



Warren Tea Limited

WTL/SEC/S-2

15th September, 2017

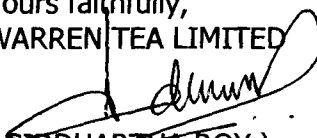
The General Manager,
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
- Scrip Code 508494

The General Manager,
The Calcutta Stock Exchange Limited ,
7 Lyons Range,
Kolkata 700 001
- Scrip Code 33002

Dear Sir,

Re: Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Enclosed please find the Annual Report for the year ended 31st March, 2017 which has been approved and adopted at the 40th Annual General Meeting of the Company held on 11th September, 2017 in compliance with the aforesaid Regulation.

Yours faithfully,
WARREN TEA LIMITED

(SIDDHARTHA ROY)
PRESIDENT-LEGAL
& COMPANY SECRETARY

Encl: as above

CIN : L01132AS1977PLC001706 ■ Website : www.warrentea.com

Corporate Office : 'Suvira House', 4B, Hungerford Street, Kolkata 700 017
Telephone : 2287 2287, Fax : 2289 4444, E-mail : corporate@warrentea.com
Registered Office : Deohall Tea Estate, P.O. Hoogrijan, Dist. Tinsukia, Assam 786 601



Warren Tea Limited

BOARD OF DIRECTORS

Chairman

Vinay K. Goenka

Managing Director

S. K. Ghosh

Directors

S. Bhoopal

N. Dutta

L. Halwasiya

Mrs. A. K. Bindra

Mrs. S. Barman

**President-Legal
& Company Secretary**

Siddhartha Roy

Chief Financial Officer

S. K. Mukhopadhyay

AUDITORS

B. M. Chatrath & Co. LLP

COST AUDITORS

Shome & Banerjee

BANKERS

State Bank of India

HDFC Bank Limited

Axis Bank Ltd

REGISTERED OFFICE

Deohall Tea Estate

P.O. Hoogrija, Dist. Tinsukia

Assam 786 601

Tel : 0374 2911369

CORPORATE OFFICE

Suvira House

4B, Hungerford Street

Kolkata 700 017

Tel : 033 2287 2287

Web: www.warrentea.com E-mail: corporate@warrentea.com

CIN : L01132AS1977PLC001706

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Notice

NOTICE is hereby given that the Fortieth Annual General Meeting of Warren Tea Limited will be held at the G. S. Ruia Memorial Complex at Deohall Tea Estate, P. O. Hoogrija, Dist. Tinsukia, Assam 786 601 on Monday, 11th September, 2017 at 10.30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements and Consolidated Financial Statements for the year ended 31st March, 2017 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Subhajit Kumar Ghosh (DIN 00042335), retiring by rotation.
3. To ratify the appointment of Auditors made at the Thirty-seventh Annual General Meeting to hold office till the conclusion of the Forty-second Annual General Meeting.

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modifications the following Resolution as an Ordinary Resolution:

4. "RESOLVED THAT approval of the shareholders be and is hereby accorded for payment of remuneration of ₹ 1,00,000 together with reimbursement of applicable taxes and out of pocket expenses, if any, to M/s Shome & Banerjee, Cost Accountants (FRN 000001) for audit of the cost records of the Company for the financial year 2017-18."

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

5. "RESOLVED THAT the Company hereby approves the reappointment and remuneration payable to Mr Subhajit Kumar Ghosh (DIN 00042335) as Managing Director of the Company for a period of three years from 1st April, 2017 on the terms and conditions including remuneration within the limits specified in Schedule V of the Companies Act, 2013, as set out in the Explanatory Statement annexed to this Notice and as contained in the Agreement, as approved by the Nomination and Remuneration Committee, to be made between the Company of the One Part and Mr Ghosh of the Other Part, a draft of which initialled by the Chairman is placed before the Meeting."

Suvira House
4B, Hungerford Street
Kolkata 700017
30th May, 2017

By Order of the Board
Siddhartha Roy
President-Legal
& Company Secretary

Notice (Continued)**Notes :**

1. The Members may exercise their rights to vote on the Resolutions contained in the Notice by electronic means for which necessary facility has been provided and the instructions therefor are attached.
2. In terms of Section 105(2) of the Companies Act, 2013 intimation is hereby given that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company.

A Proxy, in order to be effective, must be received at the Company's Registered Office at Deohall Tea Estate, P.O. Hoogrijaan, Dist. Tinsukia, Assam 786 601 not less than forty eight hours before the Meeting.

3. The Company is registered with National Securities Depository Ltd. and Central Depository Services (India) Ltd., for dematerialization of its Equity Shares which has been allotted the ISIN INE712A01012. CB Management Services (P) Limited having their office at P-22 Bondel Road, Kolkata 700 019 are the Registrar and Share Transfer Agent of the Company.
4. Members are requested to intimate their e-mail ID in the attached form.
5. Members holding shares in physical form are requested to:
 - a. notify any change in their addresses and communicate on all matters pertaining to their shareholdings with the Company's Registrar and Share Transfer Agent at Kolkata, quoting their respective Ledger Folio Numbers;
 - b. note that as per provisions of the Companies Act, 2013 facility for making nominations is available for shareholders in respect of Equity Shares held by them.
6.
 - i. Pursuant to Section 205A of the Companies Act, 1956 all dividends declared and relative dividend warrants posted upto and including the Dividend for the year 1993-94 paid on 8th November, 1994 and remaining unclaimed by members have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants in respect of the said period are requested to prefer their claims to the Registrar of Companies, Assam, Tripura, Manipur, Nagaland, Meghalaya, Mizoram and Arunachal Pradesh at Morello Building, Shillong 793 001, Meghalaya. In case any assistance is required, shareholders are requested to write to the Company's Registrar and Share Transfer Agent.
 - ii. Pursuant to Section 205A of the Companies Act, 1956 dividends declared from 1994-95 upto 2002-03 and remaining unclaimed by the members have been transferred to the Investor Education and Protection Fund constituted by the Central Government under Section 205C of the Act.
7. Relevant details in respect of Item No. 2 of the Notice pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 are given hereunder and details in respect of Item Nos. 4 & 5 of the Notice are included in the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which is given hereinafter.

Notice (Continued)

8. Pursuant to Section 136 of the Companies Act, 2013, printed abridged financial statements are being sent to the Shareholders. Shareholders requiring a copy of the full Annual Report may write to the Company's Registrar and Share Transfer Agent, CB Management Services (P) Limited, P-22, Bondel Road, Kolkata 700 019. A copy of the full Annual Report would be available for inspection at the Registered Office of the Company during working hours, till the date of the Meeting.

DETAILS OF DIRECTOR RETIRING BY ROTATION AND SEEKING RE- APPOINTMENT

[In pursuance of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director : Mr Subhajit Kumar Ghosh (DIN 00042335)

Brief Resumé:

Mr Ghosh is a fellow Member of the Institute of Chartered Accountants of India and a Member of the Institute of Internal Auditors, U.S.A. He has experience in Tea and other Industries for the last 41 years.

Expertise in specific Functional Areas:

Accounts, Finance, Audit, Taxation and various other operational and administrative areas

Directorships & Committee Memberships of other companies:

ABC Tea Workers Welfare Services

Director

Mr Ghosh holds 1 equity share of ₹ 10 in the Company.

**EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)****Item No. 4**

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the Board at their meeting held on 30th May, 2017, on recommendations of the Audit Committee, approved the appointment of M/s Shome & Banerjee, Cost Accountants (FRN 000001) as the Cost Auditors of the Company for the financial year 2017-18 at a fee of ₹ 1,00,000 together with reimbursement of applicable taxes and out of pocket expenses, if any, for conducting the audit of the cost records of the Company; such remuneration is required to be approved by the shareholders.

The Resolution set out in Item No. 4 of the Convening Notice has to be considered accordingly and the Board recommends its acceptance.

No Director and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Convening Notice.

Item No. 5

Mr Subhajit Kumar Ghosh (Mr Ghosh) had been reappointed as Managing Director for a period of 3 years with effect from 1st April, 2014 (approved by the shareholders at the Annual General

Notice (Continued)

Meeting held on 10th September, 2014), which term of office expired on 31st March, 2017. The Board at its Meeting held on 11th February, 2017 reappointed Mr Ghosh as Managing Director of the Company for a period of 3 years with effect from 1st April, 2017, on the terms and conditions contained in the Agreement to be entered into by the Company with Mr Ghosh subject to the approval of the Members of the Company in accordance with the requirements of Schedule V to the Companies Act, 2013 ('the Act'). The remuneration payable to Mr Ghosh for such period of reappointment has been approved by the Nomination and Remuneration Committee on 10th February, 2017.

The principal terms and conditions of Mr Ghosh's reappointment are as follows:

A. Salary:

- i) From 1st April, 2017 to 31st March, 2018 - ₹ 2,70,000 per month
- ii) From 1st April, 2018 to 31st March, 2019 - ₹ 2,90,000 per month
- iii) From 1st April, 2019 to 31st March, 2020 - ₹ 3,10,000 per month

B. In addition to the above salary, bonus is payable to Mr Ghosh subject to a ceiling of 100 (One Hundred) percent of his annual salary as may be decided by the Board from time to time.

C. Perquisite entitlement of Mr Ghosh:

In addition to salary and bonus Mr Ghosh will be entitled to perquisites like house rent allowance or furnished accommodation, gas, electricity, water and furnishings, use of Company cars, medical reimbursement for self and family, leave travel concession for self and family, club fees, personal accident insurance, retirement benefits etc., in accordance with the Rules of the Company; in addition, he may be paid a Special Allowance as may be decided by the Board from time to time. Perquisites shall be valued as per Income Tax Rules, wherever applicable, and in the absence of any such rule, shall be valued at actual cost.

The aggregate of the total salary and monetary value of all perquisites and retirement benefits in accordance with the Rules of the Company payable to Mr Ghosh and other Managing/ Whole-time Directors shall not exceed 10% of the profits of the Company calculated in accordance with Section 197 of the Act.

In the event of absence or inadequacy of profits of the Company in any financial year during the period of reappointment of Mr Ghosh, he shall be entitled to receive/ enjoy his aforesaid remuneration including perquisites as minimum remuneration subject to the provisions of Schedule V to the Act and subject to necessary approvals.

Mr Ghosh will not receive any sitting fees for attending Meetings of the Board or any Committee thereof. The Agreement also sets out mutual rights and obligations of the parties.

The reappointment and remuneration of Mr Ghosh as Managing Director of the Company require the approval of the Members of the Company in General Meeting in terms of Part III of Schedule V to the Act and the remuneration payable also requires the approval of the Company in General Meeting under Section 197 of the Act. The proviso to Item (A) in Section II, Part II provides that the limits of yearly remuneration payable in respect of different effective capital would be doubled if the resolution passed by the shareholders is a special resolution. Accordingly, it has been considered advisable to seek approval of the Shareholders by a Special Resolution to pay Mr Ghosh remuneration in accordance therewith.

Notice (Continued)

The reappointment of Mr Ghosh on the terms proposed satisfies the conditions laid down in Parts I, II and Clause 1 of Part III of Schedule V to the Act.

Brief Resumé:

Mr Ghosh is a fellow Member of the Institute of Chartered Accountants of India and a Member of the Institute of Internal Auditors, U.S.A. He has considerable exposure in Tea and other Industries for the last 41 years.

Expertise in specific Functional Areas :

Accounts, Finance, Audit, Taxation and various other operational and administrative areas

There is no inter-se relationship between Mr Ghosh and any other Director of the Company.

Directorships & Committee Memberships of other listed companies:

ABC Tea Workers Welfare Services Director

A copy of the draft Agreement referred to in the Special Resolution set out in Item 5 of the convening Notice will be available for inspection by the Members of the Company at its Registered Office on any working day prior to the date of the Meeting between 9.00 a.m. and 11.00 a.m. and will also be available at the Meeting.

The Special Resolution set out in Item 5 of the convening Notice has to be considered accordingly and the Board recommends its acceptance.

Except Mr Ghosh being the appointee and his relatives, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the convening Notice.

The information required to be furnished pursuant to Section II of Part II to the said Schedule V is set out hereinafter :

I. General Information :

- (1) Nature of industry
Plantation, manufacture and sale of Tea.
- (2) Date or expected date of commencement of commercial production
Warren's operations in tea plantation dates back to 1850. Since 1977 Warren Tea Limited has been selling tea in India and abroad.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.
Not applicable.
- (4) Financial performance based on given indicators.

Notice (Continued)

Financial performance (audited) over the last three financial years is set out as under:-

(₹ in Lakhs)

Year ended	31st March, 2015	31st March, 2016	31st March, 2017
Gross Revenue	13139.70	14314.07	11231.21
Profit/(Loss) before tax	1129.55	613.98	(2525.26)
Profit/(Loss) after tax	1249.81	458.33	(1516.88)

(5) Foreign investments or collaborations, if any

As on 31st March, 2017 foreign investment was 1,69,375 equity shares of ₹ 10 each in the Company.

II. Information about the appointee:

1. Background Details :

Name of Director : Mr Subhajit Kumar Ghosh
Date of Birth : 16th February, 1954
Date of Appointment as Director : 1st October, 2004
Qualification : B.Com (Hons.) , FCA

Expertise and experience in specific functional areas :

Mr Ghosh has forty one years experience in Tea and other Industries in the area of Accounts, Finance, Audit, Taxation and various other operational and administrative areas.

2. Past Remuneration :

(₹ in Lakhs)

2014-15	2015-16	2016-17
94.23	101.11	110.91

3. Recognition or Awards :

a) Granted Certificate under National Scholarship Scheme by the Ministry of Education and Social Welfare, Government of India in recognition of High position secured in the list of meritorious candidates qualifying for award from West Bengal in 1971-72.

b) Ranked 30th in Intermediate Examination conducted by the Institute of Chartered Accountants of India.

4. Job profile and his suitability :

Mr Ghosh is a Fellow Member of the Institute of Chartered Accountants of India and a Member of the Institute of Internal Auditors, U.S.A. He has forty one years experience in Tea and other Industries. He has served on various committees/ sub-committees of the Bengal Chamber of Commerce & Industry, Indian Tea

Notice (Continued)

Association and Bharat Chamber of Commerce. Considering his experience and long association with the Company, the Board found Mr Ghosh best suited for the responsibilities assigned to him.

5. Remuneration :

This has been adequately disclosed in the Explanatory Statement.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) :

The remuneration as proposed is comparable with that of other companies of similar size.

7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any :

Other than remuneration receivable as Managing Director, Mr Ghosh is not entitled to receive any other payments from the Company other than dividend, if any, payable to Shareholders. Mr Ghosh is not related to any other Director of the Company.

III. Other information:

(1) Reason of loss or inadequate profits

Less favourable climatic conditions together with severe pest attack on the tea bushes resulted in substantial decline in the volume of crop produced which together with increasing cost of inputs and lower unit price realizations have considerably affected the Company's performance.

(2) Steps taken or proposed to be taken for improvement

The Company expects an increase in production with continuous attention on agricultural and other practices which together with continued emphasis on quality is expected to lead to a better performance.

(3) Expected increase in productivity and profits in measurable terms

Though unfavourable weather conditions have affected production in the beginning, the Company expects to increase its crop to about 7.67 million Kgs during the current year and it is likely that improvement in climatic conditions together with favourable market conditions would result in improved performance.

Suvira House
4B, Hungerford Street
Kolkata 700017
30th May, 2017

By Order of the Board
Siddhartha Roy
President-Legal
& Company Secretary

Notice (Continued)

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS

- 1) In compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder the Company is pleased to provide the Members facility of voting by electronic means in respect of business to be transacted at the Annual General Meeting (Meeting) which includes remote e-voting (i.e. voting electronically from a place other than the venue of the Meeting) by using the electronic voting facility provided by Central Depository Services (India) Limited (CDSL). The facility for voting through Ballot (Polling) paper shall be made available at the Meeting and Members attending the Meeting who have not cast their vote by remote e-voting shall be eligible to exercise their right to vote at the Meeting through Polling paper.
- 2) Persons who have acquired shares and became Members after the dispatch of the Notice of the Meeting but before the 'Cut-off Date' of 4th September, 2017 may obtain their user ID and Password for remote e-voting by sending a request to the Company's Registrar & Share Transfer Agent, C B Management Services (P) Ltd., P-22, Bondel Road, Kolkata - 700 019 at rta@cbmsl.com quoting DP ID/CL ID/Folio No. as the case may be along with PAN No.
- 3) The e-voting period commences on 7th September, 2017 at 9.00 a.m. and ends on 10th September, 2017 at 5.00 p.m.

The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder he shall not be allowed to change it subsequently.

The instructions for shareholders voting electronically are as under :

- (i) The voting period begins on 7th September, 2017 (9.00 a.m.) and ends on 10th September, 2017 (5.00 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 of 4th September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through Ballot paper/Polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast the vote by remote e-voting shall be able to exercise their right to vote at the Meeting through Ballot paper/ Polling paper.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "shareholders" tab.
- (iv) Now enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, thereon your existing password is to be used.
- (vii) If you are a first time user the steps given below :

Notice (Continued)

	For Members holding shares in Demat Form and Physical Form
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"> Members who have not updated their PAN with the Company/Depository Participant are required to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. The sequence number has been sent separately along with these instructions. In case the sequence number is less than 8 digits enter the applicable number of 'o's before the number after the first two characters of the name in CAPITAL letters e.g. if your name is Satish Kumar with sequence number 1 then enter SA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company, please enter the Member Id /Folio Number in the Dividend Bank details field as mentioned in instruction (vii).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in 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 another person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant 'Company Name' on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option " YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish the entire resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

Notice (Continued)

- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image Verification code and click on 'Forgot Password' & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and signature of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create 'Compliance user' which 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 in.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the "Frequently Asked Questions" ("FAQs") and e-voting manual available at www.evotingindia.com under Help section or write an email to helpdesk.evoting@cdslindia.com.

The e-voting period commences on 7th September, 2017 (9.00 a.m.) and ends on 10th September, 2017 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of 4th September, 2017.

Mr Raj Kumar Banthia, Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall unblock the votes cast through remote e-voting, after counting the votes cast at the meeting in the presence of at least two (2) witnesses not in the employment of the Company and submit a consolidated Scrutinizer's Report of the votes cast in favour or against, if any forthwith to the Chairman of the Company.

The Results shall be declared in accordance with applicable regulations and the same along with the Scrutinizer's Report shall be placed on the websites of the Company and CDSL immediately after the result is declared by the Chairman; the Results shall also be forwarded to the Stock Exchanges where the shares of the Company are listed.

Suvira House
4B, Hungerford Street
Kolkata 700017
30th May, 2017

By Order of the Board
Siddhartha Roy
President-Legal
& Company Secretary

Directors' Report

Your Directors present their Fortieth Annual Report to the Members together with the Audited Financial Statements for the year ended 31st March, 2017.

Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return is annexed as Annexure A.

Board Meetings

The Board of Directors met 5 (Five) times in 2016-17. The details of the Meetings and Attendance of the Directors whereat are available in Annexure H to this Report.

Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013 the Directors would like to state that:

- (a) in preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation in case of material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Independent Directors

The declarations required under Section 149(7) of the Companies Act, 2013 from the Independent Directors of the Company confirming that they meet the criteria of independence as under Section 149(6) of the Companies Act, 2013 were duly received by the Company.

Nomination and Remuneration Policy

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director and other associated matters including remuneration of employees is appended as Annexure B to this Report.

Particulars of loans, guarantees and investments

The particulars of loans made by the Company are furnished in Notes 13 & 17 of the Notes to the Financial Statements.

Directors' Report (Continued)

The Company has not given any guarantee.

Particulars of investments made by the Company is given in Note 11 of the Notes to the Financial Statements.

Related Party Contracts

The particulars of contracts or arrangements made with related parties is attached to this Report as Annexure C.

State of the Company's Affairs

	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
Profit/(Loss) before Depreciation and Tax	(2163.35)	946.28
Less: Depreciation and Amortization	<u>361.91</u>	<u>332.20</u>
Profit/(Loss) before Tax	(2525.26)	613.98
Tax Expense		
Current Tax	—	125.00
Deferred Tax	<u>(1008.38)</u>	<u>30.65</u>
Profit/(Loss) for the year	(1516.88)	458.33
Balance brought forward from Previous Year	<u>7456.93</u>	<u>6998.60</u>
Balance carried to Balance Sheet	<u>5940.05</u>	<u>7456.93</u>

The major accounting policies as narrated in the Notes to the Financial Statements in Note 26 in conformity with the Accounting Standards specified in the Companies Act, 2013 and the Rules framed thereunder have been followed as usual in the course of preparing and presenting these Accounts. In accordance with Accounting Standard 10 as amended, tea bushes have been recognized as an item of Property, Plant and Equipment as detailed in Note 26(2) of the Notes to the Financial Statements.

There were no companies which have become/ceased to be Subsidiaries, Joint Ventures and Associate Companies during the year.

Maple Hotels & Resorts Limited ('Maple') continues to remain an Associate Company. During the year ended 31st March, 2017, Maple recorded an increase of about 6.75% in its turnover to ₹ 1537.08 Lakhs from ₹ 1439.95 Lakhs in the previous year as well as a profit before depreciation/amortization and tax of ₹ 1438.81 Lakhs (including net gain of ₹ 1277.79 Lakhs from sale of investments) as against ₹ 33.42 Lakhs in the previous year.

As required under Section 129(3) of the Companies Act, 2013 consolidated Financial Statements together with a statement containing the salient features of the Financial Statements of Maple forms a part of this Annual Report.

Pursuant to the Scheme of Arrangement approved by the Hon'ble Gauhati High Court by its Order dated 16th December, 2013, realignment of interest of Promoters of Warren Tea Limited ('WTL') took place. Consequent on the same, Maple, being part of WTL's Promoter Group, acquired 1076664 equity shares of the Company during the year as a result of which your Company has become an Associate Company of Maple.

Directors' Report (Continued)

Deposits

The Company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013.

Regulatory Orders

There have been no significant and material orders passed by Regulators/Courts/Tribunals impacting the going concern status and Company's operation in future.

Internal Control Systems

Your Company continues to have an adequate internal audit system carried out by firms of practising Chartered Accountants who submit Reports upon completion of audit for consideration by the Directors. The details of the Internal Control System and their adequacy are set out in the Management Discussion and Analysis Report forming part of the Board's Report.

Auditors' Report

Messrs B M Chatrath & Co. LLP, Statutory Auditors have submitted their Report in respect of the financial year 2016-17 under Section 143 of the Companies Act, 2013. For the year ended 31st March, 2016, the Cost Audit had been completed by Messrs Shome and Banerjee, Cost Accountants. The Cost Audit Report had been submitted by the Cost Auditors to the appropriate authorities within the stipulated time on 6th October, 2016.

Secretarial Audit

During the year the Board appointed Messrs MKB & Associates, Practising Company Secretaries as the Secretarial Auditor of the Company to carry out the Secretarial Audit for the year 2016-17 under the provisions of Section 204 of the Companies Act, 2013.

The Secretarial Audit Report given by Messrs MKB & Associates, Company Secretaries in Practice is annexed to this Report as Annexure D which is self-explanatory and hence do not call for any further explanations.

Resumé of Performance

During the year under review, less favourable climatic conditions together with severe pest attack on the tea bushes resulted in considerable decline in the volume of crop produced which adversely impacted the unit cost of production; the same, coupled with lower unit price realizations resulted in substantial decline in your Company's revenue to ₹ 11231.21 Lakhs from that of ₹ 14314.07 Lakhs in the previous year. On account of such decline in revenue coupled with increasing cost of inputs, there has been loss of ₹ 1516.88 Lakhs for the year under review.

Crop

Your Company's saleable crop was recorded at 6.09 Million Kgs. as compared to the previous year's production of 7.18 Million Kgs.

Comparative Crop figures during the past five years for its seven tea estates are given below:

Directors' Report (Continued)

Year Ended on	Saleable Crop In Million Kgs.
31.03.2017	6.09
31.03.2016	7.18
31.03.2015	6.58
31.03.2014	7.77
31.03.2013	6.46

Sales

Proceeds from sale of tea amounted to ₹ 10878.26 Lakhs for the year under review as against ₹ 13711.00 Lakhs in the previous year for reasons mentioned earlier.

Quality

Your Company continues with its policy of manufacture only from its own leaf which coupled with maintaining sound agricultural practices ensure Quality.

Your Directors continue to ensure that teas of your Company are produced in a socially responsible way. All tea estates of your Company continue to be participants of the Ethical Tea Partnership Programme (ETP) of UK. This is further reaffirmed by all the seven tea estates of your Company having obtained Rainforest Alliance Certification as well as ISO 22000:2005 Certification. Further, your Company's Integrated Pest Management Policy for agro inputs conforms not only to the Plant Protection Code of the Tea Board of India but also to the stringent conditions of the European Commission of the European Union (EU). Your Company continues with its emphasis on the critical issues of Maximum (Permissible Chemicals) Residue Limits (MRLs).

Exports

Exports for the year was ₹ 953.88 Lakhs against ₹ 1673.72 Lakhs for the previous year.

Prospects

Your Directors are confident that better growing conditions and agricultural practices would improve the quality and volume of your Company's produce which would result in improved performance.

Shareholders

Your Directors are of the view that considering the performance for the year, it would not be prudent to declare any dividend for the year under review.

Material changes and commitments consequent to year end

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statement relates and the date of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

Directors' Report (Continued)

(A) Conservation of energy

(i) The steps taken or impact on conservation of energy:

There is increase in global focus on the issue of climatic control. Consumption and conservation of energy are an integral part of such focus. Your Company having been sensible to the same for many years continues with its efforts to regulate consumption and thereby conserve energy. Apart from the ecological aspect, energy cost is one of the two major components of production cost, the other being manpower. Your Company with a view to limit such costs has continually made efforts to explore avenues to reduce consumption of energy and thereby reduce costs.

As a continuous process, old and existing equipment are replaced by newer/alternate energy efficient equipment. Not only equipment are replaced but processes are reviewed and changes carried out with a view to continue consumption and conserve energy.

The process of replacing incandescent bulbs with CFL/LED bulbs continue. The Company also continues to replace conventional gas burners with economical burners having IPRS (Integrated Pressure Regulating System) which reduces consumption of gas utilized in production. All the Company's Tea Estates are making efforts with a view to optimize utilization of machine capacity resulting in power saving.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

During the year under review no steps have been taken for utilizing alternate sources of energy by your Company.

(iii) The capital investment on energy conservation equipment:

Your Company continues in its investments resulting in energy conservation. Further VFBD (Vibro Fluid Bed Drier) and CFM (Continuous Fermenting Machine) together with economic burners along with IPRS have been installed in some of the Tea Estates. Also new Conveyor Systems have been put in place all of which is designed to increase production efficiency and thereby leading to reduction in energy consumption as well as in mandays which also reduces costs. As before, the Company continues in its coordination with the State Electricity Board for improving availability of Grid Power.

(B) Technology absorption:

- (i) The efforts made towards technology absorption;
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

Not Applicable

Directors' Report (Continued)

(iv) The expenditure incurred on Research and Development

The Company did not carry out any Research & Developmental activities on its own. However, during the year the Company subscribed a sum of ₹ 20.01 Lakhs to Tea Research Association ('TRA') which has been set up for the purpose of carrying out research aimed at improving various aspects of tea plantations who derive benefit from such detailed work carried out by TRA. The expenses for such work are collectively borne by TRA from the contributions made by various tea companies.

(C) Foreign exchange earnings and outgo:

Foreign exchange — Earned (Gross) — ₹	962.39	Lakhs
— Outgo — ₹	24.43	Lakhs

Risk Management

The Company continues in its endeavours of managing business risks and has in place a Risk Management Policy and Plan towards the same. Particulars relating to the Risk Management Committee are set out in the Corporate Governance Report at Annexure H to this Report.

Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 and the Relevant Rules, the Board has constituted the Corporate Social Responsibility Committee, presently comprising of Mrs S Barman as Chairperson and Mrs A K Bindra, Mr Vinay K Goenka and Mr S K Ghosh as Members with President-Legal & Company Secretary as its Secretary. The broad terms of reference of the Corporate Social Responsibility (CSR) Committee are:

- Formulate and recommend to the Board, the CSR Policy
- Recommend the amount of expenditure to be incurred on the activities undertaken
- Monitor the CSR Policy of the Company from time to time
- Review the performance of the Company in the area of CSR including the evaluation of the impact of the Company's CSR activities
- Review the Company's disclosure of CSR matters

The CSR Policy is available on Company's website at www.warrentea.com. The CSR Policy and related matters together with details of the Committee has been annexed as Annexure E to this Report.

Board Evaluation

The Nomination and Remuneration Committee has earlier approved the Board Evaluation Policy. All the Directors including Independent Directors and the Non-Independent Directors have continued to contribute their inputs in the process of evaluation of the Directors. The Independent Directors and the Nomination and Remuneration Committee Members have continued to review the performance of all the Directors including the Chairman and the Managing Director and thence the performance of the Board as a whole. The Board in turn, with such inputs have carried out annual evaluation of its own performance, its Committees and individual Directors.

Audit Committee

The Audit Committee of the Board consists of three non-executive Independent Directors. Details of the Committee alongwith their terms of reference, composition and meetings held

Directors' Report (Continued)

during the year, are provided in the report on Corporate Governance in Annexure H to this Report.

Vigil Mechanism Committee

The Company has established a Vigil Mechanism for directors and employees to report their genuine concerns which is overseen by the Audit Committee which also acts as the Vigil Mechanism Committee. The Vigil Mechanism provides the Whistle Blower to lodge Protected Disclosure in writing to the Committee in the form of a letter in a closed envelope or by e-mail to the dedicated address; protection to genuine Whistle Blowers would be given against any unfair treatment and any abuse of this protection will attract disciplinary action. The Company has also provided a direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company. The Vigil Mechanism/Whistle Blower Policy of the Company has been uploaded on the website of the Company and can be accessed at www.warrentea.com.

Nomination and Remuneration Committee

The Committee consists of Mr S Bhoopal, a Non-Executive Independent Director as its Chairman, Mrs S Barman and Mr N Dutta, Non-Executive Independent Directors as its members; it recommends to the Board the Remuneration Package of Directors and Key Managerial Personnel. Details of the Committee are set out in the Report on Corporate Governance in Annexure H to this Report.

The Nomination and Remuneration Committee has formulated a policy for evaluation of Directors which contains evaluation criteria; such criteria include contributing to, monitoring and reviewing etc. and has acted upon the same.

Stakeholders Relationship Committee

The Committee consists of Mr S Bhoopal as the Chairman and Mrs A K Bindra, Mr Vinay K Goenka and Mr S K Ghosh as members. Details of the Committee are provided in the Report on Corporate Governance in Annexure H to this Report.

Change in nature of Business, if any

There has been no change in the business of the Company.

Details of Directors/Key Managerial Personnel

In accordance with the Articles of Association of the Company, Mr S K Ghosh (DIN 00042335), Managing Director of the Company retires by rotation and being eligible has offered himself for reappointment.

Mr Ghosh was reappointed as Managing Director for a period of three years with effect from 1st April, 2017 subject to approval of the shareholders.

Personnel

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars and information of the employees has been set out in Annexure F to this Report.

The welfare and wellbeing of the workers are monitored closely and amicable relations with the employees are being maintained.

Directors' Report (Continued)

Industrial relations remained peaceful throughout the year and your Board of Directors also thank executives, staff and workers at all levels for their valuable service and support during the year. All estates of your Company are certified under the Rainforest Alliance thereby showing firm commitment towards sustainability as well as workers' health, hygiene and safety. It is your Company's endeavour to provide safe, healthy and sustainable work environment in all the estates. The Company has always believed in a policy against sexual harassment which has also found its place in the governing Codes of Conduct and Ethics applicable to its employees which includes a mechanism to redress such complaints. Further, the Company has in place Internal Complaints Committees for Assam and Kolkata and during the year under review there were no complaints of sexual harassment at any of the units.

Corporate Governance

In compliance with the disclosures required under the said Regulation 27 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report is provided in Annexure G.

The Report on Corporate Governance as required under the aforesaid Clause is also provided in Annexure H to this Report, together with the Declaration affirming compliance with the Code of Conduct of the Company and Auditors' Certificate on compliance with the conditions of Corporate Governance.

Auditors

The reappointment of Messrs B M Chatrath & Co., since converted to Messrs B M Chatrath & Co. LLP, Chartered Accountants, Statutory Auditors of the Company was approved by the Members at the thirty-seventh Annual General Meeting held on 10th September, 2014 to hold office till the conclusion of the forty-second Annual General Meeting. The same is being placed for ratification by the Members at the ensuing fortieth Annual General Meeting as required by the Companies Act, 2013.

Messrs Shome & Banerjee, Cost Accountants have been reappointed for audit of Cost Accounts maintained by the Company for the year ending 31st March, 2018 and their remuneration is being placed for approval of the Shareholders at the forthcoming Annual General Meeting.

Kolkata
30th May, 2017

Vinay K. Goenka
Chairman

Annexure 'A' to the Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

[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) CIN : L01132AS1977PLC001706
- (ii) Registration Date : 31.05.1977
- (iii) Name of the Company : WARREN TEA LIMITED
- (iv) Category/Sub-Category of the Company: Company Limited by shares
- (v) Address of the Registered office and contact details : Deohall Tea Estate, P.O. : Hoogrijan, Dist. : Tinsukia, Assam 786601
- Telephone No. : 0374 2911369
- (vi) Whether listed company : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : CB Management Services (P) Ltd. P-22 Bondel Road, Kolkata 700 019
- Telephone No. : 033-40116700/22806692/22823643/22870263

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.	Plantation of Tea	0100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
1.	Maple Hotels & Resorts Limited Suvira House, 4B Hungerford Street, Kolkata 700 017	U70101WB2000PLC091582	Associate Company	46.92%	2(6)

Annexure 'A' to the Directors' Report (Continued)
IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2743039	—	2743039	22.9528	5486078	—	5486078	45.9055	22.9528
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt.(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	1677755	—	1677755	14.0388	3355510	—	3355510	28.0777	14.0388
e) Banks/F.I.	—	—	—	—	—	—	—	—	—
f) Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A) (1)	4420794	—	4420794	36.9916	8841588	—	8841588	73.9832	36.9916
(2) Foreign									
a) NRIs-Individuals	—	—	—	—	—	—	—	—	—
b) Other-Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	4527005	—	4527005	37.8803	106211	—	106211	0.8887	(36.9916)
d) Banks/F.I.	—	—	—	—	—	—	—	—	—
e) Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A) (2)	4527005	—	4527005	37.8803	106211	—	106211	0.8887	(36.9916)
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8947799	—	8947799	74.8719	8947799	—	8947799	74.8719	—
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	—	42	42	0.0004	—	42	42	0.0004	—
b) Banks/F.I.	79	178	257	0.0022	79	178	257	0.0022	—
c) Central Govt.	—	—	—	—	3	—	3	—	—
d) State Govt (s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	178	178	0.0015	—	178	178	0.0015	—
g) FIIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others	—	—	—	—	—	—	—	—	—
Sub-total (B)(1)	79	398	477	0.0040	82	398	480	0.0040	—



Annexure 'A' to the Directors' Report (Continued)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	144853	7561	152414	1.2753	104056	10362	114418	0.9574	(0.3179)
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	843198	394719	1237917	10.3584	867596	382722	1250318	10.4622	0.1038
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1576374	34518	1610892	13.4794	1602225	34518	1636743	13.6957	0.2163
c) Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
d) Others	—	—	—	—	—	—	—	—	—
e) Trust	1305	—	1305	0.0109	1046	—	1046	0.0088	(0.0022)
Sub-total (B)(2)	2565730	436798	3002528	25.1241	2574923	427602	3002525	25.1240	—
Total Public Shareholding									
(B)=(B)(1)+(B)(2)	2565809	437196	3003005	25.1281	2575005	428000	3003005	25.1281	—
TOTAL (A)+(B)	11513608	437196	11950804	100.0000	11522804	428000	11950804	100.0000	—
C. Shares held by Custodian for GDRs & ADRs									
1. Promoter and Promoter Group	—	—	—	—	—	—	—	—	—
2. Public	—	—	—	—	—	—	—	—	—
Sub-Total (C)	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	11513608	437196	11950804	100.0000	11522804	428000	11950804	100.0000	—



Annexure 'A' to the Directors' Report (Continued)

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Vinay Kumar Goenka	2004601	16.77	NIL	4009202	33.55	NIL	16.78
2.	Vivek Goenka	738438	6.18	NIL	1476876	12.36	NIL	6.18
3.	Maple Hotels & Resorts Limited	1598224	13.38	NIL	3196448	26.75	NIL	13.37
4.	Sectra Plaza Private Limited	79531	0.67	NIL	159062	1.33	NIL	0.66
5.	Ashdene Investments Limited	1181505	9.89	NIL	—	—	NIL	(9.89)
6.	Isis Enterprises Limited	1102785	9.23	NIL	91826	0.77	NIL	(8.46)
7.	Enez Investments Limited	551346	4.61	NIL	—	—	NIL	(4.61)
8.	Maygrove Investments Limited	630106	5.27	NIL	—	—	NIL	(5.27)
9.	Maru Limited	525318	4.40	NIL	—	—	NIL	(4.40)
10.	Woodcutter Limited	535945	4.48	NIL	14385	0.12	NIL	(4.36)
	Total	8947799	74.88	NIL	8947799	74.88	NIL	NIL

Annexure 'A' to the Directors' Report (Continued)
(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	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.	Vinay Kumar Goenka At the beginning of the year (01/04/2016)	2004601	16.77	2004601	16.77
	Date-wise Increase/Decrease during the year - Transfer				
	Increase (08/03/2017)	1181505	9.89	2997914	25.08
	Increase (14/03/2017)	630106	5.27	3628020	30.35
	Increase (24/03/2017)	192990	1.61	4009202	33.55
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	4009202	33.55	4009202	33.55
2.	Vivek Goenka At the beginning of the year (01/04/2016)	738438	6.18	738438	6.18
	Date-wise Increase/Decrease during the year - Transfer				
	Increase (14/03/2017)	738438	6.18	1476876	12.36
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	1476876	12.36	1476876	12.36
3.	Maple Hotels & Resorts Limited At the beginning of the year (01/04/2016)	1598824	13.38	1598824	13.38
	Date-wise Increase/Decrease during the year-Transfer				
	Increase (08/03/2017)	1076664	9.01	2674888	22.39
	Increase (14/03/2017)	521560	4.36	3196448	26.75
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	3196448	26.75	3196448	26.75
4.	Sectra Plaza Private Limited At the beginning of the year (01/04/2016)	79531	0.67	79531	0.67
	Date-wise Increase/Decrease during the year-Transfer				
	Increase (24/03/2017)	79531	0.67	159062	1.33
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	159062	1.33	159062	1.33

Annexure 'A' to the Directors' Report (Continued)

Sl. No.	Shareholder's Name	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
5.	<u>Ashdene Investments Limited</u> At the beginning of the year (01/04/2016)	1181505	9.89	1181505	9.89
	Date-wise Increase/Decrease during the year - Transfer Decrease (08/03/2017)	1181505	9.89	0	0.00
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	0	0.00	0	0.00
6.	<u>Isis Enterprises Limited</u> At the beginning of the year (01/04/2016)	1102785	9.23	1102785	9.23
	Date-wise Increase/Decrease during the year - Transfer Decrease (14/03/2017)	738438	6.18	364347	3.05
	Decrease (24/03/2017)	272521	2.28	91826	0.77
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	91826	0.77	91826	0.77
7.	<u>Enez Investments Limited</u> At the beginning of the year (01/04/2016)	551346	4.61	551346	4.61
	Date-wise Increase/Decrease during the year-Transfer Decrease (08/03/2017)	551346	4.61	0	0.00
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	0	0.00	0	0.00
8.	<u>Maygrove Investments Limited</u> At the beginning of the year (01/04/2016)	630106	5.27	630106	5.27
	Date-wise Increase/Decrease during the year-Transfer Decrease (14/03/2017)	630106	5.27	0	0.00
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	0	0.00	0	0.00
9.	<u>Maru Limited</u> At the beginning of the year (01/04/2016)	525318	4.40	525318	4.40

Annexure 'A' to the Directors' Report (Continued)

Sl. No.	Shareholder's Name	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
	Date-wise Increase/Decrease during the year-Transfer Decrease (08/03/2017)	525318	4.40	0	0.00
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	0	0.00	0	0.00
10.	Woodcutter Limited At the beginning of the year (01/04/2016)	535945	4.48	535945	4.48
	Date-wise Increase/Decrease during the year-Transfer Decrease (14/03/2017)	521560	4.36	14385	0.12
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	14385	0.12	14385	0.12

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

Sl. No.	Shareholder's Name	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
	For Each of the Top 10 Shareholders				
1.	Chandra Kumar Dhanuka, Pradip Kumar Khaitan, Dharampal Jindal At the beginning of the year (01/04/2016)	1416074	11.85	1416074	11.85
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	1416074	11.85	1416074	11.85
2.	Radhe Shyam Saraf At the beginning of the year (01/04/2016)	44225	0.37	44225	0.37
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	44225	0.37	44225	0.37

Annexure 'A' to the Directors' Report (Continued)

Sl. No.	Shareholder's Name	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
	For Each of the Top 10 Shareholders				
3.	Pradeep Kumar Saraf At the beginning of the year (01/04/2016)	16210	0.14	16210	0.14
	Date-wise Increase/Decrease during the year - Transfer				
	Increase (06/03/2017)	28194	0.24	44404	0.37
	Decrease (09/03/2017)	2343	0.02	42061	0.35
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	42061	0.35	42061	0.35
4.	Chandmull Batia At the beginning of the year (01/04/2016)	34518	0.29	34518	0.29
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	34518	0.29	34518	0.29
5.	Vinodchandra Mansukhlal Parekh At the beginning of the year (01/04/2016)	33093	0.28	33093	0.28
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	33093	0.28	33093	0.28
6.	Chandrika Vinodchandra Parekh At the beginning of the year (01/04/2016)	28369	0.24	28369	0.24
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	28369	0.24	28369	0.24
7.	Rathinasamy Narayanasamy Rubesh At the beginning of the year (01/04/2016)	18575	0.16	18575	0.16
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	18575	0.16	18575	0.16

Annexure 'A' to the Directors' Report (Continued)

Sl. No.	Shareholder's Name	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
	For Each of the Top 10 Shareholders				
8.	Sunil Kumar Gupta At the beginning of the year (01/04/2016)	15000	0.13	15000	0.13
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	15000	0.13	15000	0.13
9.	Henko Commodities Private Limited At the beginning of the year (01/04/2016)	13827	0.12	13827	0.12
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	13827	0.12	13827	0.12
10.	Vinodchandra Mansukhlal Parekh At the beginning of the year (01/04/2016)	13203	0.11	13203	0.11
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	13203	0.11	13203	0.11

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholder's Name	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
	For Each of the Directors and KMP				
1.	Vinay Kumar Goenka At the beginning of the year (01/04/2016)	2004601	16.77	2004601	16.77
	Date-wise Increase/Decrease during the year - Transfer				
	Increase (08/03/2017)	1181505	9.89	2997914	25.08
	Increase (14/03/2017)	630106	5.27	3628020	30.35
	Increase (24/03/2017)	192990	1.61	4009202	33.55
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	4009202	33.55	4009202	33.55

Annexure 'A' to the Directors' Report (Continued)

Sl. No.	Shareholder's Name	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
	For Each of the Directors and KMP				
2.	<u>S K Ghosh-Managing Director</u> At the beginning of the year (01/04/2016)	1		1	
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	1		1	
3.	<u>N Dutta - Director</u> At the beginning of the year (01/04/2016)	10		10	
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	10		10	
4.	<u>S Bhoopal - Director</u> At the beginning of the year (01/04/2016)	1		1	
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	1		1	
5.	<u>S Roy - President – Legal & Company Secretary</u> At the beginning of the year (01/04/2016)	1		1	
	At the End of the Year (or on the date of separation, if separated during the year) (31/03/2017)	1		1	

Note : Where there was no movement of shares during the year, increase/decrease not separately indicated.

Annexure 'A' to the Directors' Report (Continued)
V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1030.82	—	—	1030.82
(ii) Interest due but not paid	8.79	—	—	8.79
(iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	1039.61	—	—	1039.61
Change in Indebtedness during the financial year				
• Addition	2171.58	1500.00	—	3671.58
• Reduction	624.90	1500.00	—	2124.90
Net Change	1546.68	—	—	1546.68
Indebtedness at the end of the financial year				
(i) Principal Amount	2570.56	—	—	2570.56
(ii) Interest due but not paid	15.73	—	—	15.73
(iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	2586.29	—	—	2586.29

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Chairman and Managing Director:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Vinay K Goenka (Chairman)	S K Ghosh (Managing Director)	Total Amount
1.	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	120.84	110.20	231.04
(b)	Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	9.50	0.71	10.21
(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	—	—	—
	Total (A)	130.34	110.91	241.25



Annexure 'A' to the Directors' Report (Continued)

(₹ in Lakhs)

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Nilotpall Dutta	Sriprakash Bhoopal	Anup Kaur Bindra	Lalit Kumar Halwasiya	Sonia Barman	Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0.29 — —	0.98 — —	0.63 — —	0.63 — —	0.40 — —	2.93 — —
	Total (1)	0.29	0.98	0.63	0.63	0.40	2.93
2.	Other Non- Executive Directors	—	—	—	—	—	—
	Total (2)	—	—	—	—	—	—
	Total (B)=(1+2)	0.29	0.98	0.63	0.63	0.40	2.93
	Total Managerial Remuneration	0.29	0.98	0.63	0.63	0.40	2.93
	Overall Ceiling as per the Act	NOT APPLICABLE					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	S Roy (President - Legal & Company Secretary)	S K Mukhopadhyay (Chief Financial Officer)	Total Amount
1.	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	26.26	19.42	45.68
(b)	Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	3.73	2.19	5.92
(c)	Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit - others, specify	— —	— —	— —
5.	Others	—	—	—
	Total	29.99	21.61	51.60

Annexure 'A' to the Directors' Report (Continued)
VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. WARREN TEA LIMITED					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	
Compounding	209(3)(b)	Treatment of Prepaid Club Fees	45000	NCLT	
C : OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	
Compounding	209(3)(b)	Treatment of Prepaid Club Fees	9000	NCLT	

Annexure 'B' to the Directors' Report

POLICY RELATING TO NOMINATION AND REMUNERATION

- 1) Objectives
 - a) Identify persons who are qualified to become Directors and who may be appointed in Senior Management and recommend their appointment and removal.
 - b) Carry out evaluation of every Director's performance.
 - c) Formulate criteria for determining qualifications, positive attributes and independence of a Director.
 - d) Set out criteria relating to the remuneration for the Directors, KMP and other employees.
- 2) General Appointment Criteria
 - a) To consider standards of integrity and probity, qualification, expertise, positive attributes and experience of the person for recommendation of appointment as Director, KMP or at Senior Management level.
 - b) To ensure that the person so appointed as Director/Independent Director/KMP/Senior Management Personnel meets the requirements of the Companies Act, 2013, Rules made thereunder, Listing Agreement or any other enactment for the time being in force.
 - c) The Director/Independent Director/KMP/Senior Management Personnel shall be appointed as per the procedure laid under the provisions of the Companies Act, 2013, Rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- 3) Board Diversity

The Board shall have a combination of Directors from different areas/industries as may be considered appropriate.
- 4) Remuneration
 - a) To consider and determine the Remuneration, based on the principles of (i) pay for responsibilities, (ii) pay for performance and potential and (iii) pay for growth and ensure that the remuneration fixed is reasonable and sufficient to attract, retain and motivate talent.
 - b) To take into account financial position of the Company, trend in the Industry, statutory, contractual and other obligations, appointee's qualification, experience, past performance, past remuneration, etc.
 - c) To bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Stakeholders.
 - d) To consider other factors as shall be deemed appropriate for elements of the remuneration and ensure compliance of provisions of Companies Act, 2013 and other applicable laws.
 - e) To ensure that a balance is maintained between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company in the remuneration of Senior Management, Key Managerial Personnel and others as may be considered appropriate.



Annexure 'C' to the Directors' Report

Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements
or transactions not at arm's length basis : Nil
2. Details of material contracts or arrangement
or transactions at arm's length basis : No material contracts or arrangement
or transactions has been entered into
with Related Parties in terms of provisions
of Section 188 (1) of the Companies Act,
2013.

Annexure 'D' to the Directors' Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
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,

WARREN TEA LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WARREN TEA 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 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) The 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

Annexure 'D' to the Directors' Report (Continued)

- 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 and 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 companies, the following laws/acts are also, inter alia, applicable to the Company:
- a) The Tea Act, 1953 and Rules there under
 - b) The Tea (Marketing) Control Order, 2003
 - c) The Tea (Distribution & Export) Control Order 2005
 - d) The Tea Waste Control Order, 1959
 - e) The Plantations Labour Act, 1951
 - f) The Assam Plantations Labour Rules, 1956
 - g) The Legal Metrology Act, 2009
 - h) The Food Safety And Standards Act, 2006

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

- a) The Secretarial Standards issued by The Institute of Company Secretaries of India.
- 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 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. No changes in the composition of the Board of Directors took place during the period under review.

Annexure 'D' to the Directors' Report (Continued)

- 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, Compounding Order in respect of Section 209(3)(b) of the Companies Act, 1956 for the financial year 2009-10 has been passed by the Hon'ble National Company Law Tribunal, Guwahati Bench and the relevant compounding fees has been duly paid.

This report is to be read with our letter of even date which is annexed as **Annexure - 1** which forms an integral part of this report.

Date : 29.05.2017
Place : Kolkata

For MKB & Associates
Company Secretaries
Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700



Annexure 'D' to the Directors' Report (Continued)

Annexure - 1

To

The Members,

WARREN TEA LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. 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
Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700

Date : 29.05.2017
Place : Kolkata

Annexure 'E' to the Directors' Report**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. Outline of the Company's Policy**

The Company, since its inception has been committed to do business while improving the quality of life of the workforce and their families as well as the community and society at large.

The Company is also deeply sensible of its responsibilities not only to its stakeholders but also to the society at large. The CSR initiative focuses on-

- Eradication of hunger and poverty
- Health care and hygiene and sanitation
- Education including vocational skills and livelihood enhancement
- Gender, social and economic equality
- Empowerment of Women
- Care for senior citizens
- Environmental sustainability
- Protection of national heritage, art and culture
- Benefit of armed forces veterans, war widows and their dependents
- Training for promotion of sports
- Contribution to funds approved by the Central Government
- Rural development

CSR Policy of the Company has been put on website of the Company.

2. Composition of the Committee

The Corporate Social Responsibility Committee consists of Mrs S Barman as Chairperson and Mrs A K Bindra, Mr Vinay K Goenka and Mr S K Ghosh as Members with President-Legal & Company Secretary as its Secretary.

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

— ₹ 1671.75 Lakhs

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

— ₹ 33.48 Lakhs

5. Details of Payments

(a) Total amount to be spent for the financial year : ₹ 33.48 Lakhs

(b) Amount unspent: ₹ 33.48 Lakhs



Annexure 'E' to the Directors' Report (Continued)

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

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (a) Local area or other (b) Specify the state and district where project or programs were under-taken	Amount outlay (budget) project or programs wise	Amount spent on the projects Sub heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Directly or through implementing agency
1. a)	Education to less privileged children	Education	Howrah, West Bengal	₹ 38.00 Lakhs	—	₹ 5.20 Lakhs	Chatrach-haya, 4/B Little Russel Street, Kolkata 700071, a NGO registered as a Trust.
b)	Education to under privileged children	Education	Chetla, Kolkata, West Bengal	₹ 1.60 Lakhs per year	—	₹ 7.50 Lakhs	Women's Co-ordinating Council (WCC), 5/1 Red Cross Place, Kolkata 700062, a NGO
2.	Promoting Rural Education	Education	Bokul, Near Bokul Tea Estate's Hospital, P.O. Lahowal, Dibrugarh, Assam	₹ 36.00 Lakhs approx	—	₹ 5.00 Lakhs	Purna Bikash Sanstha, Bokul, (Near Bokul T.E. Hospital), P.O. Lahowal,



Annexure 'E' to the Directors' Report (Continued)

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (a) Local area or other (b) Specify the state and district where project or programs were under-taken	Amount outlay (budget) project or programs wise	Amount spent on the projects Sub heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Directly or through implementing agency
							Dibrugarh, Assam, a registered Charitable Trust.
3.	Construction of girls' hostel	Empowerment of Women	Kolkata, West Bengal	₹ 1500.00 Lakhs excluding cost of land	—	₹ 35.00 Lakhs	Dhanuka Dhunseri Foundation, a registered Charitable Trust.
				Total	—	₹ 52.70 Lakhs	

6. As there has been a substantial loss for the year with its consequential effect on cash flow, your Directors have decided that it would be essential to conserve funds for the Company's business and hence no contribution towards Corporate Social Responsibility activities could be made for the year.
7. The CSR Committee of the Company hereby confirms that the implementing and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Vinay K Goenka
Chairman

S K Ghosh
Member CSR Committee

Annexure 'F' to the Directors' Report

Particulars of Employees

- a) Information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Ratio of remuneration paid to the Chairman and to the Managing Director to the median remuneration of the employees of the Company for the Financial Year is 155:1 and 132:1 respectively.

Remuneration of Key Management Personnel including Whole-time Directors :

Names	Percentage increase in Remuneration during 2016-17 compared to 2015-16	Percentage of Remuneration to	
		Revenue for 2016-17	Profit Before Tax for 2016-17
Vinay K Goenka, Chairman	6.27	1.16	(5.16)
S K Ghosh, Managing Director	9.69	0.99	(4.39)
S Roy, President-Legal & Company Secretary	(5.99)	0.27	(1.19)
S K Mukhopadhyay, Chief Financial Officer	(10.22)	0.19	(0.86)

Remuneration of Key Management Personnel as compared to Revenue and Profit Before Tax during 2016-17 is 2.61% and (11.60)% respectively. The remuneration was paid on the basis of the recommendations of the Nomination and Remuneration Committee.

Median remuneration of the employees during the financial year 2016-17 increased by 7.79% over that of financial year 2015-16.

Number of permanent employees on the rolls of the Company as on 31.03.2017 is 8823 which includes plantation workforce of 7969.

The average increase in remuneration of the employees during financial year 2016-17 is 3.78% over that of financial year 2015-16. Revenue and Profit/(Loss) Before Tax of the Company decreased by 21.54% and declined by 511.29% respectively during the financial year 2016-17 when compared to financial year 2015-16. This was mainly on account of considerable decline in the volume of crop produced which adversely impacted the unit cost of production coupled with lower unit price realizations.

Market capitalization decreased by 4.39% during the financial year 2016-17 compared to financial year 2015-16. The Price Earning Ratio as on 31st March, 2017 was (9.87) which was an decrease of 128.93% as compared to 34.11 as on 31st March, 2016. Percentage increase in the market quotation of the shares of the Company as on 31st March, 2017 in comparison to the rate at which the Company came out with the last public offer is 1056.

Company's policy for evaluating variable components of remuneration considers amongst

Annexure 'F' to the Directors' Report (Continued)

others financial position of the Company and trend in the industry with a view to attract, retain and motivate talent.

No employee received remuneration in excess of the highest paid Director during the financial year 2016-17.

All remuneration paid by the Company are in accordance with the Remuneration Policy of the Company.

b) Information as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	:	Vinay K Goenka	S K Ghosh
Designation	:	Chairman	Managing Director
Gross Remuneration (₹ in Lakhs)	:	130.34	110.91
Qualification	:	B.Sc. (Botany)	B.Com. (Hons.), F.C.A.
Experience (Years)	:	40	41
Age (Years)	:	59	63
Date of Commencement of Employment	:	19.04.83	02.05.83
Last Employment held before joining the Company			
Organisation	:	The Eriabarie Tea Co. Pvt. Ltd.	
Designation	:	Senior Executive	Consultant

Notes : (1) The gross remuneration shown above is subject to tax and comprises salary, commission/bonus, allowance, monetary value of perquisites evaluated as per Income Tax Rules, Company's contributions to Provident Fund, Superannuation and Gratuity Funds subject to the relative Fund Rules.

(2) Both the appointments are contractual.

(3) Mr Goenka holds more than 2% of the Equity Shares of the Company.

(4) Neither Mr Goenka nor Mr Ghosh is a relative of any Director of the Company.

Annexure 'G' to the Directors' Report

Management Discussion and Analysis Report

Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates disclosure under specific heads which are given in the following paragraphs and which continue to be followed in the usual course of the Company's business over the years in discussion amongst the Directors and other Senior Management Personnel.

(a) Industry Structure and Developments

Tea continues to be enjoyed by consumers in many countries around the world. This is a sector of which the country can take a lot of pride in because of its pre-eminence as a foreign exchange earner and its contribution to the Company's National Income. Tea crop has specific agro-climatic requirements which are available in tropical and sub-tropical climates and consequently tea production is geographically limited to a few areas in the world. The tea bush is highly sensitive to changes in growing conditions and the vagaries of weather continue to determine the volume and quality. Tea industry in India is in the latter half of its second century. It is the second largest tea producer and also the second largest consumer in the world, providing employment opportunities, both direct and indirect to more than a million people. Tea is grown in India mainly in Assam, West Bengal, Tamil Nadu and Kerala offering Orthodox, CTC and Green teas.

(b) Opportunities and threats

Global tea production has remained almost stagnant during the last couple of years with slight variation depending on weather conditions. India is one of the largest producers of black tea as well as having a widespread consumer base. Tea is a valuable global agricultural commodity, both commercially and culturally. Assam, an agrarian state in northeast India, is the largest single-tea growing region in the world and the productivity (both in terms of quantity and quality) requires a specific range of enviro-climatic condition. Climatic changes are occurring across the globe, effect of which is also felt in this country. Your Company continues to produce well made quality tea consistently. In the last decades, India has come down to lower range in the export ladder due to stiff competition from Sri Lanka, Kenya and China. Indian tea exports are susceptible to the financial meltdown and to that extent slowdown was inevitable. Other threats are weather related which are not in control of the Industry. Nonetheless, good agricultural practices can minimize the effect of adverse climatic conditions to some extent. Your Company maintains the standards of its produce both in the domestic as well as overseas markets, due to its consistent thrust on quality and best agricultural practices. Your Company's estates are Rainforest Alliance and ISO 22000:2005 certified. In addition, Company's Integrated Pest Management Policy relating to agro inputs is in conformity with the Plant Protection Code (PPC) of Tea Board of India and also stringent conditions of the European Commission of the European Union (EU).

(c) Segment-wise or Product-wise Performance

The Company does not have any separate primary business segment as it sells only black tea in bulk. However, it continues to sell such teas both in the domestic and overseas markets.

Annexure 'G' to the Directors' Report (Continued)**(d) Outlook**

Tea enjoys world-wide consumer preference. The industry is affected by rising input costs, including rising labour and welfare costs. Besides this, climate change is also a factor which is affecting growing conditions. Tea continues to be the most popular beverage in the country and is growing in significance as a health drink also; the per capita consumption of tea in the country is increasing. Your Directors continue in their emphasis on the "Quality" of tea as well as maintaining strict watch on MRL norms so as to make your Company's tea a truly health drink.

(e) Risks & Concerns

Tea is an agricultural product subject to vagaries of weather which play a vital role in the production to maintain both quality and quantity. Further, steadily increasing costs including wages, social costs, energy costs and other input costs are a major matter of concern. In the face of fluctuating growing conditions coupled with increasing costs, suitable adaptations in the plantations as well as appropriate marketing efforts can contribute towards improving the performance of the industry, of which your Company is a part.

(f) Internal Control Systems & their Adequacy

The Company has implemented internal control systems with a view to ensure that assets are safeguarded and protected against losses and transactions are recorded and reported correctly. These include comprehensive internal audit by external firms of Chartered Accountants besides checks carried out by the Cost Auditors, the Secretarial Auditors and the Statutory Auditors during the course of their respective audits. These are periodically reviewed by the Management as well as by the Audit Committee. Such systems are commensurate with the Company's size and nature of operations and provide reasonable assurance with regard to reliable data, compliances, securing its assets from unauthorized use or loss and ensuring that operations are carried out in consonance with the Company's policies. The different sets of auditors periodically visit the Company's various units, their reports are looked into by the Management and by the Audit Committee for effecting corrective action/improvement as may be called for.

(g) Financial Discussion on Performance with respect to Operational Performances

Less favourable climatic conditions together with severe pest attack on the tea bushes have considerably reduced the volume of crop produced during the year under review; unit price realizations also were less than the desired levels which together resulted in substantial decline in the Company's revenue for the year under review, details whereof are available in the Accounts. The Company continues with its focus on quality of tea produced and good governance practices across all its operations.

(h) Material Developments in Human Resources/Industrial Relations Front including number of people employed

Your Company continues with its regard for its most valuable asset, i.e. human resources. Tea being an essentially labour intensive industry, its employees are the mainstay of its operations. Your Company continues with its endeavours for ongoing training at various levels as well as with its efforts to bring down absenteeism. Employee relations continued to remain cordial during the year under review.

Annexure 'H' to the Directors' Report

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

Your Board of Directors emphatically supports the principles of Corporate Governance. Your Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. The philosophy of your Company in relation to Corporate Governance is to place great emphasis on transparency in decision making process, integrity, fairness, honesty, accountability in dealings with its dealers, employees, customers, business associates, government and to all its stakeholders. The labour and management practices are also followed in conformity with law so as to aim at optimum economic utilization of resources. The Company's overall philosophy is excellence and to observe ethical practices in all sphere of its business operations.

2. Board of Directors

The Board of Directors at present consists of seven Directors of which there are a Chairman, a Managing Director and five non-executive Independent Directors. The particulars of the Directors for the year ended on 31st March, 2017 are given hereunder:

Name	Category	Attendance		Directorships in other companies	Committee Positions in other companies	
		At Board Meetings	At last AGM		As Chairman	As Member
Mr Vinay K Goenka (Chairman)	Executive Director	5	Yes	—	—	—
Mr S K Ghosh (Managing Director)	Executive Director	5	Yes	—	—	—
Mr S Bhoopal	Non-Executive Independent Director	5	Yes	4	—	—
Mr N Dutta	Non-Executive Independent Director	2	Yes	—	—	—
Mr L K Halwasiya	Non-Executive Independent Director	5	No	1	—	—
Mrs A K Bindra	Non-Executive Independent Director	5	No	—	—	—
Mrs S Barman	Non-Executive Independent Director	5	No	—	—	—

Annexure 'H' to the Directors' Report (Continued)**Notes :**

- i) There is no inter-se relationship between any of the Directors of the Company.
- ii) Directorships in other companies excludes Directorships in private limited companies, companies incorporated outside India and companies under Section 8 of the Companies Act, 2013. Only Audit Committee and Stakeholders Relationship Committee are considered as per Regulation 26(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. This excludes Directorship and Committee Membership of Warren Tea Limited.

During the year under review five Board Meetings were held on 26th May, 2016, 11th August, 2016, 20th September, 2016, 12th November, 2016 and 11th February, 2017.

Mrs A K Bindra, Mr L Halwasiya and Mrs S Barman do not hold any share in the Company.

Mr N Dutta holds 10 Equity Shares and Mr S Bhoopal holds 1 Equity Share in the Company. The Company has not issued any convertible instruments.

3. Audit Committee

The Audit Committee of the Company has been constituted following the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Audit Committee consists of three non-executive Independent Directors who are persons of standing in the industry and have the requisite experience and expertise to carry out their obligations with necessary inputs from the Whole-time Directors.

The terms of reference of the Audit Committee during the year are broadly as under:

- a) Review internal control systems, nature and scope of audit as well as post audit discussions;
- b) Review quarterly, half-yearly and annual financial statements with particular reference to matters to be included in the Directors' Responsibility Statement to be included in the Board's Report;
- c) Evaluation of internal financial control and risk management systems and ensure compliance with internal control systems;
- d) Recommend to the Board on any matter relating to financial management, including audit report;
- e) Oversee Company's financial reporting process and disclosure of financial information;
- f) Recommendation of appointment and remuneration of auditors;
- g) Review performance of statutory and internal auditors;
- h) Review with the management and monitor the Auditor's independence, performance of Statutory and Internal Auditors and adequacy of the internal control systems and effectiveness of audit process;
- i) Approval or any subsequent modification of transactions of the Company with related parties;

Annexure 'H' to the Directors' Report (Continued)

- j) Valuation of undertakings or assets of the Company wherever necessary;
- k) Monitoring the end use of funds raised through public offers and related matters;
- l) Approval of appointment of CFO after assessing the qualification, experience and background of the candidate;
- m) Oversee the establishment of Vigil Mechanism for Directors and employees to report concern about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

During the financial year ended 31st March, 2017, the Audit Committee met on 26th May, 2016, 11th August, 2016, 20th September, 2016, 12th November, 2016 and 11th February, 2017.

Composition of the Audit Committee and the details of meetings held and attended by the Directors during the year 2016-17 are as under:

Name	Position Held	No. of Meetings	
		Held	Attended
Mr S Bhoopal	Chairman	5	5
Mr N Dutta	Member	5	2
Mr L K Halwasiya	Member	5	5

The Chief Financial Officer and the representatives of the Statutory, Cost and Internal Auditors had been invited to the meetings of the Audit Committee during the year under review. The President-Legal & Company Secretary continues as the Secretary to the Committee. Mr S Bhoopal attended the last Annual General Meeting held on 1st August, 2016 as Chairman of the Audit Committee.

4. Nomination and Remuneration Committee

The existing Nomination and Remuneration Committee has Mr S Bhoopal as Chairman and Mrs S Barman and Mr N Dutta as Members. The President-Legal & Company Secretary is the Secretary to the Committee.

During 2016-17 the Nomination and Remuneration Committee met on 13th May, 2016 and 10th February, 2017.

The details of meetings held and attended by the Directors during the year 2016-17 are as under:

Name	No. of Meetings	
	Held	Attended
Mr S Bhoopal	2	2
Mr N Dutta	2	1
Mrs S Barman	2	2

The terms of reference of the Nomination and Remuneration Committee inter-alia, include the following:

Annexure 'H' to the Directors' Report (Continued)

- i) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- ii) To formulate the criteria for evaluation of Independent Directors and the Board. The said Policy contains evaluation criteria for evaluation of all Directors.
- iii) To devise a policy on Board Diversity.

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been appended as Annexure to the Directors' Report.

Details of remuneration paid to the Executive Directors during the year under review are given below:

Name	Mr Vinay K Goenka (Chairman) (₹ in Lakhs)	Mr S K Ghosh (Managing Director) (₹ in Lakhs)
Salary	40,20,000	30,00,000
Contributions to Provident, Gratuity and Other Funds	9,00,057	3,75,788
Bonus	40,20,000	30,00,000
Other Benefits	40,94,169	47,14,877
Total	1,30,34,226	1,10,90,665

A New Service Agreement with Mr Vinay K Goenka as Chairman of the Company for a period of 3 years with effect from 1st April, 2016, was approved at the Annual General Meeting held on 1st August, 2016. As the remuneration is within the amended limits of Schedule V to the Companies Act, 2013, no approval of the Central Government is required.

The Service Agreement with Mr S K Ghosh as Managing Director of the Company for three years from 1st April, 2014 expired on 31st March, 2017. Out of the said three years, application had been made to the Central Government for payment of his contractual remuneration for 2015-16 and 2016-17, which has been approved.

Mr Ghosh was reappointed as Managing Director by the Board of Directors subject to the approval of the Shareholders and a new Service Agreement with Mr S K Ghosh as Managing Director of the Company for a period of 3 years with effect from 1st April, 2017, shall be entered into by the Company after obtaining requisite approval of the Shareholders which is being sought at the ensuing Annual General Meeting. There is no severance compensation other than six months remuneration in absence of any notice, the notice period being six months in writing for both the Chairman and the Managing Director, none of whom are entitled to any Stock Option or Performance Linked Incentive.

Only Sitting Fees for attending the meetings of the Board and Committees thereof are paid to the Non-Executive Directors. Particulars of sitting fees paid to the Non-Executive Directors during the year under review are given below:

Annexure 'H' to the Directors' Report (Continued)

Name	Number of Board Meetings	Number of Committee Meetings	Sitting Fees (₹ in Lakhs)
Mr S Bhoopal	5	11	0.98
Mr N Dutta	2	3	0.29
Mr L K Halwasiya	5	5	0.63
Mrs A K Bindra	5	3	0.63
Mrs S Barman	5	2	0.40

The criteria of making payments to Non-Executive Directors has been put up on the website of the Company at weblink : www.warrentea.com.

5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee consists of Mr S Bhoopal as Chairman and Mrs A K Bindra, Mr Vinay K Goenka and Mr S K Ghosh as Members with Mr S Roy, President-Legal & Company Secretary as the Secretary.

Share Transfer formalities are complied with the power to approve the same being delegated jointly and severally to Mr Vinay K Goenka, Mr S K Ghosh and Mr S Roy.

Mr S Roy, President-Legal & Company Secretary is the Compliance Officer.

During 2016-17, the Committee met on 13th April, 2016, 13th May, 2016, 8th June, 2016, 4th July, 2016 and 15th March, 2017.

Mr S Bhoopal attended the last Annual General Meeting on 1st August, 2016 as Chairman of the Stakeholders Relationship Committee.

E-mail ID pursuant to Regulation 46 of the SEBI (LODR) 2015: investors@warrentea.com.

Status of Investors' Complaints for the year ended 31st March, 2017:

No. of complaints received during the year and dealt with : 2

No. of complaints pending as on 31st March, 2017 : Nil

No. of pending share transfers as on 31st March, 2017 : Nil

During the year under review 23 requests for transfer of shares in physical form and 79 requests for dematerialisation of shares have been received and processed.

6. Risk Management Committee

A Risk Management Committee consists of Mr S K Ghosh, Managing Director, as Chairman and Mr L K Halwasiya and Mrs A K Bindra, Independent Directors, Mr U C Arora, President- Marketing and Mr S K Mukhopadhyay, Chief Financial Officer; Mr S Roy, President-Legal & Company Secretary is the Secretary of the Committee. During 2016-17, the Risk Management Committee met on 27th March, 2017.

Annexure 'H' to the Directors' Report (Continued)
7. Meeting of Independent Directors

The Company's Independent Directors had met once during the year without the presence of the Non-Independent Directors and the Management Team to discharge duties enjoined on them.

8. General Body Meetings

Location and time where last three Annual General Meetings were held:

Date	Location	Time
10th September, 2014	G. S. Ruia Memorial Complex at Deohall Tea Estate, P.O. Hoogrija, Dist. Tinsukia, Assam 786 601	4.30 P. M.
26th September, 2015	G. S. Ruia Memorial Complex at Deohall Tea Estate, P.O. Hoogrija, Dist. Tinsukia, Assam 786 601	11.00 A. M.
1st August, 2016	G. S. Ruia Memorial Complex at Deohall Tea Estate, P.O. Hoogrija, Dist. Tinsukia, Assam 786 601	11.30 A. M.

Three Special Resolutions were passed at the Annual General Meeting held on 10th September, 2014 for the purpose of:

- Alteration of the Articles of Association of the Company.
- Keeping the Register of Members etc at the office of the Registrars and Share Transfer Agents and
- To borrow in excess of the paid up capital and free reserves.

Three Special Resolutions were passed at the Annual General Meeting held on 26th September, 2015 for the purpose of:

- Payment of remuneration to Mr Vinay K Goenka, Chairman, in the absence or inadequacy of profits in any year.
- Payment of remuneration to Mr S K Ghosh, Managing Director, in the absence or inadequacy of profits in any year.
- To borrow in excess of paid up capital and free reserves.

Three Special Resolutions were passed at the Annual General Meeting held on 1st August, 2016 for the purpose of:

- Payment of full contractual remuneration (including bonus) for 2015-16 to Mr Vinay K Goenka (DIN 00043124).
- Payment of full contractual remuneration (including bonus) for 2015-16 and 2016-17 to Mr S K Ghosh (DIN 00042335).
- Reappointment and remuneration payable to Mr Vinay K Goenka (DIN 00043124) as Chairman for 3 years from 1st April, 2016.

Annexure 'H' to the Directors' Report (Continued)

No Special Resolution was passed last year through postal ballot.

No Special Resolution is proposed to be conducted through postal ballot.

Resumé and other information on the Directors appointed or reappointed as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the Notice of the Annual General Meeting.

9. Disclosures

- a) Related party matters - The Company has not entered into any transactions of material nature with its promoters, directors, the management, subsidiary companies or relatives, etc. that have potential conflict with its interest during the year under review. However, the list of related party relationships and transactions as required to be disclosed in accordance with Accounting Standard 18 as provided in the Companies (Accounting Standards) Rules, 2006 has been given in Note 26(18) to the Financial Statements for the year ended 31st March, 2017. As required under Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015], the Company has formulated a Related Party Transactions Policy which has been put up on the website of the Company at weblink : <http://www.warrentea.com/Documents/relatedparty.pdf>.
- b) No penalties/strictures were imposed on the Company by any regulatory authority for non-compliance of any laws or any matter relating to capital markets during the last three years.
- c) Vigil Mechanism/Whistle-Blower Policy - The Company has established a Whistle-Blower Policy/Vigil Mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate and exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee.
- d) The Company has complied with all the mandatory requirements under Schedule II of SEBI (LODR) Regulations, 2015. The Company continues in its efforts on improvement, consolidation and documentation of methods of internal control for financial reporting and its effectiveness.
- e) The Company has complied with all the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.
- f) During the year under review there are no shares in the demat suspense account or unclaimed suspense account of the Company.

10. Familiarization Programme for Independent Directors

The Company continues in its efforts to familiarize Independent Directors with the Company, its business, the industry and their interface with the Company. To that end the Independent Directors continue to visit the Company's tea estates and its Registered Office in Assam. The Company's Policy of conducting the Familiarization Programme has been disclosed on the website of the Company at weblink : <http://www.warrentea.com/Documents/familiarisation.pdf>.

Annexure 'H' to the Directors' Report (Continued)
11. Means of Communication

- a) The Company intimates unaudited half-yearly and quarterly results after Limited Review by the Statutory Auditors as well as the Audited Annual Results to the Stock Exchanges after they are approved by the Board of Directors.
- b) Such results are also published in newspapers namely, North East Times/Amar Asom having wide circulation in Assam, where the Registered Office of the Company is situate and in the Business Standard.
- c) Results are displayed on Company's website www.warrentea.com. Results are also sent to the Stock Exchanges for display on their website.
- d) Based on presentations made to ICRA Limited, they have rated [ICRA]A for Fund Based Limits and [ICRA]A1 for Non-fund Based Limits for the Company.
- e) The document on Management Discussion and Analysis Report is annexed to the Directors' Report.

12. General Shareholder Information

- a) Annual General Meeting : date, time and venue:
11th September, 2017, at 10.30 a m at the G S Ruia Memorial Complex, Deohall Tea Estate, P. O. Hoogrijaan, Dist. Tinsukia, Assam 786 601.
- b) Financial Year : 1st April 2016 to 31st March 2017
- c) Dividend Payment Date : Not Applicable
- d) Listing on Stock Exchanges and Stock Codes : The shares of the Company are listed at the Stock Exchanges given hereinbelow :

<u>Stock Exchange</u>	<u>Stock Code</u>
(i) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 023	508494
(ii) The Calcutta Stock Exchange Limited 7 Lyons Range, Kolkata 700 001	33002

Listing Fees as prescribed have been paid to the aforesaid Stock Exchanges upto 31st March, 2018.

Demat Code No. allotted by NSDL & CDSL : INE712A01012

Annexure 'H' to the Directors' Report (Continued)
e) Stock Price Data for 2016-17
i) BSE Limited

Month	High (₹)	Low (₹)
April, 2016	150.40	132.70
May, 2016	140.00	127.10
June, 2016	167.80	125.00
July, 2016	167.95	141.00
August, 2016	148.25	128.00
September, 2016	133.95	107.00
October, 2016	136.90	118.10
November, 2016	137.00	111.00
December, 2016	131.70	109.20
January, 2017	131.75	116.25
February, 2017	136.00	120.45
March, 2017	151.70	121.60

ii) The Calcutta Stock Exchange Limited : No Trade
f) Stock Performance:

Share Price Performance in comparison to BSE SENSEX : (April, 2016 to March, 2017)

Company's Share Price on 01.04.2016	:	₹ 138.00 (Open)
on 31.03.2017	:	₹ 125.25 (Close)
Change	:	(-) 9.24%
Indices on 01.04.2016	:	25,301.70 (Open)
on 31.03.2017	:	29,620.50 (Close)
Change	:	(+) 17.07 %

g) Share Transfer System :

Share transfers are registered within a maximum period of 15 days from the date of receipt of documents complete in all respects. The shares of the Company are compulsorily traded in dematerialized form for all shareholders with effect from 28th August, 2000.

h) Dematerialization of shares & liquidity:

CB Management Services (P) Limited having their office at P-22 Bondel Road, Kolkata 700 019 are the Registrars and Share Transfer Agents of the Company. As on 31st March, 2017 96.42% of the total number of shares relating to 51.48% shareholders stood dematerialized.

i) Outstanding GDR/ADR/Warrants or any convertible instruments : No such instruments have been issued.
j) Commodity price risk or foreign exchange risk and hedging activities: Subject to usual market risks; no hedging activities undertaken.



Annexure 'H' to the Directors' Report (Continued)

(A) Distribution of Shareholding as on 31st March, 2017:

Break-up of Equity Shares held	No. of Shareholders	Percentage of Shareholders	No. of Equity Shares held	Percentage of Equity Shares
1-500	10831	96.98	855447	7.16
501-1000	205	1.84	151021	1.26
1001-2000	55	0.49	77679	0.65
2001-3000	20	0.18	49182	0.41
3001-4000	8	0.07	28028	0.24
4001-5000	13	0.12	58498	0.49
5001-10000	16	0.14	121163	1.01
10001-20000	6	0.05	78032	0.65
20001-30000	1	0.01	28369	0.24
30001-40000	2	0.02	67611	0.57
40001-50000	2	0.02	86286	0.72
50001-100000	2	0.02	157546	1.32
100000 and above	7	0.06	10191942	85.28
Total	11168	100.00	11950804	100.00

(B) Shareholding Pattern as on 31st March, 2017 :

	Category	No. of Shares held	Percentage of Shareholding
A	Promoters' Holding		
	1. Promoters		
	- Indian Promoters	8841588	73.98
	- Foreign Promoters	106211	0.89
	2. Persons acting in concert	—	—
	Total (A)	8947799	74.87
B	Non-Promoters' Holding		
	1. Institutional Investors		
	a) Mutual Funds and UTI	42	—
	b) Banks, Financial Institutions, Insurance Companies, (Central/State Government Institutions/Non-Government Institutions)	438	—
	c) FIIs	—	—
	Sub-Total	480	—
	2. Others		
	a) Private Corporate Bodies	115464	0.97
	b) Individuals	2887061	24.16
	Sub-Total	3002525	25.13
	Total (B)	3003005	25.13
	Grand Total (A+B)	11950804	100.00



Annexure 'H' to the Directors' Report (Continued)

k) Plant locations : The Company owns seven Tea Estates in the Sub-districts of Assam as under:

<u>Tea Estates</u>	<u>Sub-districts</u>
Deohall	Tingri
Hatimara	Tingri
Balijan North	Panitola
Sealkotee	Panitola
Duamara	Doom Dooma
Rupai	Doom Dooma
Tara	Doom Dooma

l) Address for Correspondence :

Corporate Office : Suvira House
4B, Hungerford Street,
Kolkata 700 0 17
Tel No. : 2287 2287
Fax No.: 2289 0302
E-mail ID : investors@warrentea.com

Signatures to Annexures A to H

Kolkata
30th May, 2017

Vinay K Goenka
Chairman



Annexure 'H' to the Directors' Report (Continued)

DECLARATION BY THE CEO ON AFFIRMATION OF COMPLIANCE
WITH THE CODE OF CONDUCT OF THE COMPANY

To the Members of

Warren Tea Limited

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, I hereby declare that all Directors of the Company and Members of the Management Staff (other than those who have retired or resigned from the services of the Company) have affirmed compliance with the Code of Conduct of the Company, for the year ended 31st March, 2017.

30th May, 2017

Vinay K Goenka
Chairman

Annexure to the Directors' Report (Continued)

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of

Warren Tea Limited

We have examined the compliance of conditions of Corporate Governance by **Warren Tea Limited** ('the Company'), for the year ended March 31, 2017 as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an Audit nor an expression of opinion on the Financial Statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

Place: Kolkata
Date: 30 May, 2017

For B.M. Chatrath & Co. LLP
Chartered Accountants
Firm Registration Number: 301011E/E300025
Anand Chatrath
Partner
Membership Number 052975

INDEPENDENT AUDITORS' REPORT

To the Members of

Warren Tea Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of

Auditors' Report (Continued)

such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2017, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

i) 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" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

ii) 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 Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

Auditors' Report (Continued)

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No. 26 (5) (a), (c) to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017 for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- iv. The Company has provided requisite disclosures in its Standalone Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the Books of Accounts Maintained by the Company. Refer Note 26(9) to the Standalone Financial Statements.

Place: Kolkata
Date: 30th May, 2017

For B.M.Chatrath & Co. LLP
Chartered Accountants
Firm Registration Number: 301011E /E300025
Anand Chatrath
Partner
Membership Number 052975

Auditors' Report (Continued)

'ANNEXURE - A' TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2017 we report that:

1. In respect of fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in a phased programme which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. And as per the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deed of immovable properties are held in the name of the Company.

2. As explained to us, the inventory of the Company has been physically verified during the year by the Management. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such verification.

3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Hence, clause 3(iii)(a), (iii)(b) & (iii)(c) of the order is not applicable to the company.

4. In our opinion and according to the information and explanations given to us, in respect of loans, guarantees, investments and security, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.

5. The Company has not accepted any deposits from the public, hence the clause 3 (v) of the order is not applicable to the company.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales-tax, Service tax, Customs duty, Excise duty, Value added tax, Cess and other statutory dues as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above items were in arrears as at March 31, 2017 for a period exceeding six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, the particulars of dues of Income-Tax, Sales Tax, Service Tax, Customs Duty,

Auditors' Report (Continued)

Excise duty, Value added tax as at March 31, 2017, which have not been deposited on account of Dispute are as follows:

Name of the Statute	Nature of the dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	33.53	2014 - 2015	Deputy Commissioner of Income Tax
		0.09	2012 - 2013	Commissioner of Income Tax - Appeals
		24.98	2013 - 2014	Commissioner of Income Tax - Appeals
Central Sales Tax Act, 1956	Assam General Sales Tax & Central Sales Tax	1.56	2008 - 2009	Deputy Commissioner of Taxes
		66.60	1998 - 1999	
	Assam General Sales Tax & Central Sales Tax	1.71	1997 - 1998	Commissioner of Taxes
		4.15	1998 - 1999	
Assam General Sales Tax Act, 1993	Assam General Sales Tax & Central Sales Tax	9.71	2004 - 2005	Gauhati High Court
		0.94	1997 - 1998	
		6.95	2004 - 2005	
Assam Land Revenue Reassessment Act, 1936	Land Revenue Tax	28.33	2003-2004 to 2007-2008	Additional Deputy Commissioner

8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any banks at the Balance Sheet date. The Company had neither any outstanding debenture nor has it issued any debenture during the year.

9. The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Further, money raised by way of term loans, on an overall basis, have been applied for the purposes for which they were obtained.

10. During the course of our examination of the books and records of the company and according to the information and explanations given to us, we have neither come across any instances of

Auditors' Report (Continued)

material fraud on or by the Company by its officers or employees being noticed or reported during the year, nor have we been informed of such case by the Management.

11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for Managerial Remuneration in accordance with the requisite approvals of Shareholders/Central Government as mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

12. The company is not a Nidhi Company as per the provisions of section 406 (1) of the Companies Act, 2013. Hence, clause 3 (xii) of the order is not applicable to the company.

13. According to the records of the Company examined by us and the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. The company has not made private placement of shares during the year under review. Hence, clause 3 (xiv) of the order is not applicable to the company.

15. The company has not entered into any non-cash transactions with directors or persons connected with him, hence the clause 3 (xv) of the order is not applicable to the company.

16. The company is not required to register itself under section 45-IA of the Reserve Bank of India Act, 1934.

For B.M.Chatrath & Co. LLP
Chartered Accountants
Firm Registration Number: 301011E /E300025
Anand Chatrath
Partner
Membership Number 052975

Place: Kolkata
Date: 30th May, 2017

Auditors' Report (Continued)

'ANNEXURE - B' TO THE INDEPENDENT AUDITORS' REPORT

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Auditors' Report (Continued)

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 the management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Place: Kolkata
Date: 30th May, 2017

For B.M.Chatrath & Co. LLP
Chartered Accountants
Firm Registration Number: 301011E /E300025
Anand Chatrath
Partner
Membership Number 052975



BALANCE SHEET as at 31st March, 2017

	Notes	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	1195.08	1195.08
Reserves and Surplus	2	9334.96	10899.27
		<u>10530.04</u>	<u>12094.35</u>
Non-current Liabilities			
Long-term Borrowings	3	1699.90	914.71
Other Long-term Liabilities	4	110.00	122.07
Long-term Provisions	5	2232.56	2049.26
		<u>4042.46</u>	<u>3086.04</u>
Current Liabilities			
Short-term Borrowings	6	655.95	—
Trade Payables		1204.66	926.94
Other Current Liabilities	7	1599.43	1630.05
Short-term Provisions	8	577.94	642.79
		<u>4037.98</u>	<u>3199.78</u>
		<u>18610.48</u>	<u>18380.17</u>
ASSETS			
Non-current Assets			
Property, Plant and Equipment	9	6891.40	6621.83
Intangible Assets	10	6.07	11.31
Capital Work-in-Progress		1241.32	116.95
Non-current Investments	11	3295.25	3325.56
Deferred Tax Assets (Net)	12	309.60	104.12
Long-term Loans and Advances	13	1121.14	1794.00
		<u>12864.78</u>	<u>11973.77</u>
Current Assets			
Inventories	14	977.37	1083.61
Trade Receivables	15	4606.41	3660.58
Cash and Bank Balances	16	11.40	1421.60
Short-term Loans and Advances	17	122.58	188.55
Other Current Assets	18	27.94	52.06
		<u>5745.70</u>	<u>6406.40</u>
		<u>18610.48</u>	<u>18380.17</u>

Notes to Accounts

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The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date.

B. M. Chatrath & Co. LLP

Firm Registration Number - 301011E/E300025

Chartered Accountants

A. Chatrath

Partner

Membership Number - 052975

Kolkata, 30th May, 2017

S. Roy

Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka

Chairman

S. K. Ghosh

Managing Director



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

	Notes	Current Year ₹ in Lakhs	Previous Year ₹ in Lakhs
Revenue			
Revenue from Operations	19	11052.08	13842.05
Other Income	20	179.13	472.02
Total Revenue		<u>11231.21</u>	<u>14314.07</u>
Expenses			
Changes in Inventories of Finished Goods	21	92.39	(183.69)
Employee Benefits Expense	22	9132.63	8800.23
Finance Costs	23	232.20	76.34
Depreciation and Amortisation Expense	24	361.91	332.30
Corporate Social Responsibility Expenses		—	10.10
Other Expenses	25	3937.34	4664.81
Total Expenses		<u>13756.47</u>	<u>13700.09</u>
Profit / (Loss) before Tax		(2525.26)	613.98
Tax Expense			
Current Tax		—	125.00
Deferred Tax		(1008.38)	30.65
Profit / (Loss) for the Year		<u>(1516.88)</u>	<u>458.33</u>
Basic and Diluted Earnings per Share of ₹ 10 each (₹)		(12.69)	3.84
Notes to Accounts	26		

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date.

B. M. Chatrath & Co. LLP
Firm Registration Number - 301011E/E300025
Chartered Accountants
A. Chatrath
Partner
Membership Number - 052975
Kolkata, 30th May, 2017

S. Roy
Company Secretary
S. K. Mukhopadhyay
Chief Financial Officer

Vinay K. Goenka
Chairman
S. K. Ghosh
Managing Director



Notes to the Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
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Note 1

SHARE CAPITAL

Authorised

2,00,00,000 Equity Shares of ₹ 10/- each	<u>2000.00</u>	<u>2000.00</u>
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Issued, Subscribed and fully Paid-up

1,19,50,804 Equity Shares of ₹ 10/- each (including Bonus Shares - 57,86,601)	<u>1195.08</u>	<u>1195.08</u>
	<u>1195.08</u>	<u>1195.08</u>

	No. of Shares		No. of Shares
Reconciliation of the number of Equity Shares			
Outstanding at the beginning and at the end of the year	<u>11950804</u>	<u>1195.08</u>	<u>11950804</u> <u>1195.08</u>

Shareholders holding more than 5% shares of the Company

Name	No. of Shares	%	No. of Shares	%
Vinay K. Goenka	4009202	33.55	2004601	16.77
Maple Hotels & Resorts Limited	3196448	26.75	1598224	13.37
Vivek Goenka	1476876	12.36	738438	6.18
C. K. Dhanuka, P. K. Khaitan and D. P. Jindal (Jointly as Escrow Agents)	1416074	11.85	1416074	11.85
Ashdene Investments Ltd.	—	—	1181505	9.89
Isis Enterprises Ltd.	—	—	1102785	9.23
Maygrove Investments Ltd.	—	—	630106	5.27

Rights, preferences and restrictions attached to shares

The Company has only one class of shares being Equity Shares having a par value of ₹ 10/- each. All equity shares rank pari passu in all respects including voting rights, entitlement to dividend and repayment of capital.

1236531 Equity Shares of ₹ 10/- each allotted during the financial year 2012-13 by way of fully paid-up Bonus Shares only to the public shareholders to the exclusion of promoters in the ratio of 7 Equity Shares for every 10 Equity Shares of the Company.



Notes to the Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 2		
RESERVES AND SURPLUS		
Securities Premium Account	686.34	686.34
Revaluation Reserve		
Balance at the beginning of the year	1879.62	
Less : Adjustment on account of Property, Plant and Equipment due to adoption of Accounting Standard 10 (Amended)	1879.62	
Balance at the end of the year	—	1879.62
General Reserve		
(Free Reserve and for general purpose)		
Balance at the beginning of the year	876.38	
Add : Adjustment on account of Property, Plant and Equipment due to adoption of Accounting Standard 10 (Amended) (Net of Tax)	1832.19	
Balance at the end of the year	2708.57	876.38
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	7456.93	
Add : Profit / (Loss) for the Year	(1516.88)	
Balance at the end of the year	5940.05	7456.93
	9334.96	10899.27
Note 3		
LONG-TERM BORROWINGS		
SECURED		
Term Loan from a Bank [Secured by joint equitable mortgage / first charge on the entire fixed assets of the Company, ranking pari passu amongst the Banks, repayable in quarterly instalments ending in July 2021]	700.00	900.00
Term Loan from a Bank [Secured by first charge on equitable mortgage of all the fixed assets, movable and immovable, and second charge on stock and book debts of the Company ranking pari passu amongst the banks, repayable in quarterly instalments with a moratorium of one year, ending in February 2023]	999.90	—
Carried forward	1699.90	900.00



Notes to the Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 3 (Continued)		
Brought forward	1699.90	900.00
Term Loan from a Bank [Secured by way of hypothecation of related car, repayable in monthly instalments ending in January 2018]	—	14.71
	<u>1699.90</u>	<u>914.71</u>
Note 4		
OTHER LONG-TERM LIABILITIES		
Trade Payables	<u>110.00</u>	<u>122.07</u>
	<u>110.00</u>	<u>122.07</u>
Note 5		
LONG-TERM PROVISIONS		
Provision for Employee Benefits	1255.78	1158.19
Provision for Taxation (Net)	976.78	891.07
	<u>2232.56</u>	<u>2049.26</u>
Note 6		
SHORT-TERM BORROWINGS		
SECURED		
Working Capital Facilities from Banks [Secured by joint equitable mortgage/charge on the current assets and fixed assets, present and future, ranking pari passu amongst the Banks severally, repayable on demand]	655.95	—
	<u>655.95</u>	<u>—</u>



Notes to the Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 7		
OTHER CURRENT LIABILITIES		
Current Maturity of Long-Term Debt	214.71	116.11
Interest accrued and due on borrowings	7.88	8.79
Advances from Customers	3.43	2.54
Other Payables		
Employee Benefits Payable	1282.34	1418.04
Retention Money	5.53	4.74
Others (Including Statutory Dues)	85.54	79.83
	<u>1599.43</u>	<u>1630.05</u>
Note 8		
SHORT-TERM PROVISIONS		
Provision for Employee Benefits	<u>577.94</u>	<u>642.79</u>

Notes to the Financial Statements

PARTICULARS	GROSS BLOCK - AT COST				DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 1st April 2016	Additions	Disposals	As at 31st March 2017	Upto 1st April 2016	For the Year	Disposals	Upto 31st March 2017	As at 31st March 2016
Note 9									
PROPERTY, PLANT AND EQUIPMENT									
Land (Freehold)	589.01	—	—	589.01	—	—	—	—	589.01
Estates and Development (Leasehold)	2743.89	—	2743.89 *	—	—	—	—	—	2743.89
Buildings	6548.08	113.87	—	6661.95	4607.47	92.81	—	4700.28	1961.67
Bridges, Culverts, Bunders etc.	532.89	12.63	—	545.52	178.22	15.30	—	193.52	352.00
Roads	1210.56	52.41	—	1262.97	1122.45	48.29	—	1170.74	92.23
Plant and Equipment	2952.27	187.28	1.62	3137.93	2433.99	65.47	1.62	2497.84	640.09
Furniture and Fixtures	286.02	24.41	—	310.43	277.77	12.24	—	290.01	20.42
Vehicles	836.51	65.31	—	901.82	522.79	65.81	—	588.60	313.22
Office Equipments	31.32	1.93	—	33.25	25.58	2.04	—	27.62	5.63
Computers and Data Processing Units	233.14	4.81	0.20	237.75	201.27	10.76	0.20	211.83	25.92
Electrical Installations and Equipment	321.77	14.19	—	335.96	294.09	5.80	—	299.89	36.07
Bearer Plants	—	3122.25#	5.23	3117.02	—	267.11#	5.23	261.88	2855.14
Total	16285.46	3599.09#	2750.94	17133.61	9663.63	585.63#	7.05	10242.21	6891.40
Previous Year	15895.43	401.37	11.34	16285.46	9346.84	327.16	10.37	9663.63	6621.83

* Denotes Adjustments due to Adoption of Accounting Standard 10 (Amended)

Included in Additions ₹ 2828.24 and in Depreciation for the Year ₹ 228.96 on account of Adjustments due to Adoption of Accounting Standard 10 (Amended)

Notes to the Financial Statements

PARTICULARS	GROSS BLOCK - AT COST				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 1st April 2016	Additions	Disposals	As at 31st March 2017	Upto 1st April 2016	For the Year	Disposals	Upto 31st March 2017	As at 31st March 2017	As at 31st March 2016
Note 10										
INTANGIBLE ASSETS										
Computer Software (Rate of Amortisation-20%)	171.51	—	—	171.51	161.25	4.19	—	165.44	6.07	10.26
Tenancy Right (Rate of Amortisation-5%)	21.00	—	—	21.00	19.95	1.05	—	21.00	—	1.05
Total	192.51	—	—	192.51	181.20	5.24	—	186.44	6.07	11.31
Previous Year	187.96	4.55	—	192.51	176.06	5.14	—	181.20	11.31	



Notes to the Financial Statements

As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
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Note 11

NON-CURRENT INVESTMENTS

(At or under cost)

Trade Investments

Unquoted - Equity Instruments

10000	Equity Shares of ₹ 10/- each fully paid-up in ABC Tea Workers Welfare Services (Net of Provision for diminution in the value of Investments - ₹ 1.00)	*	*
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Other than Trade Investments

Quoted - Equity Instruments

15150	Equity Shares of ₹ 10/- each fully paid-up in Pal Peugeot Limited (Net of Provision for diminution in the value of Investments - ₹ 1.52)	*	*
35	Equity Shares of ₹ 10/- each fully paid-up in Hindusthan Engineering & Industries Limited (Net of Provision for diminution in the value of Investments - ₹ 0.35)	*	*
225	Equity Shares of ₹ 5/- each fully paid-up in McLeod Russel India Limited	0.05	0.05
864	Equity Shares of ₹ 10/- each fully paid-up in Syndicate Bank	0.43	0.43
100	Equity Shares of ₹ 10/- each fully paid-up in Goodricke Group Limited	0.15	0.15
100	Equity Shares of ₹ 10/- each fully paid-up in NTPC Limited	0.14	0.14
2700	Equity Shares of ₹ 2/- each fully paid-up in Bank of Baroda	5.00	5.00
Nil	(Previous Year -2000) Equity Shares of ₹ 1/- each fully paid-up in State Bank of India	—	4.94
Nil	(Previous Year -17500) Equity Shares of ₹ 2/- each fully paid-up in Rain Industries Ltd.	—	5.42
Nil	(Previous Year -200000) Equity Shares of ₹ 10/- each fully paid-up in Subex Ltd.	—	19.95
	Carried forward	5.77	36.08

Notes to the Financial Statements

		As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 11 (Continued)			
	Brought forward	5.77	36.08
Unquoted - Equity Instruments			
Investment in Associate			
6500000 Equity Shares of ₹ 10/- each fully paid-up in Maple Hotels & Resorts Limited		3146.98	3146.98
Others			
150000 Equity Shares of ₹ 10/- each fully paid-up in Warren Steels Private Limited (Net of Provision for diminution in the value of Investments - ₹ 45.00)		142.50	142.50
Quoted - Debenture and Bonds			
100 Debenture of ₹ 12.50 each fully paid-up in NTPC Limited		*	*
		<u>3295.25</u>	<u>3325.56</u>
Notes :			
1 Market Value of Quoted Investments		6.10	32.13
2 Aggregate Book Value of Quoted Investments		5.77	36.08
3 Aggregate Book Value of Unquoted Investments		3289.48	3289.48
4 Aggregate Provision for diminution in the value of Investments		47.87	47.87
5* Indicates that amount is below the rounding off norm adopted by the Company.			

Note 12
DEFERRED TAX ASSETS (NET)

Deferred Tax Assets			
Timing difference on account of :			
Expenses allowable on payment		1.75	3.61
Provision for Doubtful Debts		2.04	2.09
Depreciation		—	98.42
Business Loss		852.01	—
		<u>855.80</u>	<u>104.12</u>
Less : Deferred Tax Liabilities			
Timing difference on account of :			
Depreciation		546.20	—
		<u>309.60</u>	<u>104.12</u>



Notes to the Financial Statements

As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
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Note 13

LONG-TERM LOANS AND ADVANCES

(Unsecured - Considered Good)

Capital Advances	159.85	61.90
Security Deposits (Include Deposit to Related Party ₹ 430.80; Previous Year - ₹ 433.20) [Refer Note No. 26(17)]	607.42	608.59
Deposits with Government Authorities and Others	4.87	5.69
Deposits with National Bank for Agriculture and Rural Development	177.75	797.63
Advance Tax (Net)	17.01	7.89
Other Loans and Advances		
Loans to Employees for housing, vehicle and furniture [Refer Note No. 26(7)]	22.05	31.13
Advances to Suppliers, Service Providers, etc.	132.19	281.17
	<u>1121.14</u>	<u>1794.00</u>

Note 14

INVENTORIES

(At lower of cost or net realisable value)

Stock of Tea	452.10	544.49
Stock of Stores and Spares	525.27	539.12
	<u>977.37</u>	<u>1083.61</u>

Note 15

TRADE RECEIVABLES

(Unsecured)

Trade Receivables outstanding for a period exceeding
six months from the date due for payment

Considered Doubtful	34.85	34.85
Less: Provision for Doubtful Debts	34.85	34.85
	<u>—</u>	<u>—</u>

Other Trade Receivables
Considered Good

	4606.41	3660.58
	<u>4606.41</u>	<u>3660.58</u>



Notes to the Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 16		
CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances with Banks		
Current Accounts	6.37	65.91
Deposit Accounts with less than three months maturity	—	1350.00
Cash on hand	2.20	2.82
Cash with Garden Kayahs	1.64	1.68
Other Bank Balances		
Deposit Accounts	1.19	1.19
	<u>11.40</u>	<u>1421.60</u>
Note 17		
SHORT-TERM LOANS AND ADVANCES		
(Unsecured - Considered Good)		
Deposits with Government Authorities and Others	3.45	2.98
Loans to Employees for housing, vehicle and furniture [Refer Note No. 26(7)]	11.07	7.98
Advances to Suppliers, Service Providers, etc.	41.04	113.34
Prepaid Expenses	67.02	64.25
	<u>122.58</u>	<u>188.55</u>
Note 18		
OTHER CURRENT ASSETS		
(Unsecured - Considered Good)		
Interest Accrued on Deposits	27.94	47.00
Subsidy Receivable	—	5.06
	<u>27.94</u>	<u>52.06</u>



Notes to the Financial Statements

	Current Year ₹ in Lakhs	Previous Year ₹ in Lakhs
Note 19		
REVENUE FROM OPERATIONS		
Sale of Products - Tea	10878.26	13711.00
Other Operating Revenues		
Sale of Tea Waste	—	27.24
Tea Board Subsidy	88.61	76.51
Sale of Scrap	0.28	0.51
Export Incentive	84.93	26.79
	<u>11052.08</u>	<u>13842.05</u>
Note 20		
OTHER INCOME		
Interest Income	50.83	158.72
Dividend Income from Non - Current Investments	0.24	0.06
Dividend Income from Current Investments	—	10.58
Net Gain on Sale of Non-Current Investment	13.51	—
Net Gain on Sale of Current Investment	1.60	214.68
Other Non-operating Income		
Profit on Disposal of Property, Plant and Equipment (Net)	2.23	0.60
Insurance Claims	25.72	45.45
Miscellaneous Receipts	63.28	3.61
Liabilities no longer required written back	13.20	14.05
Net Gain on Foreign Currency Transactions and Translation	8.52	24.27
	<u>179.13</u>	<u>472.02</u>
Note 21		
CHANGES IN INVENTORIES OF FINISHED GOODS		
Opening Inventories	544.49	360.80
Less : Closing Inventories	452.10	544.49
	<u>92.39</u>	<u>(183.69)</u>
Note 22		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	6713.60	6640.23
Contributions to Provident and Other Funds	1300.23	1238.94
Staff Welfare Expenses	1118.80	921.06
	<u>9132.63</u>	<u>8800.23</u>



Notes to the Financial Statements

	Current Year ₹ in Lakhs	Previous Year ₹ in Lakhs
Note 23		
FINANCE COSTS		
Interest Expense	212.60	63.89
Other Borrowing Costs	19.60	12.45
	<u>232.20</u>	<u>76.34</u>
Note 24		
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Property, Plant and Equipment	356.67	327.16
Amortisation on Intangible Assets	5.24	5.14
	<u>361.91</u>	<u>332.30</u>
Note 25		
OTHER EXPENSES		
Consumption of Stores and Spare Parts		
Packing Materials	128.09	151.70
Others	1128.84	1200.21
Power and Fuel	1067.19	1360.90
Rent	20.43	26.57
Repairs to Buildings	35.03	50.52
Repairs to Machinery	19.24	7.43
Insurance	21.49	18.68
Rates and Taxes	159.60	189.06
Tea Board Cess	31.03	36.53
Administrative Overheads	699.59	905.06
Selling		
Freight	309.12	374.10
Insurance	21.91	25.14
Other Selling Expenses	295.78	311.56
Net Loss on Sale of Non - Current Investment	—	7.35
	<u>3937.34</u>	<u>4664.81</u>

Notes to the Financial Statements

Note 26

(₹ in Lakhs)

1. Significant Accounting Policies

- (a) The financial statements have been prepared in accordance with the Companies Act, 2013 and the rules framed thereunder.

All assets and liabilities have been classified as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Schedule to the Companies Act, 2013.

- (b) Property, Plant and Equipment & Depreciation / Amortisation

Written down value of Property, Plant and Equipment and Intangible Assets represent cost of acquisition / construction after deduction of depreciation / amortisation on Straight Line Method as per Schedule II to the Companies Act, 2013.

Bearer plants are recognised as an item of Property, Plant and Equipment in accordance with the applicable Accounting Standard. Expenses on replanting and young tea maintenance of Bearer Plants are considered as Capital Work-in-Progress. Depreciation on Bearer Plants is charged on useful life of 77 years ascertained upon technical evaluation.

For additions/disposals to Assets during the course of the year depreciation/amortisation is being charged on pro-rata basis.

Compensation received for acquisition of Assets of the Company is accounted for upon acceptance of the Company's claim by the appropriate authorities.

- (c) Impairment of Assets

Loss on account of Impairment of Assets is to be recognised if and when the carrying amount of the Property, Plant and Equipment exceeds the recoverable amount i.e. higher of net selling price and value in use.

- (d) Investments

Long term Investments made by the Company have been stated at cost, except in certain cases where these have been brought down upon commercial considerations and in keeping with the applicable Accounting Standard. Current Investments are stated at lower of cost and fair value.

- (e) Inventories

Inventories of Stores, as existing at the year-end, represent weighted average cost of procurements. Obsolete and slow moving inventories are fully depreciated in the Accounts.

Unsold but saleable Stock of Tea are valued at weighted average cost of production including attributable charges and levies or net realisable value, whichever is lower.

- (f) Sales and Revenue Recognition

Disposal of Company's produce is accounted for as Sales whenever appropriate documents are received even when the proceeds are received after the accounting period.

Items of income including Export Benefits are recognised on accrual and conservative basis.

Notes to the Financial Statements

Note 26 (Continued)

(₹ in Lakhs)

(g) Government Grants

Government Grants related to specific depreciable fixed asset are deducted from gross values of the related fixed asset in arriving at their book value.

Government Grants related to revenue are recognised in the Accounts on prudent basis.

(h) Foreign Currencies Transactions

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

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

(i) Employee Benefits

a) Short Term Employee Benefits

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

b) Post Employment Benefits

(i) The Company operates defined Contribution Schemes of Provident Funds and makes regular contributions to Provident Funds which are fully funded and administered by the Trustees/Government and are independent of the Company's finance. Such contributions are recognised in the Accounts on accrual basis. Interest accruing to the Fund administered by the Trustees are credited to respective members' accounts based on the rates stipulated by the Government and shortfall if any, recognised on the basis of actuarial valuation report in this regard, is borne by the Company.

(ii) The Company operates defined benefit Superannuation and Gratuity Schemes administered by the Trustees, which are independent of the Company's finance. Such obligations are recognised in the Accounts on the basis of actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.

(iii) The Company operates a defined benefit Pension Scheme and Additional Retiral Benefit for certain categories of employees for which obligations are recognised in the Accounts based on actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.

c) Other Long Term Employee Benefits

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

Notes to the Financial Statements

Note 26 (Continued)

(₹ in Lakhs)

(j) Expenditure

Operational Borrowing Costs are recognised as Revenue Expenditure in the year in which these are incurred.

(k) Corporate Taxation

Current Tax is determined as the amount of income-tax payable/recoverable in respect of the taxable income for the current period.

Deferred Tax is recognised as the tax effect of timing differences being the differences between taxable income and accounting income that originated in one period and is capable of reversal in one or more subsequent periods.

Deferred Tax Assets are recognised subject to the consideration of prudence only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(l) Contingent Liabilities

Contingent Liabilities are disclosed when there is a possible obligation which may arise from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made.

- 2 In terms with the Accounting Standard 10 as amended, Bearer Plants have been recognised as an item of Property, Plant and Equipment on which depreciation have been provided; replanting and young tea maintenance expenses have been considered as capital work-in-progress instead of revenue expenses as had been done hitherto. Consequent upon the foregoing, the net loss for the year ended 31.03.2017 is reduced by ₹ 507.48.
- 3 Under the Assam Fixation of Ceiling of Land Holding Act, 1956, undeveloped lands, approximately 2145 hectares (Previous Year - 2145 hectares) have been vested in the State Government. Necessary adjustments in respect of land compensation will be made in the accounts on settlement of the same.

	Current Year ₹	Previous Year ₹
4 Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advance)	24.00	137.35
5 Contingent Liabilities		
(a) Claims not acknowledged as debt	1.50	1.50
(b) Bank Guarantees	24.39	24.39
(c) Sales Tax Demands in dispute (under Appeals)	98.19	98.19

Cash outflows, if any, in respect of the above is not determinable at this stage.

Notes to the Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

	Current Year ₹	Previous Year ₹	
6 Unpaid Disputed Statutory Dues in respect of			
(a) Income-tax			
Forum : Deputy Commissioner of Income-Tax	33.53	56.14	
Commissioner of Income-tax (Appeals)	25.07	0.09	
(b) Sales tax			
Forum : Deputy Commissioner of Taxes (Appeals)	68.16	68.16	
Commissioner of Taxes	5.86	5.86	
Gauhati High Court	17.60	17.60	
(c) Land Revenue			
Forum : Additional Deputy Commissioner	28.33	28.33	
7 Loans and Advances to Employees include			
(i) Amounts due by a Director of the Company			
(a) On Long-Term	6.93	8.87	
(b) On Short-Term	1.94	1.80	
(Advanced to an employee since elevated as a Director)			
(ii) Amounts due by an Officer of the Company			
(a) On Long-Term	0.44	0.92	
(b) On Short-Term	0.48	0.48	
8 There are no outstanding dues of micro and small enterprises based on information available with the Company.			
9 Disclosure in terms of amendments to Schedule III of the Companies Act, 2013 vide Notification dated 30th March, 2017 issued by the Ministry of Corporate Affairs			
	Specified Bank Notes ₹	Other Denomination Notes ₹	Total ₹
Closing Cash in Hand as on 8th November, 2016	3.27	1.09	4.36
Add : Permitted Receipts	—	453.55	453.55
Less : Permitted Payments	—	451.57	451.57
Less : Amount Deposited in Banks	3.27	—	3.27
Closing Cash in Hand as on 30th December, 2016	—	3.07	3.07
	Current Year ₹	Previous Year ₹	
10 Expenditure incurred on Corporate Social Responsibility activities			
(a) Gross Amount required to be spent by the Company during the year	33.48	44.69	
(b) Amount spent during the year on : Promoting Education	—	10.10	

Notes to the Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

	Current Year ₹	Previous Year ₹
11 Amounts paid/payable to Auditors		
Statutory Auditors		
(a) Statutory Audit Fees	10.35	10.31
(b) Tax Audit Fees	1.16	1.16
(c) Limited Review & Other Matters	2.87	5.61
(d) Out of Pocket Expenses	0.24	0.28
12 Consumption of Stores and Spares		
All Indigenous	1256.93	1351.91
13 Earnings in Foreign Exchange		
Exports on F.O.B. basis	956.97	1692.14
14 Expenditure in Foreign Currency		
(a) Subscription and Other Charges	1.88	1.84
(b) Pension	1.48	3.08
(c) Travelling	21.08	19.04

15 Post Employment Defined Benefit Plans

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

In terms of Accounting Policies enumerated in Note 26 the following Table sets forth the particulars in respect of Defined Benefit Plans of the Company for the year ended 31st March, 2017 arising out of actuarial valuations:

Notes to the Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

A) Funded and Unfunded Plans

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

	Funded Plans				Unfunded Plans			
	Gratuity		Superannuation		Pension		Additional Retiral Benefit	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Present Value of Obligation at the beginning of the year	2427.95	1954.24	661.62	567.64	1153.45	1136.71	64.64	57.42
Current Service Cost	148.76	119.14	77.34	88.37	65.80	87.55	4.10	4.22
Past Service Cost	—	—	—	—	—	—	—	—
Interest Cost	172.27	150.16	49.62	45.41	85.40	89.86	4.85	4.51
Actuarial (Gains)/Losses	367.01	358.78	16.63	(39.80)	(106.15)	(133.79)	(8.93)	0.52
Benefits paid	(262.08)	(154.37)	—	—	(29.47)	(26.88)	—	(2.03)
Present Value of Obligation at the end of the year	2853.91	2427.95	805.21	661.62	1169.03	1153.45	64.66	64.64

II. Reconciliation of opening and closing balances of the fair value of Plan Assets

Fair value of Plan Assets at the beginning of the year	1955.31	1852.51	706.84	617.49
Expected Return on Plan Asset	175.98	166.72	63.62	55.57
Actuarial Gains/(Losses)	31.84	(11.28)	22.93	(1.22)
Contributions	472.64	101.73	34.05	35.00
Benefits paid	(262.08)	(154.37)	—	—
Fair value of Plan Assets at the end of the year	2373.69	1955.31	827.44	706.84

III. Reconciliation of the present value of the Defined Benefit Obligation and the fair value of Plan Assets

Present Value of the Obligation at the end of the year	2853.91	2427.95	805.21	661.62
Fair value of Plan Assets at the end of the year	2373.69	1955.31	827.44	706.84
(Asset)/Liabilities recognised in the Balance Sheet	480.22	472.64	(22.23)	(45.22)

IV. Expenses recognised in the Profit and Loss Account

Current Service Cost	148.76	119.14	77.34	88.37	65.80	87.55	4.10	4.22
Past Service Cost	—	—	—	—	—	—	—	—
Interest Cost	172.27	150.16	49.62	45.41	85.40	89.86	4.85	4.51
Expected Return on Plan Asset	(175.98)	(166.72)	(63.62)	(55.57)	—	—	—	—
Actuarial (Gains)/Losses	335.17	370.06	(6.30)	(38.58)	(106.15)	(133.79)	(8.93)	0.52
Total Expenses Recognised and Disclosed under Contributions to Provident, Gratuity and Other Funds (For Funded Plans) and to Staff Welfare Expenses (For Unfunded Plans) in Note 22	480.22	472.64	57.04	39.63	45.05	43.62	0.02	9.25

Notes to the Financial Statements

Note 26 (Continued)

(₹ in Lakhs)

	Funded Plans				Unfunded Plans			
	Gratuity		Superannuation		Pension		Additional Retiral Benefit	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
V. Category of Plan Assets								
Equities	—	—	—	—				
Fixed Income Debt / Securities / Bonds	1347.00	815.94	341.69	251.36				
Other Assets	1026.69	1139.37	485.75	455.48				
	<u>2373.69</u>	<u>1955.31</u>	<u>827.44</u>	<u>706.84</u>				
VI. Actual Return on Plan Assets	207.82	155.44	86.55	54.35				
B) Principal Actuarial Assumptions of funded and unfunded Plans, as applicable								
	2016-17	2015-16						
	%	%						
Discount Rate	7.50	8.00						
Salary Escalation	5.00	5.00						
Inflation Rate	5.00	5.00						
Expected Return on Asset	9.00	9.00						
Actuarial valuation considered estimates of future salary increases taking into account inflation and other relevant factors.								
C) Other Disclosure :								
I. Funded Plans								
Gratuity Fund	2016-17	2015-16	2014-15	2013-14	2012-13			
Present Value of the Obligation at the end of the year	2853.91	2427.95	1954.24	1843.95	1733.45			
Fair value of Plan Assets at the end of the year	2373.69	1955.31	1852.31	1674.68	1475.72			
(Surplus)/Deficit at the end of the year	480.22	472.64	101.73	169.27	257.73			
Experience Adjustments on Obligation - [(Gain)/Loss]	466.04	358.78	65.60	54.31	230.61			
Experience Adjustments on Plan Assets - [Gain/(Loss)]	31.83	(11.28)	30.92	(20.44)	(19.84)			
Superannuation Fund								
Present Value of the Obligation at the end of the year	805.21	661.62	567.64	535.52	611.71			
Fair value of Plan Assets at the end of the year	827.44	706.84	617.49	502.40	605.04			
(Surplus)/Deficit at the end of the year	(22.23)	(45.22)	(49.85)	33.12	6.67			
Experience Adjustments on Obligation - [(Gain)/Loss]	6.41	(39.80)	(100.24)	(69.65)	104.47			
Experience Adjustments on Plan Assets - [Gain/(Loss)]	22.93	(1.22)	2.65	(7.49)	0.50			

Notes to the Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

	2016-17	2015-16	2014-15	2013-14	2012-13
II. Unfunded Plans					
Pension					
Present Value of the Obligation at the end of the year	1169.03	1153.45	1136.71	990.69	875.73
(Surplus)/Deficit at the end of the year	1169.03	1153.45	1136.71	990.69	875.73
Experience Adjustments on Obligation - [(Gain)/Loss]	(148.83)	(133.79)	1.50	(3.30)	(34.02)
Additional Retiral Benefit					
Present Value of the Obligation at the end of the year	64.66	64.64	57.42	65.45	57.65
(Surplus)/Deficit at the end of the year	64.66	64.64	57.42	65.45	57.65
Experience Adjustments on Obligation - [(Gain)/Loss]	(6.68)	0.52	(4.66)	(0.37)	13.74
Post Employment Contribution Plan					
During the year an aggregate amount of ₹ 731.52 (Previous Year - ₹ 698.12) has been recognised as expenditure towards Provident Fund, defined contribution plan of the Company.					
				Current Year	Previous Year
16 Basic and Diluted Earnings Per Share					
Number of Equity Shares at the beginning of the year				11950804	11950804
Number of Equity Shares at the end of the year				11950804	11950804
Weighted average number of Equity Shares outstanding during the year				11950804	11950804
Face value of each Equity Share (₹)				10	10
Profit after tax available for distribution to the Equity Shareholders				(1516.88)	458.33
Basic and Diluted Earnings per Share (₹)				(12.69)	3.84
Dilutive Potential Equity Shares				Not Applicable	Not Applicable
17 Related Party Disclosures					
(i) Names and Relationship					
Relationship				Name	
Associate				Maple Hotels & Resorts Limited	
Significant Influence by Key Management Personnel				Warren Industrial Limited Sectra Plaza Private Limited Softweb Technologies Private Limited	
Key Management Personnel				Mr. Vinay K. Goenka (Chairman) Mr. S. K. Ghosh (Managing Director) Mr. S. Roy (Company Secretary) Mr. S. K. Mukhopadhyay (Chief Financial Officer)	
Relative of a Key Management Personnel				Mr. Vivek Goenka	



Notes to the Financial Statements

Note 26 (Continued)

(₹ in Lakhs)

(ii) Particulars of Transactions and year-end balances

Names and Relationship	Current Year ₹	Previous Year ₹
Associate		
Maple Hotels & Resorts Limited		
Investments	—	846.00
Capital Advance paid/(realised)	—	(810.00)
Significant Influence by Key Management Personnel		
Receiving of Services		
Sectra Plaza Private Limited	7.28	7.28
Softweb Technologies Private Limited	35.62	38.58
Key Management Personnel & Relative		
Remuneration		
Mr. Vinay K. Goenka	130.34	122.65
Mr. S. K. Ghosh	110.91	101.11
Mr. S. Roy	29.99	31.90
Mr. S. K. Mukhopadhyay	21.61	24.07
Mr. Vivek Goenka	24.43	23.18
Balance at the year-end		
Associate		
Investments		
Maple Hotels & Resorts Limited	3146.98	3146.98
Significant Influence by Key Management Personnel		
Security Deposit		
Sectra Plaza Private Limited	430.80	433.20
Current Liabilities		
Softweb Technologies Private Limited	2.59	2.53
Key Management Personnel		
Current Liabilities		
Mr. Vinay K. Goenka	40.20	37.20
Mr. S. K. Ghosh	30.00	27.60
Advances		
Mr. S. K. Ghosh	8.87	10.67
Mr. S. Roy	0.92	1.40

18 Segment Reporting

- (i) The Company is engaged in the integrated process of growing, harvesting, manufacturing and sale of Black Tea during the year and hence no primary segment reporting is considered under Business Segment.
- (ii) Geographical Segments have been considered for disclosure as the Secondary Reporting Segment based on sales in domestic markets and exports.

Notes to the Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

(iii) Secondary Segment Information

	Domestic	Exports	Total
Segment Revenue - External Sales	9924.38 <i>(12037.28)</i>	953.88 <i>(1673.72)</i>	10878.26 <i>(13711.00)</i>
Segment Assets	14344.56 <i>(12307.20)</i>	— —	14344.56 <i>(12307.20)</i>
Capital Expenditure	1895.22 <i>(478.13)</i>	— —	1895.22 <i>(478.13)</i>

Figures of Previous Year are indicated in Italics within brackets "()"

19 Previous year's figures have been regrouped or rearranged, wherever necessary.

Signatures to Note Nos. 1 to 26

B. M. Chatrath & Co. LLP
Firm Registration Number - 301011E/E300025
Chartered Accountants
A. Chatrath
Partner
Membership Number - 052975
Kolkata, 30th May, 2017

S. Roy
Company Secretary
S. K. Mukhopadhyay
Chief Financial Officer

Vinay K. Goenka
Chairman
S. K. Ghosh
Managing Director

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

		(₹ in Lakhs)
	Current Year	Previous Year
A. Cash Flow from operating activities		
Profit / (Loss) before Taxation	(2525.26)	613.98
Adjustments for		
Depreciation and Amortisation	361.91	332.30
Finance Costs	232.20	76.34
Income from Interest and Dividends	(51.07)	(169.36)
Provisions no longer required written back	(13.20)	(14.05)
Net Gain on Sale of Current Investments	(1.60)	(214.68)
Net (Gain) / Loss on Sale of Non-Current Investments	(13.51)	7.35
Profit on Disposal of Property, Plant and Equipment (Net)	(2.23)	(0.60)
Operating Profit before working capital changes	(2012.76)	631.28
Adjustments for changes in		
Trade and Other Receivables	(94.87)	(1019.42)
Inventories	106.24	(220.78)
Trade Payables and Other Liabilities	183.28	891.19
Cash generated from operations	(1818.11)	282.27
Direct Taxes Paid	76.59	(18.51)
Net Cash from operating activities	(A) <u>(1741.52)</u>	<u>263.76</u>
B. Cash Flow from investing activities		
Purchase of Property, Plant and Equipment	(995.14)	(478.03)
Payment of Capital Advances	(97.95)	(61.90)
Refund of Capital Advances	—	810.00
Purchase of Current Investments	(5.01)	(1682.29)
Sale of Non-current Investments	43.82	9.27
Sale of Current Investments	6.61	916.96
Sale of Property, Plant and Equipment	2.23	1.57
Interest and Dividend Received	70.13	161.65
Net Cash from / (used) in investing activities	(B) <u>(975.31)</u>	<u>(322.77)</u>
C. Cash Flow from financing activities		
Proceeds from Short-term Borrowings	2655.95	—
Proceeds from Long-term Borrowings	999.90	1000.00
Repayment of Long -term Borrowings	(116.11)	(14.59)
Repayment of Short -term Borrowings	(2000.00)	(222.62)
Finance Costs Paid	(233.11)	(67.55)
Net Cash from / (used) in financing activities	(C) <u>1306.63</u>	<u>695.24</u>
Net increase / (decrease) in Cash and Cash Equivalents	(A+B+C) (1410.20)	636.23



CASH FLOW STATEMENT (Continued)

		(₹ in Lakhs)
	Current Year	Previous Year
Cash and Bank Balances		
Opening Balance		
Cash and Bank Balances [Note 16]	1421.60	785.37
Closing Balance		
Cash and Bank Balances [Note 16]	11.40	1421.60

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statement.
2. The Notes referred to above form an integral part of the Cash Flow Statement.
3. Previous year's figures have been regrouped or rearranged, wherever necessary.

As per our report of even date.

B. M. Chatrath & Co. LLP
Firm Registration Number - 301011E/E300025
Chartered Accountants
A. Chatrath
Partner
Membership Number - 052975
Kolkata, 30th May, 2017

S. Roy
Company Secretary
S. K. Mukhopadhyay
Chief Financial Officer

Vinay K. Goenka
Chairman
S. K. Ghosh
Managing Director

INDEPENDENT AUDITORS' REPORT

To the Members of

Warren Tea Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Warren Tea Limited ("the Company") and its associate company, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The 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 Company including its associate 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. The respective Board of Directors of the company and of its associate company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the 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

Auditors' Report (Continued)

assessments, the auditor considers internal financial control relevant to the 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 but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 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 Company and its associate company as at March 31, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(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 Company as on March 31, 2017 taken on record by the Board of Directors of the Company, none of the directors of the Company, is disqualified as on March 31, 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 A".

Auditors' Report (Continued)

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No. 26(5) (a) & (c) to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its associate company during the year.
- iv. The Company has provided requisite disclosures in its Consolidated Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the Books of Accounts maintained by the Company. Refer Note 26(10) to the Consolidated Financial Statements.

Place: Kolkata
Date: 30th May, 2017

For B.M.Chatrath & Co. LLP
Chartered Accountants
Firm Registration Number: 301011E /E300025
Anand Chatrath
Partner
Membership Number 052975

Auditors' Report (Continued)

'ANNEXURE - A' TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Warren Tea Limited ("the Company") and its associate company as of March 31, 2017 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Auditors' Report (Continued)

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For B.M.Chatrath & Co. LLP
Chartered Accountants
Firm Registration Number: 301011E /E300025
Anand Chatrath
Partner
Membership Number 052975

Place: Kolkata
Date: 30th May, 2017



CONSOLIDATED BALANCE SHEET as at 31st March, 2017

	Notes	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	1195.08	1195.08
Reserves and Surplus	2	10218.57	11223.99
		<u>11413.65</u>	<u>12419.07</u>
Non-current Liabilities			
Long-term Borrowings	3	1699.90	914.71
Other Long-term Liabilities	4	110.00	122.07
Long-term Provisions	5	2232.56	2049.26
		<u>4042.46</u>	<u>3086.04</u>
Current Liabilities			
Short-term Borrowings	6	655.95	—
Trade Payables		1204.66	926.94
Other Current Liabilities	7	1599.43	1630.05
Short-term Provisions	8	577.94	642.79
		<u>4037.98</u>	<u>3199.78</u>
		<u>19494.09</u>	<u>18704.89</u>
ASSETS			
Non-current Assets			
Property, Plant and Equipment	9	6891.40	6621.83
Intangible Assets	10	6.07	11.31
Capital Work-in-Progress		1241.32	116.95
Non-current Investments	11	4178.86	3650.28
Deferred Tax Assets (Net)	12	309.60	104.12
Long-term Loans and Advances	13	1121.14	1794.00
		<u>13748.39</u>	<u>12298.49</u>
Current Assets			
Inventories	14	977.37	1083.61
Trade Receivables	15	4606.41	3660.58
Cash and Bank Balances	16	11.40	1421.60
Short-term Loans and Advances	17	122.58	188.55
Other Current Assets	18	27.94	52.06
		<u>5745.70</u>	<u>6406.40</u>
		<u>19494.09</u>	<u>18704.89</u>

Notes to Accounts

26

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date.

B. M. Chatrath & Co. LLP

Firm Registration Number - 301011E/E300025

Chartered Accountants

A. Chatrath

Partner

Membership Number - 052975

Kolkata, 30th May, 2017

S. Roy

Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka

Chairman

S. K. Ghosh

Managing Director

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

	Notes	Current Year ₹ in Lakhs	Previous Year ₹ in Lakhs
Revenue			
Revenue from Operations	19	11052.08	13842.05
Other Income	20	179.13	472.02
Total Revenue		<u>11231.21</u>	<u>14314.07</u>
Expenses			
Changes in Inventories of Finished Goods	21	92.39	(183.69)
Employee Benefits Expense	22	9132.63	8800.23
Finance Costs	23	232.20	76.34
Depreciation and Amortisation Expense	24	361.91	332.30
Corporate Social Responsibility Expenses		—	10.10
Other Expenses	25	3937.34	4664.81
Total Expenses		<u>13756.47</u>	<u>13700.09</u>
Profit / (Loss) before Tax		(2525.26)	613.98
Tax Expense			
Current Tax		—	125.00
Deferred Tax		(1008.38)	30.65
Profit / (Loss) after Tax but before share of Loss from Associate		(1516.88)	458.33
Share of Profit / (Loss) of Investments in Associate [Refer Note No. 26(20)]		558.89	(78.22)
Profit / (Loss) for the year		<u>(957.99)</u>	<u>380.11</u>
Basic and Diluted Earnings per Share of ₹ 10 each (₹)		(8.02)	3.18

Notes to Accounts 26

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date.

B. M. Chatrath & Co. LLP
Firm Registration Number - 301011E/E300025
Chartered Accountants
A. Chatrath
Partner
Membership Number - 052975
Kolkata, 30th May, 2017

S. Roy
Company Secretary
S. K. Mukhopadhyay
Chief Financial Officer

Vinay K. Goenka
Chairman
S. K. Ghosh
Managing Director



Notes to the Consolidated Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs		
Note 1				
SHARE CAPITAL				
Authorised				
2,00,00,000 Equity Shares of ₹ 10/- each	<u>2000.00</u>	<u>2000.00</u>		
Issued, Subscribed and fully Paid-up				
1,19,50,804 Equity Shares of ₹ 10/- each (including Bonus Shares - 57,86,601)	<u>1195.08</u> <u>1195.08</u>	<u>1195.08</u> <u>1195.08</u>		
	No. of Shares	No. of Shares		
Reconciliation of the number of Equity Shares				
Outstanding at the beginning and at the end of the year	<u>11950804</u>	<u>11950804</u>		
	<u>1195.08</u>	<u>1195.08</u>		
Shareholders holding more than 5% shares of the Company				
Name	No. of Shares	%	No. of Shares	%
Vinay K. Goenka	4009202	33.55	2004601	16.77
Maple Hotels & Resorts Limited	3196448	26.75	1598224	13.37
Vivek Goenka	1476876	12.36	738438	6.18
C. K. Dhanuka, P. K. Khaitan and D. P. Jindal (Jointly as Escrow Agents)	1416074	11.85	1416074	11.85
Ashdene Investments Ltd.	—	—	1181505	9.89
Isis Enterprises Ltd.	—	—	1102785	9.23
Maygrove Investments Ltd.	—	—	630106	5.27

Rights, preferences and restrictions attached to shares

The Company has only one class of shares being Equity Shares having a par value of ₹ 10/- each. All equity shares rank pari passu in all respects including voting rights, entitlement to dividend and repayment of capital.

1236531 Equity Shares of ₹ 10/- each allotted during the financial year 2012-13 by way of fully paid-up Bonus Shares only to the public shareholders to the exclusion of promoters in the ratio of 7 Equity Shares for every 10 Equity Shares of the Company.



Notes to the Consolidated Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 2		
RESERVES AND SURPLUS		
Capital Reserve	185.37	185.37
Securities Premium Account	963.03	963.03
Revaluation Reserve		
Balance at the beginning of the year	1879.62	
Less : Adjustment on account of Property, Plant and Equipment due to adoption of Accounting Standard 10 (Amended)	1879.62	
Balance at the end of the year	—	1879.62
General Reserve		
(Free Reserve and for general purpose)		
Balance at the beginning of the year	876.38	
Add : Adjustment on account of Property, Plant and Equipment due to adoption of Accounting Standard 10 (Amended) (Net of Tax)	1832.19	
Balance at the end of the year	2708.57	876.38
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	7319.59	
Add : Profit / (Loss) for the Year	(957.99)	
Balance at the end of the year	6361.60	7319.59
	10218.57	11223.99
Note 3		
LONG-TERM BORROWINGS		
SECURED		
Term Loan from a Bank	700.00	900.00
[Secured by joint equitable mortgage / first charge on the entire fixed assets of the Company, ranking pari passu amongst the Banks, repayable in quarterly instalments ending in July 2021]		
Term Loan from a Bank	999.90	—
[Secured by first charge on equitable mortgage of all the fixed assets, movable and immovable, and second charge on stock and book debts of the Company ranking pari passu amongst the banks, repayable in quarterly instalments with a moratorium of one year, ending in February 2023]		
Term Loan from a Bank	—	14.71
[Secured by way of hypothecation of related car, repayable in monthly instalments ending in January 2018]		
	1699.90	914.71



Notes to the Consolidated Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 4		
OTHER LONG-TERM LIABILITIES		
Trade Payables	110.00	122.07
	<u>110.00</u>	<u>122.07</u>
Note 5		
LONG-TERM PROVISIONS		
Provision for Employee Benefits	1255.78	1158.19
Provision for Taxation (Net)	976.78	891.07
	<u>2232.56</u>	<u>2049.26</u>
Note 6		
SHORT-TERM BORROWINGS		
SECURED		
Working Capital Facilities from Banks [Secured by joint equitable mortgage/charge on the current assets and fixed assets, present and future, ranking pari passu amongst the Banks severally, repayable on demand]	655.95	—
	<u>655.95</u>	<u>—</u>
Note 7		
OTHER CURRENT LIABILITIES		
Current Maturity of Long-Term Debt	214.71	116.11
Interest accrued and due on borrowings	7.88	8.79
Advances from Customers	3.43	2.54
Other Payables		
Employee Benefits Payable	1282.34	1418.04
Retention Money	5.53	4.74
Others (Including Statutory Dues)	85.54	79.83
	<u>1599.43</u>	<u>1630.05</u>
Note 8		
SHORT-TERM PROVISIONS		
Provision for Employee Benefits	577.94	642.79
	<u>577.94</u>	<u>642.79</u>

Notes to the Consolidated Financial Statements

PARTICULARS	GROSS BLOCK - AT COST				DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 1st April 2016	Additions	Disposals	As at 31st March 2017	Upto 1st April 2016	For the Year	Disposals	Upto 31st March 2017	As at 31st March 2016
Note 9									
PROPERTY, PLANT AND EQUIPMENT									
Land (Freehold)	589.01	—	—	589.01	—	—	—	—	589.01
Estates and Development (Leasehold)	2743.89	—	2743.89 *	—	—	—	—	—	2743.89
Buildings	6548.08	113.87	—	6661.95	4607.47	92.81	—	4700.28	1961.67
Bridges, Culverts, Bunders etc.	532.89	12.63	—	545.52	178.22	15.30	—	193.52	352.00
Roads	1210.56	52.41	—	1262.97	1122.45	48.29	—	1170.74	92.23
Plant and Equipment	2952.27	187.28	1.62	3137.93	2433.99	65.47	1.62	2497.84	640.09
Furniture and Fixtures	286.02	24.41	—	310.43	277.77	12.24	—	290.01	20.42
Vehicles	836.51	65.31	—	901.82	522.79	65.81	—	588.60	313.22
Office Equipments	31.32	1.93	—	33.25	25.58	2.04	—	27.62	5.63
Computers and Data Processing Units	233.14	4.81	0.20	237.75	201.27	10.76	0.20	211.83	25.92
Electrical Installations and Equipment	321.77	14.19	—	335.96	294.09	5.80	—	299.89	36.07
Bearer Plants	—	3122.25#	5.23	3117.02	—	267.11#	5.23	261.88	2855.14
Total	16285.46	3599.09#	2750.94	17133.61	9663.63	585.63#	7.05	10242.21	6891.40
Previous Year	15895.43	401.37	11.34	16285.46	9346.84	327.16	10.37	9663.63	6621.83

* Denotes Adjustments due to Adoption of Accounting Standard 10 (Amended)

Included in Additions ₹ 2828.24 and in Depreciation for the Year ₹ 228.96 on account of Adjustments due to Adoption of Accounting Standard 10 (Amended)

Notes to the Consolidated Financial Statements

PARTICULARS	GROSS BLOCK - AT COST				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 1st April 2016	Additions	Disposals	As at 31st March 2017	Upto 1st April 2016	For the Year	Disposals	Upto 31st March 2017	As at 31st March 2017	As at 31st March 2016
Note 10										
INTANGIBLE ASSETS										
Computer Software (Rate of Amortisation-20%)	171.51	—	—	171.51	161.25	4.19	—	165.44	6.07	10.26
Tenancy Right (Rate of Amortisation-5%)	21.00	—	—	21.00	19.95	1.05	—	21.00	—	1.05
Total	192.51	—	—	192.51	181.20	5.24	—	186.44	6.07	11.31
Previous Year	187.96	4.55	—	192.51	176.06	5.14	—	181.20	11.31	



Notes to the Consolidated Financial Statements

As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
--	--

Note 11

NON-CURRENT INVESTMENTS

(At or under cost)

Trade Investments

Unquoted - Equity Instruments

10000	Equity Shares of ₹ 10/- each fully paid-up in ABC Tea Workers Welfare Services (Net of Provision for diminution in the value of Investments - ₹ 1.00)	*	*
-------	---	---	---

Other than Trade Investments

Quoted - Equity Instruments

15150	Equity Shares of ₹ 10/- each fully paid-up in Pal Peugeot Limited (Net of Provision for diminution in the value of Investments - ₹ 1.52)	*	*
35	Equity Shares of ₹ 10/- each fully paid-up in Hindusthan Engineering & Industries Limited (Net of Provision for diminution in the value of Investments - ₹ 0.35)	*	*
225	Equity Shares of ₹ 5/- each fully paid-up in McLeod Russel India Limited	0.05	0.05
864	Equity Shares of ₹ 10/- each fully paid-up in Syndicate Bank	0.43	0.43
100	Equity Shares of ₹ 10/- each fully paid-up in Goodricke Group Limited	0.15	0.15
100	Equity Shares of ₹ 10/- each fully paid-up in NTPC Limited	0.14	0.14
2700	Equity Shares of ₹ 2/- each fully paid-up in Bank of Baroda	5.00	5.00
Nil	(Previous Year -2000) Equity Shares of ₹ 1/- each fully paid-up in State Bank of India	—	4.94
Nil	(Previous Year -17500) Equity Shares of ₹ 2/- each fully paid-up in Rain Industries Ltd.	—	5.42
Nil	(Previous Year -200000) Equity Shares of ₹ 10/- each fully paid-up in Subex Ltd.	—	19.95
Carried forward		5.77	36.08

Notes to the Consolidated Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 11 (Continued)		
Brought forward	5.77	36.08
Unquoted - Equity Instruments		
Investment in Associate		
6500000 Equity Shares of ₹ 10/- each fully paid-up in Maple Hotels & Resorts Limited [Refer Note 26(2)]		
Cost of Investments (Including Goodwill — ₹ 571.42; Previous Year -₹ 571.42)	3146.98	3146.98
Add : Company's Share in opening accumulated Profit	324.72	402.94
Add : Profit / (Loss) for the year	558.89	(78.22)
	<u>4030.59</u>	<u>3471.70</u>
Others		
150000 Equity Shares of ₹ 10/- each fully paid-up in Warren Steels Private Limited (Net of Provision for diminution in the value of Investments - ₹ 45.00)	142.50	142.50
Debenture and Bonds		
100 Debenture of ₹ 12.50 each fully paid-up in NTPC Limited	*	*
	<u>4178.86</u>	<u>3650.28</u>
Notes :		
1 Market Value of Quoted Investments	6.10	32.13
2 Aggregate Book Value of Quoted Investments	5.77	36.08
3 Aggregate Book Value of Unquoted Investments	4173.09	3614.20
4 Aggregate Provision for diminution in the value of Investments	47.87	47.87
5* Indicates that amount is below the rounding off norm adopted by the Company.		
Note 12		
DEFERRED TAX ASSETS (NET)		
Deferred Tax Assets		
Timing difference on account of :		
Expenses allowable on payment	1.75	3.61
Provision for Doubtful Debts	2.04	2.09
Depreciation	—	98.42
Business Loss	852.01	—
	<u>855.80</u>	<u>104.12</u>
Less : Deferred Tax Liabilities		
Timing difference on account of :		
Depreciation	546.20	—
	<u>309.60</u>	<u>104.12</u>



Notes to the Consolidated Financial Statements

	As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
Note 13		
LONG-TERM LOANS AND ADVANCES		
(Unsecured - Considered Good)		
Capital Advances	159.85	61.90
Security Deposits (Includes Deposit to Related Party ₹ 430.80 Previous year ₹ 433.20) [Refer Note No. 26(18)]	607.42	608.59
Deposits with Government Authorities and Others	4.87	5.69
Deposits with National Bank for Agriculture and Rural Development	177.75	797.63
Advance Tax (Net)	17.01	7.89
Other Loans and Advances		
Loans to Employees for housing, vehicle and furniture [Refer Note No. 26(7)]	22.05	31.13
Advances to Suppliers, Service Providers, etc.	132.19	281.17
	<u>1121.14</u>	<u>1794.00</u>
Note 14		
INVENTORIES		
(At lower of cost or net realisable value)		
Stock of Tea	452.10	544.49
Stock of Stores and Spares	525.27	539.12
	<u>977.37</u>	<u>1083.61</u>
Note 15		
TRADE RECEIVABLES		
(Unsecured)		
Trade Receivables outstanding for a period exceeding six months from the date due for payment		
Considered Doubtful	34.85	34.85
Less: Provision for Doubtful Debts	34.85	34.85
	<u>—</u>	<u>—</u>
Other Trade Receivables		
Considered Good	4606.41	3660.58
	<u>4606.41</u>	<u>3660.58</u>



Notes to the Consolidated Financial Statements

As at 31st March, 2017 ₹ in Lakhs	As at 31st March, 2016 ₹ in Lakhs
--	--

Note 16

CASH AND BANK BALANCES

Cash and Cash Equivalents

Balances with Banks		
Current Accounts	6.37	65.91
Deposit Accounts with less than three months maturity	—	1350.00
Cash on hand	2.20	2.82
Cash with Garden Kayahs	1.64	1.68
Other Bank Balances		
Deposit Accounts	1.19	1.19
	<u>11.40</u>	<u>1421.60</u>

Note 17

SHORT-TERM LOANS AND ADVANCES

(Unsecured - Considered Good)

Deposits with Government Authorities and Others	3.45	2.98
Loans to Employees for housing, vehicle and Furniture [Refer Note No. 26(7)]	11.07	7.98
Advances to Suppliers, Service Providers, etc.	41.04	113.34
Prepaid Expenses	67.02	64.25
	<u>122.58</u>	<u>188.55</u>

Note 18

OTHER CURRENT ASSETS

(Unsecured - Considered Good)

Interest Accrued on Deposits	27.94	47.00
Subsidy Receivable	—	5.06
	<u>27.94</u>	<u>52.06</u>



Notes to the Consolidated Financial Statements

	Current Year ₹ in Lakhs	Previous Year ₹ in Lakhs
Note 19		
REVENUE FROM OPERATIONS		
Sale of Products - Tea	10878.26	13711.00
Other Operating Revenues		
Sale of Tea Waste	—	27.24
Tea Board Subsidy	88.61	76.51
Sale of Scrap	0.28	0.51
Export Incentive	84.93	26.79
	<u>11052.08</u>	<u>13842.05</u>
Note 20		
OTHER INCOME		
Interest Income	50.83	158.72
Dividend Income from Non - Current Investments	0.24	0.06
Dividend Income from Current Investments	—	10.58
Net Gain on Sale of Non - Current Investment	13.51	—
Net Gain on Sale of Current Investment	1.60	214.68
Other Non-operating Income		
Profit on Disposal of Property, Plant and Equipment (Net)	2.23	0.60
Insurance Claims	25.72	45.45
Miscellaneous Receipts	63.28	3.61
Liabilities no longer required written back	13.20	14.05
Net Gain on Foreign Currency Transactions and Translation	8.52	24.27
	<u>179.13</u>	<u>472.02</u>
Note 21		
CHANGES IN INVENTORIES OF FINISHED GOODS		
Opening Inventories	544.49	360.80
Less : Closing Inventories	<u>452.10</u>	<u>544.49</u>
	<u>92.39</u>	<u>(183.69)</u>
Note 22		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	6713.60	6640.23
Contributions to Provident and Other Funds	1300.23	1238.94
Staff Welfare Expenses	1118.80	921.06
	<u>9132.63</u>	<u>8800.23</u>



Notes to the Consolidated Financial Statements

	Current Year ₹ in Lakhs	Previous Year ₹ in Lakhs
Note 23		
FINANCE COSTS		
Interest Expense	212.60	63.89
Other Borrowing Costs	19.60	12.45
	<u>232.20</u>	<u>76.34</u>
Note 24		
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Property, Plant and Equipment	356.67	327.16
Amortisation on Intangible Assets	5.24	5.14
	<u>361.91</u>	<u>332.30</u>
Note 25		
OTHER EXPENSES		
Consumption of Stores and Spare Parts		
Packing Materials	128.09	151.70
Others	1128.84	1200.21
Power and Fuel	1067.19	1360.90
Rent	20.43	26.57
Repairs to Buildings	35.03	50.52
Repairs to Machinery	19.24	7.43
Insurance	21.49	18.68
Rates and Taxes	159.60	189.06
Tea Board Cess	31.03	36.53
Administrative Overheads	699.59	905.06
Selling		
Freight	309.12	374.10
Insurance	21.91	25.14
Other Selling Expenses	295.78	311.56
Net Loss on Sale of Non - Current Investment	—	7.35
	<u>3937.34</u>	<u>4664.81</u>

Notes to the Consolidated Financial Statements

Note 26

(₹ in Lakhs)

1. Significant Accounting Policies

(a) Basis of preparation

The Consolidated Financial Statements have been prepared in line with the Companies Act, 2013 and Rules framed thereunder.

Investment in Associate Companies is accounted for in accordance with Accounting Standard 23 on Accounting for investments in Associates in Consolidated Financial Statements' prescribed under the Act, under equity method.

(b) Written down value of Property, Plant and Equipment and Intangible Assets represent cost of acquisition / construction after deduction of depreciation / amortisation on Straight Line Method as per Schedule II to the Companies Act, 2013.

Depreciation (including amortisation) on Property, Plant and Equipment and Intangible Assets of the Company has been provided on Straight Line Method. However, depreciation on Property, Plant and Equipment and Intangible Assets of the associate Company is provided on Written Down Value Method over the useful life of an asset as per Schedule II to the Companies Act, 2013.

Bearer plants are recognised as an item of Property, Plant and Equipment in accordance with the applicable Accounting Standard. Expenses on replanting and young tea maintenance of Bearer Plants are considered as Capital Work-in-Progress. Depreciation on Bearer Plants is charged on useful life of 77 years ascertained upon technical evaluation.

(c) Other Significant Accounting Policies

These are set out under 'Significant Accounting Policies' as given in the Company's separate Financial Statement.

- 2 The Consolidated Financial Statements comprise the financial statements of its Associate being Maple Hotels & Resorts Limited, India, holding 46.92% ownership by the Company.
- 3 In terms with the Accounting Standard 10 as amended, Bearer Plants have been recognised as an item of Property, Plant and Equipment on which depreciation have been provided ; replanting and young tea maintenace expenses have been considered as capital work-in-progress instead of revenue expenses as had been done hitherto. Consequent upon the foregoing, the net loss for the year ended 31.03.2017 is reduced by ₹ 507.48.
- 4 Under the Assam Fixation of Ceiling of Land Holding Act, 1956, undeveloped lands, approximately 2145 hectares (Previous Year - 2145 hectares) have been vested in the State Government. Necessary adjustments in respect of land compensation will be made in the accounts on settlement of the same.

	Current Year ₹	Previous Year ₹
5 Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advance)	24.00	137.35

Notes to the Consolidated Financial Statements
Note 26 (Continued)

	Current Year ₹	Previous Year ₹
6 Contingent Liabilities		
(a) Claims not acknowledged as debt	1.50	1.50
(b) Bank Guarantees	24.39	24.39
(c) Sales Tax Demands in dispute (under Appeals)	98.19	98.19
Cash outflows, if any, in respect of the above is not determinable at this stage.		
7 Unpaid Disputed Statutory Dues in respect of		
(a) Income-tax		
Forum : Deputy Commissioner of Income-Tax	33.53	56.14
Commissioner of Income-tax (Appeals)	25.07	0.09
(b) Sales tax		
Forum : Deputy Commissioner of Taxes (Appeals)	68.16	68.16
Commissioner of Taxes	5.86	5.86
Gauhati High Court	17.60	17.60
(c) Land Revenue		
Forum : Additional Deputy Commissioner	28.33	28.33
8 Loans and Advances to Employees include		
(i) Amounts due by a Director of the Company		
(a) On Long-Term	6.93	8.87
(b) On Short-Term	1.94	1.80
(Advanced to an employee since elevated as a Director)		
(ii) Amounts due by an Officer of the Company		
(a) On Long-Term	0.44	0.92
(b) On Short-Term	0.48	0.48
9 There are no outstanding dues of micro and small enterprises based on information available with the Company.		
10 Disclosure in terms of amendments to Schedule III of the Companies Act, 2013 vide Notification dated 30th March, 2017 issued by the Ministry of Corporate Affairs		

	Specified Bank Notes ₹	Other Denomination Notes ₹	Total ₹
Closing Cash in Hand as on 8th November, 2016	3.27	1.09	4.36
Add : Permitted Receipts	—	453.55	453.55
Less : Permitted Payments	—	451.57	451.57
Less : Amount Deposited in Banks	3.27	—	3.27
Closing Cash in Hand as on 30th December, 2016	—	3.07	3.07



Notes to the Consolidated Financial Statements

Note 26 (Continued)

	Current Year ₹	Previous Year ₹
11 Expenditure incurred on Corporate Social Responsibility activities		
(a) Gross Amount required to be spent by the Company during the year	33.48	44.69
(b) Amount spent during the year on : Promoting Education	—	10.10
12 Amounts paid/payable to Auditors		
Statutory Auditors		
(a) Statutory Audit Fees	10.35	10.31
(b) Tax Audit Fees	1.16	1.16
(c) Limited Review & Other Matters	2.87	5.61
(d) Out of Pocket Expenses	0.24	0.28
13 Consumption of Stores and Spares		
All Indigenous	1256.93	1351.91
14 Earnings in Foreign Exchange		
Exports on F.O.B. basis	956.97	1692.14
15 Expenditure in Foreign Currency		
(a) Subscription and Other Charges	1.88	1.84
(b) Pension	1.48	3.08
(c) Travelling	21.08	19.04

16 Post Employment Defined Benefit Plans

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

In terms of Accounting Policies enumerated in Note 26 the following Table sets forth the particulars in respect of Defined Benefit Plans of the Company for the year ended 31st March, 2017 arising out of actuarial valuations:

Notes to the Consolidated Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

A) Funded and Unfunded Plans

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

	Funded Plans				Unfunded Plans			
	Gratuity		Superannuation		Pension		Additional Retiral Benefit	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Present Value of Obligation at the beginning of the year	2427.95	1954.24	661.62	567.64	1153.45	1136.71	64.64	57.42
Current Service Cost	148.76	119.14	77.34	88.37	65.80	87.55	4.10	4.22
Past Service Cost	—	—	—	—	—	—	—	—
Interest Cost	172.27	150.16	49.62	45.41	85.40	89.86	4.85	4.51
Actuarial (Gains)/Losses	367.01	358.78	16.63	(39.80)	(106.15)	(133.79)	(8.93)	0.52
Benefits paid	(262.08)	(154.37)	—	—	(29.47)	(26.88)	—	(2.03)
Present Value of Obligation at the end of the year	2853.91	2427.95	805.21	661.62	1169.03	1153.45	64.66	64.64

II. Reconciliation of opening and closing balances of the fair value of Plan Assets

Fair value of Plan Assets at the beginning of the year	1955.31	1852.51	706.84	617.49
Expected Return on Plan Asset	175.98	166.72	63.62	55.57
Actuarial Gains/(Losses)	31.84	(11.28)	22.93	(1.22)
Contributions	472.64	101.73	34.05	35.00
Benefits paid	(262.08)	(154.37)	—	—
Fair value of Plan Assets at the end of the year	2373.69	1955.31	827.44	706.84

III. Reconciliation of the present value of the Defined Benefit Obligation and the fair value of Plan Assets

Present Value of the Obligation at the end of the year	2853.91	2427.95	805.21	661.62
Fair value of Plan Assets at the end of the year	2373.69	1955.31	827.44	706.84
(Asset)/Liabilities recognised in the Balance Sheet	480.22	472.64	(22.23)	(45.22)

IV. Expenses recognised in the Profit and Loss Account

Current Service Cost	148.76	119.14	77.34	88.37	65.80	87.55	4.10	4.22
Past Service Cost	—	—	—	—	—	—	—	—
Interest Cost	172.27	150.16	49.62	45.41	85.40	89.86	4.85	4.51
Expected Return on Plan Asset	(175.98)	(166.72)	(63.62)	(55.57)	—	—	—	—
Actuarial (Gains)/Losses	335.17	370.06	(6.30)	(38.58)	(106.15)	(133.79)	(8.93)	0.52
Total Expenses Recognised and Disclosed under Contributions to Provident, Gratuity and Other Funds (For Funded Plans) and to Staff Welfare Expenses (For Unfunded Plans) in Note 22	480.22	472.64	57.04	39.63	45.05	43.62	0.02	9.25

Notes to the Consolidated Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

	Funded Plans				Unfunded Plans			
	Gratuity		Superannuation		Pension		Additional Retiral Benefit	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
V. Category of Plan Assets								
Equities	—	—	—	—				
Fixed Income Debt / Securities / Bonds	1347.00	815.94	341.69	251.36				
Other Assets	1026.69	1139.37	485.75	455.48				
	<u>2373.69</u>	<u>1955.31</u>	<u>827.44</u>	<u>706.84</u>				
VI. Actual Return on Plan Assets	207.82	155.44	86.55	54.35				
B) Principal Actuarial Assumptions of funded and unfunded Plans, as applicable								
	2016-17	2015-16						
	%	%						
Discount Rate	7.50	8.00						
Salary Escalation	5.00	5.00						
Inflation Rate	5.00	5.00						
Expected Return on Asset	9.00	9.00						
Actuarial valuation considered estimates of future salary increases taking into account inflation and other relevant factors.								
C) Other Disclosure :								
I. Funded Plans								
Gratuity Fund	2016-17	2015-16						
Present Value of the Obligation at the end of the year	2853.91	2427.95						
Fair value of Plan Assets at the end of the year	2373.69	1955.31						
(Surplus)/Deficit at the end of the year	480.22	472.64						
Experience Adjustments on Obligation - [(Gain)/Loss]	466.04	358.78						
Experience Adjustments on Plan Assets - [Gain/(Loss)]	31.83	(11.28)						
Superannuation Fund								
Present Value of the Obligation at the end of the year	805.21	661.62						
Fair value of Plan Assets at the end of the year	827.44	706.84						
(Surplus)/Deficit at the end of the year	(22.23)	(45.22)						
Experience Adjustments on Obligation - [(Gain)/Loss]	6.41	(39.80)						
Experience Adjustments on Plan Assets - [Gain/(Loss)]	22.93	(1.22)						

Notes to the Consolidated Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

	2016-17	2015-16
II. Unfunded Plans		
Pension		
Present Value of the Obligation at the end of the year	1169.03	1153.45
(Surplus)/Deficit at the end of the year	1169.03	1153.45
Experience Adjustments on Obligation - [(Gain)/Loss]	(148.83)	(133.79)
Additional Retiral Benefit		
Present Value of the Obligation at the end of the year	64.66	64.64
(Surplus)/Deficit at the end of the year	64.66	64.64
Experience Adjustments on Obligation - [(Gain)/Loss]	(6.68)	0.52

Post Employment Contribution Plan

During the year an aggregate amount of ₹ 731.52 (Previous Year - ₹ 698.12) has been recognised as expenditure towards Provident Fund, defined contribution plan of the Company.

	Current Year	Previous Year
17 Basic and Diluted Earnings Per Share		
Number of Equity Shares at the beginning of the year	11950804	11950804
Number of Equity Shares at the end of the year	11950804	11950804
Weighted average number of Equity Shares outstanding during the year	11950804	11950804
Face value of each Equity Share (₹)	10	10
Profit after tax available for distribution to the Equity Shareholders	(957.99)	380.11
Basic and Diluted Earnings per Share (₹)	(8.02)	3.18
Dilutive Potential Equity Shares	Not Applicable	Not Applicable

18 Related Party Disclosures
(i) Names and Relationship

Relationship	Name
Associate	Maple Hotels & Resorts Limited
Significant Influence by Key Management Personnel	Warren Industrial Limited Sectra Plaza Private Limited Softweb Technologies Private Limited
Key Management Personnel	Mr. Vinay K. Goenka (Chairman) Mr. S. K. Ghosh (Managing Director) Mr. S. Roy (Company Secretary) Mr. S. K. Mukhopadhyay (Chief Financial Officer)
Relative of a Key Management Personnel	Mr. Vivek Goenka

Notes to the Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

(ii) Particulars of Transactions and year-end balances

Names and Relationship	Current Year ₹	Previous Year ₹
Associate		
Maple Hotels & Resorts Limited		
Investments	—	846.00
Capital Advance paid/(realised)	—	(810.00)
Significant Influence by Key Management Personnel		
Receiving of Services		
Sectra Plaza Private Limited	7.28	7.28
Softweb Technologies Private Limited	35.62	38.58
Key Management Personnel & Relative		
Remuneration		
Mr. Vinay K. Goenka	130.34	122.65
Mr. S. K. Ghosh	110.91	101.11
Mr. S. Roy	29.99	31.90
Mr. S. K. Mukhopadhyay	21.61	24.07
Mr. Vivek Goenka	24.43	23.18
Balance at the year-end		
Associate		
Investments		
Maple Hotels & Resorts Limited	3146.98	3146.98
Significant Influence by Key Management Personnel		
Security Deposit		
Sectra Plaza Private Limited	430.80	433.20
Current Liabilities		
Softweb Technologies Private Limited	2.59	2.53
Key Management Personnel		
Current Liabilities		
Mr. Vinay K. Goenka	40.20	37.20
Mr. S. K. Ghosh	30.00	27.60
Advances		
Mr. S. K. Ghosh	8.87	10.67
Mr. S. Roy	0.92	1.40

19 Segment Reporting

- (i) The Company is engaged in the integrated process of growing, harvesting, manufacturing and sale of Black Tea during the year and hence no primary segment reporting is considered under Business Segment.
- (ii) Geographical Segments have been considered for disclosure as the Secondary Reporting Segment based on sales in domestic markets and exports.

Notes to the Consolidated Financial Statements
Note 26 (Continued)

(₹ in Lakhs)

(iii) Secondary Segment Information

	Domestic	Exports	Total
Segment Revenue - External Sales	9924.38 <i>(12037.28)</i>	953.88 <i>(1673.72)</i>	10878.26 <i>(13711.00)</i>
Segment Assets	14344.56 <i>(12307.20)</i>	— —	14344.56 <i>(12307.20)</i>
Capital Expenditure	1895.22 <i>(478.13)</i>	— —	1895.22 <i>(478.13)</i>

Figures of Previous Year are indicated in Italics within brackets "()"

20 Statement containing Financial Information of Associate :

Sl No.	Name of the Entity	Net Assets		Share in Profit or Loss	
		As % age of Consolidated Net Assets	Amount	As % age of Consolidated Profit or Loss	Amount
1	Parent Warren Tea Limited	92.26 <i>[97.39]</i>	10530.04 <i>[12094.35]</i>	158.34 <i>[120.58]</i>	(1516.88) <i>[458.33]</i>
2	Associate Maple Hotels and Resorts Limited	7.74 <i>[2.61]</i>	883.61 <i>[324.72]</i>	(58.34) <i>[(20.58)]</i>	558.89* <i>[(78.22)]</i>
		100.00	11413.65	100.00	(957.99)
		<i>[100.00]</i>	<i>[12419.07]</i>	<i>[100.00]</i>	<i>[380.11]</i>

* Includes ₹ 599.52 on Net Gain on Sale of Non-current Investment considered as an Exceptional Item.

Figures of Previous Year are indicated in Italics within brackets "[]"

21 Previous year's figures have been regrouped or rearranged, wherever necessary.

Signatures to Note Nos. 1 to 26

B. M. Chatrath & Co. LLP
Firm Registration Number - 301011E/E300025
Chartered Accountants
A. Chatrath
Partner
Membership Number - 052975
Kolkata, 30th May, 2017

S. Roy
Company Secretary
S. K. Mukhopadhyay
Chief Financial Officer

Vinay K. Goenka
Chairman
S. K. Ghosh
Managing Director



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

	(₹ in Lakhs)	
	Current Year	Previous Year
A. Cash Flow from operating activities		
Profit / (Loss) before Taxation	(1966.37)	535.76
Adjustments for		
Share of (Profit) / Loss in Associate	(558.89)	78.22
Depreciation and Amortisation	361.91	332.30
Finance Costs	232.20	76.34
Income from Interest and Dividends	(51.07)	(169.36)
Provisions no longer required written back	(13.20)	(14.05)
Net Gain on Sale of Current Investments	(1.60)	(214.68)
Net Loss on Sale of Non-Current Investment	(13.51)	7.35
(Profit) on Disposal of Property, Plant and Equipment (Net)	(2.23)	(0.60)
Operating Profit before working capital changes	(2012.76)	631.28
Adjustments for changes in		
Trade and Other Receivables	(94.87)	(1019.42)
Inventories	106.24	(220.78)
Trade Payables and Other Liabilities	183.28	891.19
Cash generated from operations	(1818.11)	282.27
Direct Taxes Paid	76.59	(18.51)
Net Cash from operating activities	(1741.52)	263.76
B. Cash Flow from investing activities		
Purchase of Property, Plant and Equipment	(995.14)	(478.03)
Payment of Capital Advances	(97.95)	(61.90)
Refund of Capital Advances	—	810.00
Purchase of Non-current Investments	(5.01)	(1682.29)
Sale of Non-current Investments	43.82	9.27
Sale of Current Investments	6.61	916.96
Sale of Property, Plant and Equipment	2.23	1.57
Interest and Dividend Received	70.13	161.65
Net Cash from / (used) in investing activities	(975.31)	(322.77)
C. Cash Flow from financing activities		
Proceeds from Short-term Borrowings	2655.95	—
Proceeds from Long-term Borrowings	999.90	1000.00
Repayment of Long-term Borrowings	(116.11)	(14.59)
Repayment of Short-term Borrowings	(2000.00)	(222.62)
Finance Costs Paid	(233.11)	(67.55)
Net Cash from / (used) in financing activities	1306.63	695.24
Net increase / (decrease) in Cash and Cash Equivalents	(1410.20)	636.23

CONSOLIDATED CASH FLOW STATEMENT (Continued)

		(₹ in Lakhs)
	Current Year	Previous Year
Cash and Bank Balances		
Opening Balance		
Cash and Bank Balances [Note 16]	1421.60	785.37
Closing Balance		
Cash and Bank Balances [Note 16]	11.40	1421.60

1. The above Consolidated Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statement.
2. The Notes referred to above form an integral part of the Consolidated Cash Flow Statement.
3. Previous year's figures have been regrouped or rearranged, wherever necessary.

As per our report of even date.

B. M. Chatrath & Co. LLP
 Firm Registration Number - 301011E/E300025
 Chartered Accountants
 A. Chatrath
Partner
 Membership Number - 052975
 Kolkata, 30th May, 2017

S. Roy
Company Secretary
 S. K. Mukhopadhyay
Chief Financial Officer

Vinay K. Goenka
Chairman
 S. K. Ghosh
Managing Director



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 Associate Companies**

Part "B" : Associates

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

Name of Associate	Maple Hotels & Resorts Limited
1 Latest audited Balance Sheet Date	31st March, 2017
2 Date on which the Associate was associated	7th March, 2014
3 Shares of Associate held by the Company on the year end	
Number	65,00,000
Amount of Investment in Associate (₹ in Lacs)	3146.98
Extent of Holding %	46.92%
4 Description of how there is significant influence	Holding directly 20% or more of the voting power
5 Reason why the associate is not consolidated	Financial Statements are consolidated in accordance with the applicable Accounting Standard
6 Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lacs)	3459.69
7 Profit for the year (₹ in Lacs)	1191.16
(i) Considered in Consolidation	558.89
(ii) Not Considered in Consolidation	632.27

Kolkata
30th May, 2017

S. Roy
Company Secretary
S. K. Mukhopadhyay
Chief Financial Officer

Vinay K. Goenka
Chairman
S. K. Ghosh
Managing Director

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