2017.

Shri Kailash Chand Mohta [65] is a Commerce & Law Graduate; a Fellow Member of the Institute of Company Secretaries of India and a Fellow Member of Indian Cryogenic Council. He has 42 years of experience in various industries including Tea, Coffee, Rubber, Textile, Engineering, Chemical, Steel, Paper and also in the area of Legal, Commercial, Corporate and Management, out of which he has an experience of 30 years in the position of Chief Executive as well as in the Board level. Shri Mohta has co-authored 4 books in 5 publications on Land Ceiling Act and Company Debentures. The agreement between the Company and Shri Kailash Chand Mohta contains the following principal terms and conditions :

- i. Shri Kailash Chand Mohta, Executive Director & Chief Executive Officer, shall carry out such duty as may from time to time be entrusted to him, subject to the supervision and control of the Board of Directors.
- ii. Tenure of the agreement : For a period of 3 years effective from 11th May, 2017.

iii. Remuneration :

1. **Salary** : ₹ 3,75,000/- per month in the range of ₹ 3,50,000/- to ₹ 8,00,000/- per month plus increment as may be decided by the Board of Directors from time to time.
2. **Commission** : Such commission on net profits, as may be decided by the Board of Directors in its absolute discretion for each financial year or part thereof within the limit prescribed under Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act, as may for the time being in force.
3. **Perquisites and Allowance** :
  - (a) House Rent Allowance : House Rent Allowance in lieu of Company provided accommodation @ 30% of the salary per month.
  - (b) Medical Reimbursement : Reimbursement of medical expenses incurred for self, spouse, dependent children and dependent parents equivalent to one month's salary in a year.
  - (c) Leave Travel Concession : Reimbursement of travelling expenses for self, spouse, dependent children and dependent parents once in a year to and fro from any place in India or abroad equivalent to one month's salary in a year.
  - (d) Personal Accident Insurance : Reimbursement of all accident Insurance premiums for self, spouse, dependent children and dependent parents.
  - (e) Club Fees : Reimbursement of fees for two clubs.
  - (f) Car : Free use of Company's car with driver.
  - (g) Telephones / Mobile Phones : Reimbursement of telephones and mobile phones expenses.
  - (h) Others : Any other perquisites as may be allowed by the Board.

**Explanation** : Provision of car for use of the company's business and telephones at Residence will not be considered in computing the value of perquisites.

4. **Leave** : As per rules of the Company. The Executive Director & Chief Executive Officer shall be entitled to encashment of earned Privilege Leave, not availed during his tenure at the end of the tenure.
5. **Reimbursement of expenses** : Reimbursement of all entertainment, traveling, hotel and other expenses incurred by the Executive Director & Chief Executive Officer during the course of and in connection with the business of the Company.
6. **Minimum Remuneration**: In the event of inadequacy or absent of profits in any financial year during his tenure, the Executive Director & Chief Executive Officer shall be entitled to the above amount of remuneration alongwith the perquisites / benefits mentioned above by way of minimum remuneration in accordance with the applicable provisions of Schedule V to the Companies Act, 2013.
7. **Sitting Fee** : The Executive Director & Chief Executive

Officer shall not be entitled to any sitting fees for attending the meetings of the Board of Directors or any Committee(s) thereof.

The agreement between the Company and Shri Kailash Chand Mohta is available for inspection by the shareholders of the Company at its Registered Office between 11.00 A.M. to 1.00 P.M. on any working day of the Company upto the Annual General Meeting.

Looking to the vast experience and expertise of Shri Kailash Chand Mohta, the Board of Directors of the Company recommends

the resolution for your approval.

Brief Profile of Shri Kailash Chand Mohta, Disclosure required in accordance with Clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013 and Secretarial Standard – 2 is set out as the annexure to this Notice.

Except Shri Kailash Chand Mohta and his relatives, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the said resolution set out at Item No.6 except to the extent of their shareholding.

**B. INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 IN RESPECT OF DIRECTORS BEING RE-APPOINTED / APPOINTED:**

**Details of Mrs. Pushpa Devi Bangur seeking re-appointment in the Company (Item No.3)**

<b>DIRECTOR IDENTIFICATION NUMBER</b>	00695640
<b>DATE OF BIRTH</b>	30/05/1952
<b>NATIONALITY</b>	INDIAN
<b>DATE OF APPOINTMENT ON BOARD</b>	14/11/2011
<b>DESIGNATION</b>	Director
<b>QUALIFICATION</b>	Graduate
<b>EXPERTISE IN SPECIFIC FUNCTIONAL AREAS</b>	She gained experience in various family business.
<b>SHAREHOLDING IN THE COMPANY</b>	517928
<b>LIST OF OTHER DIRECTORSHIPS IN LISTED ENTITIES</b>	Port Shipping Co. Ltd.
<b>CHAIRMAN/MEMBER OF THE COMMITTEES OF THE BOARD OF OTHER COMPANIES IN WHICH SHE IS A DIRECTOR ●</b>	<u>Audit Committee</u> Port Shipping Co. Ltd. (Member) <u>Stakeholders Relationship Committee</u> Port Shipping Co. Ltd. (Member)
<b>RELATIONSHIP BETWEEN DIRECTORS INTERSE</b>	Related to Mr. Hemant Bangur being his mother.

**Details of Mr. Kailash Chand Mohta seeking appointment in the Company (Item No.6)**

<b>DIRECTOR IDENTIFICATION NUMBER</b>	00127656
<b>DATE OF BIRTH</b>	22/08/1951
<b>NATIONALITY</b>	INDIAN
<b>DATE OF APPOINTMENT ON BOARD</b>	11/05/2017
<b>DESIGNATION</b>	Executive Director & Chief Executive Officer
<b>QUALIFICATION</b>	B. Com., L.L.B., F.C.S., F.I.C.C.
<b>EXPERTISE IN SPECIFIC FUNCTIONAL AREAS</b>	He has 42 years of experience in various industries including Tea, Coffee, Rubber, Textile, Engineering, Chemical, Steel, Paper and also in the area of Legal, Commercial, Corporate and Management, out of which he has an experience of 30 years in the position of Chief Executive as well as in the Board level.
<b>SHAREHOLDING IN THE COMPANY</b>	250
<b>LIST OF OTHER DIRECTORSHIPS IN LISTED ENTITIES</b>	NIL
<b>CHAIRMAN/MEMBER OF THE COMMITTEES OF THE BOARD OF OTHER COMPANIES IN WHICH HE IS A DIRECTOR ●</b>	NIL
<b>RELATIONSHIP BETWEEN DIRECTORS INTERSE</b>	NIL

- Committee positions only of Audit Committee and Stakeholders Relationship Committee in public companies have been considered.

May 11, 2017

Registered Office:  
21, Strand Road, Kolkata - 700 001  
Phone : 033 2230 9601-4  
CIN : L01132WB1900PLC000292

By Order of the Board

**S. Bagree**  
Company Secretary

**DISCLOSURES REQUIRED IN ACCORDANCE WITH CLAUSE (B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RELATION TO ITEM NO.6 OF THE NOTICE**

**I. General Information**

1. Nature of the Industry : Plantation.
2. Date of commencement of commercial production : 07-08-1874
3. In case of new companies expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus : Not applicable
4. Financial Performance based on given indicators. (₹ in lacs)

<b>Financial Performance</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Turnover – Total Income	9411.54	11126.88	9466.81	10258.00	9038.34
Profit / (Loss) as per P&L	(1393.02)	(61.83)	106.44	580.93	947.90
Dividend Paid / Proposed	41.42	41.42	124.26	248.53	146.41
Rate of Dividend (in %)	10%	10%	30%	60%	30%

5. Foreign Investments or Collaborators, if any : Nil

**II. Information about the appointee**

1. Background details : Shri Kailash Chand Mohta is a Commerce and & Law Graduate and a Fellow Member of the Institute of Company Secretaries of India. He has been associated with the Company since 25<sup>th</sup> April, 2007.

2. Past Remuneration : (₹ in lacs)

<b>Particulars</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
Salary	27.60	31.20	36.00	36.00
Perquisites & Allowances	15.62	17.30	19.94	19.94
Retiral Benefits	7.45	8.42	9.72	9.72
Total	50.67	56.92	65.66	65.66

3. Recognition or awards : Nil
4. Job Profile and suitability : Shri Kailash Chand Mohta is a Wholetime Director since 04-05-2007.  
He is having 42 years experience in various industries including Tea, Coffee, Rubber, Textile, Engineering, Chemical, Steel, Paper and also in the area of Legal, Commercial, Corporate and Management, out of which 30 years in the position of Chief Executive as well as in the Board level and as such shall be beneficial to the Company. Shri Mohta has co-authored 4 books in 5 publications on Land Ceiling Act and Company Debentures.
5. Remuneration Proposed : Given in the Item No.6 of notice to Shareholders read with the Explanatory Statement annexed therewith.
6. Comparative Remuneration profile with respect to industry, size of the industry, size of the Company, profile of the position and person (in case of expatriates, the relevant details with reference to the country of his/her origin) : The proposed remuneration to Shri Kailash Chand Mohta is as per industry standard.



7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. : Except Shri Kailash Chand Mohta, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise.

### III. Other Information

1. Reason for loss or inadequate profit : Plantation industry is dependent on the vagaries of nature.
2. Steps taken or proposed to be taken for Improvement : Improving the quality leading to better price realization and avoiding dependence on nature.
3. Expected increase in productivity and profits in measurable terms : Both productivity and profitability are expected to increase by 5 – 10% over the tenure.

### IV. Disclosures

1. The following disclosures shall be mentioned in the Board of Directors' report under the heading Corporate Governance, if any, attached to the Annual Report :
- i) All elements of remuneration package such as salary, benefits, bonus, stock options, pension, etc., of all the directors : Yes, given in the Corporate Governance Report annexed to the Directors' Report
- ii) Details of fixed components and performance linked incentives along with performance criteria : Nil
- iii) Service Contracts, notice period, Severance fees : Nil
- iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable : Nil

By Order of the Board

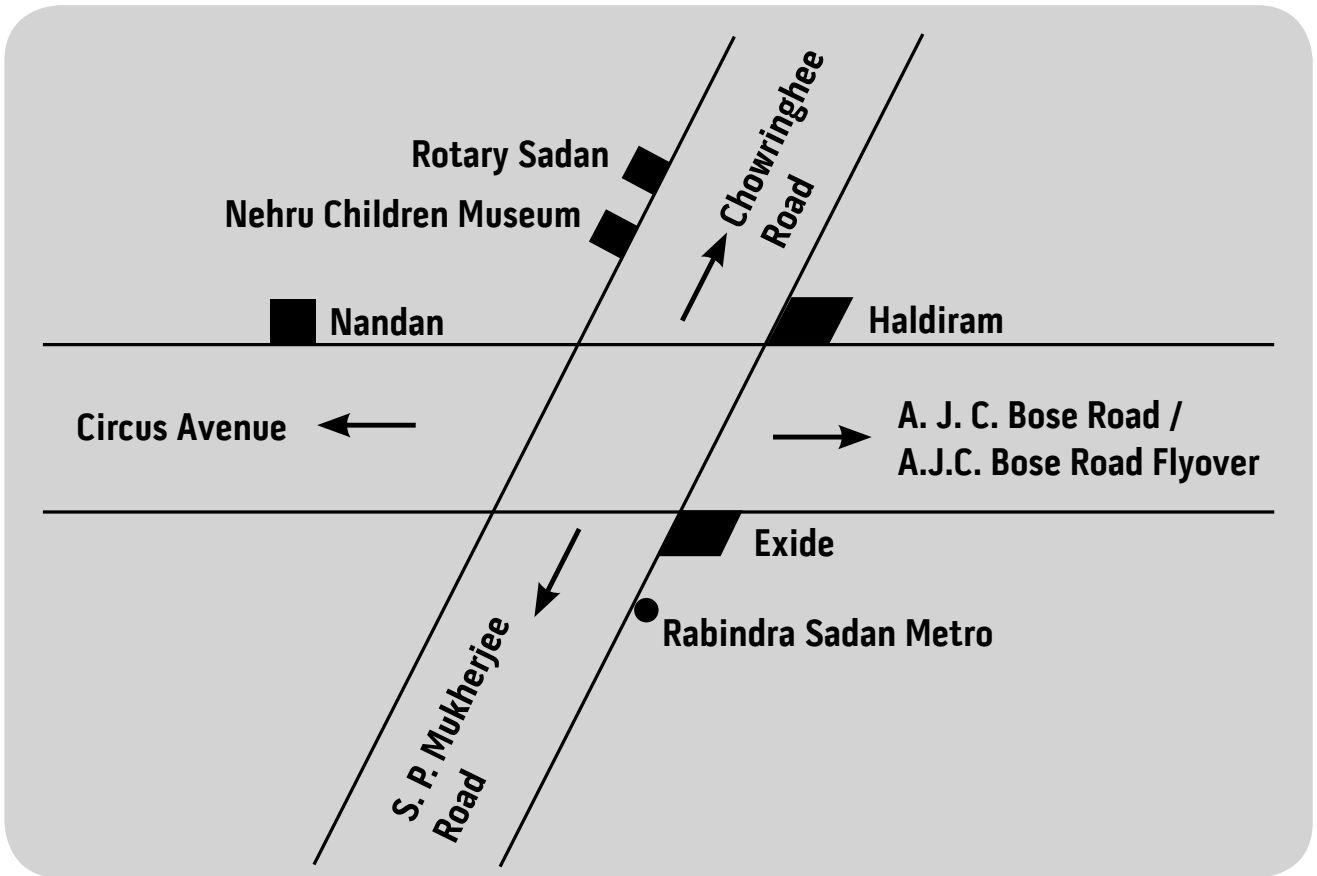
Place : Kolkata  
Date : 11<sup>th</sup> May, 2017

**S. Bagree**  
Manager (Finance) & Company Secretary

#### Prohibition on gifts / sampling of Company's products at AGM

Attention of the Members is drawn that in conformity with regulatory requirements, the Company will NOT be distributing its products for sampling at the 143rd AGM.

# Route Map







**Joonktolee Tea & Industries Limited**

Corporate Identity Number (CIN): L01132WB1900PLC000292

Registered Office: 21, Strand Road, Kolkata – 700 001

Phone: (033) 2230 9601, Fax: (033) 2230 2105, E-mail: info@joonktoleetea.in, Website: www.joonktoleetea.in

<b>ATTENDANCE SLIP</b>  I/We hereby record my/our presence at the <b>143rd Annual General Meeting (AGM)</b> of <b>Joonktolee Tea &amp; Industries Limited</b> being held at <b>Shripati Singhanian Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020</b> on <b>Thursday 31st August 2017</b> at <b>10.30 A.M.</b>	<b>Folio No/DP ID &amp; Client ID :</b>
	<b>Share Holding :</b>
	<b>Serial No :</b>
	<b>Name :</b>
	<b>Name(s) of Joint Holder(s), if any :</b>
	<b>Address :</b>

Proxy's Name in Block Letters

Shareholder's/Proxy's Signature

**Note:** Please bring the duly signed Attendance Slip at the meeting and hand it over at the Entrance of the Meeting Hall. Duplicate slips will not be issued at the venue of the AGM.

**ELECTRONIC VOTING PARTICULARS**

EVSN (Electronic Voting Sequence Number)	User ID	PAN/SEQUENCE NUMBER

**The e-voting facility will be available during the following voting period:**

<b>Commencement of e-voting</b>	From 9:00 A.M. (IST) on August 28, 2017
<b>End of e-voting</b>	Upto 5:00 P.M. (IST) on August 30, 2017

**Note:** Please refer AGM Notice for e-voting instructions.

**Joonktolee Tea & Industries Limited**

Corporate Identity Number (CIN): L01132WB1900PLC000292

Registered Office: 21, Strand Road, Kolkata – 700 001

Phone: (033) 2230 9601, Fax: (033) 2230 2105, E-mail: info@joonktoleetea.in, Website: www.joonktoleetea.in

**PROXY FORM – MGT 11**

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

Name of the Member(s): .....

Registered Address: .....

E-mail ID: .....

Folio No/DP ID & Client ID: .....

I/We, being the Member(s) of Joonktolee Tea & Industries Limited, holding.....Equity Shares of the above named Company, hereby appoint :

- Name : .....Address : .....  
E-mail ID : .....Signature : .....or failing him/her;
- Name : .....Address : .....  
E-mail ID : .....Signature : .....or failing him/her;
- 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 143rd Annual General Meeting (AGM) of the Company, to be held on Thursday, 31st August, 2017 at Shripati Singhanian Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020 or at any adjournment thereof in respect of following resolutions :

Resolution No.	Resolutions	Optional *	
		For	Against
<b>Ordinary Business</b>			
1.	Consider and adopt Audited Financial Statements for the Financial Year ended 31st March, 2017, Reports of the Board of Directors and Auditors thereon.		
2.	Declaration of Dividend for the Financial Year ended 31st March, 2017.		
3.	Re-appointment of Mrs. Pushpa Devi Bangur (DIN : 00695640), who retires by rotation.		
4.	Appointment of M/s. Jitendra K Agarwal & Associates., Chartered Accountants (Firm Registration No. 318086E), as the Statutory Auditors of the Company and fixing their remuneration.		
<b>Special Business</b>			
5.	Ratification of the remuneration of the Cost Auditors for the Financial Year ending 31st March, 2018.		
6.	Appointment of Shri Kailash Chand Mohta (DIN : 00127656) as Wholetime Director to be designated as Executive Director & Chief Executive Officer.		

Signed this .....day of .....2017

Signature of Shareholder(s).....

Signature of Proxyholder(s).....

Affix  
Revenue  
Stamp of  
₹ 1/- here

- Notes :**
- This form of proxy in order to be effective should be duly completed and deposited at the Company's Registered Office not less than 48 hours before the commencement of the AGM.
  - For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 143rd Annual General Meeting of the Company.
  - \*It is optional to put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.