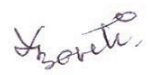
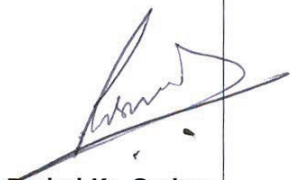


FORM A

Covering letter of the annual audit report on the Annual Financial Statements for the year ended March 31, March 2015 to be filed with the stock exchanges

1	Name of the Company:	McLeod Russel India Limited
2	Annual financial statements for the year ended	31 st March 2015
3	Type of Audit observation	Emphasis of Matter (Paragraph inserted in Auditors' Report on Standalone Financial Statements) "We draw your attention to Note 36(d) to the financial statements regarding total remuneration paid/payable to the managing director and three whole-time directors of the Company aggregating to Rs.1,073.38 lakhs for the year ended March 31, 2015 which is in excess of the limits specified in Schedule V read with Section 197 of the Companies Act, 2013, and as approved by the shareholders of the Company and for which approval from the Central Government is awaited. Our opinion is not qualified in respect of this matter."
4	Frequency of observation	First Year
5.	McLeod Russel India Limited  (A. Khaitan) Managing Director (DIN:00023788)  (K. K. Baheti) Chief Financial Officer (DIN:00027568)  (R. Srinivasan) Audit Committee Chairman (DIN:00003968) Auditor of the Company:  Prabal Kr. Sarkar Partner Membership Number 52340 For Price Waterhouse Firm Registration Number 301112E Chartered Accountants	



McLEOD RUSSEL
Believe in tea

McLEOD RUSSEL INDIA LIMITED

Registered Office: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700 001

CIN: L51109WB1998PLC087076

Email: administrator@mcleodrussel.com, Web: www.mcleodrussel.com

Telephone: 033-2210-1221, 2248-9434/35

Fax : 033-2248-3683, 033-2248-8114, 033-2248-6824

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held on Tuesday, 4th August 2015 at 10.30 a.m. at Kalamandir, 48, Shakespeare Sarani, Kolkata-700 017 to transact the following business :-

ORDINARY BUSINESS:

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March 2015, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditors.
2. To declare a dividend for the financial year ended 31st March 2015.
3. To appoint a Director in place of Mr. Rajeev Takru (holding DIN 00023796), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Kamal Kishore Baheti (holding DIN 00027568), who retires by rotation and, being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Messrs. Price Waterhouse, Chartered Accountants (ICAI Registration No. FRN 301112E), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 152 of the Companies Act, 2013 Mr. Amritanshu Khaitan (holding DIN 00213413)

be and is hereby appointed a Director of the Company who will be liable to retire by rotation.”

7. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, Mr. Padam Kumar Khaitan (holding DIN 00019700) be and is hereby appointed a Director of the Company with immediate effect and as an Independent Director of the Company for a consecutive period of five years with effect from 31st March 2015”.

8. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT in terms of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Joint Cost Auditors namely, Messrs. Mani & Co, Messrs. SPK Associates., Messrs. Kumar & Associates, and Messrs. DGM & Associates appointed by the Board of Directors of the Company for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the year ending 31st March 2016, the details of which are given in the Statement in respect of this item of business annexed to the Notice convening this Meeting, be and is hereby ratified.

By Order of the Board
McLEOD RUSSEL INDIA LIMITED

A. GUHA SARKAR
Senior Vice - President & Company Secretary

Kolkata, 28th May 2015

NOTES

- a) **A Member entitled to attend and vote at the Annual General Meeting (AGM) may appoint a Proxy to attend and vote thereat instead of himself. A Proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office situated at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001 not less than forty-eight hours before the Meeting.**

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- b) The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Items of Special Business is annexed hereto.
- c) The information as required to be provided in terms of the Listing Agreement with the Stock Exchanges regarding the Directors who are proposed to be appointed/re-appointed is annexed.
- d) The Register of Members and Share Transfer Books of the Company will remain closed from 28th July 2015 to 4th August 2015 (both days inclusive).
- e) The dividend that may be declared by the Company at the Seventeenth Annual General Meeting will be paid on or after 7th August 2015 (i) to those Members holding shares in physical mode whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company and its Registrars on or before 27th July 2015. (ii) In respect of the shares held in electronic form the dividend will be paid to the 'beneficial owners' of the shares as at the end of business hours on 27th July 2015 as per details provided by the Depositories for this purpose.
- f) Dividend in respect of shares held in dematerialised form shall be credited to the beneficial owner's bank account directly through National Electronic Clearing Services (NECS), wherever NECS facility is available subject to availability of bank account details with 9 digit MICR and 11 digit IFS Code. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately. Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/ MRD/DP/10/2013 dated 21st March 2013, has mandated

usage of electronic mode for making cash payments such as dividend etc. to the investors of Companies whose securities are listed on the Stock Exchanges.

- g) Shareholders holding shares in physical form and desirous of having NECS facility, should provide their bank details and 9 digit MICR and 11 digit IFS Code number to the Registrar and Share Transfer Agent of the Company immediately. The shareholders who have already given their bank details should furnish the same only if there is any change.

Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share transfer Agent quoting their Folio Number. Shareholders holding shares in dematerialised form, should intimate change of their address, if any, to their Depository Participant.

- h) The company has transferred the unpaid or unclaimed dividends declared up to financial years 2006-07, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 23rd July 2014 (date of last Annual General Meeting) on the website of the Company (www.mcleodrusssel.com).

The Members of the Company who have not yet encashed their dividend warrant(s) for the financial year ended 31.03.2008 and onwards as applicable, are requested to contact the Company forthwith.

- i) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Transfer Agent Maheshwari Datamatics Private Limited, 6, Mangoe Lane, 2nd Floor, Surendra Mohan Ghosh Sarani, Kolkata - 700 001.
- j) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
- k) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

- l) A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his queries to the Company at least seven days prior to the Meeting so that the required information can be made available at the Meeting.
- m) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Maheshwari Datamatics Private Limited, for consolidation into a single folio.
- n) Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- o) **Instructions on voting:** In compliance with Section 108 of the Companies Act, 2013, rule 20 of the Companies (Management and Administration) Rule, 2014, as amended, and Clause 35B of the Listing Agreement, the Company has provided a facility to the Members to exercise their votes electronically (remote e-voting) through electronic voting service facility arranged by Central Depository Services (India) Limited (CDSL). The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are given in a separate sheet attached hereto forming part of the Notice.
- p) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of 28 July 2015. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and is holding shares as on the cut-off date i.e. 28 July 2015, may obtain the login ID and password by sending a request at mdpldc@yahoo.com or skchaubey@mdpl.in.
- q) The Notice of the 17th AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all Members whose email addresses are registered with the Company / Depository Participant(s), unless a Member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
- r) Members may also note that the Notice of the 17th AGM and the Annual Report 2014-15 will be available on the Company's website, www.mcleodrussel.com.

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

Item No. 6

The Board at its Meeting held on 31st March 2015 appointed Mr. Amritanshu Khaitan ('Mr. Khaitan') as an Additional Director of the Company in terms of Section 161 of Companies Act, 2013 ('the Act') read with Article 120 of the Articles of Association of the Company. According to the provisions of the said Section, Mr. Khaitan will hold office up to the date of the forthcoming Annual General Meeting.

The Company has received a notice in terms of Section 160 of the Companies Act, 2013 from a Member of the Company proposing the appointment of Mr. Khaitan as a Director of the Company. In terms of Section 152 of the Act, Mr. Khaitan has furnished a declaration to the effect that he is not disqualified to become a Director under the Act and also, consented to act as a Director of the Company, if appointed.

Mr Khaitan, son of Late D. Khaitan, is presently holding the position of Managing Director of Eveready Industries India Limited . He also holds directorship of a number of other companies with diversified business activities. He is an MBA from London Business School. Having regard to his qualification, experience and positive attributes the Nomination and Remuneration Committee recommended his appointment as a Director of the Company.

Mr. Khaitan has inter-se relationship with Mr. B.M. Khaitan, being his grandfather and his son Mr. A. Khaitan, who are Directors of the Company. Save as above, he has no inter-se relation with any other Director of the Company.

As disclosed by him, Mr. Khaitan presently holds 7,533 equity shares in the Company.

The Board is of the opinion that the continued association of Mr. Amritanshu Khaitan would be of immense benefit to the Company and it is desirable to continue to avail of his services as a Director.

In view of the above, the Resolution in Item No. 6 of the convening notice has been set out and the Board recommends the same.

Besides Mr. Amritanshu Khaitan and save as above, no other Director and none of the Key Managerial Personnel or their relatives may be considered to be concerned or interested, financially or otherwise, in respect of the said Resolution.

Item No. 7

The Board at its Meeting held on 31st March 2015 appointed Mr. Padam Kumar Khaitan ('Mr. P. K. Khaitan') as an Additional Director of the Company in terms of Section 161 of Companies Act, 2013 ('the Act') read with Article 120 of the Articles of Association of the Company. According to the provisions of the

said Section Mr. P. K. Khaitan will hold office up to the date of the forthcoming Annual General Meeting.

At the same Meeting the Board appointed him as an Independent Director of the Company for a consecutive period of five years with effect from 31st March 2015 subject to the approval of the Members of the Company. His appointment as an Independent Director at the forthcoming Annual General Meeting is to be considered accordingly.

The Company has received a notice in terms of Section 160 of the Act from a Member of the Company proposing the appointment of Mr. P. K. Khaitan as a Director of the Company.

In terms of Section 152 of the Act Mr. P. K. Khaitan has furnished a declaration to the effect that he is not disqualified to become a Director under the Act and also, consented to act as a Director of the Company, if appointed. The Company has also received a declaration from him in terms of Section 149(7) of the Act to the effect that he fulfils the criteria of independence as provided in Section 149(6) of the Act.

Mr. P. K. Khaitan, Attorney-at-law, is one of the Partners of Khaitan & Co. LLP, Advocates, Notaries, and Patent & Trade Mark Attorneys. During his long career of 37 years as a Lawyer, he has had in-depth exposure to and achieved considerable experience and expertise in law and legal matters in Corporate, Commercial, Financial, Banking, Taxation, Foreign Collaboration, Foreign Investment, Litigation, Arbitration, Real Property, Ecology & Environment, Labour, Projects, Estates & Trusts and Personal Clientele matters.

Having regard to his qualification, experience and positive attributes, the Nomination and Remuneration Committee recommended his appointment as a Director as well as an Independent Director of the Company.

Mr. P. K. Khaitan has no inter-se relation with any Director of the Company. As disclosed by him, Mr. P. K. Khaitan presently holds 1500 Equity Shares in the Company.

The remuneration fixed by the Board is as under:

Cost Auditors	Remuneration
Messrs. Mani & Company	Rs. 96,000/- for auditing the records of 12 Tea Estates Rs. 35,000/- being the lead audit fee.
Messrs. SPK Associates	Rs. 1,04,000/- for auditing the records of 13 Tea Estates
Messrs. Kumar & Associates	Rs. 1,12,000/- for auditing the records of 14 Tea Estates
Messrs. DGM Associates	Rs. 1,12,000/- for auditing the records of 14 Tea Estates

In addition to above, the Cost Auditors will be reimbursed out of pocket expenses as may be incurred by them on actual basis.

The Resolution set out in Item No. 8 of the convening Notice is to be considered accordingly and the Board recommends the same.

No Director or any Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in respect of the Resolution.

In the opinion of the Board, Mr. P. K. Khaitan meets the criteria of independence specified in Section 149(6) of the Act and Rules made thereunder.

The Board considers that the continued association of Mr. P.K. Khaitan would be of immense value to the Company and it is desirable to continue to avail of his services as an Independent Director and be benefitted from his independent and wise opinion.

In view of the above, the Resolution in Item No. 7 of the convening notice has been set out and the Board recommends the same.

Besides Mr. Padam Kumar Khaitan, no other Director and none of the Key Managerial Personnel or their relatives may be considered to be concerned or interested, financially or otherwise, in respect of the Resolution.

Item No. 8

The Company being engaged in tea plantation and manufacturing activities, is required to appoint Cost Auditor/s to audit its cost accounting records in respect of plantation products in accordance with Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014 as amended ('the Rule').

In terms of Section 148 of the Act read with Rule 6 of the Rule, the Board of Directors of the Company at its Meeting held on 28th May 2015 appointed Messrs. Mani & Company, Messrs. SPK Associates, Messrs. Kumar & Associates and Messrs. DGM Associates, Cost Accountants, as Joint Cost Auditors of the Company for the Financial Year ending on 31st March 2016 on the recommendation of the Audit Committee of the Company ('the Audit Committee'). Messrs. Mani & Company has been appointed as the Lead Cost Auditor.

The Board, in terms of the Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, approved the remuneration of the Cost Auditors as recommended by the Audit Committee, which is subject to ratification by the Members of the Company.

**PARTICULARS RELATING TO DIRECTORS PROPOSED TO BE
APPOINTED/RE-APPOINTED**

Name of Director	Mr. Rajeev Takru
Date of Birth	5th May 1955
Qualification	B.A. (Hons.)
Expertise	Mr. Takru has around 4 decades of experience in Tea Estate Management. He has had in-depth exposure in other administrative functions and human resource development. He has held various senior positions in a number of Companies of Williamson Magor Group. Mr. Takru is also associated with health and educational activities. He is on the Boards of Woodlands Multispecialty Hospital Limited and The Assam Valley School.
Directorships held in other Companies (excluding foreign Companies)	
Dufflaghur Investments Limited	Woodlands Multispecialty Hospital Limited.
Seajuli Developers & Finance Limited	
Committee Memberships, if any, with position	N. A.
Shareholding in the Company	900 Equity Shares of Rs.5/- each

Name of Director	Mr. Kamal Kishore Baheti
Date of Birth	17th January 1963
Qualification	B. Com. (Hons.), FCA, ACS, AICWA.
Expertise	Mr. Baheti has held various important positions in Accounts and Finance of a number of reputed Companies. He is associated with Tea Companies belonging to Williamson Magor Group since 1989 and during this period has gained considerable expertise in the matters pertaining to Accounts and Finance of Tea Companies as also in the matter of Corporate Finance, Capital Market activities, restructuring, mergers and demergers of Corporate entities.
Directorships held in other Companies (excluding foreign Companies)	
Williamson Financial Services Limited	Dufflaghur Investments Limited
Queens Park Property Co. Limited	Bishnauth Investments Limited
United Machine Co. Limited	Seajuli Developers & Finance Limited
Majerhat Estates & Developers Limited	Ichamati Investments Limited
ABC Tea Workers Welfare Services	
Committee Memberships, if any, with position	
Williamson Financial Services Limited	Stakeholders Relationship Committee - Member
	Nomination & Remuneration Committee - Member
Shareholding in the Company	5,100 Equity Shares of Rs.5/- each

Name of Director	Mr. Amritanshu Khaitan
Date of Birth	7th November 1982
Qualification	MBA (London Business School)
Expertise	Mr. Amritanshu Khaitan hails from a renowned family of industrialists. He is presently the Managing Director of Eveready Industries India Limited, and also on the Boards of several other listed and unlisted companies. He also has exposure in tea plantation and manufacturing activities.
Directorships held in other Companies (excluding foreign Companies)	
Eveready Industries India Limited	Williamson Magor & Co. Limited
Williamson Financial Services Limited	McNally Bharat Engineering Co. Ltd.
Kilburn Engineering Ltd.	Queens Park Property Co. Ltd.
Indian Chamber of Commerce Calcutta	United Machine Co. Ltd.
Ichamati Investments Ltd.	Prana Lifestyle Pvt. Ltd.
Committee Memberships, if any, with position	N.A
Shareholding in the Company	7533 equity shares of Rs. 5/- each

Name of Director	Mr. Padam Kumar Khaitan
Date of Birth	24th May 1953
Qualification	Attorney- at- law
Expertise	Mr. Padam Kumar Khaitan hails from a renowned family of Lawyers. Mr. Khaitan is one of the Partners of Khaitan & Co. LLP, Advocates, Notaries, Patent & Trade Mark Attorneys. During his long career of 37 years with Messrs. Khaitan & Co., as a Lawyer, he has had in-depth exposure to and achieved considerable experience and expertise in law and legal matters in Corporate, Commercial, Financial, Banking, Taxation, Foreign Collaboration, Foreign Investment, Litigation, Arbitration, Real Property, Ecology & Environment, Labour, Projects, Estates & Trusts and Personal Clientele matters.
Directorships held in other Companies (excluding foreign Companies)	
Kilburn Engineering Limited	Khaitan Consultants Limited
Ramkrishna Forgings Limited	McNally Sayaji Engineering Ltd.
Upper Ganges & Sugar Industries Limited	GJS Hotels Limited
Cheviot Company Limited	Auro Holdings Pvt. Limited
ISTA Warehouse Pvt. Limited	Auro Investments Pvt. Limited
Asian Hotels (East) Limited	Nott Investments Pvt. Limited
Committee Memberships, if any, with position	
Asian Hotels (East) Limited	- Stakeholders Relationship Committee - Chairman Nomination & Remuneration Committee - Member
Kilburn Engineering Limited	- Stakeholders Relationship Committee - Chairman Borrowing Committee - Chairman
McNally Sayaji Engineering Ltd.	- Nomination & Remuneration Committee - Chairman Stakeholders Relationship Committee - Member
Cheviot Company Limited	- Corporate Social Responsibility Committee - Member
Upper Ganges & Sugar Industries Limited	- Finance and Corporate Affairs Committee - Member Nomination & Remuneration Committee - Member
Ramkrishna Forgings Limited	- Nomination & Remuneration Committee - Member
Shareholding in the Company	1500 equity shares of Rs. 5/- each

Route map to the venue of the 17th AGM of McLeod Russel India Limited



Kalamandir
48, Shakespeare Sarani, Kolkata 700017

McLeod Russel India Limited

CIN:L51109WB1998PLC087076

Registered Office: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001

TEL : 033-2210-1221, 2248-9434/35 FAX : 91-33-2248-3683, 2248-8114

E-Mail: administrator@mcleodrussel.com; Website: www.mcleodrussel.com

**MCLEOD RUSSEL**
*Believe in tea***ATTENDANCE SLIP***(To be presented at the entrance)***SEVENTEENTH ANNUAL****GENERAL MEETING**

on Tuesday,

4th August, 2015

at 10.30 a.m.

at **Kala Mandir**

48 Shakespeare Sarani

Kolkata - 700017

Folio No/Client ID & DP Id:

- A member/proxy wishing to attend the Meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
- If you intend to appoint a proxy, please complete the Proxy Form and deposit it at the Company's Registered Office, at least 48 hours before the Meeting.
- Please bring your copy of the Annual Report to the Meeting.

I record my presence at the
Seventeenth Annual General Meeting_____
Name of Proxy in BLOCK LETTERS
(If the Proxy attends instead of the Member)_____
Signature of Member/Proxy**Form No. MGT-11**
Proxy Form[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)
of the Companies (Management and Administration) Rules, 2014]

CIN:L51109WB1998PLC087076

Name of the Company: **McLeod Russel India Limited**

Registered Office: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./Client Id & DP. Id:

I/We, being the Member(s) ofshares of McLeod Russel India Limited, hereby appoint

1. Name:.....
Address:.....

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

E-mail Id:
Signature:....., or failing him
3. Name:.....
Address:.....

E-mail Id:
Signature:.....

P.T.O.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual General Meeting of the Company, to be held on Tuesday, 4th August 2015 at 10.30 a.m. at Kala Mandir Auditorium, 48 Shakespeare Sarani, Kolkata-700017 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution Nos.

1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31st March 2015, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditors.
2	Declaration of dividend for the Financial Year ended 31st March 2015.
3	Appointment of a Director in place of Mr. Rajeev Takru (holding DIN:00023796), who retires by rotation and being eligible, offers himself for re-appointment.
4	Appointment of a Director in place of Mr. Kamal Kishore Baheti (holding DIN:00027568), who retires by rotation and being eligible, offers himself for re-appointment.
5	Appointment of Messrs. Price Waterhouse, Chartered Accountants, as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.
6	Appointment of Mr. Amritanshu Khaitan (holding DIN:00213413) as a Director of the Company.
7	Appointment of Mr. Padam Kumar Khaitan (holding DIN:00019700) as a Director as also an Independent Director of the Company.
8	Ratification of remuneration payable to the Cost Auditors in terms of Section 148 of the Companies Act, 2013.

Signed this.....day of2015.

Signature of Shareholder(s).....

Signature of Proxy holder(s).....

Affix
Revenue
Stamp

Notes:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001, not less than 48 hours before the commencement of the Meeting.**
- 2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Seventeenth Annual General Meeting.**

McLEOD RUSSEL INDIA LIMITED

Corporate Identity Number (CIN):L51109WB1998PLC087076

Registered Office: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700001.

TEL : 033-2210-1221, 2248-9434/35 FAX : 91-33-2248-3683, 2248-8114

E-Mail: administrator@mcleodrussel.com; Website: www.mcleodrussel.com

**Folio No./DP. Id./Client Id:**

Name:

Address:

Joint Holder(s):

No. of shares held:

Dear Member,**Sub: Voting through electronic means**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, McLeod Russel India Limited ("MRIL" or "the Company") is offering e-voting facility to its Members in respect of the businesses to be transacted at the Seventeenth Annual General Meeting scheduled to be held on Tuesday, 4th August 2015 at 10:30 a.m.

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities. The e-voting particulars are set out below:

ELECTRONIC VOTING PARTICULARS

EVS (E-voting Sequence Number)	USER ID (16 Digit Demat Account/Folio No. of Members holding shares in physical mode)	PERMANENT ACCOUNT NUMBER (PAN) (Original PAN / as per point no. 1 - (viii) of e-voting procedure of Instructions)
150629002		

The e-voting facility will be available during the following voting period:

Commencement of e-voting : From 10.00 a.m. (IST) on 31st July 2015

End of e-voting : Up to 5.00 p.m. (IST) on 3rd August 2015

Please read the instructions printed overleaf before exercising the vote. This Communication forms an integral part of the Notice dated 28th May 2015 for the Seventeenth Annual General Meeting scheduled to be held on 4th August 2015. A copy of the said Notice is sent herewith. Attention is invited to the statement on the accompanying Notice that the businesses of the Meeting may be transacted through electronic voting system and that the Company is providing facility for voting by electronic means.

The Notice of the Annual General Meeting and this Communication are also available on the website of the Company at www.mcleodrussel.com

Kolkata
28th May 2015

Yours faithfully,
McLeod Russel India Limited
A.Guha Sarkar
Senior Vice President & Company Secretary

Annexure A**1. The instructions for shareholders voting electronically are as under:**

- The voting period begins on 31st July 2015 from 10:00 a.m. (IST) and ends on 3rd August 2015 up to 5:00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 28th July 2015 i.e. the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on Shareholders.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.

P.T.O.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digits alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. – Sequence Number is communicated in the Attendance Slip.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank Details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **<McLeod Russel India Limited>** on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login 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.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.



McLEOD RUSSEL
Believe in tea



**INHERENT STRENGTH.
SUSTAINABLE VALUE.**

CHAIRMAN'S COMMUNIQUÉ



Tea is not a mere commodity for us. It is heritage based on values and culture full of sentiments and commitments

B M Khaitan
Chairman

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A portrait of Mr. Deepak Khaitan, a middle-aged man with grey hair and a mustache, smiling. He is wearing a dark suit, a light-colored shirt, and a patterned tie. The background is a soft, out-of-focus light color.

REMEMBERING MR. DEEPAK KHAITAN

Mr. Deepak Khaitan, the Vice-Chairman of the Williamson Magor Group passed away on 9th March 2015. His untimely demise has created a vacuum that is hard to fill.

Mr. Khaitan started taking interest in the tea business of the Group in the very first year he joined Williamson Magor, in early eighties. Since then he very actively participated in the Group's tea plantation activities and made significant contributions in its growth to make McLeod Russel one of the major tea producers in the world. Mr. Khaitan joined McLeod Russel as its Vice-Chairman in 2005, when the tea business of the Group

was demerged from Eveready Industries and transferred to McLeod Russel. He continued to serve McLeod Russel as its Vice-Chairman.

Mr. Khaitan was a natural leader. His powerful personality made an impact on everybody he met. He was a fearless businessman and a risk taker. He used to say, "Either you convince me or you be convinced - but when we leave the room, we chase the same idea."

Despite being an astute businessman, he always remained deeply entrenched in the daily workings of the Company,

caring for his team members and extending a helping hand when needed. Mr. Khaitan never sought appreciation for these efforts. These qualities were an inherent part of who he was. Other than business, Mr. Khaitan was very enthusiastic about sports, especially golf and horse racing.

He truly was, in every measure, a leader to reckon with. May his soul rest in peace.



At McLeod Russel, we believe in continuously striving for excellence, and are committed to strengthening a brand that is premium and sustainable. We leverage our expertise, honed for decades, to constantly upgrade the quality of our products; and our global plantations highlight our position of market leadership.

We recalibrate strategies, based on the changing market realities and global climatic conditions, and build value for the long term. Our state-of-the-art factories and blending facilities provide our discerning customers with best-in-class products.

From enhancing our production capacity, sharpening our quality focus, enriching our range of offerings to harnessing our people potential and strengthening our community efforts, we are taking definite steps to create enduring value for all stakeholders.

During FY 2014-15, we continued to focus on these strategic imperatives.

As the global economic recovery gains momentum and consumer spending increases, our inherent strengths will help us deliver sustainable value, going forward.



DELIVERING VALUE SUSTAINABLY



We are the world's largest tea plantation company in the private sector. We are engaged in the cultivation, processing and marketing of tea. As the largest tea exporter from India, we enjoy enduring relationships with buyers globally.

We primarily produce crushed, torn and curled (CTC) tea, which account for around 90% of the production. All our tea is marketed under the registered Elephant trade mark.

We manage forty eight tea estates in the Assam Valley, five in the Dooars region of West Bengal, three in Vietnam, six in Uganda and two in Rwanda (including the globally renowned Gisovu Tea Estate). In addition to making premium CTC teas, the Group produces high quality orthodox and green teas.



ORGANISATIONAL ARCHITECTURE



MISSION

McLeod Russel India Limited follows the tenets of a good corporate citizen, providing equal opportunity to all employees, in a safe and healthy working environment, ensuring social and economic development to sustain and improve quality of life. It is committed to safe guarding the environment by adopting an eco-friendly, transparent and participatory approach in all activities whilst ensuring that the best quality of tea is produced.

LOCATIONS

Our blending facilities are located in Dubai and Nilpur (India) and our tea estates are located in Assam (India), West Bengal (India), Vietnam, Uganda and Rwanda.

TECHNOLOGY

We have invested in cutting-edge technology to manufacture quality products and achieve high manufacturing efficiency through energy conservation and environmentally safe processes.

GLOBAL CERTIFICATIONS

We have been recognised by Rainforest Alliance, Hazard Analysis Critical Control Point (HACCP), Ethical Tea Partnership and International Organisation for Standardisation (ISO 22000) certifications across a number of tea estates. Our accreditations strengthen our brand reputation and recall globally.

CONSISTENT VALUE CREATION

At McLeod Russel, our business model is designed to drive returns for shareholders, while creating value for our customers, employees and the communities we operate in.





GOOD AGRICULTURAL PRACTICES

- Selective clonal policy developed through years of cutting-edge R&D initiatives
- Strict maintenance of plucking rounds
- Production of quality raw material
- Competent green leaf handling and transport capabilities
- Regular uprooting and replanting
- Productive age profile of plantations
- Rainforest Alliance certified

GOOD MANUFACTURING PRACTICES

- Robust manufacturing initiatives
- Capacity geared for peak crop processing
- Factories ISO 22000 certified
- Factories standardised as per global norms
- Complete compliance in product safety, traceability and product recall
- Adoption of best practices and standardisation through well documented operation manuals

- Manufacturing policy formulated by the legendary John Trinick (renowned tea technologist)

PROGRESSIVE HR POLICY

- Healthy and safe work environment
- Minimal employee attrition
- Leadership and personnel development including well defined succession plan
- Internal growth of human resources (minimal external recruitment in the middle and senior levels)
- Training, best practices and information exchange through exposure visits to global plantations
- Transparent reward and recognition policy
- Business plan through effective discussions
- Targets (commercial and personal development) covered by KPIs (Key Performance Indicators)
- Mid-term target review to encourage ethical and transparent behaviour
- Transparent performance evaluation

SUSTAINABLE PRODUCTION

- Soil conservation and management
- Water conservation with an emphasis on rain water harvesting
- Integrated pest and weed management
- Afforestation and preservation of natural habitat
- Prudent energy conservation
- Waste management and disposal

CSR ACTIVITIES

- Extension of healthcare facilities / services to surrounding communities
- Creation of an educational institutions
- Promotion and recognition of literary/ scholastic pursuits
- Economic empowerment of local communities
- Vocational training for neighbouring communities
- Arrangement of safe drinking water for neighbouring communities
- Projects for enhancement of livelihood

BUILDING ON PROVEN STRENGTHS

At McLeod Russel, we have achieved the capacity and capability to process and produce high quality teas. Our estates enjoy a proven reputation of producing premium quality teas that realise prices considerably higher than their respective regional averages.

KEY GROWTH DRIVERS

● **Locational advantage**

Our tea estates are located in the globally renowned tea producing regions of Assam and West Bengal in India, along with those in Vietnam, Uganda and Rwanda. The leaves are known for their body, briskness, malty flavour, strong and bright colour. This ensures that the quality of tea sold is benchmarked with that of the best in the industry. Over the years, we have broad-based our presence across the world to mitigate the risk of adverse climatic conditions. Our modern blending facilities provide our clients with the option of both unique as well as bespoke bulk blended teas.

● **Focus on quality**

We have consistently been positioned as a quality driven tea producer to generate higher than industry average realisations.

Customers trust our brand and rely on our products, because of our high quality standards, which conform to the best national and international benchmarks. Our teas comply with the demanding EU norms for pesticide traces. We also comply with stringent import norms of Japan, China, USA, Russia and others.

● **Sustainable agricultural practices**

We initiated a long term uprooting and replanting programme in the early 1990s. To optimise output (yield) of a section, the age of the bush is a critical factor. Through careful planning and management for more than a decade, we have sustained our leadership position for yields and standards. We follow a discipline to uproot around 2% of aggregate bush population every year, which is replenished by new plants.



● **Process excellence**

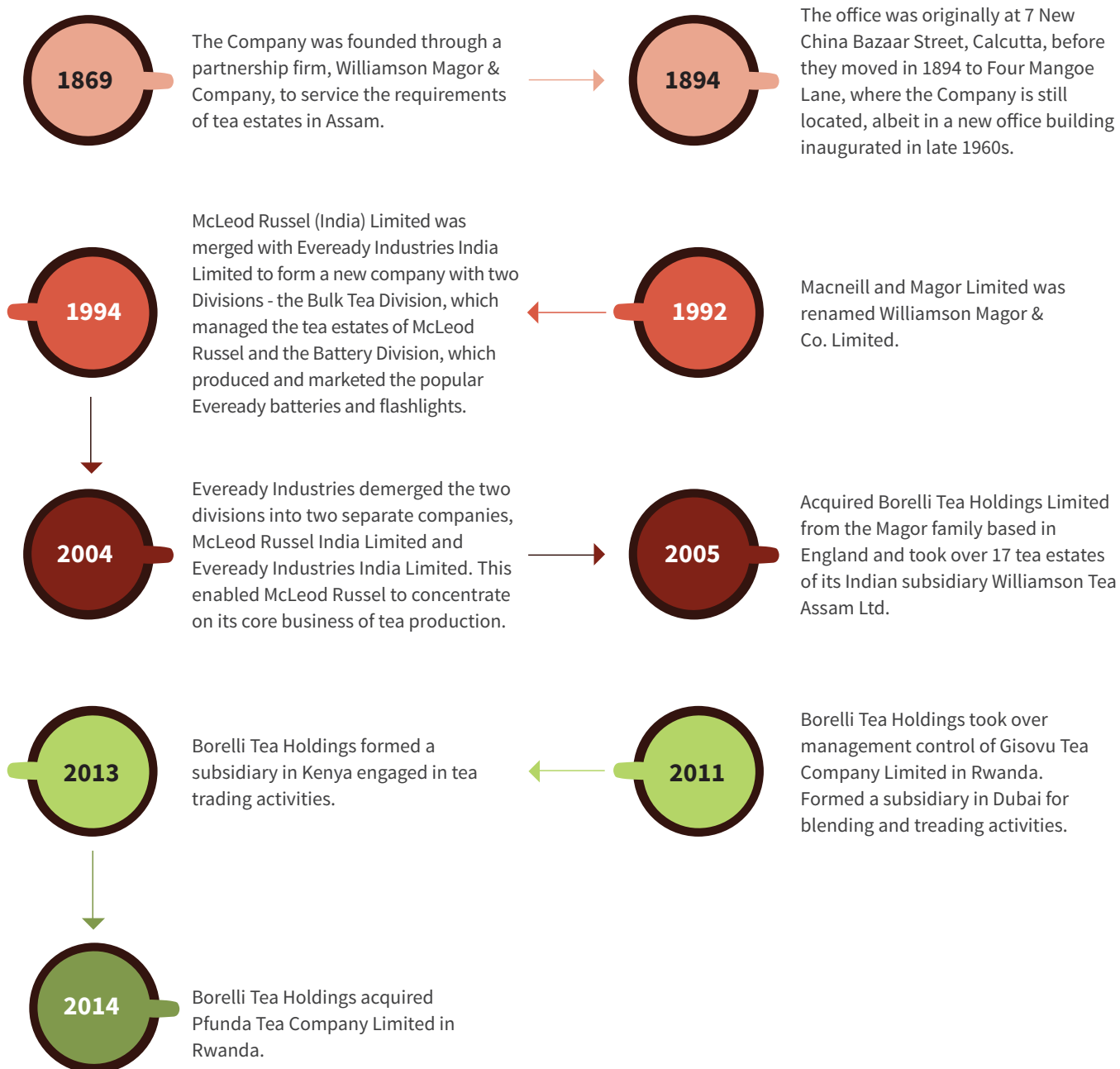
We follow standardised processes and practices across our tea estates and factories globally. Our teams across all levels of operation operate under a standard protocol. This has enhanced efficiency in operations with low non-conformance. We also undertake technological up-gradation in factories worldwide, periodically to enhance process efficiencies.

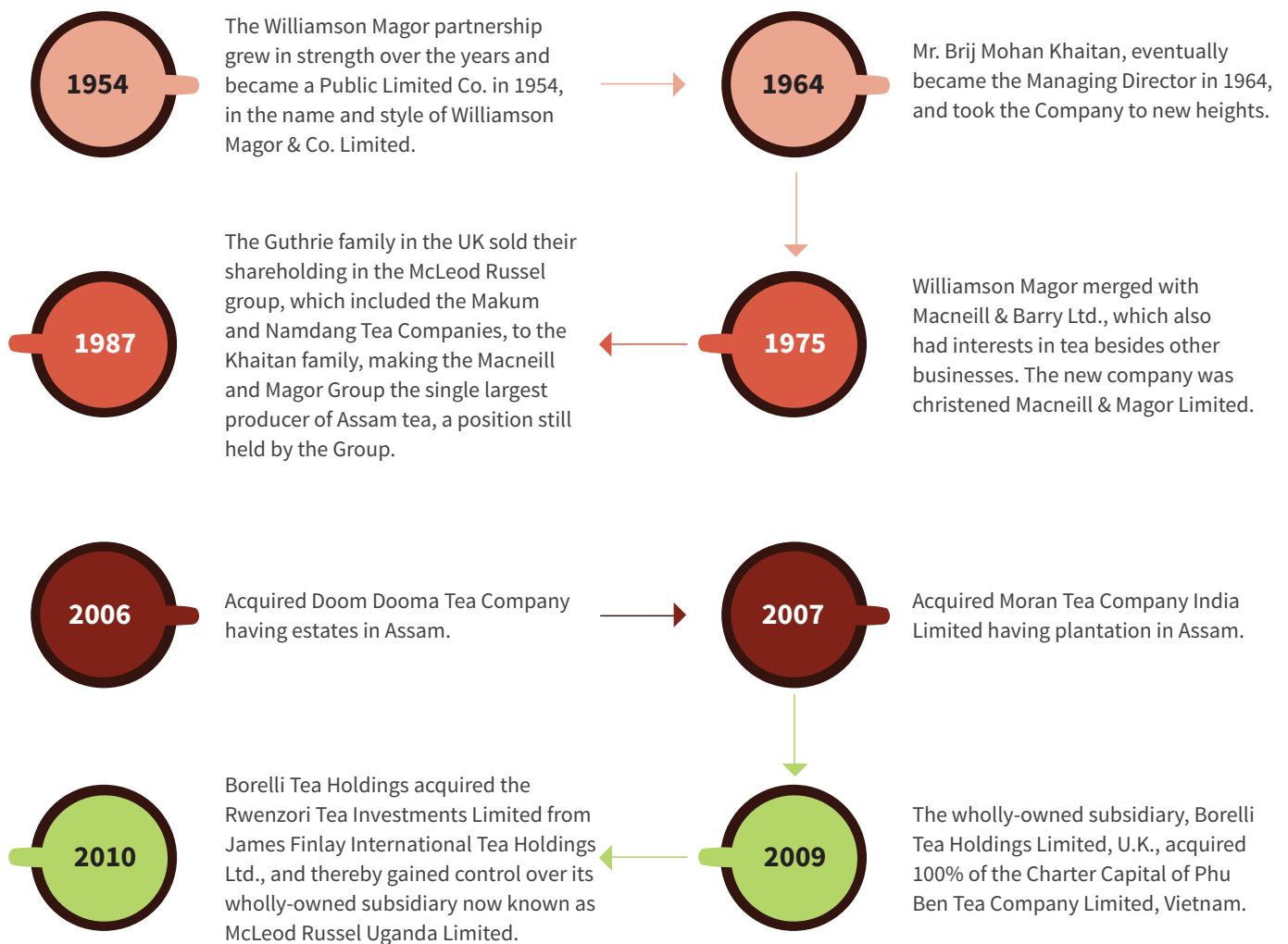


Region	Tea Estates	Factories	Saleable production (Lakh kgs)	Tea Area (in Hectares approx.)
North Bank Estates and Factories	22	23	343	14000
South Bank Estates and Factories	26	25	402	16690
McLeod Russel India Assam Estates and Factories	48	48	745	30690
McLeod Russel India Dooars Estates and Factories	5	5	56	3260
McLeod Russel India Total Estates and Factories	53	53	801	33950
Vietnam Estates and Factories	3	7	71	1690
Uganda Estates and Factories	6	5	182	3430
Rwanda Estates and Factories	2	2	44	680
McLeod Russel Group Total	64	67	1098	39750

CELEBRATING OUR LEGACY

We look back at the years that have shaped our progress and enabled us to create sustainable value for all our stakeholders.





INHERENT STRENGTH. SUSTAINABLE VALUE.



Enriching our range of offerings

At McLeod Russel, we have an extensive portfolio of teas, catering to discerning customers across global markets. We are consistently focused on improving quality and enriching our offerings. This includes superior quality Assam CTC tea, Dooars CTC teas, as well as high-value Orthodox tea in India. The overseas portfolio includes top quality African CTC teas from Rwanda and Uganda, as well as value enhancing CTC, Orthodox and Green teas from Vietnam.



- ☉ We export nearly 40% of products globally and market 60% of tea locally
- ☉ We export to around 25 countries across the Middle East, Europe and North America, Africa and Asia, among others
- ☉ We increased the proportion of tea marketed directly through strategic alliances with regional and international packers of repute
- ☉ We market our products through a combination of direct service and extensive network of agents, both domestic and international

We have created a culture of in-house blending excellence, which consistently calibrates leaf appearance, liquor and aroma in the final product, to address wide-ranging customer needs. We also provide customers with just-in-time and round-the-year deliveries with cost-saving logistic innovations.

Our growing fraternity of customers trust our brand, because our offerings conform to stringent national

and international food safety and compliance norms. Our teas and services continue to set a benchmark worldwide, supported by world-class plantations, advanced manufacturing practices and top-tier quality standards. The result is higher realisations and satisfied customers.

We endorse our products on a generic basis through the Indian Tea Association, by participating in their promotional activities. Globally tea consumption is increasing at higher pace than the growth in production. Such a scenario is expected to enhance realisations, going forward.

Our advanced marketing techniques are making people aware of health benefits of tea. Awareness levels and lifestyle changes in the last one decade have shown that consumers are ready to pay more for an energising healthy and tasty beverage. This development, coupled with the emergence of new variants of tea, has helped our business to grow sustainably.

FUTURE STRATEGY

We are following a strategy with the Government of India to enhance and strengthen our presence in the KRUCIAL markets, which include:

- ☉ Kazakhstan
- ☉ Russia
- ☉ USA
- ☉ China
- ☉ Iran
- ☉ Latin America

Our objective is to expand our presence in line with the growing production base. Going ahead, we aim to counter climatic changes, rising cost and human resource challenges by following proven sustainable practices.

INHERENT STRENGTH. SUSTAINABLE VALUE.



Harnessing the potential of our people

We focus on empowering our people by investing in their knowledge and welfare. As a part of our HR philosophy of 'holistic welfare for all', we encourage our people to adopt responsibilities that suit their intrinsic skills and passions.



We believe in the time-honoured virtues of a close-knit family, where empathy plays a key role. Every individual in our team is considered as a family member. Such a culture encourages transparency and integrity to the organisational vision.

We attract, retain and nurture the best industry talents. Our global team demonstrates the passion and energy with which we have built our business, and the focus and foresight with which we shape our future strategies.

We provide various facilities for employee wellbeing, which include:

- ☉ Free and furnished housing
- ☉ Free medical facilities
- ☉ Retirement benefits
- ☉ Children's education
- ☉ Recreational facilities

We are grounded to our roots, yet we are constantly learning and adopting industry-best practices to create sustainable value for all.

We impart relevant training to our people and encourage visits to plantations globally. The objective is to gather key insights and translate those ideas into viable action plans to make a good business better.



Strengthening our sustainability commitments

We are committed to strengthen our community engagements by adopting multiple initiatives. Our key focus areas comprise reducing our environment footprint, encouraging education and promoting healthcare.



ENVIRONMENT

In the realm of environment, we are attaining high standards of operational excellence by decreasing the consumption of water and energy. We are protecting the land and conserving scarce resources as a part of our sustainability strategy.

EDUCATION

The Assam Valley School was established in 1995 by The Williamson Magor Education Trust to provide quality education to children. The residential school is committed to creating the best environment for effective pastoral care and support, while encouraging mutual responsibility and a sense of community. The Williamson Magor Education Trust awards scholarships to meritorious students from Assam for pursuing higher studies.

HEALTHCARE

We have built several hospitals in Assam and West Bengal, and we maintain them well. We provide medical facilities at our tea estates and continue to focus on



promoting healthcare for our employees and local communities.

OPERATION SMILE

We collaborated with Operation Smile India to bring smile on the faces of people born with facial deformities like cleft lip and palate. The organisation has helped to perform over 9,000 facial surgeries free of cost, worldwide. Our designated representatives work with 'Operation Smile' to help create a cleft lip free Assam.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Brij Mohan Khaitan
Chairman

Mr. Aditya Khaitan
Vice-Chairman & Managing Director
Mr. Amritanshu Khaitan
Dr. Raghavachari Srinivasan
Mr. Bharat Bajoria
Mr. Ranabir Sen
Mr. Utsav Parekh
Mrs. Ramni Nirula
Mr. Padam Kumar Khaitan
Wholetime Directors
Mr. Rajeev Takru
Mr. Azam Monem
Mr. Kamal Kishore Baheti

COMPANY SECRETARY

Mr. Amitabha Guha Sarkar

BOARD COMMITTEES

Audit Committee

Dr. Raghavachari Srinivasan
Mr. Aditya Khaitan
Mr. Bharat Bajoria
Mr. Ranabir Sen

Nomination & Remuneration Committee

Mr. Bharat Bajoria
Dr. Raghavachari Srinivasan
Mr. Ranabir Sen

Stakeholders' Relationship Committee

Mr. Ranabir Sen
Mr. Bharat Bajoria
Mr. Utsav Parekh

Corporate Social Responsibility Committee

Mr. Rajeev Takru
Mr. Azam Monem
Mr. Kamal Kishore Baheti
Mr. Ranabir Sen

AUDITORS

Price Waterhouse
Plot No. Y-14, Block EP, Sector-V
Salt Lake Electronics Complex,
Bidhan Nagar, Kolkata – 700091

SOLICITORS

Khaitan & Co. LLP

REGISTERED OFFICE

Four Mangoe Lane,
Surendra Mohan Ghosh Sarani,
Kolkata – 700001
Corporate Identity Number
(CIN) : L51109WB1998PLC087076
Phone: (033) 2210-1221/2243-5391/
2248-9434/35
Fax: (033) 2248-8114 / 2248-3683 /
2248-6265
Email: administrator@mcleodrussel.com
Website: www.mcleodrussel.com

BANKERS

Allahabad Bank
Axis Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
State Bank of India
State Bank of Bikaner and Jaipur
UCO Bank
United Bank of India

REGISTRAR

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor,
Surendra Mohan Ghosh Sarani
Kolkata – 700001
Tel: (033) 2243-5809/2243-5029
Fax: (033) 2248-4787
E-Mail: mdpl@cal.vsnl.net.in

Disclaimer: With a view to enabling the Members of the Company to understand the Company better, certain information has been provided in page nos. 1 to 17 of this Annual Report, which is not purported to be a part of any statutory disclosure. The estimates mentioned and assumptions made therein and the particulars relating to the market and the industry contained therein have been based on information gathered from various published and unpublished reports and their accuracy, reliability and completeness cannot be assured.



Statutory Reports

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REPORT OF THE DIRECTORS

for the financial year ended 31st March 2015

Your Directors have pleasure in presenting the Seventeenth Annual Report with the Audited Financial Statements of your Company, for the financial year ended 31st March 2015.

REVIEW OF PERFORMANCE

The financial results of the Company for the year ended 31st March 2015 are summarised below:

	Rs. in Lakhs	
	2014-15	2013-14
Profit before finance costs, depreciation, exceptional items and taxation	18013	31465
Less : Finance costs	6609	5605
Less : Depreciation and amortisation expenses	6027	2408
Profit before exceptional items and tax	5377	23452
Less : Exceptional items	59	298
Profit before tax	5318	23154
Tax expense :		
Current tax	453	3300
Deferred tax - Charge/(Credit)	(1333)	(957)
Profit for the year	6198	20811
Balance brought forward from previous year	14801	12787
Balance available for appropriations	20999	33598
Proposed Dividend	3284	7662
Tax on proposed dividend	668	1302
Tax on Proposed Dividend relating to earlier year written back	(188)	(167)
Transfer to general reserve	1000	10000
Balance carried forward	16235	14801

During the year under review, the saleable production of the Company was down by 70 lakh kgs as compared to the previous year, primarily on account of unfavourable weather conditions. In view of lower production the revenue from operations was also down 6% at Rs. 138830 lakhs. The profit for the year was under pressure on account of lower production, increase in wages and higher costs of various other inputs and additional depreciation charged in terms of the Companies Act, 2013.

DIVIDEND

Your Directors have recommended a dividend of Rs. 3/- per equity share being 60% on 109455735 fully paid up equity shares of Rs. 5/- each, for the year ended 31st March 2015 for your approval.

TRANSFER TO RESERVES

Your Directors decided to transfer Rs. 1000 lakhs to the General Reserve and after such transfer, Rs. 16234.67 lakhs has been retained in the Profit & Loss Account.

REVIEW OF OPERATIONS

During the year under review, your Company's saleable production was 801 lakh kgs of tea as compared to 871 lakh kgs in the previous year. Unfavorable weather, with drought during early months and deficit rainfall with very hot and dry days in April and May contributed towards the decline in crop.

The Uprooting and Replanting Policy of your Company continued to remain in focus and has further improved the percentage of tea under fifty years which is approximately 75% of the total area. All tea estates established good clonal tea nurseries with requisite, approved clonal blend. The shade nurseries also are of a good standard. Afforestation programme on all estates has been enhanced.

It has always been Your Company's focus to produce quality teas, which continued to command a premium both in the domestic and international market. As part of a continuous up-gradation and modernisation programme of factories, withering capacity was increased on three estates. With positive results on the trial of the continuous withering system undertaken during 2013-14, another machine was programmed for installation. Seventeen Rotorvane feeders, six weigh feeders for withered leaf, eleven Rotorvanes, fifteen CTC machines, ten CFM's, seven VFBD's, two ECP Dryers for Orthodox, eight Milling machines, four Lathe machines were purchased and installed in various factories. To improve and make sorting more efficient, fifty nine Sorting machines and five De-humidifiers for tea storage bins were installed. Twenty hand pallet trucks were purchased to facilitate storage and dispatch of packed tea. To augment the standby generating capacity five diesel generating sets, two gas generating sets, ten cooling towers for generating sets and seventeen new transformers were also installed. To improve availability of power from the Assam State Electricity Board, three Estates are being upgraded to a 33 KVA Overhead line from 11 KVA. To facilitate weighment and recording of leaf from small growers one weighbridge and nine Easy Log based weighment

system were installed. For Field operations one hundred and ninety one Pruning machines and sixty eight Easy Weigh machines were purchased. With drought prevalent virtually every year, additional irrigation equipment was augmented on twenty Estates along with creation of water bodies. Transport fleet was upgraded on Estates with the purchase of thirty five new tractors.

The Company has forty seven ISO 22000 certified Factories. Your Company also has forty five estates certified as "Rainforest Alliance." The Nilpur Blending Unit is a HACCP Certified unit. Your Company also participates in Ethical Tea Partnership, a global initiative.

The average price realisation for the Company's tea for the year was Rs. 172.38 per kg compared to Rs. 167.63 per kg realised in the earlier year.

The Company saw a total export quantum of 130.55 lakh kgs in 2014-15 with an overall turnover of over Rs. 28751 lakhs. Favourable feedback was received from the buyers both in terms of quality and deliveries.

There was no material change or commitment affecting the financial position of the Company occurred between the end of the financial year and the date of the Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion and Analysis Report is attached as Annexure - I forming part of this Report.

REPORT ON CORPORATE GOVERNANCE

In terms of requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance together with the Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are attached as Annexure II and Annexure III respectively, forming part of this Report.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Company has one wholly owned subsidiary namely, Borelli Tea Holdings Limited, U.K. (Borelli) and seven step down Subsidiaries. Borelli is inter alia engaged in the business of investing funds in various Companies engaged in tea production, blending, marketing and investment activities. As at

the end of the year on 31st March 2015 Borelli had the following Subsidiaries in different countries:-

- (i) Phu Ben Tea Company Limited, Vietnam –controlling stake of Borelli being 100%
- (ii) Rwenzori Tea Investments Limited, Uganda – controlling stake of Borelli being 100%
- (iii) McLeod Russel Uganda Limited – 100% subsidiary of Rwenzori
- (iv) Gisovu Tea Company Limited, Rwanda – controlling stake of Borelli being 60%
- (v) McLeod Russel Middle East DMCC – controlling stake of Borelli being 100%
- (vi) McLeod Russel Africa Limited, Kenya – controlling Stake of Borelli being 100%
- (vii) Pfunda Tea Company Limited, Rwanda – controlling stake of Borelli being 90%

During the year under review Borelli acquired 90% of the equity Capital of Pfunda Tea Company Limited incorporated in Rwanda.

The performances of the major Subsidiaries are summarised below for your information.

As required under Section 129 (3) of the Companies Act, 2013 and Clause 41 of the Listing Agreement with the Stock Exchanges, Consolidated Financial Statements of the Company, its eight Subsidiaries and one Associate Company namely, D1 Williamson Magor Bio Fuel Limited prepared in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India are appended in the Annual Report.

A statement containing the salient features of the financial statements of the Company's eight Subsidiaries and the Associate Company pursuant to the first proviso to sub-section (3) of section 129 of the Companies Act, 2013 prepared in Form AOC-1 is attached to the financial statements of the Company for your information.

During the year under review the Company has formulated a Policy for determining “Material Subsidiary” and the same is disclosed on the website of the Company and can be accessed at <http://www.mcleodrusel.com/investors/pdf/material.pdf>

BORELLI TEA HOLDINGS LIMITED

Borelli Tea Holdings Limited (Borelli) has invested in its Subsidiaries in Vietnam, Uganda, Rwanda, Dubai and Kenya. During the year under review, Borelli acquired 90% of the Share Capital of Pfunda Tea Company Limited from L. A. B. International Limited, U.K. whereby Pfunda became a subsidiary of Borelli and a step down subsidiary of your Company. During the year ended 31st March 2015, Borelli earned a profit after tax equivalent to Indian Rupees 537 lakhs and its Board of Directors has recommended payment of Dividend at the rate 150% on its equity capital entirely held by your Company.

PHU BEN TEA COMPANY LIMITED

The Company produced 71.39 lakh kgs in 2014 including 64.61 lakh kgs originated from its own plantations and 6.78 lakh kgs from out-growers. Tea market in 2014 showed a sombre picture due to worldwide surplus production. Sales and Shipment in 2014 ended at 55.15 lakh kgs compared to 56.86 lakh kgs in 2013. Average selling price was USD 1.63/kg which is 31 cents less than that of previous year.

During the year ended 31st December 2014, the Company recorded a net loss equivalent to Indian Rs. 1080 lakhs on a sales turnover of Rs. 5552 lakhs.

Phu Ben acquired two factories namely, Tai Trung and Ngoc Hai. This diversified Phu Ben's range of product including black CTC, Green CTC, Green Orthodox & Black Orthodox teas.

The Company continues to lay stress on quality control in both field and factory and adheres to GAP for plantation activities, along with IPM for pest control.

All Phu Ben estates and factories including Tai Trung and Ngoc Hai are accredited ISO 9000: 2008 and ISO 22000: 2005, GMP & Halal. Phu Tho, Ha Hoa and Doan Hung estates are Rainforest Alliance certified. Five factories, including Phu Tho, Ha Hoa, Doan Hung, Van Linh and Khanh Hoa are also Rainforest Alliance Chain of Custody certified.

The Company, which has a very dedicated working team of 4,500 farmers, workers and staffs, was recognised for its effort and contribution in 2014 with the following awards:

1. The Company was recognised as a model Business Enterprise in Phu Tho Province.
2. Phu Ben was awarded for outstanding achievement in collecting and contributing towards Social Insurance in 2014 by Vietnam Social Insurance.

Phu Ben received Hung Vuong Memorial Medal; Phu Tho Province's most honorable prize.

MCLEOD RUSSEL UGANDA LIMITED

The year 2014 was marked by an extended dry weather commencing end December 2013 and continuing until the belated advent of the first rains in April 2014. Weather conditions, from mid-year, reverted to normal and crop in line with budget was realised with year-end deficit reduced to 2 lakh kgs made tea as compared to the previous year. A total of 181.92 lakh kgs was produced during 2014 as compared to 161.78 lakh kgs during 2013, which is the highest ever crop produced by the Company. To mitigate the weather related own crop loss, and on account of factory and machinery up gradation, efforts were engaged to increase leaf intake from out-growers. These proved successful to the extent of realising a new record of over 50 lakh kgs, from out-growers.

The tea market in East Africa witnessed a marked fall in prices, with a progressive decline through the year; sales realisations at Mombasa dropped to a low of \$1.23 p/kg in December. Revenue therefore fell below budgeted targets and measures were put in place to reduce operational cost of production, without compromising standards and development. Stake holders in the Ugandan tea industry collaborated, under the aegis of the Uganda Tea Association, to negotiate a moratorium on labor wage increase and a reduction in pricing of bought leaf. Salary increments to staff were similarly held in abeyance and economies effected in non-essential deployment. Other key areas addressed were fuel and power efficiencies, both of which resulted in substantial savings.

In view of the above, the post-tax profit of the Company was down to an amount equivalent to Rs. 457 lakhs on a sales turnover equivalent to Rs. 14604 lakhs.

Estates continued to yield in excess of 3850 kgs/Ha on average. All young tea and eucalyptus fields/blocks are continuing to grow well with required husbandry exercised.

All existing Standards viz Rainforest Alliance, ISO 22000 and Fairtrade were maintained. During the year the final stage of Factory and machinery upgrade, commenced in 2010, advanced as per development plans and Capex budgeting. Mwenge and Muzizi had 52" CTC lines installed, replacing old 36" units. An additional Withering house of 35 tons Green Leaf capacity was erected at Mwenge. Ankole completed all CTC upgrades including mid-ferment cuts on all lines.

Normal rotational changes were made with transfers of Management staff between Estates and, as a skill enhancement measure; an Ex-pat Manager was brought in from India at Kiko Tea Estate. Changes were also instituted at Central with the Sales Manager transferring to McLeod Russel Africa Ltd, Mombasa. Focus was maintained on good relations with neighboring communities and the following prominent CSR activities carried out: Inauguration of a Soil Testing Lab at Mountains of the Moon University, Fort Portal, support to the Good Shepard School for children with special needs, reconstruction of Primary School adjacent to Kisaru, support on briquette making to the New Nature Foundation. In house, for employee welfare, a Credit and Savings Cooperative was developed and sports and cultural activities received regular support.

On the National front the year was marked by stability, progress and control on inflation at an average of 4.30%. Law and order remained good and support, when required, was forthcoming from District Authorities and Local Government bodies. Representation made to Government resulted in the withdrawal of Cess on Green Leaf imposition and curtailment of local Town Council jurisdiction on Tea Estates. Initiatives by the Uganda Tea Association resulted in a closer interface with the Ministry of Tourism, Trade and Development with undertaking of support to the Industry at inter-governmental and East African Community levels.

GISOVU TEA COMPANY LIMITED

The Annual Crop production of the Company for the year was 20.26 lakh kgs as compared to 20.24 lakh kgs made in the earlier year. Gisovu continued to manufacture tea of the highest standard in East Africa. Once again the African tea market was not supportive and prices fell for all marks and continued to slide down through the year. The Average Sales realisation for Gisovu Tea Estate was USD 2.95 against the previous year's price of USD 3.54 per kg. The average Rwandan selling price dropped by 13.64% from USD 2.64 to 2.28 per kg. In view of the above the profit of the Company for the year was down equivalent to Rs. 593 lakhs on a sales turnover of Rs. 3656 lakhs.

The Year of operation again witnessed fluctuation in weather pattern with uneven distribution of rainfall. Hail damage also affected crop production during the second half of the year. Efforts were made to improve cultivation practices in the field and to improve standards.

Factory Expansion project continued as per Business plan. In 2014 Withering trough building expansion work was undertaken. Eight new troughs were installed, increasing the overall withering capacity to 53,200 kgs of green leaf. Four new Heavy Duty Fiber Extractors were commissioned successfully in the factory improving sorting of tea. Space has been created to install Orthodox manufacture machineries.

The Estate is ISO 22000:2005 and Rainforest Alliance certified.

Gisovu Tea Company Limited has endeavored to maintain CSR activities like organising Football and Volleyball tournaments, distribution of clothes to poor children and distribution of stationary to the Primary schools in its area of operation.

Good Industrial relations were maintained with all employees.

Cordial relations with the Government of Rwanda and the local Co-operatives were maintained during the year of operation.

McLEOD RUSSEL MIDDLE EAST DMCC

The Company's revenue for the year 2014 amounted in Rs. 1535 lakhs as compared to Rs. 1409 lakhs for the previous period of 9 months in 2013. The loss for the year 2014 was reduced to Rs. 56 lakhs from Rs. 158 lakhs during the previous period. The performance of the Company improved during the year and without considering the interest it was able to make a small profit. The Company's performance is expected to improve during the current year.

McLEOD RUSSEL AFRICA LIMITED

The Company received the Tea Trading License from Ministry of Agriculture, Kenya in October 2014 and was accorded buyer membership of East African Tea Trade Association in December 2014. These enabled the Company to commence trading activities and it did some buying in December 2014. The Company expects to operate fully in the year 2015. During the period ended 31st December 2014 the Company incurred a loss equivalent to Indian Rs. 98 lakhs.

PFUNDA TEA COMPANY LIMITED

On 26th November 2014, the Management of Pfunda Tea Company Limited changed hands from L.A.B. International UK Ltd, selling its 90% stake to Borelli Tea Holdings Limited UK, the wholly owned subsidiary of McLeod Russel India Limited. The balance 10% shares are owned by Co-operatives.

The made tea production for 2014 was 23.59 lakh kgs as compared to 22.00 lakh kgs for 2013, an increase of 7.24%. This is the second highest annual production recorded by Pfunda Tea estate. During 2013 the dry season was very severe and led to lower production level.

During the year, the Company earned a Net Profit equivalent to Rs. 265 lakhs on a sales turnover of Rs. 3060 lakhs.

Extension of Tea planting operation commenced in March 2009 and at the end of 2014, 235.10 hectares have been planted. Only 17.42 Hectares remain to be planted in 2015.

In keeping with the policy of continuous upgradation of the factory and to meet the expected increase in production, considerable amount of capital expenditure was incurred during the year under review.

In addition to the above 30 axial flow fans of 42 inch size were purchased as it was proposed to install another 30 withering troughs by going up one loft upto Phase 2 Extension of the factory, in the future.

The Estate is ISO 22000:2005 and Rainforest Alliance certified.

As a part of its Corporate Social Responsibility the Company contributed towards the completion of two classrooms in Moon Light School in Mahoko town and two classrooms of a school in Mubuga, Nyabirasi.

The Company assists the local Government bodies in maintenance of public roads and bridges in the tea sectors and near the factory.

Free testing for HIV is organised by the Company for its workers and the population living around Pfunda factory.

D1 WILLIAMSON MAGOR BIO FUEL LIMITED

D1 Williamson Magor Bio Fuel Limited (D1WML) has concentrated its efforts towards convergence of existing jatropha plantations

in the state of Jharkhand having abandoned its plantation in North East of India due to excessive weed growth.

The gestation period of the plantation being longer than estimated time has been the major deterrent factor towards commercial production. In addition, the unprecedented fall in the price of petroleum crude oil globally has resulted in less potential price of bio-diesel, though it may be a temporary phenomena.

The Company has made appropriate provisions in the accounts based on the present situation.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is conscious of its social responsibilities and the environment in which it operates. Like earlier years it continued its welfare activities for development in the field of education, culture and other welfare measures to improve the general standard of living in and around the Tea Estates. Corporate Social Responsibility becoming an obligation under the Companies Act, 2013, the Company has taken up several specific projects to comply with the requirements of Section 135 of the Companies Act, 2013 and Rules made thereunder. The Board of Directors has formed a CSR Committee and adopted a CSR Policy for the Company which is attached to this Report as Annexure IV and the same can be accessed at <http://www.mcleodrussel.com/investors/pdf/csr-policy.pdf>. The Corporate Social Responsibility Committee of the Board as on 31st March 2015 consisted of 3 Executive Directors, namely, Mr. R. Takru, Mr. A. Monem, Mr. K. K. Baheti and Mr. Ranabir Sen, an Independent Director.

In terms of the CSR Policy, the Company during the year under review had taken up the following 3 CSR projects:

- I. Construction of a common dining hall for Assam Valley School, a Co-educational Boarding School situated at Balipara, Sonitpur, Assam, run by Williamson Magor Education Trust, engaged in furtherance of quality education in the North East. During the year, the Company has spent Rs. 410.17 lakhs in the above project. The project is likely to be completed in the current year which will cater to the needs of 800 students of the School, mostly from North Eastern states with wide demographic background.
- II. Water Supply Scheme for safe drinking water, promoting health care and sanitation and development of ponds/ water bodies for fisheries for environmental conservation

and ecological balance at Borengabari village, near Borengajuli Tea Estate of the Company in Assam.

- III. Development of a large pond measuring about 4 bighas of land for use as a fishery to help enhancement of livelihood of the local people located at Fatikjan Gaon near Bordubi Tea Estate of the Company in Assam.

The Company has spent Rs. 430 lakhs in the year under review on the above projects representing 1.72% of the Average Net Profits of the Company for the last three financial years. The three ongoing projects are scheduled to be completed in the current year.

The details of the above projects are given in the Annexure V in the Form prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

In addition to the above, like the earlier years, the Company was also associated with various other Social Welfare activities which include the following:

- Facilitating Cataract Operation Camps in association with Shankardev Netralaya where good number of patients have undergone successful eye surgeries.
- Supported Moran Blind School like earlier years.
- Associated with Williamson Magor Education Trust in awarding scholarships to deserving students.
- Associated with Williamson Magor Education Trust in awarding the Assam Valley Literary Award which was conferred this year on Mr. Hirendra Nath Dutta, an eminent figure of the literary world of Assam.
- Associated with an activity called "Operation Smile" involving fixation of clefts/palates above the lips of people suffering from facial deformation.
- Involved in preservation of ecosystem and natural habitats.
- Supporting heritage conservation.
- Supporting Bodo Handloom Scheme in Mangaldai, Assam which leads to empowerment of women and promotion of local handicrafts.

- Supports a programme for financial assistance towards education of under privileged children in Kolkata and contributes to a recognised institution in Kolkata which addresses the needs of children challenged with cerebral palsy.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 and Clause 49(III)(D) (4)(a) of the Listing Agreement with the Stock Exchanges for the year ended 31st March 2015 and state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- 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.
- 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.

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board with profound grief regret to inform you of the sad and premature demise of Mr. Deepak Khaitan, who passed away for his heavenly abode on 9th March 2015. Mr. D. Khaitan served the Company as its Vice-Chairman since 2005. The Board acknowledges the significant contributions made by Mr. Khaitan for the growth of the Company during his long association with the Company as its Vice-Chairman.

Mr. S.N. Menon, who was an Independent Director, submitted his resignation on 18th February 2015 in view of his prolong illness. The Board noted his resignation with regret and recorded its appreciation for the contributions made by Mr. Menon during his association with the Company.

During the year, Mr. Amritanshu Khaitan was appointed as an Additional Director. Mr. Padam Kumar Khaitan was appointed as an Additional Director as also an Independent Director. The Company has received requisite Notices from two Members of the Company along with the deposits in terms of Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Amritanshu Khaitan and Mr. Padam Kumar Khaitan respectively for appointment as Directors at the forthcoming Annual General Meeting of the Company. Mr. Aditya Khaitan has been re-designated by the Board as the Vice-Chairman and Managing Director of the Company.

In accordance with the provisions of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Mr. R. Takru and Mr. K. K. Baheti will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

During the year, the Company had five Key Managerial Personnel, being Mr. Aditya Khaitan, Vice-Chairman and Managing Director, Mr. R. Takru, Wholetime Director, Mr. A. Monem, Wholetime Director, Mr. K. K. Baheti, Wholetime Director and CFO and Mr. A. Guha Sarkar, Company Secretary.

The Independent Directors have submitted their disclosures to the Board that they meet the criteria as stipulated in Section 149(6) of the Companies Act, 2013.

The Board met five times during the year on 23rd May 2014, 23rd July 2014, 21st October 2014, 21st January 2015 and 31st March 2015. The intervening gap between any two Board Meetings was within the period prescribed by the Companies Act, 2013.

During the year under review the Company has formulated a Familiarisation Programme for Independent Directors and the same is disclosed on the website of the Company and can be accessed at <http://www.mcleodrussel.com/investors/pdf/familiarisation-programme.pdf>

BOARD EVALUATION

During the year, the Board formulated and adopted a Board Evaluation Framework for evaluating the performance of the

Board as a whole, Committees of the Board and the Individual Directors on the Board.

Pursuant to the said Evaluation Framework, the Board evaluated the performance of the Board, its Committees and the Individual Directors for the financial year 2014-15.

The Board was of the view that the performance of the Board as a whole was adequate and fulfilled the parameters stipulated in the evaluation framework in its pro growth activity and facing challenging operational, climatic and economic adversities during the year. The Board also ensured that the Committees functioned adequately and independently in terms of the requirements of the Companies Act, 2013 and the Listing Agreement and at the same time supported as well as coordinated with the Board to help in its decision making. The individual Directors' performance was also evaluated and the Board was of the view that the Directors fulfilled their applicable responsibilities and duties as laid down by the listing agreement and the Companies Act, 2013 and at the same time contributed with their valuable knowledge, experience and expertise to grab the opportunity and counter the adverse challenges faced by the Company during the year.

AUDIT COMMITTEE

The Audit Committee of the Board as on 31st March 2015 consisted of Dr. R. Srinivasan, Mr. B. Bajoria, Mr. R. Sen and Mr. Aditya Khaitan. Dr. R. Srinivasan, a Non-Executive Independent Director, is the Chairman of the Audit Committee.

The Company has established a vigil mechanism / whistle blower policy and oversees through the Audit Committee, the genuine concerns expressed by the employees and other Directors. The Company has also made provisions for adequate safeguards against victimisation of employees and Directors who express their concerns. The Company has also provided 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 <http://www.mcleodrussel.com/investors/pdf/whistle.pdf>.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board as on 31st March 2015 comprised Mr. B. Bajoria, a Non-Executive Independent Director, as its Chairman and Dr. R. Srinivasan and Mr. R. Sen, Non-Executive Independent Directors as its Members.

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 and clause 49 of the Listing Agreement is attached to this report as Annexure VI.

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

The particulars of loans, guarantee or investment made under Section 186 of the Companies Act, 2013 are furnished in the Notes to the Financial Statements for the year ended 31st March 2015.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of Contracts or Arrangements made with related parties pursuant to subsection (1) of Section 188 of the Companies Act, 2013 furnished in Form AOC -2, is attached to this report as Annexure VII.

During the year under review the Company has formulated a Related Party Transaction Policy and the same is disclosed on the website of the Company and can be accessed at <http://www.mcleodrussel.com/investors/pdf/related-party-transaction-policy.pdf>.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

GOING CONCERN STATUS

No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operation in the future.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Financial statements (i.e. Balance Sheet, Profit & Loss Statement and Cash-Flow Statement, together with notes) are prepared through the process which has automated as well as manual controls to ensure accuracy of recording all transactions which have taken place during any accounting period, and the resultant financial position at period end. All data pertaining to payroll, purchases, agricultural activities, plucking, manufacturing, dispatch, selling and other activities are recorded through ERP systems operating in tea estates as well as head office. All

data/ transactions entered in systems are checked by various functional personnel on the basis of supporting documents & records, then the accounting entries are checked by accounts personnel, and finally those are validated by managerial personnel.

At periodic intervals, the accounting data are compiled, and financial statements are prepared. While preparing the financial statements, it is ensured that all transactions pertaining to the accounting period are recorded. Fixed assets, Stock of tea, all significant items of stores and monetary assets are physically verified. Balance confirmations are obtained for all significant items of trade receivables and advances.

After preparation of the financial statements, all items appearing in the statements are analysed in order to ensure overall reasonableness.

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached to this Report as Annexure VIII.

SECRETARIAL AUDIT

In terms of the requirements of Section 204 of the Companies Act, 2013 the Secretarial Audit of the Company for the year ended 31st March 2015 was conducted by Messrs. A. K. Labh & Co., Company Secretaries. The Secretarial Auditors' Report is attached to this Report as Annexure IX and forms part of the Directors' Report. There is no qualification or reservation or adverse remark or disclaimer made by the Secretarial Auditor in the Report.

COST AUDIT

In accordance with the requirements of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company has appointed the following firms of Cost Accountants to conduct

audit of Cost Records maintained by the Company for the Tea Plantations of the Company for the year ending 31st March 2016;

- (i) M/s Mani & Company (ii) M/s SPK Associates
- (iii) M/s Kumar & Associates (iv) M/s DGM & Associates.

Pursuant to the provisions of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors is required to be ratified by the Members of the Company, a resolution for which will be placed before the Members at the ensuing Annual General Meeting.

The aforesaid firms of Cost Accountants conducted Cost Audit for the year ended 31st March 2014 and the Cost Audit Report for the said year was filed with the Ministry of Corporate Affairs on 15th September 2014.

AUDITORS AND AUDIT REPORT

Messrs. Price Waterhouse, Chartered Accountants, hold office as the Auditors of the Company upto the conclusion of the forthcoming Annual General Meeting and are eligible, for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment.

The explanation to the observation in note 9 of the Report of the Statutory Auditors on the Standalone Financial Statements is provided in Note No. 36(d) to the Standalone Financial Statements which is self-explanatory.

There is no qualification, reservation or adverse remark made by Messrs. Price Waterhouse, the Statutory Auditors of the Company in their Report pertaining to the year ended 31st March 2015.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A statement giving details of conservation of energy and technology absorption in accordance with Rule 8 (3), of the Companies (Accounts) Rules, 2014, is attached to this Report as Annexure X.

RISK MANAGEMENT

The Company has adopted and implemented a Risk Management Policy after identifying various risks which the Company encounters with during the course of its business none of which

in the opinion of the Board may threaten the very existence of the Company itself. The Company maintains a Risk Register where the particulars of the risks identified are entered. The Company has taken adequate measures to mitigate various risks encountered by the Company.

PARTICULARS OF EMPLOYEES

The ratio of the remuneration of each Director to the median employee's remuneration and other particulars or details of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this Report as Annexure XI.

EMPLOYEE RELATIONS

The Company has a large work force employed on tea estates. The welfare and well-being of the workers are monitored closely. Harmonious relation with its employees is being maintained.

In terms of requirements of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Rehabilitation) Act, 2013, the Company has formed Internal

Complaints Committees for its workplaces. During the year, no complaint regarding sexual harassment was received by the said Committees.

Your Board of Directors wish to place on record its sincere appreciation for the dedicated services rendered by the executives, staff and workers at all levels for smooth functioning of all the estates. The policy of recognition inspired the employees to contribute their best efforts for the Company.

For and on behalf of the Board of Directors

A. Khaitan

Managing Director

K. K. Baheti

Wholetime Director & CFO

Place: Kolkata

Date: 28th May 2015

ANNEXURE I

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

Global tea production during calendar year 2014 is estimated at approximately 2800 million kgs of black tea and 2000 million kgs of green tea. This represents stagnant production over last year. India, being the largest producer of black tea, produced 1185 million kgs of tea as against 1200 million kgs of tea during calendar year 2013. This represents around 42% of total global tea production. Kenya (444 million kgs), Sri Lanka (338 million kgs), other African countries (210 million kgs), Bangladesh (64 million kgs) are other main black tea producers globally. China predominantly produces green tea with a production of 1850 million kgs. (Source: International Tea Committee Bulletin and Tea Board of India).

Weather condition during 2014 varied from one geography to another. India, particularly North India, suffered production loss due to unfavourable weather condition, whereas, Africa had record crop during 2014 on favourable weather. Black tea production during the year 2014 registered no growth over last year. Tea demand in Global market was negatively impacted due to geopolitical unrest and currency fluctuation amongst consuming countries like Russia, Middle East, Egypt and Pakistan. Tea prices at Mombasa auction for African teas were lower by 25 to 30% during calendar year 2014. However, tea prices in India were higher by 3% due to low production and low inventory.

Costs, in India was higher on account of increase in wages and other input costs coupled with loss of crop. This had substantial impact on operating earnings for the year.

OPPORTUNITIES AND THREATS

Global tea production was stagnant during 2014 at 2013 level. Tea production is likely to remain stagnant within a small range depending on weather conditions. Stagnancy in global production has mainly crept in because of insignificant increase of land under tea cultivation. Global demand is likely to grow by 2 to 3% thereby creating shortages and lower inventory levels. Indian exports, which were negatively impacted due to geopolitical instability and currency fluctuation amongst major consuming countries, should remain positive with stability on geopolitical issues. These factors should have positive impact on prices both in global and domestic markets.

The small tea growers form a considerable part of the industry. The recent revised figures show a total production of around 250 million kgs from these small growers in North India. This gives an opportunity to create a segment based more on variable cost as compared to fixed cost for own production.

RISK AND CONCERNS

The Tea Industry is largely dependant on the vagaries of nature. The Industry is highly labour intensive and is subject to stringent labour laws. Substantial increase in labour wages, high social cost over most other tea producing countries, high infrastructure costs and increasing energy and other input costs remain the major problems for the Indian Tea Industry. Shortage of labour during peak season in some pockets is also a cause for concern.

These problems need to be addressed by improved productivity and energy conservation. The Tea Industry both in Assam and West Bengal have discussed with the Trade Unions and implemented productivity linked wages for the tea workers with a view to regain the Industry's competitiveness in the global market. Labour agreement for revision in wages for tea industry in Assam and West Bengal has been signed with an increase of 23%, 10% and 9% for next three years respectively.

The Industry is also subject to taxation from the State Government as well as Central Government and while the level of direct taxes has come down over a period, some of the State levies like cess on green leaf in Assam and substantial increase in Land Revenue charges put the industry at a very disadvantageous position.

To mitigate various types of risks that the Company has to face, the Board of Directors of the Company has adopted a Risk Management Policy and implemented the same at the Tea Estates and at Head Office of the Company. In view of fluctuations in foreign exchange and interest rates, the Company has adopted a specific Risk Management Policy to address the risks concerning the foreign exchange and derivative transactions. The Company has introduced Hazard Analysis and Critical Control Points (HACCP) at all the Tea Factories to ensure better quality product.

OUTLOOK

Year 2014, was negatively impacted by lower production in India and substantially lower prices in the global markets except India due to geopolitical issues. We have observed complete reversal of these factors during first four months of current year. Tea production in Kenya is reported to be lower by 30 million kgs upto March as compared to previous year on account of dry weather conditions. Tea prices at Mombasa auction during the first four months of the year have increased by 25 to 30 % as compared to December 2014 prices. Weather conditions in India during first few months of new season have improved substantially as compared to dry weather conditions last year. It is expected that the industry would recover substantial part of crop losses suffered last year. Prices in India are likely to remain

firm mainly due to robust demand in Indian as well as Global markets. Recovery of crop should help in setting off increase in the wages and other input costs.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses, executing transactions with proper authorisation and ensuring compliance of corporate policies. Three independent firms of Chartered Accountants carry out the internal audit at the Tea Estates on a regular basis. Another firm of Chartered Accountants conducts internal audit at the Head Office.

The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews Audit Reports submitted by the internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up the implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations from time to time. The Risk Management Policy adopted by the Company has further strengthened the internal control system.

FINANCES

Gross debt (consolidated) as on 31st March 2015 amounted to Rs. 601.75 Crores as compared to Rs. 303.93 Crores as on 31st March 2014. Net Debt (NABARD Deposits and Cash & Bank Balances) has increased to Rs. 412.51 Crores as against Rs. 63.98 Crores last year. Gross debt to Equity ratios as on 31st March 2015 was 0.39:1.

HUMAN RESOURCES

Tea Industry is highly labour intensive. The Company employs over 75,000 personnel at its Tea Estates and other establishments in India. Employee relations remained satisfactory during the period under review. The Company would like to record appreciation of the wholehearted support and dedication from employees at all levels in maintaining smooth production and manufacture of tea from all the Tea Estates during the year.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market data and product information contained in this Report have been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.

For and on behalf of the Board

A. Khaitan

Managing Director

K. K. Baheti

Wholetime Director & CFO

Place: Kolkata

Date: 28th May 2015

ANNEXURE II

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company's philosophy on Corporate Governance is aimed at efficient conduct of its operations and in meeting its obligations towards various stakeholders such as Customers, Vendors, Employees, Shareholders and Financiers and to the Society at large. The Company is in the business of cultivation and production of Tea and is one of the major producers of Tea in the world. The Company endeavours to produce quality Tea that consistently commands respect, trust and loyalty throughout the world by way of sustained efforts, research and development in plantation and adoption of latest technology. The Company strives for successful management of contingencies like drought and flood. While it is the endeavour of your Company to continue to produce Tea of premium quality to the satisfaction of its Customers worldwide, it also gives due importance to its obligations to the large workforce that it employs on the Tea Estates. The Company runs a business that has a human face and values the environment, people, products, plantation practices, customers and shareholders. The Company believes in achieving its goals, which result in enhancement of Shareholders' value through transparency, professionalism and accountability and nurture these core values in all aspects of its operations.

2. BOARD OF DIRECTORS

i. Composition

The Board of Directors of your Company as on 31st March 2015 consisted of twelve Directors as under:

- Two Non-Executive Directors including the Chairman.
- Four Wholetime Directors including the Vice-Chairman & Managing Director.
- Six Non-Executive Independent Directors.

The Board has an optimum combination of Executive and Non-Executive Directors and half of the Board consisted of Independent Directors including one woman Director. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013, except Mr. Aditya Khaitan who is the son of Mr. B. M. Khaitan.

ii. & iii. Attendance at the Board Meetings/last AGM, Directorship and Chairmanship/ Membership in other Board/ Board Committees

Name and category of the Directors on the Board, their attendance at Board Meetings held during the financial year ended 31st March 2015, number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies are given below. Other Directorships do not include alternate Directorships, Directorships in Private Limited Companies and Companies under Section 8 of the Companies Act, 2013 and of the Companies incorporated outside India. Chairmanship/Membership of Board Committees relates to only Audit and Stakeholders' Relationship Committees.

Name of Directors	Category	No. of Board Meetings		Whether attended last AGM held on 23rd July 2014	No. of Directorships in other public limited companies	No. of Committee positions held in other public limited companies	
		Held during the year	Attended			As Chairman/Chairperson	As Member (#)
Mr. Brij Mohan Khaitan	Non-Executive Chairman	5	5	Yes	5	-	1
Mr. Aditya Khaitan	Vice-Chairman & Managing Director	5	5	Yes	8	1	2
Mr. Amritanshu Khaitan~	Non-Executive Director	5	-	N.A.	9	-	-
Dr. Raghavachari Srinivasan	Non-Executive & Independent	5	5	Yes	5	1	4
Mr. Bharat Bajoria	Non-Executive & Independent	5	5	Yes	7	-	1
Mr. Ranabir Sen	Non-Executive & Independent	5	5	Yes	-	-	-
Mrs. Ramni Nirula	Non-Executive & Independent	5	4	Yes	9	4	8
Mr. Utsav Parekh	Non-Executive & Independent	5	3	No	8	-	3
Mr. Padam Kumar Khaitan~	Non-Executive & Independent	5	-	N.A.	8	3	4
Mr. Rajeev Takru	Wholetime Director	5	5	Yes	3	-	-
Mr. Azam Monem	Wholetime Director	5	5	Yes	-	-	-
Mr. Kamal Kishore Baheti	Wholetime Director	5	5	Yes	9	-	1
Mr. Deepak Khaitan*	Non-Executive Vice-Chairman	5	4	No	-	-	-
Mr. Srikandath Narayan Menon**	Non-Executive & Independent	5	-	No	-	-	-

*Expired on 9th March 2015 / ** Ceased to be a Director w.e.f. 18th February 2015

~Appointed as Director w.e.f. 31st March 2015

(#) Including Chairmanship, if any.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman/Chairperson of more than 5 Committees as specified in Clause 49, across all the Companies in which he/she is a Director. The Directors have made necessary disclosures regarding Committee positions held in other public limited companies.

iv. Number & Dates of Board Meetings/Date of last AGM held

a) Five Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

23rd May 2014, 23rd July 2014, 21st October 2014, 21st January 2015 and 31st March 2015.

The last Annual General Meeting of the Members of the Company was held on 23rd July 2014.

b) Necessary information where applicable as mentioned in Annexure X to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

3. AUDIT COMMITTEE

i. The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and in Section 177 of the Companies Act, 2013. Brief descriptions of the terms of reference of the Audit Committee are as follows:

a) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

b) review and monitor the auditors' independence and performance, and effectiveness of audit process;

c) review/examination of the financial statement and the auditors' report thereon;

d) approval or any subsequent modification of transactions of the Company with related parties;

e) scrutiny of inter-corporate loans and investments;

f) valuation of undertakings or assets of the Company, wherever it is necessary;

g) evaluation of internal financial controls and risk management systems;

h) monitoring the end use of funds raised through public offers and related matters.

i) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

j) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

k) reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval;

l) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

m) reviewing, with the management, the statement of uses / application of funds raised through an issue, if any;

n) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

o) reviewing the adequacy of internal audit function, if any;

p) discussion with internal auditors of any significant findings and follow up thereon;

q) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

r) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

s) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) to review the functioning of the Whistle Blower mechanism;

u) approval of appointment of CFO (i.e. the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

ii. Composition

The Audit Committee of the Board as on 31st March 2015 consisted of Dr. R. Srinivasan, Messrs. B. Bajoria, R. Sen and A. Khaitan. Dr. R. Srinivasan, a Non-Executive Independent Director, having adequate financial and accounting qualification and expertise, is the Chairman of the Audit Committee. The other members of the Committee are also financially literate. The Committee has three Non-Executive Independent Directors. Mr. A. Guha Sarkar, Vice President & Company Secretary acts as the Secretary to the Committee.

iii. Meetings and attendance during the year

The particulars of meetings attended by the members of the Audit Committee during the financial year ended 31st March 2015 are given below:

Name of Directors	Category	No. of Meetings	
		Held during the year	Attended
Dr. R. Srinivasan, Chairman	Non-Executive & Independent	5	5
Mr. B. Bajoria	Non-Executive & Independent	5	5
Mr. R. Sen	Non-Executive & Independent	5	5
Mr. A. Khaitan	Vice-Chairman & Managing Director	5	5

Five Meetings of the Audit Committee were held during the financial year ended 31st March 2015. The dates on which the Audit Committee Meetings were held are as follows:

23rd May 2014, 23rd July 2014, 21st October 2014, 21st January 2015 and 31st March 2015.

The necessary quorum was present at all the Meetings.

4. NOMINATION AND REMUNERATION COMMITTEE

i. Brief description of terms of reference

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

- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- formulation of criteria for evaluation of Independent Directors and the Board;
- devising a policy on Board diversity;

ii. Composition

The Nomination and Remuneration Committee of the Board as on 31st March 2015 comprised of Mr. B. Bajoria, a Non-Executive Independent Director, as the Chairman, Dr. R. Srinivasan and Mr. R. Sen, Non-Executive Independent Directors as its Members.

iii. Attendance during the year

Three Meetings of the Nomination and Remuneration Committee were held on 23rd May 2014, 21st October 2014 and 31st March 2015 during the financial year ended 31st March 2015.

Name of Directors	Category	Attended
Mr. B. Bajoria, Chairman	Non-Executive & Independent	3
Dr. R. Srinivasan	Non-Executive & Independent	3
Mr. R. Sen	Non-Executive & Independent	3

iv. Remuneration Policy

The Managing Director and Wholtime Directors are appointed by the Board at such remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the Shareholders' approval in a General Meeting.

In terms of the decision taken by the Board on 28th July 2009, each Non-Executive Director is entitled to a sitting fee of Rs. 20000/- for each meeting of the Board or any Committee thereof attended by him.

Besides the sitting fees as aforesaid, the approval of the shareholders by a Resolution passed at the Annual General Meeting held on 23rd July 2014 enables the Company to pay commission to its non-executive Directors of such amount as may be approved by the Board of Directors not exceeding in the aggregate 1% of the net profit of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013.

The Nomination and Remuneration Committee has also formulated and recommended to the Board a Remuneration Policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and also formulated evaluation criteria for evaluating the performance of Independent Director and Board. The said policy has been approved by the Board and the same is annexed to the Board's report, which inter alia includes the criteria of making payments to Non-Executive Directors along with the criteria for evaluation of the Independent Directors and Board.

v. Details of Remuneration to all the Directors

The details of remuneration for the financial year ended 31st March 2015 to the Non-Executive Directors and their shareholding in the Company are as under:

Name of Directors	Sitting Fees (Rs.) for Board Meetings (#)	Sitting Fees (Rs.) for Committee Meetings (#)	No. of Shares held as on 31st March 2015 (#)
Mr. B. M. Khaitan	100000	-	36288
Mr. D. Khaitan*	80000	-	11818
Dr. R. Srinivasan	100000	160000	-
Mr. B. Bajoria	100000	200000	1800
Mr. R. Sen	100000	240000	133
Mr. U. Parekh	60000	40000	-
Mr. S. N. Menon **	-	-	-
Mrs. R. Nirula	80000	-	-
Mr. Amritanshu Khaitan~	-	-	7533
Mr. Padam Kumar Khaitan~	-	-	1500
Total	620000	640000	59072

*Expired on 9th March 2015 / ** Ceased to be a Director w.e.f. 18th February 2015

~Appointed as Director w.e.f. 31st March 2015

(#) Other than the above there is no pecuniary relationship or transactions with any of the Non-Executive Directors.

The Company has not issued any convertible instruments.

a) Details of Remuneration for the financial year ended 31st March 2015 to the Managing Director and Wholtime Directors are given below:

	Mr. A. Khaitan	Mr. R. Takru	Mr. A. Monem	Mr. K.K. Baheti
Salary	18000000	7200000	7200000	7200000
Contribution to Provident Fund and other Funds	4860000	1944000	1944000	1944000
Bonus and Allowances	25300000	9970000	9970000	9970000
Monetary value of Perquisites	58235	343187	859168	575934
Period of appointment	3 years w.e.f. 1st April 2014	3 years w.e.f. 1st April 2014	3 years w.e.f. 1st April 2014	3 years w.e.f. 1st April 2014

(Rs.)

(Rs.)

	Mr. A. Khaitan	Mr. R. Takru	Mr. A. Monem	Mr. K.K. Baheti
Notice period	3 months	3 months	3 months	3 months
Severance fees	Not specified	Not specified	Not specified	Not specified

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

i. Composition of the Committee

The Stakeholder Relationship Committee of the Board as at 31st March 2015 consisted of three members. Mr. R. Sen, a Non-Executive Independent Director, was the Chairman of the Committee. Mr. B. Bajoria and Mr. U. Parekh both Non-Executive and Independent Directors were the other Members of the Committee.

a) Brief description of the terms of reference

The terms of reference of the Committee are to look into redressal of Shareholders'/Investors' complaints relating to non-receipt of notices, share certificates, annual reports, dividends, transfer of shares, dematerialisation of shares and other grievances.

b) Meetings and attendance during the year

During the financial year two Meetings of the Stakeholders' Relationship Committee were held on 21st October 2014 and 31st March 2015 and the attendance of Members are as follows:

Name of Directors	Category	Attended
Mr. R. Sen, Chairman	Non-Executive & Independent	2
Mr. B. Bajoria	Non-Executive & Independent	2
Mr. U. Parekh	Non-Executive & Independent	2

ii. Name and designation of the Compliance Officer

Mr. A. Guha Sarkar

Vice President & Company Secretary/Compliance Officer
 McLeod Russel India Limited
 Four Mangoe Lane
 Surendra Mohan Ghosh Sarani
 Kolkata 700001

iii. Details of Complaints received, redressed and pending during the financial year ended 31st March 2015

Pending at the beginning of the year	Received during the year	Redressed/ Replied during the year	Pending at the year end
Nil	27	27	Nil

6. GENERAL BODY MEETINGS

i. Location and time of last three Annual General Meetings:

Financial Year ended	Date	Time	Venue
31st March 2012	27 th July 2012	11.30 a.m.	Kala Mandir, 48 Shakespeare Sarani, Kolkata 700 017
31st March 2013	26 th July 2013	11.30 a.m.	Kala Mandir, 48 Shakespeare Sarani, Kolkata 700 017
31st March 2014	23 rd July 2014	11.00 a.m.	Kala Mandir, 48 Shakespeare Sarani, Kolkata 700 017

ii. Special Resolutions passed in the previous three AGMs.

AGM held on	Special Resolution passed:
27th July 2012	None
26th July 2013	None
23th July 2014	A Special Resolution pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 for creation of mortgages and charges in addition to the existing mortgages and charges created by the Company to secure rupee/foreign currency loans, debentures, bonds or other instruments of an aggregate value not exceeding the borrowing limit available to the Board in terms of Section 180(1)(c) of the Companies Act, 2013.

iii. No Special Resolution was passed during the financial year ended 31st March 2015 through Postal Ballot. No Special Resolution is proposed to be conducted through Postal Ballot.

iv. Resume and other information regarding the Directors being appointed/re-appointed as required under Clause 49 VIII(E)(1) of the Listing Agreement have been given in the Notice of the Annual General Meeting annexed to this Annual Report.

7. DISCLOSURES

i) Transactions with the related parties have been disclosed in Note No. 36 of the Notes to Financial Statements in the Annual Report for the year under review. There was no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

ii) The Company has complied with all the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the financial year. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the financial years ended 31st March 2013, 31st March 2014 and 31st March 2015.

iii) The Company has a Whistle Blower Policy in place and no personnel has been denied access to the Audit Committee.

iv) All the mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of this Report.

8. MEANS OF COMMUNICATION

i. Quarterly Results and publication thereof in newspapers.

Quarterly, half-yearly and annual results are published in prominent dailies which inter alia include Business Standard (English), The Economic Times (English) and Aajkal (Bengali) in the form prescribed by Clause 41 of the Listing Agreements with the Stock Exchanges.

ii. Display on Website

Financial Results, Shareholding Pattern, Information Update etc., are displayed on the Company's Website www.mcleodrussel.com

iii. Display of Official news and presentation made to the Shareholders/ Institutional Investors/Analysts:

Press releases and Information Updates as and when made are displayed on the Company's website and also sent to the Stock Exchanges to enable them to put the same on their own websites.

iv. Unpaid Dividend displayed on website.

9. GENERAL SHAREHOLDERS' INFORMATION

i. 17th Annual General Meeting

Date and Time : 4th August 2015 (Tuesday) at 10:30 a.m.

Venue : Kala Mandir
48, Shakespeare Sarani, Kolkata – 700 017

ii. Financial Year : 1st April to 31st March.

iii. Dates of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from 28th July 2015 to 4th August 2015 (both days inclusive) for the purpose of the Annual General Meeting of the Company and payment of Dividend.

iv. Dividend Payment Date

The Dividend, if declared, shall be paid/credited on or after 7th August 2015.

v. Listing on Stock Exchanges

The Company's Shares are listed at the following Stock Exchanges and the Annual Listing Fees for the year 2015-16 have been paid to all these Stock Exchanges.

Name of the Stock Exchange					
1. Bombay Stock Exchange Limited [BSE]					
2. National Stock Exchange of India Limited [NSE]					
3. The Calcutta Stock Exchange Association Limited [CSE]					

vi. Stock Code

Name of the Stock Exchanges [where the Company's Shares are listed]	Date of Listing of Equity Shares of Rs. 5/- each of the Company	Date of Listing of Equity Shares of Rs. 5/- each of the Company	Date of Listing of Equity Shares of Rs. 5/- each of the Company	Date of Listing of Equity Shares of Rs. 5/- each of the Company	Stock Code
BSE	28.07.2005	21.08.2006	09.11.2006	01.08.2008	532654
NSE	29.07.2005	28.08.2006	09.11.2006	18.08.2008	MCLEODRUSS
CSE	23.08.2005	31.08.2006	16.11.2006	24.09.2008	10023930

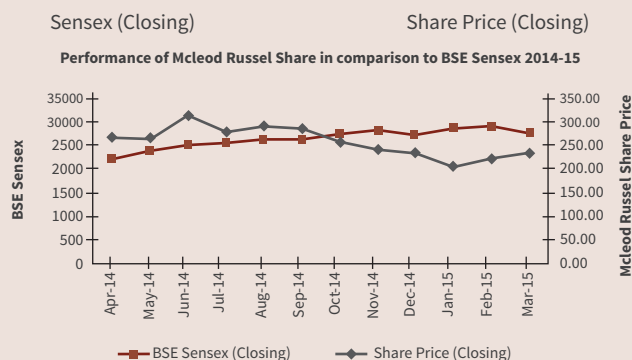
Demat **ISIN** for NSDL & CDSL: **INE 942G01012**

vii. Stock Price Data:

Month	Bombay Stock Exchange				National Stock Exchange	
	High Price	Low Price	Close Price	BSE Sensex (Closing)	High Price	Low Price
April 2014	309.90	266.45	269.35	22417.80	309.90	266.00
May 2014	296.00	265.50	267.60	24217.34	296.00	265.05
June 2014	320.55	267.30	317.35	25413.78	321.00	266.50
July 2014	324.75	270.00	280.95	25894.97	324.65	270.70
August 2014	306.40	268.00	294.55	26638.11	306.65	267.30
September 2014	314.80	286.95	290.55	26630.51	314.90	286.10
October 2014	294.85	241.00	259.65	27865.83	297.15	241.25
November 2014	274.00	238.50	245.00	28693.99	272.75	238.20
December 2014	247.25	213.45	235.35	27499.42	246.80	213.50
January 2015	237.50	202.35	204.95	29182.95	237.20	202.05
February 2015	237.15	204.80	224.80	29361.50	237.50	204.30
March 2015	253.30	225.30	239.15	27957.49	254.70	221.00

viii. Performance in comparison to BSE Sensex:

Share Price Performance (April 2014 to March 2015)



ix. Registrar and Share Transfer Agents:

In accordance with the SEBI directive vide Circular Nos. D&CC/FITTC/CIR-15/2002 dated 27th December 2002 the Company appointed the following SEBI registered Agency as the Common Registrar and Share Transfer Agents of the Company for both the Physical and Dematerialised segments with effect from 14th March 2005:-

Maheshwari Datamatics Pvt Ltd.

6, Mangoe Lane, 2nd Floor

Surendra Mohan Ghosh Sarani, Kolkata – 700001.

Tel.: (033) 2243-5809; 2243-5029; 2248-2248

Fax: (033) 2248-4787 E-mail: mdpl@cal.vsnl.net.in

x. Share Transfer System:

The requests for transfer of shares held in physical mode should be lodged at the office of the Company's Registrar & Share Transfer Agents, Maheshwari Datamatics Private Limited (Registered with SEBI), 6 Mangoe Lane, 2nd Floor, Surendra Mohan Ghosh Sarani, Kolkata 700001 or at the Registered Office of the Company. The Board of Directors has unanimously delegated the powers of share transfer, transmission, subdivision, consolidation and issue of duplicate Share Certificate/s to a Share Transfer Committee comprising Messrs. R. Takru, A. Monem and K. K. Baheti in order to expedite transfer, transmission etc. in the physical form. During the year the Committee met once every week for approving Share Transfers and for other related activities. Share Transfers are registered and returned in the normal course within an average period of 14 days, if the transfer documents are found technically in order and complete in all respects.

The Company conducts a weekly review of the functions of the Registrar and Share Transfer Agent for upgrading the level of service to the Shareholders. Weekly review is also conducted on the response to the shareholders pertaining to their communication and grievances, if any.

xi. (a) Distribution of shareholding as on 31st March 2015

Size of holding	No. of holders	Percentage	No. of Shares	Percentage
1 to 500	55609	93.13	5387602	04.92
501 to 1000	2431	04.07	1801073	01.65
1001 to 2000	932	01.56	1362302	01.24
2001 to 3000	237	00.40	597367	00.55
3001 to 4000	96	00.16	343534	00.31
4001 to 5000	61	00.10	279784	00.26
5001 to 10000	120	00.20	884857	00.81
10001 and above	223	00.38	98799216	90.26
Total	59709	100.00	109455735	100.00

(b) Shareholding Pattern as on 31st March 2015

Sr. No.	Category	Number of Share holders	No. of Shares held	% of holding
1	Promoters	29	50068013	45.74
2	Mutual Funds/UTI	33	13325177	12.17
3	Financial Institutions/Banks	87	297911	00.27
4	Central/State Government(s)	1	112	00.00
5	Insurance Companies	3	2465438	02.25
6	Foreign Institutional Investors	105	28682894	26.21
7	Bodies Corporate	867	3070607	02.81
8	Resident Individuals	57658	10681412	09.76
9	NRI/OCBs	831	614049	00.56
10	Trust	16	18035	00.02
11	Clearing Member	79	232087	00.21
Total		59709	109455735	100.00

xii. Dematerialisation of Shares and liquidity:

The Company's Shares form part of the SEBI's Compulsory Demat segment for all Shareholders/investors. The Company has established connectivity with both the Depositories viz. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] through the Registrar, Maheshwari Datamatics Private Limited, 6 Mangoe Lane, 2nd Floor, Surendra Mohan Ghosh Sarani, Kolkata 700001. Requests for dematerialisations of shares are processed and confirmations are given to the respective Depositories.

As on 31st March 2015, 97.58% of the Company's equity shares of Rs. 5/- each representing 106806413 equity shares were in dematerialised form and the balance 2.42% representing 2649322 shares were in physical form. The entire shareholding of the Promoters is in the dematerialised form.

xiii. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

xiv. Plant Locations:

Tea manufacturing plants are located at the following Tea Estates

Locations	Tea Estates
ASSAM:-	
BISHNAUTH	DEKORAI, MIJICAJAN, MONABARIE, PERTABGHUR
DHUNSERI	BEHORA, BUKHIAL
DOOM DOOMA	BAGHJAN, BORDUBI, KOOMSONG, PHILLOBARI, BEESAKOPIE/DAIMUKHIA, RAIDANG, SAMDANG
EAST BOROI	BARGANG, BEHALI, BOROI, DUFFLAGHUR, HALEM, NYA GOGRA
JORHAT	HUNWAL
MANGALDAI	ATTAREEKHAT, BHOOTEACHANG, BORENGAJULI, CORRAMORE, DIMAKUSI, PANEERY
MARGHERITA	BOGAPANI, DEHING, DIROK, MARGHERITA, NAMDANG
MORAN	ATTABARRIE, DIRAI, LEPETKATTA, MORAN, RAJMAI, SEPON
THAKURBARI	ADDABARIE, HARCHURAH, NILPUR, PHULBARI, RUPAJULI, TARAJULIE, TEZPORE & GOGRA
TINGRI	DIRIAL, ITAKHOOL, KEYHUNG, MAHAKALI
WEST BENGAL:-	
DOOARS	BHATPARA, CENTRAL DOOARS, CHUAPARA, JAINTI/CHUNIAJHORA, MATHURA

xv. Address for correspondence for Share and related services:

Any assistance regarding Share transfers and transmission, change of address, non-receipt of share certificate/duplicate share certificate, demat and other matters and for redressal of all share-related complaints and grievances, the Members are requested to write to or contact the Registrar & Share Transfer Agents or the Share Department of the Company for all their queries or any other matter relating to their shareholding in the Company at the addresses given below:

xvi. The Company's Registered Office at :

McLEOD RUSSEL INDIA LIMITED

Corporate Identity Number (CIN): L51109WB1998PLC087076
 Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700001.
 Tel: 033-2210-1221, 033-2243-5391,
 033-2248-9434, 033-2248-9435
 Fax: 91-33-2248-3683, 91-33-2248-8114, 91-33-2248-6265
 E-mail: administrator@mcleodrussel.com

xvii. Registrar and Share Transfer Agents' Registered Office at:

Maheshwari Datamatics Pvt Ltd.

6, Mangoe Lane, 2nd Floor
 Surendra Mohan Ghosh Sarani
 Kolkata – 700001.
 Tel.: (033) 2243-5029; 2243-5809; 2248-2248
 Fax: (033) 2248-4787
 E-mail: mdpl@cal.vsnl.net.in

In case of any difficulty, the Compliance Officer at the Registered Office of the Company may be contacted.

Special E-mail Id. : investors@mcleodrussel.com

Compliance of Non-Mandatory Requirements

(i) The Board:

During the financial year ended 31st March 2015, a part of the expenses for maintenance of the office of the Non-Executive Chairman was borne by the Company.

(ii) Shareholder Rights:

Half-yearly results including summary of the significant events are presently not being sent to the Shareholders of the Company.

(iii) Audit Qualification: Nil

(iv) **Separate Posts of Chairman and CEO/Managing Director:** The Chairman and Managing Director of the Company are separate.

(v) **Reporting of Internal Auditors:** The Internal Auditors of the Company are Independent and their reports are placed before the Audit Committee.

For and on behalf of the Board

A. Khaitan
 Managing Director

K. K. Baheti
 Wholetime Director & CFO

Place: Kolkata
 Date: 28th May 2015

ANNEXURE III

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of **McLeod Russel India Limited**

We have examined the compliance of conditions of Corporate Governance by McLeod Russel India Limited, for the year ended 31st March 2015, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Prabal Kr. Sarkar

Partner

Membership Number 52340

For and on behalf of

Price Waterhouse

Firm Registration Number 301112E

Chartered Accountants

Place: Kolkata

Date: 28th May, 2015

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODES OF CONDUCT

This is to confirm that the Company has adopted two separate Codes of Conduct to be followed by the Members of the Board and Senior Management Personnel of the Company respectively in compliance with Clause 49 of the Listing Agreement with the Stock Exchanges. Both these Codes are available on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March 2015 received from the Members of the Board and Senior Management Personnel, a Declaration of Compliance with the Code of Conduct as applicable to them.

McLeod Russel India Limited

A. Khaitan

Managing Director

Place: Kolkata

Date: 28th May 2015

ANNEXURE IV

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

BACKGROUND

India has seen a period of sustained economic growth during the last ten years. The Country however still continues to face major challenges like poverty, illiteracy, malnutrition, health hazards, gender bias, environmental problems etc. These have resulted in a large section of the population remaining as 'un-included' from the mainstream. It is necessary to address these challenges through sustainable efforts, both by Government and Private Sector Organisations. The Indian Business has traditionally been socially responsible. While a lot of human and economic resources are available for utilisation in the corporate world; a suitable mechanism is necessary to channelise these resources for socio-economic development. Keeping this in mind, the Ministry of Corporate Affairs had come out with a voluntary CSR Guidelines in 2009. The Companies Act, 2013 ('The Act') has made it mandatory for certain class of Companies to adopt a Corporate Social Responsibility Policy and spend every year an amount prescribed in the Act, towards discharging its obligations towards the Society in terms of the CSR Policy adopted by it.

McLeod Russel India Limited (MRIL) is conscious of its social responsibilities and the environment in which it operates. The Company has, over the years, successfully formulated a methodology for development in the field of health, education, culture and other welfare measures to improve the general standards of living in and around its Tea Estates with special emphasis on the environment which surround the units of the Company and thereby enriching the Society.

SHORT TITLE & APPLICABILITY

This Policy may be termed as 'MRIL CSR Policy'. The Policy shall apply to all CSR initiatives and activities at various work-centres and locations of MRIL. The Policy has been framed in line with the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder.

CSR MISSION STATEMENT

As a responsible corporate citizen, McLeod Russel is committed to enhance the quality of life, wellness and well being of the people around its various work-centres and locations and also committed to safeguarding the environment by adopting an eco-friendly, transparent and participatory approach in all activities with a view to maintain ecological balance.

OBJECTIVE

The main objective of the MRIL CSR Policy is to establish and lay down the basic principles and the general framework of action for MRIL to undertake and fulfill its corporate social

responsibility. The Policy will function as a built-in, self regulating mechanism whereby the Company will monitor and ensure its active compliance with the spirit of law, ethical standards and requisite norms.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The MRIL Corporate Social Responsibility Committee shall consist of three or more Directors amongst which one shall be an Independent Director.

The Committee shall hold meetings as and when required, to discuss various issues on implementation of the CSR Policy of MRIL.

The CSR Committee shall:

- (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by MRIL as specified in Schedule VII of the Companies Act 2013;
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- (c) Monitor the Corporate Social Responsibility Policy of MRIL from time to time.
- (d) Any other matter as may be considered expedient in furtherance of and to comply with the CSR Policy of MRIL.

CSR ACTIVITIES

MRIL's CSR activities shall primarily include one or more of the items covered under Schedule VII of the Act with special focus on the following:

- (1) Promoting preventive healthcare and sanitation and making available safe drinking water and other activities contained in Schedule VII (i). The Company may be involved in these activities by way of adoption of one or more villages around its Tea Estates for overall development and livelihood enhancement.
- (2) Promoting education and other education related activities and livelihood enhancement projects covered under Schedule VII (ii).
- (3) Activities relating to environmental sustainability, ecological balance and other activities contained in Schedule VII (iv).

- (4) Protection of national heritage, art and culture as contained in Schedule VII (V).
- (5) Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports, covered under Schedule VII (vii).
- (6) Contribution to various funds contained under Schedule VII.

Preference shall be given to MRIL business area and areas around MRIL Tea Estates for spending the amount earmarked for CSR.

The Board of Directors shall ensure that MRIL spends at least 2% of the average net profits of MRIL made during the 3 immediately preceding financial years in pursuance of its CSR Policy.

Apart from the CSR projects/programmes taken up by the Company itself, the Board of Directors may decide to undertake its CSR activities recommended by the CSR Committee, through a registered Trust or a registered society or a company established by MRIL under section 8 of the Act. – Provided that -

- If such trust, society or company is not established by MRIL or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
- MRIL shall specify the project or programs to be undertaken through these entities, modalities of utilisation of funds on such projects and programs and the monitoring and reporting mechanism.

MRIL may also collaborate with other Companies for undertaking projects or programs for CSR activities in such a manner that the Committees of the respective Companies are in a position to report separately on such projects or programs.

MRIL may build CSR capacities of their own personnel as well as of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed 5 (five) percentage of the total CSR expenditure of MRIL in a financial year.

CSR EXPENDITURE

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs, MRIL will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget.

The Annual CSR Budget shall be spent on activities laid down as above.

CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity with the CSR Policy.

EXCLUSIONS

The CSR activities shall be undertaken by MRIL, (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

Any Contribution of any amount directly or indirectly to any political party under section 182 of the Act, by MRIL shall not be considered as CSR activity.

The CSR projects or programs or activities that benefit only the employees of MRIL and their families shall not be considered as CSR activities in accordance with section 135 of the Act. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of MRIL.

IMPLEMENTATION

CSR programs will be undertaken by various work centres/ locations of MRIL to the best possible extent within the defined ambit of the identified Project/ Program.

The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

By and large, it may be ensured that the CSR programs shall be executed in and around the areas adjoining Company's workplace and plantations/factories/ Project sites/ work centres.

POWERS FOR APPROVAL

CSR programs as may be identified by each work centre/corporate office will be required to be put up to the CSR Committee of the Board at the beginning of each financial year.

MONITORING AND FEEDBACK

To ensure effective implementation of the CSR programs undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head. The progress of CSR programs under implementation at work centre will be reported to corporate office on a monthly/quarterly basis.

The CSR Committee at the corporate office may conduct impact studies on a periodic basis, through independent professional third parties/professional institutions, especially on the strategic and high value programs.

Work centres and locations will also try to obtain feedback from beneficiaries about the programs.

Appropriate documentation of MRIL's CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.

CSR initiatives of MRIL will be reported in the Annual Report of MRIL & the Board's Report in compliance with Section 135 and rules made thereunder.

GENERAL

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

MRIL reserves the right to modify, add, or amend any of these Policy Rules/Guidelines.

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 28th May 2015

ANNEXURE V

ANNUAL REPORT ON CSR ACTIVITIES

1. Your Company is conscious of its social responsibilities and the environment in which it operates. Like earlier years it continued its welfare activities for development in the field of education, culture and other welfare measures to improve the general standard of living in and around the Tea Estates. Corporate Social Responsibility becoming an obligation under the Companies Act, 2013, the Company has taken up several specific projects to comply with the requirements of Section 135 of the Companies Act, 2013 and Rules made thereunder. The Board of Directors has formed a CSR Committee and adopted a CSR Policy for the Company which is attached to this Report and can be accessed at <http://www.mcleodrussel.com/investors/pdf/csr-policy.pdf>.
2. The Composition of the CSR Committee.

Mr. R. Takru	...	Member
Mr. A. Monem	...	Member
Mr. K.K. Baheti	...	Member
Mr. R. Sen	...	Member
3. Average net profit of the company for last three financial years: Rs. 24933 lakhs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 499 lakhs
5. Details of CSR spent during the financial year.
 - (a) Total amount to be spent for the financial year: Rs. 430 lakhs
 - (b) Amount unspent, if any: Rs. 69 lakhs

(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 (vide Schedule VII to the Companies Act, 2013)	Projects or programs (i) Local area or other (ii) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (Rs. in Lakhs)	Amount spent on the projects or programs (Rs. in Lakhs)	Cumulative expenditure upto the reporting period (Rs. in Lakhs)	Amount spent: Direct or through implementing agency
1	Construction of dining hall for the students at Assam Valley School at Assam	Sch. VII item (ii)	(i) Local Area (ii) Dist. Sonitpur, Assam	1200	410.17	610.06	Direct
2 (a)	Water supply scheme for safe drinking water and Health care & sanitation	Sch. VII Item (i)	(i) Local Area (ii) Vill: Barengabari, Dimakuchi, Dist. Udalgori, BTAD, Assam	11.33	9.61	9.61	Direct
(b)	Development of Ponds / water body for Fisheries and Environmental conservation & Ecological balance	Sch. VII Item (iv)	(i) Local Area (ii) Vill: Barengabari, Dimakuchi, Dist. Udalgori, BTAD, Assam	12.62	10.32	10.32	Direct
3.	Development of Fisheries and Environmental conservation & Ecological balance	Sch. VII Item (iv)	(i) Local Area (ii) Fatikjan Gaon, Dist. Tinsukia, Assam	2.61	0.07	0.07	Direct
Total				1226.56	430.17	630.06	

6. In terms of the requirements of Section 135 of the Companies Act, 2013 and Rules made thereunder, the Company was required to spend Rs. 498 lakhs during the financial year ended 31st March 2015, being 2% of the average net profits of the Company for the earlier three years.

During the year, the Company has spent 430 lakhs in three different CSR Projects undertaken by the Company. All the projects are ongoing projects which are expected to be completed during the current Financial Year ending 31st March, 2016.

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

A. Khaitan
Managing Director

R. Takru
Chairman CSR Committee

Place: Kolkata
Date: 28th May 2015

ANNEXURE VI

REMUNERATION POLICY

1. PREAMBLE

Section 178 of the Companies Act, 2013 requires every Listed Company and certain other class of Companies to adopt a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee set up, pursuant to above Section is to formulate the criteria for determining qualifications and positive attributes and independence of a Director and recommend to the Board the above Policy for adoption. Clause 49 of the Listing Agreement also contains a similar provision. Additionally it requires, a Policy on Board diversity. The Company is also required to disclose the Remuneration Policy in its Annual Report.

2. POLICY

In compliance of the above requirements the Board of Directors of McLeod Russel India Limited ('MRIL'), being a Listed Company, has adopted this Remuneration Policy which would be reviewed at regular intervals by the Nomination and Remuneration Committee of the Board.

3. POLICY OBJECTIVES

The aims and objectives of the Policy may be summarised as under:-

- 3.1 The Remuneration Policy aims to enable the company to attract, retain and motivate appropriately qualified Persons/Members for the Board and Executive level.
- 3.2 The Remuneration Policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account Shareholder interests, industry standards and relevant Indian corporate regulations.
- 3.3 The Remuneration Policy seeks to ensure that the interests of the Board Members and Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the "pay-for-performance" principle.
- 3.4 The Remuneration Policy will ensure that the remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

4. PRINCIPLES OF REMUNERATION

- I. Transparency:** The process of remuneration management shall be transparent, unbiased and impartial and conducted in good faith and in accordance with appropriate levels of confidentiality.
- II. Performance Driven Remuneration:** The Company should follow the culture of performance driven remuneration by way of implementation of performance incentive system and annual assessment.
- III. Affordability and Sustainability:** The Company shall ensure that the remuneration at various levels is affordable and is capable of being sustained.
- IV. Flexibility:** While the remuneration packages at various levels should be standardised, there should be enough scope to make it flexible with a view to reward candidates with exceptional qualities and competence.
- V. Internal Equity:** The Company shall strive to remunerate the Board Members and other Executives in terms of their roles and responsibilities undertaken within the Organisation. Their contribution and value addition for the growth of the Company shall be counted while fixing their remuneration and subsequent promotion. The same principle shall also be observed for other Executives.
- VI. External Equity:** With a review to retain the best talents, the Company shall on a continuous basis procure information relating to market trend of remuneration packages being offered by various Companies in the same sector and try to match the remuneration accordingly.
- VII. Non-Monetary Benefits:** The Company may consider extending certain Non-monetary Benefits with a view to offer social security to the families of the present and the past employees of the Company.

5. REMUNERATION FOR DIRECTORS IN WHOLETEIME EMPLOYMENT

The Board of Directors subject to the approval of the Shareholders at a General Meeting approves the remuneration payable to the Wholetime Directors and

Managing Director ('Executive Directors') based on the recommendation of the Nomination and Remuneration Committee. Executive Directors' remuneration is reviewed annually against performance, keeping in view the size and complexity of business and challenges encountered during the period under review. In determining packages of remuneration, the Committee may consult the Chairman and/or external agencies. The remuneration package of the Executive Directors shall comprise of the following components.

- a) **Basic Salary:** The basic salary shall be fixed within a salary grade which allows the Board to grant increments within a time frame of three years.
- b) **Bonus:** The Executive Directors may be granted bonus not exceeding 6 months' salary in a year, as may be approved by the Board.
- c) **Allowance:** In addition to basic salary, the Board may subject to/pursuant to the approval of the shareholders at a general meeting, grant fixed and/or variable Allowance/Allowances to the Executive Directors as the Board may deem fit.
- e) **Perquisites:** The perquisites to be offered to the Executive Directors shall include housing, car, medical, leave travel concession, leave encashment, club fees and other perquisites in terms of the Rules framed by the Nomination and Remuneration Committee for the Directors and/or the Rules applicable to the Senior Executives of the Company.
- f) **Retiral benefits:** The Executive Directors will be entitled to retiral benefits in terms of the Company's Policy for the Senior Management which will be in accordance with the applicable laws.
- g) **Sitting Fees:** The Executive Directors will not be entitled to any fee for attending the Meetings of the Board of Directors and Committees thereof.

6 REMUNERATION OF NON- EXECUTIVE DIRECTORS

- I. **Sitting Fees:** The Non-Executive Directors shall be paid Sitting Fees for attending the Board and Committee Meetings as may be approved by the Board based on the recommendation of the Nomination and Remuneration Committee subject to the ceiling fixed

in the Articles of Association of the Company and the Companies Act, 2013. They will also be reimbursed travelling and out of pocket expenses on actual basis for attending the meetings.

- II. **Commission:** Subject to the approval of the Members at a General Meeting, the Board may decide to pay commission on net profits to the Non- Executive Directors subject to the ceiling stipulated in the Companies Act, 2013.

7 REMUNERATION OF KEY MANAGERIAL PERSONNEL AND OTHER EXECUTIVES

The Human Resource Department of the Company shall follow the principles of remuneration stated hereinabove while deciding on the remuneration structure of the Key Managerial Personnel who are not Directors and for other Executives of the Company.

8 ROLE OF NOMINATION AND REMUNERATION COMMITTEE

The role and responsibilities of the Nomination and Remuneration Committee shall be as prescribed in Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

9 SELECTION OF BOARD MEMBERS

9.1 Nomination of a suitable person for appointment as a Director is a major responsibility of the Nomination and Remuneration Committee. The objective is to ensure that the Company's Board is competent at all points of time to be able to take decisions commensurate with the size and scale of operations and complexities of business. The Committee is to promptly identify candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board, after due consideration decides on the selection of the right candidate for appointment.

9.2 While considering nomination of candidates for appointment on the Board, the Nomination and Remuneration Committee will consider candidates not only from the field in which the Company operates but also from other professional areas like management, finance, accountancy, law, banking, merchant banking etc., with the objective

of maintenance of Board diversity. The Committee shall also consider the following qualifications like possessing basic academic qualification, requisite knowledge, experience and business skills that will benefit the Company and its business operations.

- 9.3 At the time of considering the candidates for appointment as Director the criteria for determining positive attributes shall inter alia include the following :-

Achiever, constructive, creative, decisive, deliberative, devoted, diligent, disciplined, dynamic, enterprising, focused, result oriented, self confident, sees the whole picture.

- 9.4 While considering candidates for appointment as an Independent Director, the Nomination and Remuneration Committee shall consider the criteria for determining independence of a candidate as provided in Section 149(6) of the Companies Act, 2013 and the Rules made thereunder as also in Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

10. APPROVAL AND PUBLICATION

This Remuneration Policy has been adapted by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee. The particular of the Policy shall be published in the Report of the Board of Directors in terms of the Companies Act, 2013.

11. OTHER PROVISIONS

Any matter not provided for in this Policy shall be dealt with in accordance with the provisions in the Articles of Association of the Company, relevant state laws and other applicable laws and regulations. The right to interpret this Policy shall vest in the Board of Directors of the Company.

For and on behalf of the Board

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 28th May 2015

CRITERIA FOR EVALUATION OF THE INDEPENDENT DIRECTORS AND THE BOARD

The Nomination and Remuneration Committee has approved the following criteria for evaluation of Independent Directors and the Board in terms of clause 49(II)(B)(5)(a) of the Listing Agreement with the Stock Exchanges:

- I. Regular attendance in Board Meetings
- II. Participation in discussions and contributions made
- III. Expression of independent opinion on various matters taken up by the Board
- IV. Adequate knowledge about the Company's business and the Country's business and economic scenario.
- V. Innovative ideas for growth of the Company and in solving problems faced by the Company.
- VI. In case of conflict of interest, prompt in disclosing the same.
- VII. Possessing long term vision for growth of the Company.

ANNEXURE VII

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

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

a) Name(s) of the Related party and Nature of Relationship	Borelli Tea Holdings Limited (BTHL) Wholly Owned Subsidiary	McLeod Russel Uganda Limited (MRUL) Wholly Owned Step down Subsidiary	Phu Ben Tea Company Limited (PBTCL) Wholly Owned Step down Subsidiary
(b) Nature of Contracts/ arrangements/transactions	Royalty Expenditure	Consultancy fee Income	Consultancy fee Income
(c) Duration of Contracts/ arrangements/transactions	Ongoing	For a period of three years since 1st July 2013	For a period of two years since 1st December 2012 and thereafter renewed for a period of two years since 1st December 2014
(d) Salient terms of the contracts or arrangements or transactions	BTHL allows MRIL the right to use the trademarks owned by BTHL.	McLeod Russel India Limited (MRIL) to provide advisory services to MRUL through senior and middle management executives for a consideration of USD 15,000 per month	MRIL to provide technical assistance in planation under the control of PBTCL at a consideration of USD 50,000 per year.
Value of the contracts or arrangements or transactions (Rs. in lakhs)	285.09	113.01	31.25
(e) Justification for entering into such contracts or arrangements or transactions	The Royalty paid to BTHL for the right to use the trademark registered in its name, advisory services to MRUL and the technical assistance to PBTCL are in the ordinary course of business in terms of the Companies Act, 2013 for mutual operational benefits of the respective Companies. Arms-length basis is not ascertainable at this stage as the Company did not enter into similar contracts with any other parties not regarded as related parties under the Companies Act, 2013.		
(f) Date(s) of approval by the Board	Not Required u/s 188 of the Companies Act, 2013 since the agreement was executed prior to 1st April 2014	Not Required u/s 188 of the Companies Act, 2013 since the agreement was executed prior to 1st April 2014	21st October 2014 for renewal of the Agreement on 1st December 2014
(g) Amount pad as Advance	Nil	Nil	Nil
(h) Date on which the Special Resolution was passed under first proviso to Section 188	Not Applicable	Not Applicable	Not Applicable since the transaction is not exceeding the applicable limit prescribed in Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014

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

During the financial year ended 31st March 2015, there was no contract or arrangement or transaction entered into by the Company at arm's length basis to which the first proviso to Section 188(1) is applicable.

Place: Kolkata
Date: 28th May 2015

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

ANNEXURE VIII

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2015
[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	: L51109WB1998PLC087076
ii) Registration Date	: 05/05/1998
iii) Name of the Company	: Mcleod Russel India Limited
iv) Category/Sub-Category of the Company	: Public Company; Company having share capital
v) Address of the Registered office and contact details	: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700 001; Telephone: 033 2210 1221; 033 2248 9434/35
vi) Whether listed company	: Yes; The shares of the Company are listed on BSE, NSE and CSE

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Maheshwari Datamatics : Pvt. Ltd. 6, Mangoe Lane, 2nd Floor Surendra Mohan Ghosh Sarani Kolkata – 700001. Tel.: 033 2243 5029; 2243 5809; 2248 2248 Fax: 033 2248 4787 E-mail: mdpl@cal.vsnl.net.in
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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	Cultivation, manufacture and sale of tea	01271; 10791; 46306	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	Borelli Tea Holdings Limited, Woodlands, 79 High Street, Greenhithe, Kent, DA9 RD, U.K.	N.A.	Wholly Owned Subsidiary	100%	2(87)
2	Phu Ben Tea Company Limited, Thanh Ba Town, Thanh Ba District, Phu Tho Province, S. R. Vietnam	NA	Step-down Subsidiary	100%	2(87)
3.	Rwenzori Tea Investments Limited, Mwenge Central Offices, Mwenge Estate, Kyarusozzi, Kyenjojo District, P.O. Box 371, Fort Portal, Uganda	NA	Step-down Subsidiary	100%	2(87)
4.	McLeod Russel Uganda Limited, Mwenge Central Offices, Mwenge Estate, Kyarusozzi, Kyenjojo District, P.O. Box 371, Fort Portal, Uganda	NA	Step-down Subsidiary	100%	2(87)
5.	Gisovu Tea Company Limited, P.O. Box 60, District of Karongi, Western Province, Rwanda.	NA	Step-down Subsidiary	60%	2(87)
6.	Pfunda Tea Company Limited, PO Box 206, Gisenyi, Rwanda.	NA	Step-down Subsidiary	90%	2(87)
7.	McLeod Russel Middle East DMCC, Unit No DTTC-G-029, DTTC Building, Plot No. S 10814, Jebel Ali Free zone-South, Dubai UAE	NA	Step-down Subsidiary	100%	2(87)
8.	McLeod Russel Africa Limited, Kenya- Re Towers, P.O. Box 1243-001000 Nairobi, Kenya	NA	Step-down Subsidiary	100%	2(87)

III. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

A. PROMOTERS

(1) Indian

a) Individual/ HUF	98578		98578	0.09	122006		122006	0.11	0.02
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	22867507		22867507	20.89	22878507		22878507	20.90	0.01
e) Banks / FI									
f) Any Other....									
Sub-total (A)(1):-	22966085		22966085	20.98	23000513		23000513	21.01	0.03

2) Foreign

a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.	27067500		27067500	24.73	27067500		27067500	24.73	0.00
d) Banks / FI									
e) Any Other....									
Sub-total(A) (2):-	27067500		27067500	24.73	27067500		27067500	24.73	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	50033585		50033585	45.71	50068013		50068013	45.74	0.03

B. PUBLIC SHAREHOLDING

1. Institutions

a) Mutual Funds	5367118	1342	5368460	4.90	13323835	1342	13325177	12.17	7.27
b) Banks / FI	287772	41054	328826	0.30	256902	41009	297911	0.27	(0.03)
c) Central Govt									
d) State Govt(s)		112	112	0.00		112	112	0.00	0
e) Venture Capital Funds									
f) Insurance Companies	1587150		1587150	1.45	2465438		2465438	2.25	0.8
g) FIs	37685842		37685842	34.43	28682894		28682894	26.21	(8.23)
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	44927882	42508	44970390	41.09	44729069	42463	44771532	40.90	(0.18)

2. Non- Institutions

a) Bodies Corp.									
i) Indian	3095506	62236	3157742	2.88	3013824	56783	3070607	2.81	(0.08)
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	6889435	2471121	9360556	8.55	7459789	2353001	9812790	8.97	0.41
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	860602	66826	927428	0.85	801796	66826	868622	0.79	(0.05)
c) Others (specify)									
Non Resident Indians	205978	34406	240384	0.22	347471	36902	384373	0.35	0.13
Foreign Nationals	100	90050	90150	0.08	0	90050	90050	0.08	0.00

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	
Foreign Corporate Bodies	136350	0	136350	0.12	136350	0	136350	0.12	0.00
Clearing Members	306100	0	306100	0.28	232087	0	232087	0.21	(0.07)
Trusts	229753	21	229774	0.21	18014	21	18035	0.02	(0.19)
Custodian	0	3276	3276	0	0	3276	3276	0.00	0.00
Sub-total (B)(2):-	11723824	2727936	14451760	13.20	12009331	2606859	14616190	13.35	0.15
Total Public Shareholding (B)=(B)(1)+ (B)(2)	56651706	2770444	59422150	54.29	56738400	2649322	59387722	54.26	(0.03)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	106685291	2770444	109455735	100.00	106806413	2649322	109455735	100.00	0.00

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Brij Mohan Khaitan	36288	0.03	0.00	36288	0.03	0.00	0.00
2	Estate of Deepak Khaitan*	11818	0.01	0.00	11818	0.01	0.00	0.00
3	Deepak Khaitan HUF	43200	0.04	0.00	43200	0.04	0.00	0.00
4	Amritanshu Khaitan	0	0.00	0.00	7533	0.01	0.00	0.01
5	Aditya Khaitan	7272	0.01	0.00	7272	0.01	0.00	0.00
6	Shanti Khaitan	0	0.00	0.00	300	0.00	0.00	0.00
7	Yashodhara Khaitan	0	0.00	0.00	13395	0.01	0.00	0.01
8	Kavita Khaitan	0	0.00	0.00	2200	0.00	0.00	0.00
9	Williamson Magor & Co Ltd	11649946	10.64	1.77	11660946	10.65	1.77	0.01
10	Williamsom Financial Services Ltd	5898725	5.39	1.32	5898725	5.39	1.32	0.00
11	Bishnauth Investments Ltd	3971108	3.63	1.44	3971108	3.63	1.44	0.00
12	Babcock Borsig Ltd	995989	0.91	0.82	995989	0.91	0.82	0.00
13	United Machine Co Ltd	129927	0.12	0.00	129927	0.12	0.00	0.00
14	Ichamati Investments Ltd	56710	0.05	0.00	56710	0.05	0.00	0.00
15	Kilburn Engineering Ltd	66666	0.06	0.00	66666	0.06	0.00	0.00
16	Nitya Holdings & Properties Ltd	10000	0.01	0.00	10000	0.01	0.00	0.00
17	Dufflaghur Investments Ltd	3030	0.00	0.00	3030	0.00	0.00	0.00
18	Eveready Industries India Ltd	40	0.00	0.00	40	0.00	0.00	0.00
19	Zen Industrial Services Ltd	85366	0.08	0.00	85366	0.08	0.00	0.00
20	Kamal Baheti (Trustee – Borelli Tea Holdings Limited)	27067500	24.73	0.00	27067500	24.73	0.00	0.00
Total		50033585	45.71	5.35	50068013	45.74	5.35	0.03

* The transmission of shares in terms of the WILL of Mr. Deepak Khaitan which is yet to be probated, is in process

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Brij Mohan Khaitan				
	At the beginning of the year	36288	0.0332	36288	0.0332
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil		Nil	Nil
	At the end of the year	36288	0.0332	36288	0.0332
2	Estate of Deepak Khaitan*				
	At the beginning of the year	11818	0.0108	11818	0.0108
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	11818	0.0108	11818	0.0108
3	Deepak Khaitan HUF				
	At the beginning of the year	43200	0.0395	43200	0.0395
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	43200	0.0395	43200	0.0395
4	Amritanshu Khaitan				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Reclassification as Promoter of the Company as on 31st March 2015	7533	0.0069	7533	0.0069
	At the end of the year	7533	0.0069	7533	0.0069
5	Aditya Khaitan				
	At the beginning of the year	7272	0.0066	7272	0.0066
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	7272	0.0066	7272	0.0066
6	Shanti Khaitan				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Reclassification as Promoter of the Company as on 31st March 2015	300	.0003	300	.0003
	At the end of the year	300	.0003	300	.0003

*Transmission of the Shares in terms of the WILL of Deepak Khaitan which is yet to be probated, is in process.

Sl No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
7	Yashodhara Khaitan			
	At the beginning of the year	Nil	Nil	Nil
	Reclassification as Promoter of the Company as on 31st March 2015	13395	0.0122	13395
	At the end of the year	13395	0.0122	13395
8	Kavita Khaitan			
	At the beginning of the year	Nil	Nil	Nil
	Reclassification as Promoter of the Company as on 31st March 2015	2200	0.0020	2200
	At the end of the year	2200	0.0020	2200
9	Williamson Magor & Co Ltd			
	At the beginning of the year	11649946	10.6435	11649946
	acquisition of equity shares by Williamson Magor & Co. Ltd. through market trade at the prevalent market price on 23rd October 2014	11000	0.01	11660946
	At the end of the year	11660946	10.6535	11660946
10	Williamsom Financial Services Ltd			
	At the beginning of the year	5898725	5.3891	5898725
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil
	At the end of the year	5898725	5.3891	5898725
11	Bishnauth Investments Ltd			
	At the beginning of the year	3971108	3.6280	3971108
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil
	At the end of the year	3971108	3.6280	3971108
12	Babcock Borsig Ltd			
	At the beginning of the year	995989	0.9099	995989
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil
	At the end of the year	995989	0.9099	995989

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
13	United Machine Co Ltd				
	At the beginning of the year	129927	0.1187	129927	0.1187
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	129927	0.1187	129927	0.1187
14	Ichamati Investments Ltd				
	At the beginning of the year	56710	0.0518	56710	0.0518
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	56710	0.0518	56710	0.0518
15	Kilburn Engineering Ltd				
	At the beginning of the year	66666	0.0609	66666	0.0609
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year	66666	0.0609	66666	0.0609
16	Nitya Holdings & Properties Ltd				
	At the beginning of the year	10000	0.0091	10000	0.0091
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	10000	0.0091	10000	0.0091
17	Dufflaghur Investments Ltd				
	At the beginning of the year	3030	0.0028	3030	0.0028
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	3030	0.0028	3030	0.0028

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
18	Eveready Industries India Ltd				
	At the beginning of the year	40	0.0000	40	0.0000
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	40	0.0000	40	0.0000
19	Zen Industrial Services Ltd				
	At the beginning of the year	85366	0.0780	85366	0.0780
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	85366	0.0780	85366	0.0780
20	Kamal Baheti (Trustee – Borelli Tea Holdings Ltd.)				
	At the beginning of the year	27067500	24.7292	27067500	24.7292
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	27067500	24.7292	27067500	24.7292

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

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	IDFC Classic Equity Fund				
	At the beginning of the year	2176041	1.9881	2176041	1.9881
	As on 18/04/2014 - Transfer			2336041	2.1342
	As on 25/04/2014 - Transfer			2406846	2.1989
	As on 02/05/2014 - Transfer			2611000	2.3854
	As on 09/05/2014 - Transfer			3411000	3.1163
	As on 06/06/2014 - Transfer			3633105	3.3192
	As on 13/06/2014 - Transfer			4050652	3.7007
	As on 20/06/2014 - Transfer			4340456	3.9655
	As on 04/07/2014 - Transfer			4679000	4.2748
	As on 11/07/2014 - Transfer			4764395	4.3528
	As on 01/08/2014 - Transfer			4808999	4.3936
	As on 22/08/2014 - Transfer			4946230	4.5189
	As on 19/09/2014 - Transfer			5146230	4.7017
	As on 21/11/2014 - Transfer			5097230	4.6569
	As on 06/02/2015 - Transfer			5147624	4.7029

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	As on 13/02/2015 - Transfer			5511107	5.0350
	As on 20/02/2015 - Transfer			5834006	5.3300
	As on 27/02/2015 - Transfer			5951415	5.4373
	As on 06/03/2015 - Transfer			5973983	5.4579
	As on 13/03/2015 - Transfer			6552164	5.9861
	As on 20/03/2015 - Transfer			6743178	6.1606
	At the end of the year			6743178	6.1606
2	ICICI Prudential Blended Plan - Plan A				
	At the beginning of the year	604757	0.5525	604757	0.5525
	As on 04/04/2014 - Transfer			534564	0.4884
	As on 18/04/2014 - Transfer			564007	0.5153
	As on 06/06/2014 - Transfer			851103	0.7776
	As on 13/06/2014 - Transfer			855830	0.7819
	As on 20/06/2014 - Transfer			1355830	1.2387
	As on 30/06/2014 - Transfer			1584588	1.4477
	As on 04/07/2014 - Transfer			1855830	1.6955
	As on 11/07/2014 - Transfer			1895830	1.7321
	As on 18/07/2014 - Transfer			2557276	2.3364
	As on 25/07/2014 - Transfer			2689580	2.4572
	As on 01/08/2014 - Transfer			2932632	2.6793
	As on 08/08/2014 - Transfer			3038498	2.7760
	As on 14/08/2014 - Transfer			3126239	2.8562
	As on 22/08/2014 - Transfer			3391878	3.0989
	As on 05/09/2014 - Transfer			3407878	3.1135
	As on 12/09/2014 - Transfer			3477769	3.1773
	As on 30/09/2014 - Transfer			3419044	3.1237
	As on 24/10/2014 - Transfer			3493751	3.1919
	As on 31/10/2014 - Transfer			3871132	3.5367
	As on 21/11/2014 - Transfer			4095554	3.7417
	As on 28/11/2014 - Transfer			4395901	4.0161
	As on 05/12/2014 - Transfer			4415901	4.0344
	As on 31/12/2014 - Transfer			4566901	4.1724
	As on 06/02/2015 - Transfer			4697345	4.2915
	As on 20/02/2015 - Transfer			4687345	4.2824
	As on 13/03/2015 - Transfer			4681345	4.2769
	At the end of the year			4681345	4.2769
3	Merrill Lynch Capital Markets Espana S.A. S.V.				
	At the beginning of the year	2763611	2.5249	2763611	2.5249
	As on 04/04/2014 - Transfer			2767889	2.5288
	As on 18/04/2014 - Transfer			2769275	2.5300
	As on 02/05/2014 - Transfer			2804007	2.5618
	As on 09/05/2014 - Transfer			2818166	2.5747
	As on 16/05/2014 - Transfer			2829166	2.5848
	As on 23/05/2014 - Transfer			2834166	2.5893
	As on 06/06/2014 - Transfer			2911166	2.6597
	As on 13/06/2014 - Transfer			2932392	2.6791
	As on 20/06/2014 - Transfer			2932794	2.6794

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	As on 30/06/2014 - Transfer			2935574	2.6820
	As on 04/07/2014 - Transfer			2938741	2.6849
	As on 25/07/2014 - Transfer			2944392	2.6900
	As on 01/08/2014 - Transfer			2950603	2.6957
	As on 08/08/2014 - Transfer			2955046	2.6998
	As on 14/08/2014 - Transfer			2957490	2.7020
	As on 22/08/2014 - Transfer			2965051	2.7089
	As on 29/08/2014 - Transfer			2982565	2.7249
	As on 05/09/2014 - Transfer			3026207	2.7648
	As on 12/09/2014 - Transfer			3029974	2.7682
	As on 19/09/2014 - Transfer			3041187	2.7785
	As on 30/09/2014 - Transfer			3034887	2.7727
	As on 17/10/2014 - Transfer			3043669	2.7807
	As on 31/10/2014 - Transfer			3044802	2.7818
	As on 07/11/2014 - Transfer			3047978	2.7847
	As on 14/11/2014 - Transfer			3130978	2.8605
	As on 05/12/2014 - Transfer			3039978	2.7774
	As on 19/12/2014 - Transfer			3042750	2.7799
	As on 31/12/2014 - Transfer			3024624	2.7633
	As on 09/01/2015 - Transfer			3048415	2.7851
	As on 16/01/2015 - Transfer			3066060	2.8012
	As on 30/01/2015 - Transfer			3068430	2.8034
	As on 20/02/2015 - Transfer			3012430	2.7522
	As on 27/02/2015 - Transfer			3011164	2.7510
	As on 13/03/2015 - Transfer			3023164	2.7620
	As on 20/03/2015 - Transfer			3032170	2.7702
	As on 27/03/2015 - Transfer			3034675	2.7725
	At the end of the year			3034675	2.7725
4	Government Pension Fund Global				
	At the beginning of the year	369549	0.3376	369549	0.3376
	As on 12/12/2014 - Transfer			418049	0.3819
	As on 19/12/2014 - Transfer			606049	0.5537
	As on 31/12/2014 - Transfer			1153450	1.0538
	As on 02/01/2015 - Transfer			1248450	1.1406
	As on 09/01/2015 - Transfer			1638450	1.4969
	As on 16/01/2015 - Transfer			2358950	2.1552
	As on 23/01/2015 - Transfer			2429037	2.2192
	As on 06/03/2015 - Transfer			2552581	2.3321
	As on 13/03/2015 - Transfer			2564149	2.3426
	As on 20/03/2015 - Transfer			2598895	2.3744
	As on 27/03/2015 - Transfer			2654627	2.4253
	At the end of the year			2709186	2.4751
5	M&G Asian Fund				
	At the beginning of the year	0		0	
	As on 25/07/2014 - Transfer			530000	0.4842
	As on 01/08/2014 - Transfer			1232000	1.1256

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	As on 22/08/2014 - Transfer			1314947	1.2014
	As on 29/08/2014 - Transfer			1326196	1.2116
	As on 05/09/2014 - Transfer			1361168	1.2436
	As on 12/09/2014 - Transfer			1460000	1.3339
	As on 30/09/2014 - Transfer			1678000	1.5330
	As on 31/10/2014 - Transfer			1979458	1.8085
	As on 07/11/2014 - Transfer			2168477	1.9811
	At the end of the year			2168477	1.9811
6	Stichting Pensioenfonds ABP				
	At the beginning of the year	2142783	1.9577	2142783	1.9577
	At the end of the year			2142783	1.9577
7	CLSA (Mauritius) Limited				
	At the beginning of the year	6594833	6.0251	6594833	6.0251
	As on 04/04/2014 - Transfer			6258893	5.7182
	As on 11/04/2014 - Transfer			6235020	5.6964
	As on 02/05/2014 - Transfer			6214727	5.6778
	As on 09/05/2014 - Transfer			6182776	5.6487
	As on 16/05/2014 - Transfer			6077775	5.5527
	As on 23/05/2014 - Transfer			5732989	5.2377
	As on 06/06/2014 - Transfer			5225045	4.7737
	As on 13/06/2014 - Transfer			5154950	4.7096
	As on 30/06/2014 - Transfer			5057950	4.6210
	As on 04/07/2014 - Transfer			4725930	4.3177
	As on 22/08/2014 - Transfer			4707816	4.3011
	As on 29/08/2014 - Transfer			4456083	4.0711
	As on 05/09/2014 - Transfer			4323297	3.9498
	As on 12/09/2014 - Transfer			4220358	3.8558
	As on 19/09/2014 - Transfer			4130873	3.7740
	As on 07/11/2014 - Transfer			4111074	3.7559
	As on 14/11/2014 - Transfer			4005896	3.6598
	As on 21/11/2014 - Transfer			3811659	3.4824
	As on 28/11/2014 - Transfer			3624053	3.3110
	As on 31/12/2014 - Transfer			3401053	3.1072
	As on 09/01/2015 - Transfer			3284611	3.0009
	As on 16/01/2015 - Transfer			3075862	2.8101
	As on 23/01/2015 - Transfer			2824314	2.5803
	As on 30/01/2015 - Transfer			2702293	2.4688
	As on 06/02/2015 - Transfer			2537271	2.3181
	As on 13/02/2015 - Transfer			2387306	2.1811
	As on 20/02/2015 - Transfer			2181815	1.9933
	As on 27/02/2015 - Transfer			2059277	1.8814
	At the end of the year			2059277	1.8814
8	Credit Suisse (Singapore) Limited				
	At the beginning of the year	1785264	1.6310	1785264	1.6310
	As on 11/04/2014 - Transfer			1946264	1.7781
	As on 09/05/2014 - Transfer			1945264	1.7772
	As on 06/06/2014 - Transfer			1853264	1.6932
	As on 01/08/2014 - Transfer			1622672	1.4825

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	As on 08/08/2014 - Transfer			1633672	1.4925
	As on 14/08/2014 - Transfer			1622672	1.4825
	As on 29/08/2014 - Transfer			1568264	1.4328
	As on 30/09/2014 - Transfer			1576918	1.4407
	As on 03/10/2014 - Transfer			1568264	1.4328
	As on 05/12/2014 - Transfer			1587352	1.4502
	As on 12/12/2014 - Transfer			1575001	1.4389
	As on 19/12/2014 - Transfer			1568264	1.4328
	As on 31/12/2014 - Transfer			1606380	1.4676
	As on 02/01/2015 - Transfer			1590943	1.4535
	As on 09/01/2015 - Transfer			1565264	1.4300
	At the end of the year			1567220	1.4318
9	Pictet Agriculture				
	At the beginning of the year	688676	0.6292	688676	0.6292
	As on 04/04/2014 - Transfer			695290	0.6352
	As on 11/04/2014 - Transfer			711570	0.6501
	As on 18/04/2014 - Transfer			728402	0.6655
	As on 02/05/2014 - Transfer			883852	0.8075
	As on 09/05/2014 - Transfer			961758	0.8787
	As on 23/05/2014 - Transfer			956035	0.8734
	As on 30/05/2014 - Transfer			950947	0.8688
	As on 06/06/2014 - Transfer			967325	0.8838
	As on 13/06/2014 - Transfer			1106305	1.0107
	As on 04/07/2014 - Transfer			1115760	1.0194
	As on 25/07/2014 - Transfer			1104020	1.0086
	As on 08/08/2014 - Transfer			1110811	1.0148
	As on 05/09/2014 - Transfer			1106566	1.0110
	As on 19/09/2014 - Transfer			1095890	1.0012
	As on 30/09/2014 - Transfer			1079047	0.9858
	As on 03/10/2014 - Transfer			1068459	0.9762
	As on 31/10/2014 - Transfer			1106880	1.0113
	As on 07/11/2014 - Transfer			1239755	1.1327
	As on 28/11/2014 - Transfer			1257289	1.1487
	As on 05/12/2014 - Transfer			1284836	1.1738
	As on 31/12/2014 - Transfer			1302614	1.1901
	As on 02/01/2015 - Transfer			1306828	1.1939
	As on 16/01/2015 - Transfer			1300117	1.1878
	As on 23/01/2015 - Transfer			1313987	1.2005
	As on 30/01/2015 - Transfer			1325528	1.2110
	As on 06/02/2015 - Transfer			1338275	1.2227
	As on 27/02/2015 - Transfer			1337993	1.2224
	As on 06/03/2015 - Transfer			1349571	1.2330
	As on 13/03/2015 - Transfer			1361201	1.2436
	As on 20/03/2015 - Transfer			1385175	1.2655
	At the end of the year			1385175	1.2655

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
10	LSV Emerging Markets Equity Fund LP				
	At the beginning of the year	1258547	1.1498	1258547	1.1498
	At the end of the year			1258547	1.1498
11	Amundi FundS A/C Amundi Funds - Equity India				
	At the beginning of the year	1400000	1.2791	1400000	1.2791
	As on 23/05/2014 - Transfer			1300000	1.1877
	As on 13/06/2014 - Transfer			1200000	1.0963
	As on 04/07/2014 - Transfer			1100000	1.0050
	As on 22/08/2014 - Transfer			1000000	0.9136
	As on 29/08/2014 - Transfer			900000	0.8223
	As on 05/09/2014 - Transfer			800000	0.7309
	As on 10/10/2014 - Transfer			750000	0.6852
	As on 20/02/2015 - Transfer			650000	0.5938
	At the end of the year			650000	0.5938
12	L and T Mid Cap Fund				
	At the beginning of the year	1463344	1.3369	1463344	1.3369
	As on 04/04/2014 - Transfer			1465144	1.3386
	As on 06/06/2014 - Transfer			1461394	1.3351
	As on 13/06/2014 - Transfer			1561394	1.4265
	As on 30/06/2014 - Transfer			1636794	1.4954
	As on 04/07/2014 - Transfer			1747611	1.5966
	As on 11/07/2014 - Transfer			1793668	1.6387
	As on 08/08/2014 - Transfer			1810668	1.6542
	As on 29/08/2014 - Transfer			1807258	1.6511
	As on 05/09/2014 - Transfer			1798288	1.6429
	As on 30/09/2014 - Transfer			1838288	1.6795
	As on 31/10/2014 - Transfer			848532	0.7752
	As on 07/11/2014 - Transfer			729654	0.6666
	As on 14/11/2014 - Transfer			407759	0.3725
	As on 21/11/2014 - Transfer			208459	0.1905
	As on 28/11/2014 - Transfer			108459	0.0991
	As on 05/12/2014 - Transfer			43000	0.0393
	As on 30/01/2015 - Transfer			13000	0.0119
	As on 06/02/2015 - Transfer			12000	0.0110
	At the end of the year			0	
13	Schroder Asian Alpha Plus Fund				
	At the beginning of the year	1119620	1.0229	1119620	1.0229
	As on 13/06/2014 - Transfer			778550	0.7113
	As on 30/06/2014 - Transfer			694127	0.6342
	As on 18/07/2014 - Transfer			602680	0.5506
	As on 12/09/2014 - Transfer			408836	0.3735
	As on 30/09/2014 - Transfer			231949	0.2119
	As on 10/10/2014 - Transfer			139856	0.1278
	At the end of the year			0	

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
14	Nomura India Investment Fund Mother Fund				
	At the beginning of the year	1116116	1.0197	1116116	1.0197
	As on 25/04/2014 - Transfer			916116	0.8370
	As on 02/05/2014 - Transfer			166116	0.1518
	At the end of the year			0	

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Mr. Brij Mohan Khaitan				
	At the beginning of the year	36288	0.033	36288	0.033
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No Change during the year		
	At the end of the year			36288	0.033
2	Mr. Deepak Khaitan				
	At the beginning of the year	11818	0.011	11818	0.011
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No Change during the year		
	At the end of the year			11818	0.011
3	Mr. Aditya Khaitan				
	At the beginning of the year	7272	0.007	7272	0.007
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No Change during the year		
	At the end of the year			7272	0.007
4	Mr. Bharat Bajoria				
	At the beginning of the year	1400	0.001	1400	0.001
	As on 14.11.2014 - Acquired			1800	0.002
	At the end of the year			1800	0.002

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
5	Mr. Ranabir Sen				
	At the beginning of the year	133	0.000	133	0.000
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No Change during the year		
	At the end of the year			133	0.000
6	Mr. Rajeev Takru				
	At the beginning of the year	900	0.001	900	0.001
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No Change during the year		
	At the end of the year			900	0.001
7	Mr. Azam Monem				
	At the beginning of the year	500	0.001	500	0.001
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No Change during the year		
	At the end of the year			500	0.001
8	Mr. Kamal Kishore Baheti				
	At the beginning of the year	5100	0.005	5100	0.005
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No Change during the year		
	At the end of the year			5100	0.005
9	Mr. Amritanshu Khaitan				
	At the beginning of the year				
	31st March, 2015: Appointed as a Director			7533	0.007
	At the end of the year			7533	0.007
10	Mr. Padam Kumar Khaitan				
	At the beginning of the year				
	31st March, 2015: Appointed as a Director			1500	0.001
	At the end of the year			1500	0.001
11	Mr. Amitabha Guha Sarkar				
	At the beginning of the year	650	0.001	650	0.001
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No Change during the year		
	At the end of the year			650	0.001

V. INDEBTEDNESS

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

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	21490.11	NIL	NIL	21490.11
ii) Interest due but not paid	NIL			NIL
iii) Interest accrued but not due	125.75			125.75
Total (i+ii+iii)	21615.86	NIL	NIL	21615.86
Change in Indebtedness during the financial year				
• Addition	18878.08	NIL	NIL	18878.08
• Reduction				
Net Change	18878.08	NIL	NIL	18878.08
Indebtedness at the end of the financial year				
i) Principal Amount	40437.03	NIL	NIL	40437.03
ii) Interest due but not paid	NIL			NIL
iii) Interest accrued but not due	56.91			56.91
Total (i+ii+iii)	40493.94	NIL	NIL	40493.94

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		A. Khaitan	K.K. Baheti	R. Takru	A. Monem	
1.	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	481.60	191.14	191.14	191.14	1055.02
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0.58	5.76	3.43	8.59	18.36
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission- as % of profit	Nil	Nil	Nil	Nil	Nil
	- others, specify...					
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	482.18	196.90	194.57	199.73	1073.38
	Ceiling as per the Act					648.81

B. Remuneration to other directors:

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration	Name of Directors										Total Amount
		B.M. Khaitan	D. Khaitan	R. Srinivasan	B. Bajoria	R. Sen	U. Parekh	S. N. Menon	R. Nirula	Amritanshu Khaitan	Padam Khaitan	
1	Independent Directors											
	• Fee for attending board committee meetings			2.60	3.00	3.40	1.00	-	0.80	-	-	10.80
	• Commission											
	• Others, please specify											
	Total (1)			2.60	3.00	3.40	1.00	-	0.80	-	-	10.80
2	Other Non-Executive Directors											
	• Fee for attending board committee meetings	1.00	0.80									1.80
	• Commission											
	• Others, please specify											
	Total (2)	1.00	0.80									1.80
	Total (B)=(1+2)	1.00	0.80	2.60	3.00	3.40	1.00	-	0.80	-	-	12.60
3	Total Managerial Remuneration											12.60
	Overall Ceiling as per the Act											64.88

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	36.12	-	36.12
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.61	-	0.61
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission- as % of profit	-	-	-	-
	- others, specify...				
5.	Others, please specify	-	-	-	-
	Total	-	36.73	-	36.73

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences for the year ending 31st March 2015

Place: Kolkata
Date: 28th May 2015

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

ANNEXURE IX

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31.03.2015

[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,
McLeod Russel India Limited
Four Mangoe Lane,
Surendra Mohan Ghosh Sarani
Kolkata – 700 001
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **McLeod Russel India Limited** having its Registered Office at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700 001, West Bengal (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.

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 authorised 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 31.03.2015 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 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically, inter alia, to the Tea Industry:

1. Food Safety and Standards Act, 2006
2. Tea Act, 1953
3. Tea Waste Control Order, 1959

4. Tea (Marketing) Control Order, 2003
5. Tea (Distribution & Export) Control Order, 2005
6. Plant Protection Code (Formulated by Tea Board of India)

to the extent of their applicability to the Company during the financial year ended 31.03.2015 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Stock Exchanges.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company :

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (ii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- (vi) Secretarial Standards issued by The Institute of Company Secretaries of India.

We further report that :

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- (d) 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.

For **A. K. LABH & Co.**
Company Secretaries

(**CS A. K. LABH**)
Practicing Company Secretary
FCS – 4848 / CP No.-3238

Place : Kolkata
Dated : 28th May 2015

ANNEXURE-X

Conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY

The Conservation of energy is a continuous process for the Company and towards this endeavor, the company has taken various initiatives which includes upgradation and modernisation of equipments at various factories. The withering capacity of the factories was increased on three estates which were complimented by programming of installation of another machinery consequent to the positive results on the trial of the continuous withering system during the last fiscal. Furthermore, the Company has taken steps to install energy efficient motors IE –II and convert to energy efficient lighting systems in the tea estates as a step towards its energy conservation drive.

During the year under review the Company has incurred capital expenditure of Rs.896 lakhs on various plant and machinery in its tea estates, inter alia, for conservation of energy. The Company is committed to conserve energy at its various establishments and has explored possibilities to exploit alternative sources of energy as well. The Company is steadily progressing in this endeavor and is hopeful that improvements will be made going forward.

(B) TECHNOLOGY ABSORPTION

(i) the efforts made towards technology absorption;

The Company undertakes regular efforts to upgrade and modernise its equipments through adoption of improved technology. During the year, Seventeen Rotorvane feeders, six weigh feeders for withered leaf, eleven Rotorvanes, fifteen CTC machines, ten CFM's, seven VFBD's, two ECP Dryers for Orthodox, eight Milling machines, four Lathe machines were purchased and installed in various factories.

The Company conducts various workshops and interactive group discussions regularly duly complimented by efficient training of staff with specific approach towards development of efficiency.

The Company in its own interest encourages and values innovative achievements of the operating people in the agriculture and manufacture of tea.

The Company also uses Vermicompost, Bio Humic Spray (BHS) and Indigenous Technical Knowledge (ITK) for improving the organic status of the soil.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

The adoption of improved technology, regular upgradation, modernisation of equipments, conducting various workshops and implementation of organic technologies help in improving the yield and quality of tea. The Company is a major exporter of tea from India.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company did not import any technology during the last three financial years.

(iv) the expenditure incurred on Research and Development.

	Rs. Lakhs	
Expenditure on Research & Development	2014-15	2013-14
Capital Expenditure	Nil	Nil
Revenue Expenditure	131.90	109.49
Total	131.90	109.49

(C) Foreign exchange earnings and Outgo

The total foreign exchange earnings during the year in terms of actual inflows was Rs. 26867 lakhs and the Foreign Exchange outgo during the year in terms of actual outflow was Rs. 3200 lakhs.

For and on Behalf of the Board of Directors

A. Khaitan
Managing Director

K.K. Baheti
Whole Time Director & CFO

Place: Kolkata
Date: 28th May 2015

ANNEXURE-XI

REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year;

Executive Directors

Name	Ratio of Remuneration of each Director to Median Remuneration of the Employees for 2014-15	Ratio of Remuneration of each Director to Median Remuneration of Executive Grade Employees for 2014-15
Mr. Aditya Khaitan - Managing Director	472.91:1	35.09:1
Mr. Rajeev Takru - Whole Time Director	190.83:1	14.16:1
Mr. Azam Monem - Whole Time Director	195.89:1	14.54:1
Mr. Kamal Kishore Baheti - Whole Time Director & CFO	193.11:1	14.33:1

Non-Executive Directors

Name	Ratio of Remuneration (being fees for attending Meetings of the Board and Committees thereof) of each Director to Median Remuneration of the Employees for 2014-15	Ratio of Remuneration of each Director to Median Remuneration of Executive Grade Employees for 2014-15
Mr. B.M. Khaitan	0.98:1	0.07:1
Dr. R. Srinivasan	2.55:1	0.19:1
Mrs. R. Nirula	0.78:1	0.06:1
Mr. R. Sen	3.33:1	0.25:1
Mr. B. Bajoria	2.94:1	0.22:1
Mr. U. Parekh	0.98:1	0.07:1
Mr. Deepak Khaitan*	0.78:1	0.06:1
Mr. Amritanshu Khaitan**	-	-
Mr. Padam Kumar Khaitan**	-	-
Mr. S.N. Menon#	-	-

* Expired on 9th March, 2015

** Appointed with effect from 31st March, 2015 and did not earn any remuneration during the year.

Ceased to be a director with effect from 18th February, 2015 and did not earn any remuneration during the year.

(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year;

Name of Director, Chief Executive Officer and Company Secretary	Percentage increase in remuneration in the financial year 2014-15
Mr. Aditya Khaitan - Managing Director	40.09%
Mr. Rajeev Takru - Whole Time Director	14.73%
Mr. Azam Monem - Whole Time Director	18.48%
Mr. Kamal Kishore Baheti - Whole Time Director & CFO	17.31%
Mr. B.M. Khaitan	No increase
Dr. R. Srinivasan	No increase
Mrs. R. Nirula	No increase
Mr. R. Sen	No increase

Name of Director, Chief Executive Officer and Company Secretary	Percentage increase in remuneration in the financial year 2014-15
Mr. B. Bajoria	No increase
Mr. U. Parekh	No increase
Mr. Deepak Khaitan*	No increase
Mr. Amritanshu Khaitan**	N A
Mr. Padam Kumar Khaitan**	N A
Mr. S.N. Menon#	No increase
Mr. Amitabha Guha Sarkar - Company Secretary	4.47%

* Expired on 9th March, 2015

** Appointed with effect from 31st March, 2015

Ceased to be a director with effect from 18th February, 2015

- (iii) (a) **The percentage increase in the median remuneration of the employees in the financial year:** 6.36%
- (iii) (b) **The percentage increase in the median remuneration of executive employees in the financial year:** 7.82%
- (iv) **The number of permanent employees on the rolls of company as on 31st March, 2015:** 75374.
- (v) **The explanation on the relationship between average increase in remuneration and company performance:**
The average of the total remuneration of the employees was increased by 16.56%.

The Company's performance in terms of sales turnover was decreased by 5.88% and Profit after Tax by 70.22%.

The average increase in the remuneration of the employees was primarily due to revised wage agreements in the Company's tea estates and fresh terms for the re-appointment of the Managing Director and the Whole Time Directors for three years with effect from 1st April 2014, as approved by the shareholders at their last Annual General Meeting, based on their performances during their earlier terms.

The performance of the Company in 2014-15 was affected due to unfavourable weather resulting in crop loss and the profit figure was also decreased due to increased depreciation cost consequent upon changes in the Companies Act, 2013 and general increase in input costs.

(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Aggregate Remuneration / Rs. in Lakhs	% of the Aggregate Remuneration over Key Performance Figures
1110.00	Turnover = 0.80
	PBT = 20.87
	PAT = 17.91

(vii) (a) variations in the market capitalisation of the company on the Bombay Stock Exchange, price earnings ratio as at the closing date of the current financial year and previous financial year

Particulars	31st March 2015	31st March 2014	% Change
Market Capitalisation (in Rs. crores)	2617.63	3341.68	(22%)
Price Earning Ratio	42.25	16.06	163%

(vii) (b) percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer

Not Applicable as the Company did not make any Public Issue. The Share Capital represent the Shares issued pursuant to the Scheme of Arrangement between the Company and Eveready Industries India Limited as approved by the Hon'ble High Court at Calcutta in 2004-05.

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

Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year = 15.34%

Average percentage increase in the managerial remuneration = 19.02%

The average increase in the managerial remuneration is due to the fresh terms of the reappointment of the Managing Director and Whole time Directors for a period of three years w.e.f. 1st April 2014 as approved by the Shareholders at the last Annual General Meeting, based on the performance in earlier terms.

(ix) Comparison of the remuneration of each Key Managerial Personnel against the performance of the company

	Mr. Aditya Khaitan (Managing Director)	Mr. A. Monem (Whole Time Director)	Mr. R. Takru (Whole Time Director)	Mr. K.K. Baheti (Whole Time Director & CFO)	Mr. A. Guha Sarkar (Company Secretary)
Remuneration in FY 15 (Rs. In lakhs)	482.18	199.73	194.57	196.90	36.73
Revenue (Rs. In lakhs)	138829.80				
Remuneration of KMPs (as % of revenue)	0.35%	0.14%	0.14%	0.14%	0.03%
Profit after Tax (PAT) (Rs. In lakhs)	6198.46				
Remuneration of KMP (as % of PAT)	7.78%	3.22%	3.14%	3.18%	0.59%

(x) The key parameters for any variable component of remuneration availed by the Directors

Allowances to the Executive Directors may vary as approved by the Board based on their and Company's performance. Commission is paid to the Non-Executive Directors as approved by the Board based on the performance of the Company.

(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

During the financial year 2014-15, no employee received remuneration in excess of the highest paid director.

(xi) Affirmation that the remuneration is as per the Remuneration Policy of the Company.

The remuneration paid during the financial year ended 31st March, 2015 is in terms of the Remuneration Policy of the Company.

Information pursuant to Rule 5(2) of Chapter XIII of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(I) The following persons were employed throughout the financial year and was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees:-

Name	Designation	Remuneration received (in Rs. Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age (years)	The last employment held	The percentage of equity shares held	Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
A. Khaitan	Managing Director	482.18	Whole time employee	B.Com (Hons) 24 years	01.04.2005	47	N.A.	0.007	Mr. B.M. Khaitan - Father
R. Takru	Whole Time Director	194.57	Whole time employee	B.A. (Hons) 40 years	01.04.2005	60	Eveready Industries India Limited, Senior Vice- President	0.001	No
A. Monem	Whole Time Director	199.73	Whole time employee	B.Com (Hons) 35 years	01.04.2005	55	Eveready Industries India Limited, Senior Vice- President	0.001	No
K.K. Baheti	Whole Time Director & CFO	196.90	Whole time employee	B.Com (Hons), FCA, ACS, AICWA 26 years	01.04.2005	52	Eveready Industries India Limited, Vice- President	0.005	No

(II) There was no employee in the Company, whether employed throughout or part of the financial year 2014-15, who has drawn remuneration in excess of that drawn by the Managing Director or Whole Time Directors and holds along with spouse and dependent children not less than two per cent of the equity shares of the Company.

For and on Behalf of the Board of Directors

A. Khaitan
Managing Director

K.K. Baheti
Whole Time Director & CFO

Place: Kolkata
Date: 28th May 2015



Standalone Financials

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MCLEOD RUSSEL INDIA LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Mcleod Russel India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards

on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, 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 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 Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. 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, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

9. We draw your attention to Note 36(d) to the financial statements regarding total remuneration paid/payable to the managing director and three whole-time directors of the Company aggregating to Rs 1,073.38 lakhs for the year ended March 31, 2015 which is in excess of the

INDEPENDENT AUDITORS' REPORT

limits specified in Schedule V read with Section 197 of the Companies Act, 2013, and as approved by the shareholders of the Company and for which approval from the Central Government is awaited. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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, 2015 taken on

record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) 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 knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2015 on its financial position in its standalone financial statements – Refer Note 32;
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2015 for which there were no material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Prabal Kr. Sarkar
Partner
Membership Number: 52340

Kolkata
May 28, 2015

Annexure to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Mcleod Russel India Limited on the standalone financial statements as of and for the year ended March 31, 2015

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and/or have been verified with reference to subsequent sale. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has granted unsecured loans, to one company covered in the register maintained under Section 189 of the Act. The Company has not granted any secured/ unsecured loans to firms or other parties covered in the register maintained under Section 189 of the Act.
- (a) In respect of the aforesaid loans, the party is repaying the principal amounts, as stipulated, and is also regular in payment of interest as applicable.
- (b) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis 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, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of cess on green leaf, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund employees' state insurance, sales tax, income tax, wealth tax, services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

Annexure to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Mcleod Russel India Limited on the standalone financial statements as of and for the year ended March 31, 2015

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, duty of custom, value added tax or cess which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, services tax, duty of excise as at March 31, 2015 which have not deposited on account of a dispute, are as follows :

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Tax deducted at Source and Interest (Refer Note 39 to Financial Statement)	4578.00	2005-06	Commissioner of Income-tax (Appeals)
Income tax Act, 1961	Fringe Benefit Tax	58.61	2008-09	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	10.27	2006-07	High Court of Calcutta
Income tax Act, 1961	Income tax	1877.71	2010-11	Commissioner of Income-tax (Appeals)
Finance Act, 1994	Service Tax	75.48	2004-05 to 2007-08	Commissioner (Appeals)
Central Excise Act, 1944	Excise Duty	10.75	1999 to 2003	Commissioner (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax	68.24	2011-12 and 2012-13	Deputy Commissioner of Taxes (Appeals)

- (C) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any bank as at the balance sheet date. The company did not have any dues outstanding to any debenture holders or financial institutions as at the beginning of the year nor did it obtain any such loans during the year.
- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks during the year are not prejudicial to the interest of the Company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Prabal Kr. Sarkar
Partner

Membership Number: 52340

Kolkata
May 28, 2015

BALANCE SHEET

AS AT 31ST MARCH, 2015

	Note	31st March 2015		31st March 2014	
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	5472.79		5472.79	
Reserves and Surplus	3	183251.30		186490.38	
			188724.09		191963.17
Non-current Liabilities					
Long - term Borrowings	4	12000.00		5000.00	
Deferred Tax Liabilities (Net)	5	2266.72		6012.71	
Long - term Provisions	6	3352.95	17619.67	3060.67	14073.38
Current Liabilities					
Short-term Borrowings	7	25437.04		13740.11	
Trade Payables	8	8806.05		6614.08	
Other Current Liabilities	9	10996.03		10265.53	
Short-term Provisions	10	8555.29	53794.41	13862.95	44482.67
Total		260138.17		250519.22	
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	11	158884.56		161373.98	
Intangible Assets	12	2894.53		3198.83	
Capital Work-in-Progress		4263.15	166042.24	3924.98	168497.79
Non-Current Investments	13	23926.00		23984.80	
Long - term Loans and Advances	14	14860.24		22036.79	
Other Non-current Assets	15	195.52	38981.76	195.52	46217.11
Current Assets					
Inventories	16	15506.81		12673.44	
Trade Receivables	17	6565.31		2823.29	
Cash and Bank Balances	18	787.65		499.00	
Short-term Loans and Advances	19	28609.53		15091.64	
Other Current Assets	20	3644.87	55114.17	4716.95	35804.32
Total		260138.17		250519.22	

This is the Balance Sheet referred to in our report of even date

The notes are an integral part of these Financial Statements

For **PRICE WATERHOUSE**

Firm Registration Number 301112E

Chartered Accountants

For and on behalf of the Board of Directors

Prabal Kr. Sarkar

Partner

Membership Number 52340

Kolkata, 28th May 2015

A. Khaitan

Managing Director

K. K. Baheti

Wholesale Director & CFO

A. Guha Sarkar

Company Secretary

PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2015

	Note	Year ended 31st March 2015	Year ended 31st March 2014
		Rs. Lakhs	Rs. Lakhs
Revenue from Operations	21	138829.80	147506.28
Other Income	22	5396.72	4666.67
Total Revenue		144226.52	152172.95
Expenses:			
Cost of Materials Consumed	23	23404.40	22960.25
Changes in Inventories of Finished Goods	24	(2262.16)	(1929.51)
Employee Benefits Expense	25	56335.12	52194.16
Finance Costs	26	6609.13	5605.23
Depreciation and Amortisation Expense	27	6026.95	2407.51
Other Expenses	28	48735.97	47483.35
Total Expenses		138849.41	128720.99
Profit before Exceptional Items and Tax		5377.11	23451.96
Exceptional Item	52	58.78	297.77
Profit before Tax		5318.33	23154.19
Tax expense:	53		
Current Tax		453.38	3300.18
Deferred Tax - Charge/(Credit)		(1333.51)	(956.52)
Profit for the Year		6198.46	20810.53
Earnings per Equity Share: [Nominal Value per share : Rs. 5/- (Previous Year : Rs. 5/-)]	40		
- Basic		5.66	19.01
- Diluted		5.66	19.01

This is the Profit and Loss Statement referred to in our report of even date

The notes are an integral part of these Financial Statements

For **PRICE WATERHOUSE**

Firm Registration Number 301112E

Chartered Accountants

For and on behalf of the Board of Directors

Prabal Kr. Sarkar

Partner

Membership Number 52340

Kolkata, 28th May 2015

A. Khaitan

Managing Director

K. K. Baheti

Wholetime Director & CFO

A. Guha Sarkar

Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15		2013-14	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		5318.34		23154.19
Adjustments for :				
Provision for Diminution in carrying amount of Long -Term Investments		58.78		297.77
Provision for Doubtful Debts no longer required written back		-		(53.18)
Provision for doubtful advances/Loans		9.56		-
Liabilities no longer required written back		(13.35)		(95.51)
Bad Debts written off		4.12		-
Investment written off		0.02		-
Reversal of Impairment Loss		(407.36)		(1317.59)
Depreciation on Tangible Fixed Assets		6034.21		3347.70
Amortisation on Intangible Fixed Assets		400.10		377.40
Loss on Disposal of Fixed Assets (Net)		76.33		60.51
Dividend on Long Term Trade Investments		(1116.18)		(1013.91)
Interest Income		(3754.66)		(3279.60)
Interest Expense		6341.40		5347.27
Unrealised Foreign Exchange Losses/ (Gains)		50.12		(194.24)
Operating Profit before Working Capital changes		13001.43		26630.81
Changes in Working Capital				
Increase / (Decrease) In Trade Payables	2205.32		(307.61)	
Increase / (Decrease) In Other Current Liabilities	1306.31		400.87	
Increase / (Decrease) In Provision	411.35		272.84	
(Increase) / Decrease In Trade Receivables	(3746.14)		(1147.34)	
(Increase) / Decrease In Inventories	(2833.37)		(1422.42)	
(Increase) / Decrease In Loans and Advances	3526.51		(2646.14)	
(Increase) / Decrease In Other Current Assets	903.76		251.51	
(Increase) / Decrease In Other Non Current Assets	-	1773.74	17.22	(4581.08)
Cash Generated from operations		14775.17		22049.74
Taxes paid (Net of Refunds)		(2523.08)		(5593.24)
Net Cash from Operating Activities		12252.09		16456.50
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Tangible and Intangible Fixed Assets		(12918.86)		(11535.11)
Purchase of Long Term Investments		-		(0.71)
Disposal of Tangible Fixed Assets		111.74		75.65
Capital Subsidy Received		16.13		47.52
Loans Recovered /(given)		(7378.07)		1882.40
Redemption/Sale of Long Term Investment		-		0.63
Interest Received		3922.98		3027.48
Dividend Received		1116.18		1013.91
Net cash used for Investing Activities		(15129.90)		(5488.23)

CASH FLOW STATEMENT (Contd.)

FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15		2013-14	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long-term Borrowings		10000.00		6000.00
Proceeds from /(Repayment) of Short-term Borrowings		11696.93		(536.28)
Repayment of Long-term Borrowings		(3410.00)		(2350.00)
Interest paid		(6410.24)		(5251.50)
Dividend paid / Transferred to Investor Education and Protection Fund		(7595.50)		(7584.10)
Dividend Tax paid		(1113.86)		(1129.28)
Net cash from /(used) for financing activities		3167.33		(10851.16)
D. EFFECT OF FOREIGN EXCHANGE DIFFERENCE ON				
Cash and Cash Equivalents		(0.87)		2.30
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)		288.65		119.41
Cash and Cash Equivalents at the beginning of the year (Refer Note 18)		499.00		379.59
Cash and Cash Equivalents at the end of the year (Refer Note 18) *		787.65		499.00
Changes in Cash and Cash Equivalents - Increase/ (Decrease)		288.65		119.41
* Includes the following balances which are available for use for specific purposes.				
Unpaid Dividend Account		386.15		319.75
Escrow Accounts/Fractional Share sale Proceeds Account		0.18		0.60

- (a) The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow
- (b) Also refer Note 55 to the financial Statements.
- (c) Notes referred to above form an integral part of the Cash Flow Statement.

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

For **PRICE WATERHOUSE**

Firm Registration Number 301112E
Chartered Accountants

For and on behalf of the Board of Directors

Prabal Kr. Sarkar

Partner
Membership Number 52340
Kolkata, 28th May 2015

A. Khaitan

Managing Director

K. K. Baheti

Wholetime Director & CFO

A. Guha Sarkar

Company Secretary

Notes to Financial Statements

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual and prudent basis except for certain tangible fixed assets which are being carried at revalued amounts.

Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) [Companies (Accounting Standards) Rules 2006, as amended] and other relevant provisions of the Companies Act, 2013.

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 III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current- non current classification of assets and liabilities.

1.2 Tangible Fixed Assets

Tangible Fixed Assets are stated at acquisition cost or valuation net of accumulated depreciation and accumulated impairment losses, if any. Cost of extension planting is capitalised. An impairment loss is recognised wherever the carrying amount of the tangible fixed assets of a cash generating unit exceeds its net selling price or value in use, whichever is higher. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

1.3 Intangible Fixed Assets

Intangible Fixed Assets are stated at acquisition cost net of accumulated amortisation and accumulated impairment losses, if any. An impairment loss is recognised whenever the carrying amount of the intangible fixed assets of a cash generating unit exceeds its net selling price or value in use, whichever is higher. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

1.4 Depreciation and Amortisation

Depreciation on straight line method is provided on book value of tangible fixed assets (other than Estate & Development and Freehold Land) in the manner and on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, which are also supported by technical evaluation. Items of fixed assets for which related actual cost do not exceed Rs. 5000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical evaluation, as under:-

Plant and Equipment: ranging from 7 years to 30 years
 Non-factory Buildings: ranging from 15 years to 70 years

Additional charge of depreciation on amount added on revaluation is adjusted against Revaluation Reserve, wherever available.

Leasehold land is amortised over the period of lease.

Intangible fixed assets are amortised on straight line method over their estimated economic life.

1.5 Investments

Long Term Investments are stated at cost. Provision is made for diminution, other than temporary. Gains/ losses on disposal of investments are recognised as income / expenditure.

1.6 Inventories

Inventories are valued as under:

- Stores and Spare Parts: At lower of cost (determined under weighted average method) and net realisable value.

Notes to Financial Statements (Contd.)

- Finished Goods: At lower of weighted cost (including attributable charges and levies) and net realisable value.

1.7 Revenue Recognition

Sale of products is recognised on completion of sale of goods. Sale includes tea claim and is net of sales return, sales tax etc. Other items are recognised on accrual basis.

1.8 Employee Benefits

a. Short Term Employee Benefits:

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

b. Post Employment Benefit Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Profit and Loss Statement for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

c. Other Long Term Employee Benefits (Unfunded):

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being

carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Profit and Loss Statement for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.9 Borrowing Cost

Interest and other costs in connection with the borrowing of funds by the Company are recognised as an expense in the period in which they are incurred unless these are attributable to the acquisition and construction of qualifying assets and added to the cost up to the date when such assets are ready for their intended use.

1.10 Research and Development

Revenue expenditure on Research and Development is recognised as a charge to Profit and Loss Statement. Capital expenditure on assets acquired for Research and Development is added to Fixed Assets, if any.

1.11 Accounting for Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdiction.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention

Notes to Financial Statements (Contd.)

to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.12 Transactions in Foreign Currencies

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions. Exchange differences arising on settlement of transactions and/or restatements are dealt with in the Profit and Loss Statement.

1.13 Derivative Instruments

The Company uses derivative financial instruments such as forward exchange contracts, currency swaps etc. to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of Forward Exchange Contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortised as expense or income over the life of contract.

Other Derivative contracts outstanding at the Balance Sheet date are marked to market and resulting loss, if any, is provided for in the financial statements. Any profit or losses arising on cancellation of derivative instruments are recognised as income or expenses for the period.

1.14 Government Grants

Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book value.

Government grants related to revenue are recognised in the Profit and Loss Statement.

1.15 Provision and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation as at the Balance Sheet date and are not discounted to its present value.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, 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 or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

1.16 Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the Balance Sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the Balance Sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

Notes to Financial Statements (Contd.)

2 SHARE CAPITAL

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Authorised		
12,00,00,000 (31.03.2014 - 12,00,00,000) Equity Shares of Rs.5/- each		
	6000.00	6000.00
Issued, subscribed and paid-up		
10,94,55,735 (31.03.2014 - 10,94,55,735) Equity Shares of Rs. 5/- each fully paid up		
	5472.79	5472.79
	5472.79	5472.79

(a) Rights, preferences and restrictions attached to Shares

The Company has only one class of shares referred to as Equity Shares having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Details of Equity Shares held by shareholders holding more than 5 per cent of the aggregate Equity Shares in the Company

	Number of Equity Shares	Number of Equity Shares
	31st March 2015	31st March 2014
Kamal Baheti (Trustee of Borelli Tea Holdings Limited, U.K.)	27067500 (24.73%)	27067500 (24.73%)
Williamson Magor & Co. Limited	11660946 (10.65%)	11649946 (10.64%)
Williamson Financial Services Limited	5898725 (5.39%)	5898725 (5.39%)
CLSA (Mauritius) Limited	-	6594833 (6.03%)
IDFC Premier Equity Fund	6425178 (5.87%)	-

Notes to Financial Statements (Contd.)

3 RESERVES AND SURPLUS

	Rs. Lakhs						
	General Reserve [Refer Note (a) below]	Securities Premium Account	Capital Reserve	Revaluation Reserve [Refer Note 11 (c)]	Other Reserve [Refer Note (b) below]	Surplus in Profit and Loss Statement	Total
Balance at the beginning of the year	85000.00	11053.58	201.68	56225.84	19209.20	14800.08	186490.38
Profit for the year	-	-	-	-	-	6198.46	6198.46
Transferred to General Reserve from Surplus in Profit and Loss Statement	1000.00	-	-	-	-	(1000.00)	-
Adjustment on account of disposal of Revalued Assets	-	-	-	(0.51)	-	-	(0.51)
Withdrawn on account of depreciation on amount added on Revaluation of Fixed Assets (Refer Note 27)	-	-	-	(274.34)	-	-	(274.34)
Adjustment on account of expiry of life of certain fixed assets (Refer Note 33)	(5287.66)	-	-	(253.80)	-	-	(5541.46)
Adjustment on account of Write back of Impairment Provision (Refer Note 11)	-	-	-	142.64	-	-	142.64
Proposed Dividend	-	-	-	-	-	(3283.67)	(3283.67)
Tax on Proposed Dividend	-	-	-	-	-	(668.48)	(668.48)
Tax on proposed Dividend relating to earlier year written back	-	-	-	-	-	188.28	188.28
Balance at the end of the year	80712.34	11053.58	201.68	55839.83	19209.20	16234.67	183251.30

- a) Represents a free reserve not meant for any specific purpose.
- b) Represents the balance amount of reserve which had arisen on transfer of Bulk Tea Division of Eveready Industries India Limited.

Notes to Financial Statements (Contd.)

4 LONG-TERM BORROWINGS

	31st March 2015		31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Secured				
Term Loans from Banks				
ICICI Bank Limited	10000.00			
Less : Current maturities of long term debts	(1000.00)	9000.00		
a) Nature of Security				
Secured by first pari pasu charge of certain tea estates by way of mortgage over immovable fixed assets and hypothecation of movable fixed assets				
b) Rate of Interest				
Interest is payable on monthly basis at base rate plus 0.40% p.a.				
c) Terms of Repayment				
Twenty (31.03.2014 - Nil) equal quarterly instalments of Rs. 500 Lakhs each commencing from 24th December 2015				
ICICI Bank Limited	-		2360.75	
Less : Current maturities of Long term debt	-	-	(2360.75)	-
a) Nature of Security				
Secured by first pari passu charge on WM - Brand, first pari passu mortgage of certain tea estates and subservient mortgage of certain tea estates; and additionally secured by pledge of certain investments				
b) Rate of Interest				
Interest is payable on monthly basis at base rate plus 2.50% p.a.				
c) Terms of Repayment				
Repayable is Nil (31.03.2014 - Twelve equal monthly instalments)				
HDFC Bank Limited	5000.00		6000.00	
Less : Current maturities of long term debts	(2000.00)	3000.00	(1000.00)	5000.00
a) Nature of Security				
Secured by equitable mortgage of certain tea estates on an exclusive basis				
b) Rate of Interest				
Interest is payable on quarterly basis at base rate plus 0.05% p.a.				
c) Terms of Repayment				
Ten (31.03.2014 - Twelve) equal quarterly instalments of Rs. 500 Lakhs each				
		12000.00		5000.00

Notes to Financial Statements (Contd.)

5 DEFERRED TAX LIABILITIES (NET)

	31st March 2015		31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
A. Deferred Tax Liability				
i) Difference between net book value of depreciable capital assets as per books vis-à-vis written down value as per tax laws		5956.72		8200.84
B. Deferred Tax Assets				
i) Losses under Agricultural Income Tax*	720.84		-	
ii) Items allowed for tax purpose on payment	1304.91		915.95	
iii) Provision for Doubtful Debts, Advances etc.	1664.25	3690.00	1272.18	2188.13
Net Deferred Tax Liabilities (A-B)		2266.72		6012.71
*Considered based on future taxable income against which it can be realised (Also Refer Note 33)				

6 LONG-TERM PROVISIONS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Provision for Employee Benefits (Refer Note 31)	3352.95	3060.67
	3352.95	3060.67

7 SHORT-TERM BORROWINGS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Secured Loans repayable on demand from Banks		
Cash Credit, Packing Credit and Demand Loans	25437.04	13740.11
Nature of Security		
Secured/to be secured by equitable first mortgage by way of deposit of title deeds of immovable properties of certain tea estates ranking pari passu and hypothecation of tea crop, movable properties and book-debts, present and future of the Company.		
	25437.04	13740.11

8 TRADE PAYABLES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Trade payables (Refer Note 42)	8806.05	6614.08
	8806.05	6614.08

Notes to Financial Statements (Contd.)

9 OTHER CURRENT LIABILITIES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Current maturities of long-term debts	3000.00	3360.75
Interest accrued but not due on borrowings	56.91	125.75
Advances from Customers / Selling Agents	9.92	3.46
Unpaid Dividends [Refer (a) below]	386.15	319.75
Unclaimed Fractional Share Sale Proceeds	0.18	0.60
Deposits Received from Agents	163.61	159.50
Employee Benefits Payable	6706.44	5354.86
Remuneration payable to Non -Whole time Directors	-	18.00
Statutory dues (including Provident Fund and Tax deducted at Source)	593.63	631.05
Capital Liabilities	79.19	291.81
	10996.03	10265.53

(a) There are no amounts due for payment to the Investor Education and Protection Fund as at the year end

10 SHORT-TERM PROVISIONS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Provision for Employee Benefits (Refer Note 31)	1567.56	1451.49
Others		
Provision for Central Income Tax [Net of Advance Tax Rs. 17691.36 Lakhs (31.03.2014 - Rs. 16673.43 lakhs)]	2023.58	1863.54
Provision for Fringe Benefit Tax [Net of Advance Tax Rs. Nil (31.03.2014 - Rs. 581.04 lakhs)]	-	42.18
Proposed Dividend	3283.67	7661.90
Provision for Tax on Proposed Dividend	1652.48	2818.84
Provision for Wealth Tax	28.00	25.00
	8555.29	13862.95

Notes to Financial Statements (Contd.)

11 TANGIBLE FIXED ASSETS

Particulars	GROSS BLOCK AT COST OR VALUATION				DEPRECIATION				NET BLOCK		Rs. in Lakhs	
	As at 31st March 2014	Additions during the year	Disposal during the year [Refer (a) below]	As at 31st March 2015	Up to 31st March, 2014 [Refer (d) below]	For the year	On disposal during the year	Adjusted with Reserves during the year [Refer (e) below]	Impairment written back during the year	Up to 31st March 2015 [Refer (d) below]		Written down value as at 31st March 2015
Estate and Development	91345.04	22.55	20.92	91346.67	866.33	-	-	-	399.23	467.10	90879.57	90478.71
Land												
- Freehold [Refer (b) below]	4312.32	-	-	4312.32	-	-	-	-	-	-	4312.32	4312.32
- Leasehold	318.85	-	-	318.85	10.63	10.62	-	-	-	21.25	297.60	308.22
Buildings	63123.69	3964.76	17.63	67070.82	18735.96	3506.36	7.07	7319.06	117.52	29436.79	37634.03	44387.73
Plant and Equipment	41082.46	6431.32	501.16	47012.62	23142.04	1826.82	366.48	334.80	33.25	24903.93	22108.69	17940.42
Furniture and Fixtures	1693.72	183.61	42.82	1834.51	932.33	163.07	39.81	85.53	-	1141.12	693.39	761.39
Vehicles	6103.91	707.01	249.92	6561.00	3419.68	614.42	219.70	45.97	-	3860.37	2700.63	2684.23
Office Equipment	547.02	31.67	20.74	557.95	276.79	64.96	16.13	143.35	-	468.97	88.98	270.23
Computer	739.08	86.86	57.97	767.97	508.35	122.30	57.26	25.23	-	598.62	169.35	230.73
31st March, 2015	209266.09	11427.78	911.16	219782.71	47892.11	6308.55	706.45	7953.94	550.00	60898.15	158884.56	161373.98
31st March, 2014	199337.69	10417.25	488.85	209266.09	46546.80	3695.73	300.42	-	2050.00	47892.11	161373.98	

- a) Includes Capital Subsidy in respect of following Tangible Fixed Assets
- Plant and Equipment - Rs. 16.13 Lakhs (31.03.14 - Rs.47.52 Lakhs)
- b) Represents cost of proportionate share of undivided land pertaining to certain portion of a multistoried building
- c) Pursuant to the schemes of Arrangement/Amalgamation effected in earlier years, certain assets (Estate and Development, Buildings, Plant and Equipment, and Furniture and Fixtures) were taken over at revalued amount and incorporated in the books of account.
- d) The opening and closing balance of Depreciation includes an Impairment Loss as set out below:-

	Impairment Loss as at	
	31st March 2015	31st March 2014
Estate and Development		
Buildings	456.95	856.18
Plant and Equipment	49.14	166.66
	13.91	47.16
	520.00	1070.00

During the year 2014-15, reduction in accumulated impairment loss has been given effect in respect of Estate and Development Rs. 399.23 lakhs (31.03.2014 - Rs. 1230.99 lakhs), Building Rs. 117.52 lakhs (31.03.2014 - Rs. 644.90 lakhs) and Plant and Equipment Rs.33.25 lakhs (31.03.2014 - Rs. 174.11 lakhs) aggregating Rs.550.00 lakhs (31.03.2014 - Rs. 2050.00 lakhs) in the nature of reversal of impairment loss by adopting discounted cash flow method [based on value in use considering the discounting factor at 14.00 % (31.03.2014 - 10.00 %) in the current estimate and at 8.50 % (31.03.2014 - 8.50 %) in the previous estimate] upon improvement in profitability of Bhatpara Tea Estate. Out of this, Rs. 142.64 lakhs (31.03.2014 - Rs. 732.41 lakhs) has been added to Revaluation Reserve (Refer Note 3) and Rs. 407.36 lakhs (31.03.2014 - Rs. 1317.59 lakhs) has been subtracted from depreciation for the year (Refer Note 27)

- e) Represents the written down value of those fixed assets whose useful lives have already expired. Also refer Note 33.

Notes to Financial Statements (Contd.)

12 INTANGIBLE FIXED ASSETS

Particulars	GROSS BLOCK AT COST				AMORTISATION				NET BLOCK	
	As at 31st March, 2014	Additions during the year	Disposal during the year	As at 31st March, 2015	Up to 31st March, 2014	For the year	On disposal during the year	Up to 31st March, 2015	Written down value as at 31st March, 2015	Written down value as at 31st March, 2014
Goodwill	20.44	-	-	20.44	20.44	-	-	20.44	-	-
Trade Mark [Brand]	5000.00	-	-	5000.00	2312.50	250.00	-	2562.50	2437.50	2687.50
[Refer (a) below]										
Computer Software	669.06	95.80	-	764.86	157.73	150.10	-	307.83	457.03	511.33
[Refer (b) below]										
31st March, 2015	5689.50	95.80	-	5785.30	2490.67	400.10	-	2890.77	2894.53	3198.83
31st March, 2014	5635.52	53.98	-	5689.50	2113.27	377.40	-	2490.67	3198.83	

(a) Trade mark (Brand - WM logo), acquired in January 2005, is being amortised under straight line method over a working life of 20 years on prudent basis based on valuation by independent valuer, considering the factors like effective life/utility.

(b) Computer Software is being amortised under straight line method over 5 years.

Notes to Financial Statements (Contd.)

13 NON - CURRENT INVESTMENTS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(valued at cost unless stated otherwise)		
(In Equity Shares of Rs. 10 each fully paid, except otherwise stated)		
Trade		
Investments in Equity Instruments - Subsidiaries		
Unquoted		
Borelli Tea Holdings Limited (U.K.)		
362000 Shares (31.03.2014 - 362000 Shares) of GBP 1 each	22936.98	22936.98
Investments in Equity Instruments - Associates		
Unquoted		
D1 Williamson Magor Bio Fuel Limited		
7281201 Shares (31.03.2014 - 7281201 Shares)	94.35	184.35
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 2090.00 lakhs (31.03.2014 - Rs. 2000.00 lakhs)]		
Investments in Equity Instruments - Others		
Quoted		
Murabblack India Limited		
500000 Shares (31.03.2014 - 500000 Shares)	*	*
McNally Bharat Engineering Co. Limited		
3052295 Shares (31.03.2014 - 3052295 Shares)	131.25	131.25
Williamson Financial Services Limited		
1666853 Shares (31.03.2014 - 1666853 Shares)	519.33	488.39
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. Nil (31.03.2014 - Rs. 30.94 lakhs)]		
Eveready Industries India Limited		
1663289 Shares of Rs. 5/- each (31.03.2014 - 1663289 Shares)	169.66	169.66
Kilburn Engineering Limited		
848168 Shares (31.03.2014 - 848168 Shares)	36.05	36.05
The Standard Batteries Limited		
1003820 Shares of Re. 1/- each (31.03.2014 - 1003820 Shares)	*	*
Kilburn Chemicals Limited		
350200 Shares (31.03.2014 - 350200 Shares)	14.04	14.04
Kilburn Office Automation Limited		
31340 Shares (31.03.2014 - 31340 Shares)	1.27	1.00
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. Nil (31.03.2014 - Rs. 0.27 lakhs)]		
Unquoted		
Dewrance Macneill & Co. Limited		
200000 Shares (31.03.2014 - 200000 Shares)	*	*
Kilburn Electricals Limited		
28000 Shares (31.03.2014 - 28000 Shares)	*	*
Cosepa Fiscal Industries Limited		
350000 Shares (31.03.2014 - 350000 Shares)	*	*
Delhi Golf & County Club Private Limited		
35750 Shares of Rs. 100/- each (31.03.2014 - 35750 Shares)	*	*
ABC Tea Workers Welfare Services Limited		
11067 Shares (31.03.2014 - 11067 Shares)	0.71	0.71

Notes to Financial Statements (Contd.)

13 NON - CURRENT INVESTMENTS (CONTD.)

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Other Non Trade		
Investments in Equity Instruments - Others		
Quoted		
Suryachakra Seafood Limited		
400000 Shares (31.03.2014 - 400000 Shares)	*	*
Unquoted		
Jalpaiguri Club Limited		
523 Shares (31.03.2014 - 523 Shares)	-	-
Indonilpur Marketing Pvt. Ltd.		
12500 Shares (31.03.2014 - 12500 Shares)	-	-
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 1.25 lakhs (31.03.2014 - Rs. 1.25 lakhs)]		
Nilhat Shipping Company Limited		
1000 Shares (31.03.2014 - 1000 Shares)	-	-
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 0.10 lakhs (31.03.2014 - Rs. 0.10 lakhs)]		
Woodlands Multispeciality Hospital Limited		
229610 Shares (31.03.2014 - 229610 Shares)	22.36	22.35
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. Nil (31.03.2014 - Rs. 0.01 lakhs)]		
Investments in Preference shares - Others		
Unquoted		
Thakurbari Club Limited		
56 Preference Shares of Rs.100 each (31.03.2014 - 56 Preference Shares)	*	*
CFL Capital Financial Services Ltd. -		
1154790 13% Redeemable Cumulative Preference Shares of Rs.100 each (31.03.2014 - 1154790 Preference Shares)	-	-
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 1160.56 lakhs (31.03.2014 - Rs. 1160.56 lakhs)]		
Investments in Government or trust securities		
Unquoted		
National Defence Bond (Deposited with Excise Authorities)	-	0.02
(Written off during the year)		
	23926.00	23984.80
* Amount is below the rounding off norm adopted by the Company.		
(a) Aggregate amount of quoted investments	871.59	871.59
Aggregate market value of quoted investments	8060.51	3549.23
Aggregate amount of unquoted investments	26306.32	26306.34
Aggregate provision for diminution in value of investments	3251.91	3193.13
(b) Following shares are pledged against loans availed by the Company		
Name of the Company	Nos.	Nos.
Borelli Tea Holdings Limited (U.K.)	-	83404

Notes to Financial Statements (Contd.)

14 LONG-TERM LOANS AND ADVANCES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(Unsecured - considered good unless otherwise stated)		
Capital Advances	1306.10	461.61
Security Deposits;		
Considered good	1585.66	1434.82
Considered doubtful	-	26.25
Less: Allowance for Doubtful Security Deposits	-	(26.25)
Deposits with National Bank for Agriculture and Rural Development	7082.09	15173.19
Other Loans and Advances		
MAT Credit Entitlement	3924.08	4495.06
Prepaid Expenses	951.51	446.15
Advances to Suppliers, Service Providers etc.	1217.20	1217.20
Less : Provision for Bad and Doubtful Advances	(1217.20)	(1217.20)
Loans to Others	850.00	850.00
Less : Provision for Bad and Doubtful Loans	(850.00)	(850.00)
Loans to Employees	10.80	25.96
	14860.24	22036.79

15 OTHER NON-CURRENT ASSETS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Margin Money Deposit with bank (a)	14.70	14.70
Other Long Term Receivable		
From Sale of Tea Estates	180.82	180.82
Interest Accrued on Loans and Deposits	2284.22	2284.22
Less : Provision for Bad and Doubtful Accrued Interest	(2284.22)	(2284.22)
	195.52	195.52

(a) For issuing Bank Guarantee

16 INVENTORIES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
At lower of cost and net realisable value		
Finished Goods (Stock of Tea)	6917.14	4654.98
[including in transit Rs. 303.87 lakhs (31.03.2014 - Rs. 347.34 lakhs)]		
Stores and Spares	8589.67	8018.46
	15506.81	12673.44

Notes to Financial Statements (Contd.)

17 TRADE RECEIVABLES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Debts outstanding for a period exceeding six months from the date they are due for payment -		
Secured		
- Considered Good	350.00	350.00
Unsecured		
- Considered Good	-	4.63
- Considered Doubtful	340.90	340.90
Less: Provision for Doubtful Debts	(340.90)	(340.90)
Other Debts -		
Unsecured		
- Considered Good	6215.31	2468.66
	6565.31	2823.29

18 CASH AND BANK BALANCES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Cash and Cash Equivalents		
Cash on hand	154.82	41.93
Remittance in Transit	11.00	-
Balance with banks in Current Accounts	235.50	136.72
Dividend Accounts *	386.15	319.75
Escrow Accounts/Fractional Share Sale Proceeds Account	0.18	0.60
	787.65	499.00

* Earmarked for payment of unclaimed dividend

(a) Margin Money Deposit kept with bank for issuing guarantee in favour of Third party has been disclosed under Other Non-Current Assets (Refer Note 15)

19 SHORT-TERM LOANS AND ADVANCES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(Unsecured - considered good unless otherwise stated)		
Loans to Related Parties		
- Subsidiary	4400.00	800.00
- Key Managerial Personnel (a)	-	1.93
Loans to Others		
Considered Good	4108.00	328.00
Considered Doubtful	248.00	248.00
Less: Provision for Bad and Doubtful Loans	(248.00)	(248.00)
Deposits with National Bank for Agriculture and Rural Development	7500.00	4000.00
Other Loans and Advances		
MAT Credit Entitlement	616.05	233.54

Notes to Financial Statements (Contd.)

19 SHORT-TERM LOANS AND ADVANCES (CONTD.)

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Advance Tax - Agricultural Income Tax [Net of Provision Rs. 16245.61 lakhs (31.03.2014 - Rs. 16831.18 lakhs)]	5432.01	3896.44
Advance Tax - Fringe Benefit Tax [Net of Provision Rs. 273.20 lakhs (31.03.2014 - Rs. Nil)]	307.76	-
Prepaid Expenses	715.46	946.52
Balance with Excise Authorities	11.44	12.89
Advance for Employee Benefits (Refer Note 31)	2048.83	1579.55
Advance to Employees	687.36	661.01
Advances to Suppliers, Service Providers etc.		
Considered Good	1869.13	1731.84
Considered Doubtful	103.69	103.69
Less: Provision for Bad and Doubtful Advances	(103.69)	(103.69)
Loans to Employees		
Considered Good	58.58	85.56
Considered Doubtful	9.56	-
Less: Provision for Bad and Doubtful Loans	(9.56)	-
Claim Receivable	154.91	114.36
Tax payment under protest (Refer Note 39)	700.00	700.00
	28609.53	15091.64

- (a) Such loans to key managerial personnel who are directors were originally initiated as advances to employees in the books of Eveready Industries India Limited taken over in terms of a Scheme of Arrangement in 2004-05.

20 OTHER CURRENT ASSETS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(Unsecured - considered good unless otherwise stated)		
Interest Accrued on Loans and Deposits		
Considered good	1209.85	1378.17
Considered Doubtful	173.35	173.35
Less: Provision for Doubtful Interest Receivable	(173.35)	(173.35)
Subsidies receivable from Government	1483.72	1662.54
Compensation receivable from Government	44.11	49.89
Accrued duty exemption benefits pertaining to exports	907.19	1626.35
	3644.87	4716.95

Notes to Financial Statements (Contd.)

21 REVENUE FROM OPERATIONS

	Year ended 31st March 2015		Year ended 31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Sale of Product - Tea		136770.72		144032.30
Other Operating Revenues				
Consultancy Fees	145.40		138.82	
Subsidy on Orthodox Tea	72.68		131.73	
Replantation Subsidy	181.84		179.22	
Transport Subsidy	166.51		315.24	
Accrued duty exemption entitlement and other Benefits relating to exports / premium on sale thereof	1492.65		2708.97	
		2059.08		3473.98
		138829.80		147506.28

22 OTHER INCOME

	Year ended 31st March 2015		Year ended 31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Interest Income (Gross)				
On Deposits	1129.71		1236.43	
On Loans	2624.95	3754.66	2043.17	3279.60
Dividend on Long Term Trade Investments				
From Subsidiary Company		1107.86		983.39
From Others		8.32		30.52
Insurance Claims		162.91		158.36
Sundry Income		230.60		66.11
Provision for Doubtful Debt no Longer Required Written back		-		53.18
Liabilities no Longer Required Written Back		13.35		95.51
Net Gain on Foreign Currency Transaction and Translation		119.02		-
		5396.72		4666.67

23 COST OF MATERIALS CONSUMED

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Green Leaf (purchased and consumed)	23404.40	22960.25
	23404.40	22960.25

Notes to Financial Statements (Contd.)

24 CHANGES IN INVENTORIES OF FINISHED GOODS

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Stock of Tea at the beginning of the year	4654.98	2725.47
Less: Stock of Tea at the end of the year	6917.14	4654.98
(Increase)/Decrease	(2262.16)	(1929.51)

25 EMPLOYEE BENEFITS EXPENSE

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Salaries and Wages	45380.94	42025.93
Contribution to Provident and Other Funds	5172.19	4632.54
Labour and Staff Welfare	5781.99	5535.69
	56335.12	52194.16

26 FINANCE COSTS

	Year ended 31st March 2015		Year ended 31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Interest Expense				
On Fixed Loans	1523.07		1445.17	
Others	4818.33	6341.40	3902.10	5347.27
Other Borrowing Costs		267.73		257.96
		6609.13		5605.23

27 DEPRECIATION AND AMORTISATION EXPENSE

	31st March 2015		31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Depreciation on Tangible Fixed Assets	6308.55		3695.73	
Less : Withdrawn on account of Depreciation on amount added on Revaluation of Tangible Fixed Assets (Refer Note 3)	(274.34)		(348.03)	
Less : Reversal of Impairment Loss (Refer Note 11)	(407.36)	5626.85	(1317.59)	2030.11
Amortisation of Intangible Fixed Assets		400.10		377.40
		6026.95		2407.51

Certain companies (transferor companies) were amalgamated/ merged with the Company in earlier years by virtue of approved schemes of arrangement. Fixed Assets were revalued by those transferor companies (including other companies which were amalgamated with the transferor companies from time to time) and the resultant incremental value of fixed assets was credited to Revaluation Reserve by those companies. Additional charge of depreciation on amount added on revaluation is adjusted against Revaluation Reserve, wherever available, consistently.

Notes to Financial Statements (Contd.)

28 OTHER EXPENSES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Consumption of Stores and Spare Parts	6465.35	5555.93
Consumption of Packing Materials	1186.23	1355.02
Power and Fuel	17716.57	17022.03
Rent	60.22	73.81
Lease Rent	75.00	75.00
Repairs - Buildings	1664.40	1562.06
- Machinery	2994.65	2803.05
- Others	1424.03	1335.19
Insurance	737.00	796.93
Rates and Taxes [including Wealth Tax Rs. 28.00 lakhs (2013-14 - Rs. 25.00 lakhs)]	352.78	450.28
Cess on Tea	410.56	457.54
Green Leaf Cess	959.54	1078.99
Travelling	1255.08	1340.10
Loss (net) on disposal of Fixed Assets	76.33	60.51
Legal and Professional Fees	919.72	829.66
Freight, Shipping and Selling Expenses	7252.07	7477.56
Brokerage on Sales	714.71	596.66
Selling Agents' Commission	725.38	550.77
Bad Debts written off	4.12	-
Investments written off	0.02	-
Security Deposit written off	26.25	-
Less: Adjusted from provision	(26.25)	-
Provision for Doubtful Loans	9.56	-
Net Loss on Foreign Currency Transaction and Translation	-	528.98
Miscellaneous Expenses	3732.65	3533.28
	48735.97	47483.35

29. SCHEMES OF AMALGAMATION/SCHEME OF ARRANGEMENT GIVEN EFFECT TO IN EARLIER YEARS

Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Schemes, such assets and liabilities remain included in the books of the Company under the name of the transferor companies (including other companies which were amalgamated with the transferor companies from time to time).

30. EMPLOYEE BENEFITS:

I. Post Employment Defined Contribution Plans:

During the year an amount of Rs. 4421.04 lakhs (31st March 2014 - Rs. 3900.82 lakhs) has been recognised as expenditure towards Defined Contribution plans of the Company.

II. Post Employment Defined Benefit Plans:

a) Gratuity (Funded)

The Company's gratuity scheme, a defined benefit plan, covers the eligible employees and is administered through certain gratuity fund trusts. Such gratuity funds, whose investments are managed by insurance companies/trustees themselves, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of Rs. 10.00 lakhs. Vesting occurs upon completion of five years of service.

Notes to Financial Statements (Contd.)

b) Superannuation (Funded)

The Company's Superannuation scheme, a Defined Benefit plan, is administered through trust funds and covers certain categories of employees. Investments of the funds are managed by insurance companies /trustees themselves. Benefits under these plans had been frozen in earlier years with regard to salary levels then prevailing. Upon retirement, death or cessation of employment, Superannuation Funds purchase annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

c) Staff Pension – Type A (Funded)

The Company's Staff Pension Scheme – Type A, a Defined Benefit plan, is administered through a trust fund and covers certain categories of employees. Investments of the fund are managed by Life Insurance Corporation of India. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

d) Staff Pension – Type B (Unfunded)

The Company's Staff Pension Scheme – Type B, a Defined Benefit plan, covers certain categories of employees. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

e) Medical Insurance Premium Re-imbursement (Unfunded)

The Company has a scheme of re-imbursement of medical insurance premium to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit. The Company has introduced a scheme of re-imbursement of medical expenses to a certain category of employees up to a certain monetary limit. The scheme is in the nature of Defined Benefit plan.

f) Expatriate Pension (Unfunded)

The Company has an informal practice of paying pension to certain categories of retired expatriate employees and in certain cases to their surviving spouses. The scheme is in the nature of Defined Benefit plan.

The following Tables sets forth the particulars in respect of aforesaid Defined Benefit plans of the Company for the year ended 31st March 2015 and corresponding figures for the previous year.

Description	Rs. Lakhs	
	Gratuity Fund	
	Funded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	12227.65	11757.12
Interest Cost	919.78	942.29
Current Service Cost	1216.63	872.94
Past Service Cost	-	-
Benefits Paid	(1460.86)	(1342.59)
Actuarial loss/(gain) on obligation	262.91	(2.11)
Present Value of obligation at the end of the year	13166.11	12227.65

Notes to Financial Statements (Contd.)

Description	Rs. Lakhs	
	Gratuity Fund	
	Funded	
	2014-15	2013-14
Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	13094.08	12031.58
Expected Return on Plan Assets	1047.53	1022.68
Contributions	810.25	1271.65
Benefits Paid	(1460.86)	(1342.59)
Actuarial gain/(loss) on Plan Assets	726.72	110.76
Fair Value of Plan Assets at the end of the year	14217.72	13094.08
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	13166.11	12227.65
Fair Value of Plan Assets at end of the year	14217.72	13094.08
Net Asset/(Liability) Recognised in Balance Sheet	1051.61	866.43
Expense Recognised in Profit and Loss Statement		
Current Service Cost	1216.63	872.94
Past Service Cost	-	-
Interest Cost	919.78	942.29
Expected Return on Plan Assets	(1047.53)	(1022.68)
Actuarial loss/(gain) recognised in the year	(463.81)	(112.87)
Expense Recognised in Profit and Loss Statement	@ 625.07	@ 679.68
@ included in Contribution to Provident and Other Funds (Note 25)		
Category of Plan Assets		
Investments in Bonds and Special Deposit	31.13	31.05
Investments with Life Insurance Corporation of India	2289.43	2129.62
Investments with other Insurance Companies	11730.63	10847.34
Others including Bank Balances	166.53	86.07
Total	14217.72	13094.08
Actual Return on Plan Assets	1774.25	1133.44
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.50
Inflation Rate (%)	5.00	5.00
Return on Asset (%)	8.00	8.50

Description	Rs. Lakhs	
	Superannuation Fund	
	Funded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	1692.51	1849.76
Interest Cost	129.56	146.64
Current Service Cost	-	-
Benefits Paid	(146.01)	(249.09)
Actuarial loss/(gain) on obligation	(117.87)	(54.80)
Present Value of obligation at the end of the year	1558.19	1692.51

Notes to Financial Statements (Contd.)

Description	Rs. Lakhs	
	Superannuation Fund	
	Funded	
	2014-15	2013-14
Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	2405.63	2365.74
Expected Return on Plan Assets	192.45	201.09
Contributions	3.82	6.71
Benefits Paid	(146.01)	(249.09)
Actuarial gain/(loss) on Plan Assets	99.52	81.18
Fair Value of Plan Assets at the end of the year	2555.41	2405.63
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	1558.19	1692.51
Fair Value of Plan Assets at end of the year	2555.41	2405.63
Net Asset/(Liability) Recognised in Balance Sheet	997.22	713.12
Expense Recognised in Profit and Loss Statement		
Current Service Cost	-	-
Interest Cost	129.56	146.64
Expected Return on Plan Assets	(192.45)	(201.09)
Actuarial loss/(gain) recognised in the year	(217.39)	(135.98)
Expense Recognised in Profit and Loss Statement	@ (280.28)	@ (190.43)
@ Included in Contribution to Provident and other Funds (Note 25)		
Category of Plan Assets		
Investments in Bonds and Special Deposit	38.33	47.65
Investments with Life Insurance Corporation of India	169.09	222.32
Investments with other Insurance Companies	2338.36	2122.93
Others including Bank Balances	9.63	12.73
Total	2555.41	2405.63
Actual Return on Plan Assets	291.97	282.27
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.5
Return on Asset (%)	8.00	8.5

Description	Rs. Lakhs	
	Staff Pension Fund Type A	
	Funded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	403.31	436.91
Interest Cost	32.25	37.12
Current Service Cost	68.06	54.39
Benefits Paid	(0.26)	(0.30)
Actuarial loss/(gain) on obligation	(71.11)	(124.81)
Present Value of obligation at the end of the year	432.25	403.31
Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	104.78	98.16
Expected Return on Plan Assets	8.38	8.34

Notes to Financial Statements (Contd.)

Description	Rs. Lakhs	
	Staff Pension Fund Type A	
	Funded	
	2014-15	2013-14
Contributions	0.26	0.30
Benefits Paid	(0.26)	(0.30)
Actuarial gain/(loss) on Plan Assets	1.05	(1.72)
Fair Value of Plan Assets at the end of the year	114.21	104.78
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	432.25	403.31
Fair Value of Plan Assets at end of the year	114.21	104.78
Net Asset/(Liability) Recognised in Balance Sheet	(318.04)	(298.53)
Expense Recognised in Profit and Loss Statement		
Current Service Cost	68.06	54.39
Interest Cost	32.25	37.12
Expected Return on Plan Assets	(8.38)	(8.34)
Actuarial loss/(gain) recognised in the year	(72.16)	(123.09)
Expense Recognised in Profit and Loss Statement	@ 19.77	@ (39.92)
@ Included in Contribution to Provident and Other Funds (Note 25)		
Category of Plan Assets		
Investments with Life Insurance Corporation of India	114.21	104.78
Total	114.21	104.78
Actual Return on Plan Assets	9.43	6.62
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.5
Inflation Rate (%)	5.00	5.0
Return on Asset (%)	8.00	8.5

Description	Rs. Lakhs	
	Staff Pension Type B	
	Unfunded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	3318.27	3077.57
Interest Cost	258.83	255.42
Current Service Cost	634.72	444.64
Benefits Paid	(165.75)	(145.17)
Actuarial loss/(gain) on obligation	(495.60)	(314.19)
Present Value of obligation at the end of the year	3550.47	3318.27
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	3550.47	3318.27
Fair Value of Plan Assets at the end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(3550.47)	(3318.27)
Expense Recognised in Profit and Loss Statement		
Current Service Cost	634.72	444.64
Interest Cost	258.83	255.42
Expected Return on Plan Assets	-	-

Notes to Financial Statements (Contd.)

Description	Rs. Lakhs	
	Staff Pension Type B	
	Unfunded	
	2014-15	2013-14
Actuarial loss/(gain) recognised in the year	(495.60)	(314.19)
Expense Recognised in Profit and Loss Statement	# 397.95	# 385.87
# included in Salaries and Wages (Note 25)		
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.50
Inflation Rate (%)	5.00	5.00

Description	Rs. Lakhs	
	Medical Benefit Liability	
	Unfunded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	430.50	419.65
Interest Cost	34.44	35.67
Current Service Cost	-	-
Benefits Paid	(26.74)	(27.71)
Actuarial loss/(gain) on obligation	(9.65)	2.89
Present Value of obligation at the end of the year	428.55	430.50
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	428.55	430.50
Fair Value of Plan Assets at the end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(428.55)	(430.50)
Expense Recognised in Profit and Loss Statement		
Current Service Cost	-	-
Interest Cost	34.44	35.67
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	(9.65)	2.89
Expense Recognised in Profit and Loss Statement	* 24.79	* 38.56
* included in Labour and Staff Welfare (Note 25) and Insurance (Note 28)		
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.5

Description	Rs. Lakhs	
	Expatriate Pension	
	Unfunded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	34.78	38.98
Interest Cost	1.43	1.78
Current Service Cost	-	-
Benefits Paid	(33.83)	(35.95)
Actuarial loss/(gain) on obligation	29.55	29.97

Notes to Financial Statements (Contd.)

Description	Rs. Lakhs	
	Expatriate Pension	
	Unfunded	
	2014-15	2013-14
Present Value of obligation at the end of the year	31.93	34.78
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	31.93	34.78
Fair Value of Plan Assets at the end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(31.93)	(34.78)
Expense Recognised in Profit and Loss Statement		
Current Service Cost	-	-
Interest Cost	1.43	1.78
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	29.55	29.97
Expense Recognised in Profit and Loss Statement	#30.98	# 31.75
# included in Salaries and Wages (Note 25)		
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.5

The estimates of rate of inflation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment sphere.

Plan assets represent investment in various categories. The return on amounts invested with LIC is declared annually by them. Return on amounts invested with Insurance companies, other than LIC, is mostly by way of Net Asset Value declared on units purchased, with some schemes declaring returns annually. Investment in Bonds and Special Deposit carry a fixed rate of interest.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risk of asset management and other relevant factors.

Effect of increase/ decrease of one percent point in the assumed medical cost trend rates on:

	Rs. Lakhs			
	Year ended		Year ended	
	31st March 2015		31st March 2014	
	Increase	Decrease	Increase	Decrease
Aggregate of Current Service Cost and Interest	34.44	34.44	35.67	35.67
Accumulated Post Employment Benefit obligation for Medical Cost	432.84	424.27	435.50	426.37

Company's best estimate of contribution expected to be paid to the Funds in the next year

	As on 31st March	
	2015	2014
Gratuity Fund	864.15	1342.94
Superannuation Fund	4.03	7.08
Staff Pension Fund	0.28	0.46

Notes to Financial Statements (Contd.)

Rs. Lakhs

Other Particulars	31st March				
	2015	2014	2013	2012	2011
	Gratuity Fund (Funded)				
Defined Benefit Obligation	13166.11	12227.65	11757.12	10574.50	9579.29
Plan Assets	14217.72	13094.08	12031.58	10920.69	9773.53
Surplus/(Deficit)	1051.61	866.43	274.46	346.19	194.24
Experience Adjustments on Plan Liabilities	(28.76)	784.62	535.36	939.06	499.79
Experience Adjustments on Plan Assets	726.72	110.76	231.30	(52.88)	57.67

Superannuation Fund (Funded)					
Defined Benefit Obligation	1558.19	1692.51	1849.76	1910.35	1879.33
Plan Assets	2555.41	2405.63	2365.74	2297.83	2209.49
Surplus/(Deficit)	997.22	713.12	515.98	387.48	330.16
Experience Adjustments on Plan Liabilities	(39.61)	(47.78)	(63.34)	(36.74)	(23.17)
Experience Adjustments on Plan Assets	99.52	81.18	49.85	(16.44)	(20.80)

Staff Pension Fund Type A (Funded)					
Defined Benefit Obligation	432.25	403.31	436.91	396.96	441.38
Plan Assets	114.21	104.78	98.16	90.76	105.24
Surplus/(Deficit)	(318.04)	(298.53)	(338.75)	(306.20)	(336.14)
Experience Adjustments on Plan Liabilities	(133.76)	(39.77)	(108.33)	(30.19)	4.21
Experience Adjustments on Plan Assets	1.05	(1.72)	0.14	(1.18)	0.05

Staff Pension Fund Type B (Unfunded)					
Defined Benefit Obligation	3550.47	3318.27	3077.57	2803.16	2686.96
Plan Assets	NA	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	(207.39)	(79.25)	(164.59)	(69.00)	112.42
Experience Adjustments on Plan Assets	NA	NA	NA	NA	NA

Medical Benefit Liability (Unfunded)					
Defined Benefit Obligation	428.55	430.50	419.65	326.50	282.73
Plan Assets	NA	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	2.33	92.01	64.13	(14.55)	(10.95)
Experience Adjustments on Plan Assets	NA	NA	NA	NA	NA

Expatriate Pension (Unfunded)					
Defined Benefit Obligation	31.93	34.78	38.98	42.65	43.46
Plan Assets	NA	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	27.52	30.78	25.88	28.80	5.59
Experience Adjustments on Plan Assets	NA	NA	NA	NA	NA

NA: Not Applicable

Notes to Financial Statements (Contd.)

g) **Provident Fund:**

Contributions towards provident funds are recognised as expense for the year. The Company has set up Provident Fund Trusts in respect of certain categories of employees which is administered by Trustees. Both the employees and the Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

In terms of the Guidance on implementing Accounting Standard 15 (Revised 2005) on

Employee Benefits issued by the Accounting Standard Board of The Institute of Chartered Accountants of India (ICAI), a provident fund set up by the Company is defined benefit plan in view of the Company's obligation to meet shortfall, if any, on account of interest.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the balance sheet date using Project Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the balance sheet date. Further during the year, the Company's contribution of Rs. 386.59 Lakhs (31st March 2014 – Rs. 282.70 Lakhs) to the Provident Fund Trust has been expensed under the 'Contribution to Provident and Other Funds'. Disclosures given hereunder are restricted to the information available as per the Actuary's report.

	2014-15	2013-14
Principal Actuarial Assumptions		
Discount Rate	7.66%	8.97%
Expected Return on Exempted Fund	8.89%	8.90%
Expected EPFO Return	8.75%	8.75%

31. CLASSIFICATION OF PROVISION/ADVANCE FOR EMPLOYEE BENEFITS

	Classified as Non-Current		Classified as Current	
	As at 31st March		As at 31st March	
	2015	2014	2015	2014
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Provision for Employee Benefits				
- Staff Pension	2550.27	2350.75	1318.23	1266.05
- Medical Benefit	365.93	366.66	62.63	63.84
- Expatriate Pension	27.97	30.46	3.97	4.32
- Other Employee Benefits	408.78	312.80	182.73	117.28
	3352.95	3060.67	1567.56	1451.49
Advance for Employee Benefits				
- Gratuity Fund	-	-	1051.61	866.43
- Superannuation Fund	-	-	997.22	713.12
	-	-	2048.83	1579.55

Notes to Financial Statements (Contd.)

32. CONTINGENT LIABILITIES

- a) Claims against the Company not acknowledged as debts : -

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Electricity Dues	169.87	45.17
Excise Duty	10.75	10.75
Provident Fund	-	68.43
Income Tax	1851.21	1272.57
Service Tax	131.61	70.13
Land Revenue	2.09	-

- b) Guarantees given on behalf of a subsidiary - Rs. 24658.50 lakhs (31st March 2014 - Rs. 4947.27 lakhs); Year-end balance of loan Rs. 15947.08 lakhs (31st March 2014 - Rs. 4947.27 lakhs).
c) Bank Guarantees Rs. 123.96 lakhs (31st March 2014 - Rs. 86.58 lakhs)
d) Bills Discounted - Rs. 1203.58 lakhs (31st March 2014 - Rs. 8057.93 lakhs)

It is not practicable for the company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the same.

The company does not expect any reimbursement in respect of the above contingent liabilities.

- 33.** The Company has charged depreciation in keeping with the requirements of Schedule II to the Companies Act, 2013. Consequently, the estimated useful lives of certain fixed assets have been revised based on technical evaluation carried out by Company's expert, where considered appropriate, in keeping with the provisions of Schedule II to the Companies Act, 2013 effective 1st April, 2014. Pursuant to the said revision in useful lives, the depreciation expense for the year ended 31st March, 2015 is higher and profit before tax is lower by Rs. 2378.81 lakhs and the net book value of fixed assets aggregating to Rs. 5287.66 lakhs (net of deferred tax Rs. 2412.48 lakhs) and Rs. 253.80 lakhs has been adjusted against opening balance of general reserve and revaluation reserve respectively, where the revised useful lives have expired by 31st March, 2014.

In future years, depreciation on tangible fixed assets will be lower by Rs. 10294.51 lakhs

34. COMMITMENTS

- a) Estimated Capital Commitment on account of contracts remaining to be executed and not provided for at the year-end is Rs. 2670.27 lakhs (31st March 2014 - Rs. 1625.26 lakhs). Such commitment, net of advances, is Rs. 779.23 lakhs (31st March 2014 - Rs. 1163.65 lakhs).
b) The Company has undertaken to continue to directly hold 100% of all the shares in the share capital of Borelli Tea Holdings Limited (BTHL) in connection with the Senior Term Loan facility of EURO 6.00 million obtained by BTHL from ICICI Bank UK PLC, Frankfurt.
c) In connection with a Term Loan of Rs. 5000.00 lakhs taken by McNally Bharat Engineering Company Limited (MBECL) from one of its Bankers, the Company has furnished a Non-Disposal Undertaking in respect of its present and future holding of shares in MBECL to remain valid so long as any monies remain due by MBECL in respect of the said loan to the said bank.

35. BUSINESS SEGMENT

The Company is primarily engaged in the business of cultivation, manufacture and sale of tea and is managed organisationally as a single unit. Accordingly, the Company is a single business segment company.

Notes to Financial Statements (Contd.)

Geographical (Secondary) Segments

The geographical segments have been identified as follows:

a) Sales revenue of Tea by geographical market:

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
- India	108019.27	97507.30
- Outside India	28751.45	46525.00
	136770.72	144032.30

b) Assets by geographical market:

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
- India	199199.71	193858.51
- Outside India	15.98	20.83
	199215.69	193879.34

c) Capital Expenditure by geographical market:

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
- India	11861.75	11857.22
- Outside India	-	-
	11861.75	11857.22

36. Information given in accordance with the requirement of Accounting Standard 18 on Related Party Disclosures prescribed under the act : -

a) List of Related Parties

Where control exists:

- Subsidiaries:

Borelli Tea Holdings Limited (BTHL)
 Phu Ben Tea Company Limited (PBTCL)
 Rwenzori Tea Investments Limited (RTI)
 McLeod Russel Uganda Limited (MRUL)
 Gisovu Tea Company Limited (GTCL)
 McLeod Russel Middle East DMCC (MRME)
 McLeod Russel Africa Limited (MRAL)
 Pfunda Tea Company Limited (PTCL) (w.e.f. 26th November 2014)

Others :

- Associates:

D1 Williamson Magor Bio Fuel Limited (D1)

- Key Management Personnel

Managing Director
 Wholetime Directors

Mr. Aditya Khaitan (AK)
 Mr. Rajeev Takru (RT)
 Mr. Azam Monem (AM)
 Mr. Kamal Kishore Baheti (KKB)

- Relatives of Key Management Personnel with whom transactions took place during the year.

Mr. Brij Mohan Khaitan (BMK)
 Mr. Deepak Khaitan (DK)

Father of Mr. Aditya Khaitan
 Brother of Mr. Aditya Khaitan

Notes to Financial Statements (Contd.)

b) Transactions / Balances with Subsidiary

Name of Subsidiary	Nature of Transactions/Balances	As at Year ended 31st March 2015	As at Year ended 31st March 2014
		Rs. Lakhs	Rs. Lakhs
BTHL	Loan outstanding at beginning of the year	800.00	2600.00
	Loan given	4400.00	3600.00
	Refund received	800.00	5400.00
	Loan outstanding at year end	4400.00	800.00
	Interest income	236.08	344.76
	Interest income receivable	236.08	344.76
	Royalty	285.09	572.75
	Royalty payable(Gross)	285.09	100.42
	Corporate Guarantee given for financial assistance	20628.30	4947.27
	Balance of Corporate Guarantee outstanding at year end	24658.50	4947.27
	Dividend Paid	1894.73	1894.73
	Dividend Received	1107.86	983.39
	Balance of Investment at the year end	22936.98	22936.98
MRUL	Consultancy Fees	113.01	107.94
	Trade Receivable	84.38	80.89
PBTCL	Consultancy Fees	31.25	30.88
	Trade Receivable	31.25	-
MRME	Sale of Tea	57.42	95.57
GTC	Expenses incurred on their behalf and reimbursement received	1.52	1.51

c) Transactions / Balances with Associate

Name of Associate	Nature of Transactions/Balances	As at Year ended 31st March 2015	As at Year ended 31st March 2014
		Rs. Lakhs	Rs. Lakhs
D1	Balance of Investments at the year-end [Net of provision for diminution in value of investments Rs. 2090.00 lakhs (31.03.2014 – Rs. 2000.00 lakhs)]	94.35	184.35

d) Transactions / Balances with Key Management Personnel

	Remuneration		Dividend paid		Loan Outstanding as at	
	2014-15	2013-14	2014-15	2013-14	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
AK	482.18	344.19	0.51	0.51	-	-
RT	194.57	169.59	0.06	0.06	-	1.93
AM	199.73	168.58	0.04	0.04	-	-
KKB	196.90	167.84	0.36	0.36	-	-
Total	1073.38	850.20	0.97	0.97	-	1.93

The above remuneration of Managing Director (AK) and Whole time directors (RT, AM, KKB) is in accordance with the Shareholders' approval obtained at the Sixteenth AGM of the Company held on 23rd July, 2014.

However, due to inadequacy of profit of the Company during the year 2014-15, the above remuneration has exceed the limit prescribed under Section 197 of the Companies Act, 2013, in anticipation of which the Company has applied to the Central Government seeking its approval to the above remuneration.

Notes to Financial Statements (Contd.)

e) Transactions / Balances with relatives of Key Management Personnel:

	As at/ Year ended 31st March 2015	As at/ Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Directors' Sitting Fees		
BMK	1.00	1.20
DK	0.80	0.80
Commission		
BMK	-	2.50
DK	-	2.50
Dividend Paid		
BMK	2.54	2.54
DK	0.83	0.83
Amount payable at year end		
BMK	-	2.50
DK	-	2.50

37. Disclosure pursuant to SEBI's Circular No. SMD/POLICY/CIR-02/2003

i) Loans and Advances in the Nature of Loans to Subsidiary

	As at 31st March 2015	As at 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Loan to Subsidiary		
Borelli Tea Holdings Limited		
- Balance at the year end	4400.00	800.00
- Maximum amount outstanding at any time during the year	4400.00	5400.00

ii) Loans and Advances in the Nature of Loans to Firms/Companies in which Directors are Interested

	As at 31st March 2015	As at 31st March 2014
	Rs. Lakhs	Rs. Lakhs
a) Loan to a Company in which a Director of the Company is a Director		
United Machines Company Limited		
- Balance at the year end	280.00	300.00
- Maximum amount outstanding at any time during the year	300.00	360.00

Notes to Financial Statements (Contd.)

- 38.** During the year 2012-13, a tea-manufacturing factory has been taken on non-cancellable operating lease for period from 1st January 2013 to 31st December 2017. The Lease Rent is charged in Profit and Loss Statement and future lease commitments are:

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Lease Rent	75.00	75.00
Future lease commitment		
Not later than year	75.00	75.00
Later than one year and not later than five years	131.25	206.25
Later than five years	-	-

- 39.** In connection with an overseas acquisition of a subsidiary in 2005, the Income Tax authority had raised a demand of Rs. 5278 lakhs during the year 2009-10 on the Company on account of alleged non-deduction of tax at source and interest thereon pertaining to the transaction. The Company challenged the said demand before the appropriate authorities and the matter is pending. Further, the Company has obtained a stay against the said demand from the Hon'ble High Court of Calcutta. The Company deposited Rs. 700.00 lakhs during the year 2011-12 with Income Tax Authority under protest (Refer Note 19). In any event, as per the related Share Purchase Agreement, Capital Gain tax or other tax, if any, relating to sale of shares etc. is to be borne by the seller and not the Company.

40. Earnings per Equity Share:

	Year ended 31st March 2015	Year ended 31st March 2014
a] Numerator used:		
Profit after Taxation (Rs. Lakhs)	6198.46	20810.53
b] Denominator used		
Weighted Average Number of Equity Shares	10,94,55,735	10,94,55,735
c] Face Value of Equity Shares - Rs.	5	5
d] Dilutive Potential Equity Shares	-	-
e] Earnings per Share [Basic and Diluted] - Rs.	5.66	19.01

- 41.** Revenue Expenditure on Research and Development Rs. 131.90 lakhs (31st March 2014 - Rs. 109.49 lakhs) represent subscription to Tea Research Association.
- 42.** There are no outstanding dues of Micro and Small Enterprises (MSEs) based on information available with the Company.

Notes to Financial Statements (Contd.)

43. Auditors' Remuneration:

(Included in Miscellaneous Expenses under Note 28)

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
As Auditors - Audit Fees	46.00	40.00
For Other Services		
Tax Audit Fees	16.00	15.00
Certification etc.	36.00	45.50
For Reimbursement of expenses		
Out of Pocket Expenses	1.60	0.75
Service Tax	12.31	12.51

44. Value of Imports calculated on CIF Basis

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Components and Spare Parts (including Packing Material)	395.69	506.15
Capital Goods	20.84	304.75

45. Consumption of Stores (including Packing Material), Spare Parts and Components

[Including Rs. 3499.44 lakhs (31st March 2014 – Rs. 3113.55 lakhs) debited to other accounts]

	Year ended 31st March 2015		Year ended 31st March 2014	
	Rs. Lakhs	%	Rs. Lakhs	%
Imported	218.17	1.96	655.70	6.54
Indigenous	10932.85	98.04	9368.80	93.46
	11151.02	100.00	10024.50	100.00

46. Salaries and Wages excludes Rs. 915.06 lakhs (31st March 2014 - Rs. 825.78 lakhs) and Stores and Spares consumed excludes Rs. 3499.44 lakhs (31st March 2014 - Rs. 3113.55 lakhs) debited to other accounts.

Notes to Financial Statements (Contd.)

47. Expenditure in Foreign Currency

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Consultancy	53.97	47.04
Pension	32.98	35.34
Travel	79.74	101.67
Selling Agents' Commission, Brokerage etc.	194.96	129.29
Royalty	285.09	418.11
Subscription/Certification Fees	-	39.24
Others	110.24	99.65
	756.98	870.34

48. Amount Remitted in Foreign Currency on account of:

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Dividend	1911.39	1911.39
Year to which the dividend relates	Year Ended 31st March 2014	Year Ended 31st March 2013
Number of Non-Resident Shareholders	53	53
Number of Shares held by Non-Resident Shareholders	27305573	27305573

49. Proposed Dividend

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
The dividend proposed for the year is as follows:		
On Equity Share of Rs. 5/- each		
Amount of Dividend Proposed	3283.67	7661.90
Dividend per Equity Share	Rs. 3/-	Rs. 7/-

50. Earning in Foreign Exchange

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Export of Goods calculated on FOB Basis	25377.96	42603.71
Interest Income	236.08	344.76
Consultancy Income	145.40	138.82
Dividend Received	1107.86	983.39
	26867.30	44070.68

Notes to Financial Statements (Contd.)

51. Derivative Investments and Unhedged Foreign Currency Exposure

a) Derivatives outstanding as at the reporting date:-

Particulars	Purpose	Currency	As at 31st March, 2015		As at 31st March, 2014	
			Amount in Foreign Currency	Amount in Rs. Lakhs	Amount in Foreign Currency	Amount in Rs. Lakhs
Forward contracts on past performance	Hedging of foreign currency receivables	USD	20094089.78	12560.82	27000000	16178.40
		GBP	-	-	4000000	3991.20
Currency and Interest Rate Swap	Hedging of floating interest rate	USD	-	-	3719530	2228.74

b) Particulars of unhedged foreign currency exposures as at the reporting date.

Particulars	Currency	As at 31st March, 2015		As at 31st March, 2014	
		Amount in Foreign Currency	Amount in Rs. Lakhs	Amount in Foreign Currency	Amount in Rs. Lakhs
Trade/ Other Payable	GBP	311163	285.09	100641	100.42
Trade/ Other Receivables	USD	185000	115.64	255207	152.92

	2014-15	2013-14
	Rs. Lakhs	Rs. Lakhs
c) Mark to Market Losses Provided for	-	610.75

52. Exceptional Item comprises

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Provision (Net) in carrying amount of long term Investments in :		
An associate	90.00	300.00
Body Corporates	(31.22)	(2.23)
	58.78	297.77

Notes to Financial Statements (Contd.)

53. Current Tax

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Provision for Current Tax for the year	1200.00	4423.00
MAT Credit Entitlement	(355.73)	(1087.53)
MAT Credit written off	544.21	-
Excess provisions of earlier years written back		
- Current Tax	(585.15)	(35.29)
- Fringe Benefit Tax	(349.95)	-
	453.38	3300.18

54. Details of Loans and Guarantees given covered under Section 186(4) of The Companies Act, 2013

During the year, the Company has given Interest bearing (which is not lower than prevailing yield of related Government Security close to the tenure of respective loans) loans to certain parties for their business purposes, which is repayable on demand;

- Williamson Magor & Co. Ltd. – Rs. Nil at the year end and maximum amount outstanding during the year Rs.14400 Lakhs.
- Babcock Borsig Ltd. Rs. Nil at the year end and maximum amount outstanding during the year 11300 lakhs.
- Williamson Financial Services Ltd. Rs. 3800 Lakhs at the year end and maximum amount outstanding during the year Rs. 9250 Lakhs.

During the year the Company has given Guarantee of USD 33 million (equivalent Rs. 20628.30 lakhs) to a bank in respect of loans availed / to be availed by Borelli Tea Holdings Ltd. (wholly owned subsidiary) for its business purpose. The guarantee would continue till full repayment of the loans by the subsidiary.

55. Previous year figures have been reclassified to conform to this year's classification.

Signatures to Note 1 to 55.

For **PRICE WATERHOUSE**
 Firm Registration Number 301112E
 Chartered Accountants

On behalf of the Board of Directors

Prabal Kr. Sarkar
 Partner
 Membership Number 52340
 Kolkata, 28th May 2015

A. Khaitan
 Managing Director

K. K. Baheti
 Wholetime Director & CFO

A. Guha Sarkar
 Company Secretary



Consolidated Financials

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INDEPENDENT AUDITORS' REPORT

To the Members of
McLeod Russel India Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of McLeod Russel India Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate company ; (refer Note 29 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with 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 Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are

free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. 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 and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9 of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

8. We draw your attention to Note 36(b) to the consolidated financial statements regarding total remuneration paid / payable to the managing director and three whole-time directors of the parent company aggregating Rs. 1073.38 lakhs for the year ended March 31, 2015 which is in excess of the limits specified in Schedule V read with Section 197 of the Companies Act, 2013, and as approved by the shareholders of the parent company and for which approval from the Central Government is awaited. Our opinion is not qualified in respect of this matter.

Other Matter

9. We did not audit the financial statements/financial information of one subsidiary whose financial statements/ financial information reflect total assets of Rs. 59,496.60 Lakhs and net assets of Rs. 33,364.04 Lakhs as at March 31, 2015, total revenue of Rs. 26,299.68 Lakhs, net loss of Rs. 1,699.80 Lakhs and net cash flows amounting to Rs. 768.09 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 82.59 Lakhs for the year ended March 31, 2015 as considered in the consolidated financial statements, in respect of one associate company whose financial statements/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiary and associate company and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and associate company incorporated in India (Refer Note 29 to the consolidated financial statements), we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. 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 maintained by the Holding Company, and its associate company incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its associate company incorporated in India including relevant records relating to the preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Holding Company and its associate company incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2015 on the consolidated financial position of the Group and its associate company – Refer Note 32 to the consolidated financial statements.
 - ii. The Group and its associate company had long-term contracts including derivative contracts as at March 31, 2015 for which there were no material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2015. Based on the report of other auditors of Holding Company's associate incorporated in India, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the aforesaid associate during the year ended March 31, 2015.

For **PRICE WATERHOUSE**
Firm Registration Number 301112E
Chartered Accountants

(Prabal Kr. Sarkar)
Partner
Membership Number 52340

Place: Kolkata
Date: 28th May 2015

Annexure to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of McLeod Russel India Limited on the consolidated financial statements as of and for the year ended March 31, 2015

i. (a) The Holding Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets. Based on the report of the other auditors of the Holding company's associate incorporated in India, the said associate is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets

(b) The fixed assets are physically verified by the Management of the Holding Company according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the aforesaid Holding Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management of the aforesaid Holding Company during the year and no material discrepancies have been noticed on such verification.

Based on the report of the other auditors of the Holding company's associate incorporated in India, the fixed assets have been physically verified by the Management of the aforesaid associate at regular intervals during the year and no material discrepancies have been noticed on such verification.

ii. (a) The inventory [excluding stocks with third parties] has been physically verified by the Management of the Holding Company during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and/or have been verified with reference to subsequent sale. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the Management of the Holding Company are reasonable and adequate in relation to the size of the aforesaid Holding Company and the nature of its business.

(c) On the basis of our examination of the inventory records, in our opinion, the Holding Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory of the aforesaid Holding Company as compared to book records were not material.

Based on the report of the other auditors of the Holding Company's associate incorporated in India, the aforesaid associate does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to such associate.

iii. The Holding Company has granted unsecured loans, to one company covered in the register maintained under Section 189 of the Act. The Holding Company has not granted any secured / unsecured loans to companies / firms / other parties covered in the register maintained under Section 189 of the Act.

(a) In respect of the aforesaid loans, the party is repaying the principal amounts, as stipulated, and is also regular in payment of interest as applicable.

(b) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.

Based on the report of the other auditors of the Holding Company's associate incorporated in India, the aforesaid associate have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the aforesaid associates.

iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and the nature of the business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the aforesaid Holding Company as furnished to us, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

Based on the report of the auditors of the Holding Company's associate incorporated in India, there is an adequate internal control system commensurate with the size of the aforesaid associate and the nature of its business. Further, based on the report of the other auditors of the aforesaid associate, they have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

- v. In our opinion, and according to the information and explanations given to us and based on the reports of the other auditors on the associate incorporated in India as furnished to us, the Holding Company and its associate incorporated in India have not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Holding Company and its associate incorporated in India.
- vii. (a) In our opinion, and according to the information and explanations given to us and the records of the Holding Company examined by us, the aforesaid

Holding Company are generally regular in depositing undisputed statutory dues in respect of cess on green leaf, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

Based on the report of the other auditors of the Holding company's associate incorporated in India, the aforesaid associate is generally regular in depositing the undisputed applicable statutory dues, including income tax, service tax, wealth tax, cess and any other statutory dues with the appropriate authorities

- (b) According to the information and explanations given to us and the records of the Holding Company examined by us, there are no dues of wealth-tax, duty of customs and value added tax or cess which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of excise as at March 31, 2015 which have not been deposited on account of a dispute, are as follows

Name of the statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Tax deducted at Source and Interest (Refer Note 37 to Financial Statement)	4578.00	2005-06	Commissioner of Income-tax (Appeals)
Income tax Act, 1961	Fringe Benefit Tax	58.61	2008-09	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	10.27	2006-07	High Court of Calcutta
Income tax Act, 1961	Income tax	1877.71	2010-11	Commissioner of Income-tax (Appeals)
Finance Act, 1994	Service Tax	75.48	2004-05 to 2007-08	Commissioner (Appeals)
Central Excise Act, 1944	Excise Duty	10.75	1999 to 2003	Commissioner (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax	68.24	2011-12 and 2012-13	Deputy Commissioner of Taxes (Appeals)

Based on the report of the other auditors of the Holding company's associate incorporated in India, there are no dues of undisputed amount payable in respect of applicable statutory dues including income tax, service tax, wealth tax, cess and any other statutory dues which were in arrears as on 31st March, 2015 for a period of more than 6 months from the date they became payable.

- c) The amount required to be transferred to Investor Education and Protection Fund by the Holding Company have been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.

Based on the report of the other auditors of the Holding Company's associate incorporated in India, there are no amounts required to be transferred by the said associate to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.

- viii. The Holding Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

Based on the report of the other auditors of the Holding Company's associate incorporated in India, the accumulated losses of the aforesaid associate as at the end of the financial year has exceeded fifty percent of its net worth. The aforesaid associate has incurred cash losses during the financial year ended on that date and in the immediately preceding financial year.

- ix. According to the records of the Holding Company examined by us and the information and explanation given to us, the Holding Company has not defaulted in repayment of dues to any bank at the balance sheet date. The Holding Company did not have any dues outstanding to any debenture holders or financial institutions as at the beginning of the year nor did it obtain any such loans during the year.

Based on the report of the other auditors of the Holding Company's associate incorporated in India, as the aforesaid associate does not have any borrowings from any financial institution or bank nor have they issued any debentures as at the balance sheet date, the provisions of Clause 3(ix) of the Order are not applicable to the aforesaid associate.

- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Holding Company for loans taken by others from banks during the year, are not prejudicial to the interest of the aforesaid Holding Company.

Based on the report of the other auditors of the Holding Company's associate incorporated in India, the aforesaid associate has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the aforesaid associate.

- xi. In our opinion, and according to the information and explanations given to us, the term loans obtained by the Holding Company have been applied, on an overall basis, for the purposes for which they were obtained.

Based on the report of the other auditors of the Holding Company's associate incorporated in India, the aforesaid associate has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the aforesaid associate.

- xii. During the course of our examination of the books and records of the Holding Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and based on the reports of the other auditors, we/ the other auditors have neither come across any instance of material fraud on or by the Holding Company and its associate incorporated in India noticed or reported during the year, nor have we/ the other auditors been informed of any such case by the respective Managements of the aforesaid Holding Company and associate.

For **PRICE WATERHOUSE**
Firm Registration Number 301112E
Chartered Accountants

Prabal Kr. Sarkar
Partner
Membership Number 52340

Kolkata
28th May 2015

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2015

	Note	31st March 2015		31st March 2014	
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	5472.79		5472.79	
Reserves and Surplus	3	203673.96		210203.46	
			209146.75		215676.25
Minority Interest			2405.07		1838.39
Non-current Liabilities					
Long - term Borrowings	4	26330.69		8262.16	
Deferred Tax Liabilities (Net)	5	3711.35		7444.39	
Long - term Provisions	6	3362.33	33404.37	3066.56	18773.11
Current Liabilities					
Short-term Borrowings	7	28184.30		16203.32	
Trade Payables	8	12390.48		7277.63	
Other Current Liabilities	9	14649.10		14882.01	
Short-term Provisions	10	8676.07	63899.95	14109.04	52472.00
TOTAL		308856.14		288759.75	
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	11	182183.58		181503.54	
Intangible Assets	12	34336.45		25748.23	
Capital Work-in-Progress		6301.70	222821.73	5258.91	212510.68
Non-Current Investments	13	1190.33		1329.22	
Long-term Loans and Advances	14	15030.84		23164.41	
Other Non-current Assets	15	1458.79	17679.96	1502.95	25996.58
Current Assets					
Inventories	16	25861.71		20247.63	
Trade Receivables	17	8764.78		4687.49	
Cash and Bank Balances	18	4341.99		4821.43	
Short-term Loans and Advances	19	25656.18		15969.00	
Other Current Assets	20	3729.79	68354.45	4526.94	50252.49
TOTAL		308856.14		288759.75	

This is the Consolidated Balance Sheet referred to in our report of even date

The notes are an integral part of these Consolidated Financial Statements

For **PRICE WATERHOUSE**
 Firm Registration Number 301112E
 Chartered Accountants

For and on behalf of the Board of Directors

Prabal Kr. Sarkar
 Partner
 Membership Number 52340
 Kolkata, 28th May 2015

A. Khaitan **K. K. Baheti** **A. Guha Sarkar**
 Managing Director Wholtime Director & CFO Company Secretary

CONSOLIDATED PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2015

	Note	Year ended 31st March 2015	Year ended 31st March 2014
		Rs. Lakhs	Rs. Lakhs
Revenue from Operations	21	164595.47	178875.71
Other Income	22	4470.66	4435.60
Total Revenue		169066.13	183311.31
Expenses:			
Cost of Materials Consumed	23	30770.46	29079.53
Purchase of Tea		526.86	776.22
Changes in Inventories of Finished Goods	24	(4612.90)	(3522.87)
Employee Benefits Expense	25	63478.46	58380.57
Finance Costs	26	7190.04	5979.83
Depreciation and Amortisation Expense	27	7674.95	3771.08
Other Expenses	28	61510.64	58900.93
Total Expenses		166538.51	153365.29
Profit before Exceptional Items and Tax		2527.62	29946.02
Exceptional Items	44	56.27	215.99
Profit before Taxation, Share of Earnings/(Loss) from Associates and Minority Interest		2471.35	29730.03
Tax expense:	46		
Current Tax		912.53	4416.64
Deferred Tax - Charge/(Credit)		(1845.36)	(931.04)
Profit after Taxation but before Share of Earnings/(Loss) from Associates and Minority Interest		3404.18	26244.43
Less : Share of Associate's Loss		82.59	120.24
Less : Minority Interest		204.22	408.94
Profit for the Year		3117.37	25715.25
Earnings per Equity Share: [Nominal Value per share : Rs. 5/- (Previous Year : Rs. 5/-)]	38		
- Basic		2.85	23.49
- Diluted		2.85	23.49

This is the Consolidated Profit and Loss Statement referred to in our report of even date

The notes are an integral part of these Consolidated Financial Statements

For **PRICE WATERHOUSE**

Firm Registration Number 301112E
Chartered Accountants

For and on behalf of the Board of Directors

Prabal Kr. Sarkar

Partner
Membership Number 52340
Kolkata, 28th May 2015

A. Khaitan

Managing Director

K. K. Baheti

Wholetime Director & CFO

A. Guha Sarkar

Company Secretary

Consolidated Cash Flow Statement

for the year ended 31st March, 2015

	2014-15		2013-14	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxation, Share of Earnings/(Loss) from Associate and Minority Interest		2471.35		29730.03
Provision for Diminution in carrying amount of Long -Term Investments	56.27		215.99	
Provision for doubtful loans	9.56		-	
Provision for Doubtful Debts no longer required written back	-		(53.18)	
Liabilities no longer required written back	(13.35)		(145.88)	
Bad Debts written off	4.12		-	
Investment written off	0.02		-	
Reversal of Impairment Loss	(407.36)		(1317.59)	
Depreciation on Tangible Assets	7621.36		4654.49	
Amortisation on Intangible Assets	460.95		434.18	
Loss/(Profit) on Disposal of Fixed Assets (Net)	78.04		55.69	
Dividend on Long Term Trade Investments	(120.71)		(223.03)	
Interest Income	(3700.76)		(3018.94)	
Interest Expense	6910.89		5707.20	
Foreign Exchange Losses	50.12		100.56	
Exchange difference on translation of foreign currency	69.69		(1887.11)	
		11018.84		4522.38
Operating Profit before Working Capital changes		13490.19		34252.41
Changes in Working Capital				
Increase / (Decrease) In Trade Payables	4084.99		(215.31)	
Increase / (Decrease) In Other Current Liabilities	187.33		(94.08)	
Increase / (Decrease) In Provision	410.75		232.32	
(Increase) / Decrease In Trade Receivables	(4081.41)		(576.76)	
(Increase) / Decrease In Inventories	(5912.40)		(3164.42)	
(Increase) / Decrease In Loans and Advances	4747.16		(4075.47)	
(Increase) / Decrease In Other Current Assets	867.05		240.06	
(Increase) / Decrease In Other Non Current Assets	44.16		(7.68)	
		347.63		(7661.34)
Cash Generated from operations		13837.82		26591.07
Taxes paid (Net of Refunds)		(3046.87)		(6899.59)
Net Cash from Operating Activities		10790.95		19691.48
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Tangible/Intangible Fixed Assets	(16137.18)		(16794.46)	
Purchase of Investment in a subsidiary company	(12918.96)		-	
Purchase of Long Term Investments	-		(0.71)	
Disposal of Tangible Fixed Assets	1928.44		136.87	
Capital Subsidy Received	16.13		47.52	
Loans Recovered /(given)	(3780.00)		90.18	
Redemption / Sale of Long Term Trade Investments	-		0.63	
Interest Received	3630.86		2777.97	
Dividend Received	120.71		223.03	
Net cash used for Investing Activities		(27140.00)		(13518.97)

Consolidated Cash Flow Statement (Contd.)

for the year ended 31st March, 2015

	2014-15		2013-14	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long-term Borrowings	23728.42		10947.27	
Proceeds from Short-term Borrowings	11980.98		1926.93	
Repayment of Long-term Borrowings	(5976.51)		(7309.45)	
Interest paid	(6917.54)		(5646.49)	
Dividend paid / Transferred to Investor Education and Protection Fund	(5831.01)		(4776.94)	
Dividend Tax paid	(1113.86)		(1129.28)	
Net cash from/(used for) financing activities		15870.48		(5987.96)
D. EFFECT OF FOREIGN EXCHANGE DIFFERENCE ON				
Cash and Cash Equivalents		(0.87)		2.30
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)		(479.44)		186.85
Cash and Cash Equivalents at the beginning of the year (Refer Note 18)		4821.43		4634.58
Cash and Cash Equivalents at the end of the year (Refer Note 18) *		4341.99		4821.43
Changes in Cash and Cash Equivalents - Increase/ (Decrease)		(479.44)		186.85
* Includes the following balances which are available for use for specific purposes.				
Unpaid Dividend Account		386.15		319.75
Escrow Accounts/Fractional Share sale Proceeds Account		0.18		0.60

(a) 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 prescribed under the Companies Act of India.

(b) Also refer Note 48 to the consolidated financial Statements.

(c) Notes referred to above form an integral part of the Consolidated Cash Flow Statement.

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

For **PRICE WATERHOUSE**

Firm Registration Number 301112E

Chartered Accountants

For and on behalf of the Board of Directors

Prabal Kr. Sarkar

Partner

Membership Number 52340

Kolkata, 28th May 2015

A. Khaitan

Managing Director

K. K. Baheti

Wholetime Director & CFO

A. Guha Sarkar

Company Secretary

Notes to Consolidated Financial Statement

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation

These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual and prudent basis except for certain tangible fixed assets which are being carried at revalued amounts.

Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the companies Act, 1956 shall continue to apply. Consequently, these consolidated financial statement have been prepared to comply in all material aspects with the accounting standards notified under section 211 (3C) [Companies (Accounting Standards) Rules 2006 as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Group's Company normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

1.2 Tangible Fixed Assets

Tangible Fixed Assets are stated at acquisition cost or valuation net of accumulated depreciation and accumulated impairment losses, if any. Cost of extension planting is capitalised. An impairment loss is recognised wherever the carrying amount of the tangible fixed assets of a cash generating unit exceeds its net selling price or value in use, whichever is higher. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

1.3 Intangible Fixed Assets

Intangible Fixed assets are stated at acquisition cost net of accumulated amortisation and accumulated impairment losses, if any. An impairment loss is recognised whenever the carrying amount of the intangible fixed assets of a cash generating unit exceeds its net selling price or value in use, whichever is higher. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

1.4 Depreciation and Amortisation

Depreciation on straight line method is provided on book value of tangible fixed assets (other than Estate & Development and Freehold Land) in the manner and on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, Depreciation on straight line method is provided on book value of tangible fixed assets (other than Estate & Development and freehold Land) in the manner and on basis of useful lives prescribed in Schedule II to the Companies Act, 2013 which are also supported by technical evaluation. Items of fixed assets for which related actual cost do not exceed Rs. 5000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical evaluation, as under:-

Plant and Equipment: ranging from 7 years to 30 years

Non-factory Buildings: ranging from 15 years to 70 years

Additional charge of depreciation on amount added on revaluation is adjusted against Revaluation Reserve, wherever available.

Leasehold land is amortised over the period of lease.

Intangible fixed assets are amortised on straight line method over their estimated economic life.

Notes to Consolidated Financial Statement (Contd.)

Tangible fixed assets of certain subsidiary companies are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	20–40, 5-50
Plant and Equipment	12, 5-20
Estate and Development	33.33
Furniture and Fixtures	5-8, 3-5, 2-4
Vehicles	5–10, 4
Computer	4
Office Equipment	5-8

Intangible fixed assets are amortised on straight line method over their estimated economic lives as set out in Note 12.

Additional charge of depreciation on amount added on revaluation is adjusted against Revaluation Reserve, wherever available.

1.5 Investments

Long Term Investments are stated at cost. Provision is made for diminution, other than temporary. Gains/ losses on disposal of investments are recognised as income / expenditure.

1.6 Inventories

Inventories are valued as under:

- Stores and Spare Parts : At lower of cost (determined under weighted average method) and net realisable value.
- Finished Goods : At lower of weighted cost (including attributable charges and levies) and net realisable value.
- In case of certain subsidiary companies, Inventories are valued at lower of cost and net realisable value, cost being determined under FIFO method.

1.7 Revenue Recognition

Sale of products is recognised on completion of sale of goods. Sale includes tea claim and is net of sales return, sales tax etc. Other items are recognised on accrual basis.

1.8 Employee Benefits

a. Short Term Employee Benefits:

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

b. Post Employment Benefit Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Profit and Loss Statement for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

c. Other Long Term Employee Benefits (Unfunded):

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Profit and Loss Statement for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

In case of a subsidiary company, Post Employment Defined Benefit Plan is accounted for on the full liability method.

1.9 Borrowing Cost

Interest and other costs in connection with the borrowing of funds by the Group are recognised as an expense in the period in which they are incurred

Notes to Consolidated Financial Statement (Contd.)

unless these are attributable to the acquisition and construction of qualifying assets and added to the cost up to the date when such assets are ready for their intended use.

1.10 Research and Development

Revenue expenditure on Research and Development is recognised as a charge to Profit and Loss Statement. Capital expenditure on assets acquired for Research and Development is added to Fixed Assets, if any.

1.11 Accounting for Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdiction.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Group re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Parent Company will pay normal income tax during the specified period. Such asset is

reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Parent Company will pay normal income tax during the specified period.

1.12 Transactions in Foreign Currencies

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions. Exchange differences arising on settlement of transactions and/or restatements are dealt with in the Profit and Loss Statement.

1.13 Derivative Instruments

Derivative financial instruments such as forward exchange contracts, currency swaps etc. are used to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of Forward Exchange Contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortised as expense or income over the life of contract.

Other Derivative contracts outstanding at the Balance Sheet date are marked to market and resulting loss, if any, is provided for in the financial statements. Any profit or losses arising on cancellation of derivative instruments are recognised as income or expenses for the period.

In case of a subsidiary company Derivative Contracts outstanding at the balance sheet date are marked to market and resulting profits are also recognised in the financial statements.

1.14 Government Grants

Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book value.

Government grants related to revenue are recognised in the Profit and Loss Statement.

Notes to Consolidated Financial Statement (Contd.)

1.15 Provision and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provision are measured at the best estimate of the expenditure required to settle the present obligation as at the Balance Sheet date and are not discounted to its present value.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, 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 or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

1.16 Use of Estimates

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

1.17 Consolidation

Consolidated financial statements relate to McLeod Russel India Limited, the Parent Company and its subsidiary companies (the Group). The consolidated financial statements are in conformity with the Accounting Standard (AS) – 21 on Consolidated Financial Statements prescribed under the Act and are prepared as set out below:

- (a) The financial statements of the Parent Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after adjustments/elimination of inter-company balances, transactions including unrealised profit etc.
- (b) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respects and are presented to the extent practicable and possible, in the same manner as the Parent Company's separate financial statements.
- (c) The excess of cost to the Parent Company of its investment in the subsidiary companies over the Parent's portion of equity of the subsidiary companies at the date those became subsidiary companies is recognised in the financial statements as goodwill which is not amortised.
- (d) The translation of the functional currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries, assets and liabilities using the closing exchange rate at the Balance Sheet date, and for revenues, costs and expenses using average exchange rates prevailing during the period. The resultant exchange difference arising out of such translation is recognised as part of equity (Foreign Currency Translation Adjustment Account) by the Parent Company until the disposal of investment.
- (e) Investment in Associate Companies is accounted for in accordance with AS-23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' prescribed under the Act, under equity method.

Notes to Consolidated Financial Statement (Contd.)

2 SHARE CAPITAL

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Authorised		
12,00,00,000 (31.03.14 - 12,00,00,000) Equity Shares of Rs.5/- each	6000.00	6000.00
Issued, subscribed and paid-up		
10,94,55,735 (31.03.14 - 10,94,55,735) Equity Shares of Rs 5/- each fully paid up	5472.79	5472.79
	5472.79	5472.79

(a) Rights, preferences and restrictions attached to Shares

The parent Company has only one class of shares referred to as Equity Shares having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Details of Equity Shares held by shareholders holding more than 5 per cent of the aggregate Equity Shares in the Parent Company

	Number of Equity Shares	Number of Equity Shares
	31st March 2015	31st March 2014
Kamal Baheti (Trustee of Borelli Tea Holdings Limited, U.K.)	27067500 (24.73%)	27067500 (24.73%)
Williamson Magor & Co. Limited	11660946 (10.65%)	11649946 (10.64%)
Williamson Financial Services Limited	5898725 (5.39%)	5898725 (5.39%)
CLSA (Mauritius) Limited	-	6594833 (6.03%)
IDFC Premier Equity Fund	6425178 (5.87%)	-

Notes to Consolidated Financial Statement (Contd.)

3 RESERVES AND SURPLUS

	Rs. Lakhs							
	General Reserve [Refer Note (a) below]	Securities Premium Account	Capital Reserve	Revaluation Reserve [Refer Note 11 (c)]	Other Reserve [Refer Note (b) below]	Foreign Currency Translation Adjustment Account	Surplus in Profit and Loss Statement	Total
Balance at the beginning of the year	85000.00	11053.58	359.35	56225.84	19209.20	(2548.88)	40904.37	210203.46
Profit for the year	-	-	-	-	-	-	3117.37	3117.37
Transferred to General Reserve from Surplus in Profit and Loss Statement	1000.00	-	-	-	-	-	(1000.00)	-
Adjustment on account of disposal of Revalued Assets	-	-	-	(0.51)	-	-	-	(0.51)
Withdrawn on account of depreciation on amount added on Revaluation of Fixed Assets (Refer Note 27)	-	-	-	(274.34)	-	-	-	(274.34)
Adjustment on account of expiry of life of certain fixed assets (Refer Note 33)	(5287.66)	-	-	(253.80)	-	-	-	(5541.46)
Adjustment on account of Write back of Impairment Provision (Refer Note 11)	-	-	-	142.64	-	-	-	142.64
Amount adjusted during the year	-	-	-	-	-	(2030.40)	-	(2030.40)
Adjustment on account of Dividend (Refer Note 40)	-	-	-	-	-	-	1894.73	1894.73
Proposed Dividend by the Parent Company	-	-	-	-	-	-	(3283.67)	(3283.67)
Proposed Dividend relating to Minority Interest	-	-	-	-	-	-	(73.66)	(73.66)
Tax on Proposed Dividend by the Parent Company	-	-	-	-	-	-	(668.48)	(668.48)
Tax on Proposed Dividend relating to earlier year written back	-	-	-	-	-	-	188.28	188.28
Balance at the end of the year	80712.34	11053.58	359.35	55839.83	19209.20	(4579.28)	41078.94	203673.96

- a) Represents a free reserve not meant for any specific purpose.
- b) Represents the balance amount of reserve which had arisen on transfer of Bulk Tea Division of Eveready Industries India Limited.

Notes to Consolidated Financial Statement (Contd.)

4 LONG-TERM BORROWINGS

	31st March 2015		31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
SECURED				
Term Loans from Banks				
ICICI Bank Limited	10000.00		-	
Less : Current maturities of long term debts	(1000.00)	9000.00	-	-
a) Nature of Security				
Secured by first pari passu charge of certain tea estates by way of mortgage over immovable fixed assets and hypothecation of movable fixed assets.				
b) Rate of Interest				
Interest is payable on monthly basis at base rate plus 0.40% p.a.				
c) Terms of Repayment				
Twenty (31.03.2014 - Nil) equal quarterly instalments of Rs. 500 Lakhs each commencing from 24th December 2015				
ICICI Bank Limited	-		2360.75	
Less : Current maturities of Long term debt	-	-	(2360.75)	-
a) Nature of Security				
Secured by first pari passu charge on WM-Brand, first pari passu mortgage of certain tea estates and subservient mortgage of certain tea estates; and additionally secured by pledge of certain investments				
b) Rate of Interest				
Interest is payable on monthly basis at base rate plus 2.50% p.a.				
c) Terms of Repayment				
Repayable is Nil (31.03.2014 - Twelve equal monthly installments)				
HDFC Bank Limited	5000.00		6000.00	
Less : Current maturities of long term debts	(2000.00)	3000.00	(1000.00)	5000.00
a) Nature of Security				
Secured by equitable mortgage of certain tea estates on an exclusive basis				
b) Rate of Interest				
Interest is payable on quarterly basis at base rate plus 0.05% p.a.				
c) Terms of Repayment				
Ten (31.03.2014 - Twelve) equal quarterly instalments of Rs. 500 Lakhs each				
Standard Chartered Bank	293.80		881.40	
Less : Current maturities of long term debts	(293.80)	-	(587.60)	293.80
a) Nature of Security				
Secured by way of debenture over fixed and floating assets of the company.				
b) Rate of Interest				
Interest is payable at 1 year Libor rate plus 4.00% p.a. with a floor rate of 7.50% p.a.				
c) Terms of Repayment				

Notes to Consolidated Financial Statement (Contd.)

4 LONG-TERM BORROWINGS (CONTD.)

	31st March 2015		31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Repayable is Nil (31.03.2014 - Four equal quarterly instalments equivalent to USD 250000 each)				
ICICI Bank UK Plc	12714.31		-	
Less : Current maturities of long term debts	-	12714.31	-	-
a) Nature of Security				
Secured by a first ranking charge over the shares of a subsidiary company and a floating debenture charge over all the assets of a subsidiary company excluding investments in Parent undertaking.				
b) Rate of Interest				
Interest is payable at 3 Months Dow Jones libor plus 3% .				
c) Terms of Repayment				
Repayable in ten half yearly equal instalments (31.03.2014 - Nil) commencing from 22nd June,2016.				
UNSECURED				
Term Loan from Bank				
ICICI Bank UK Plc	3232.76		4947.27	
Less : Current maturities of long term debts	(1616.38)	1616.38	(1978.91)	2968.36
a) Rate of Interest				
Interest is payable at 3 month Euribor plus 2.54% on above Loans				
b) Terms of Repayment				
Four (31.03.2014 - Nil) equal half yearly instalment equivalent to USD 1198293 commencing from 24th September 2015				
c) Covered by irrevocable and unconditional corporate guarantee by the parent Company				
		26330.69		8262.16

Notes to Consolidated Financial Statement (Contd.)

5 DEFERRED TAX LIABILITIES (NET)

	31st March 2015		31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
A. Deferred Tax Liability				
i) Difference between net book value of depreciable capital assets as per books vis-à-vis written down value as per tax laws		7518.50		9863.62
B. Deferred Tax Assets				
i) Losses under Agricultural Income Tax *	720.84		-	
ii) Items allowed for tax pupose on payment	1422.06		1135.44	
iii) Provision for Doubtful Debts, Advances etc.	1664.25	3807.15	1283.79	2419.23
Net Deferred Tax Liabilities (A-B)		3711.35		7444.39

*Considered based on future taxable income of the Parent Company against which it can be realised. (Also refer Note 33)

(c) Includes Rs. 524.80 lakhs (31.03.2014 - Rs. 141.95 lakhs) on account of foreign exchange adjustment.

6 LONG-TERM PROVISIONS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Provision for Employee Benefits [Refer Note 31(j)]	3362.33	3066.56
	3362.33	3066.56

7 SHORT-TERM BORROWINGS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Secured Loans repayable on demand from Banks		
Cash Credit, Packing Credit and Demand Loans	28184.30	16203.32
Nature of Security		
The loans pertaining to parent company are secured / to be secured by equitable first mortgage by way of deposit of title deeds of immovable properties of certain tea estates ranking pari passu and hypothecation of tea crop, movable properties and book-debts, present and future of the Company. The loans pertaining to subsidiaries are secured by way of mortgage of certain fixed and floating assets of subsidiaries.		
	28184.30	16203.32

8 TRADE PAYABLES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Trade payables	12390.48	7277.63
	12390.48	7277.63

Notes to Consolidated Financial Statement (Contd.)

9 OTHER CURRENT LIABILITIES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Current maturities of long-term debt	5659.89	5927.26
Interest accrued but not due on borrowings	140.35	147.00
Advances from Customers / Selling Agents	9.92	708.61
Unpaid Dividends [Refer (a) below]	386.15	319.75
Unclaimed Fractional Share Sale Proceeds	0.18	0.60
Deposits Received from Agents	163.61	159.50
Employee Benefits Payable	7366.99	6121.70
Remuneration payable to Non -Whole time Directors	-	18.00
Statutory dues (including Provident Fund and Tax deducted at Source)	797.39	1187.78
Capital Liabilities	79.19	291.81
Foreign Exchange Derivative liability	45.43	-
	14649.10	14882.01

(a) There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

10 SHORT-TERM PROVISIONS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Provision for Employee Benefits [Refer Note 31 (j)]	1567.56	1455.58
Others		
Provision for Income Tax (Net of Advance Tax)	2070.70	1975.30
Provision for Fringe Benefit Tax (Net of Advance Tax)	-	42.18
Proposed Dividend	3357.33	7792.14
Provision for Tax on Proposed Dividend	1652.48	2818.84
Provision for Wealth Tax	28.00	25.00
	8676.07	14109.04

Notes to Consolidated Financial Statement (Contd.)

11 TANGIBLE FIXED ASSETS

Particulars	GROSS BLOCK AT COST OR VALUATION				DEPRECIATION				NET BLOCK			
	As at 31st March 2014	Added on Consolidation	Additions/ adjustments during the year	Disposal/ adjustments during the year [Refer (a) and (d) below]	As at 31st March 2015	Up to 31st March, 2014 [Refer (f) below]	Added on Consolidation	For the year adjustments during the year [Refer (e) below]	Adjusted with Reserves during the year [Refer (g) below]	Impairment written back during the year	Up to 31st March 2015 [Refer (f) below]	Written down value as at 31st March 2014
Estate and Development Land	99603.97	60.36	854.93	989.97	99529.29	2465.84	28.55	27.90	66.65	-	2056.41	97138.13
- Freehold [Refer (b) below]	4312.32	-	-	-	4312.32	-	-	-	-	-	-	-
- Leasehold	318.85	-	10.83	0.68	329.00	10.63	-	10.72	-	-	21.35	4312.32
Buildings	71567.01	2018.11	6012.54	507.90	79089.76	21012.67	1007.08	3748.10	138.56	117.52	32830.83	308.22
Plant and Equipment	57268.28	1140.64	8558.57	1504.94	65462.55	32430.36	1101.13	2963.04	960.43	33.25	35835.65	50554.34
Furniture and Fixtures	1976.64	109.33	202.47	41.97	2246.47	1116.41	86.09	198.74	39.84	85.53	-	799.54
Vehicles	6892.35	496.05	808.87	303.68	7893.59	3941.24	368.22	717.21	264.73	45.97	4807.91	860.23
Office Equipment	786.42	7.26	49.89	37.28	806.29	493.70	6.50	73.13	32.51	143.35	-	2951.11
Computer	843.54	34.80	95.48	66.63	907.19	594.99	6.25	156.86	73.70	25.23	-	122.12
31st March, 2015	243569.38	3866.55	16593.58	3453.05	260576.46	62065.84	2,603.82	7895.70	1576.42	7953.94	550.00	182183.58
31st March, 2014	225931.50	-	15805.85	1832.03	243569.38	59232.12	-	5002.52	881.20	2050.00	62065.84	181503.54

- a) Includes Capital Subsidy in respect of following Tangible Fixed Assets
- Plant and Equipment - Rs. 16.13 lakhs (31.03.2014 - Rs. 47.52 lakhs)
- b) Represents cost of proportionate share of undivided land pertaining to certain portion of a multistoried building
- c) Pursuant to the schemes of Arrangement/Amalgamation effected in earlier years, certain assets (Estate and Development, Buildings, Plant and Equipment, and Furniture and Fixtures) were taken over at revalued amount and incorporated in the books of account.
- d) Net of foreign exchange adjustment of Rs. 980.71 lakhs (31.03.2014 - Rs. 2449.24 lakhs)
- e) Net of foreign exchange adjustment of Rs. 850.86 lakhs (31.03.2014 - Rs. 1253.56 lakhs)
- f) The opening and closing balance of Depreciation includes an Impairment Loss as set out below:-

	Impairment Loss as at	
	31st March 2015	31st March 2014
Estate and Development		
Buildings	456.95	856.18
Plant and Equipment	49.14	166.66
	13.91	47.16
	520.00	1070.00

During the year 2014-15, reduction in accumulated impairment loss has been given effect in respect of Estate and Development Rs. 399.23 lakhs (31.03.2014 - Rs. 1230.99 lakhs), Building Rs. 117.52 lakhs (31.03.2014 - Rs. 644.90 lakhs) and Plant and Equipment Rs.33.25 lakhs (31.03.2014 - Rs. 174.11 lakhs) aggregating Rs.550.00 lakhs (31.03.2014 - Rs. 2050.00 lakhs) in the nature of reversal of impairment loss by adopting discounted cash flow method [based on value in use considering the discounting factor at 14.00 % (31.03.2014 - 10.00 %) in the current estimate and at 8.50 % (31.03.2014 - 8.50 %) in the previous estimate] upon improvement in profitability of Bhatpara Tea Estate. Out of this, Rs. 142.64 lakhs (31.03.2014 - Rs. 732.41 lakhs) has been added to Revaluation Reserve (Refer Note 3) and Rs. 407.36 lakhs (31.03.2014 - Rs. 1317.59 lakhs) has been subtracted from depreciation for the year (Refer Note 27)

- g) Represents the written-down values of those fixed assets whose useful lives have already expired. Also refer Note 33.

Notes to Consolidated Financial Statement (Contd.)

12 INTANGIBLE FIXED ASSETS

Particulars	GROSS BLOCK AT COST				AMORTISATION				NET BLOCK		Rs. in Lakhs
	As at 31st March 2014	Added on Consolidation	Additions/ adjustments during the year	Disposal/ adjustments during the year [Refer (c) below]	As at 31st March 2015	Up to 31st March, 2014	Added on Consolidation	For the year	On disposal/ adjustments during the year [Refer (d) below]	Up to 31st March 2015	
Intangible Assets											
Goodwill	20.44	-	-	-	20.44	20.44	-	-	-	20.44	-
Goodwill on Consolidation	21836.43	9997.73	-	997.13	30837.03	-	-	-	-	-	21836.43
Trade Mark [Brand]											
[Refer (a) below]	6161.67	-	-	85.81	6075.86	2777.18	-	307.40	37.93	3046.65	3384.49
Computer Software											
[Refer (b) below]	691.85	-	95.80	(0.37)	788.02	164.54	-	153.55	0.28	317.81	527.31
31st March, 2015	28710.39	9997.73	95.80	1082.57	37721.35	2962.16	-	460.95	38.21	3384.90	25748.23
31st March, 2014	27568.63	-	70.33	(1071.43)	28710.39	2453.14	-	434.18	74.84	2962.16	25748.23

The above comprise :

- the above comprise:
 - Trade mark (Brand - WM logo) of Rs. 5000.00 lakhs (31.03.14 - Rs. 5000.00 lakhs) acquired by the Parent Company which is being amortised under straight line method over a working life of 20 years on prudent basis based on valuation by independent valuer, considering the factors like effective life/utility. and
 - Other Trade Marks of Rs. 1161.67 lakhs (31.03.14 - Rs. 960.24 lakhs) acquired by a subsidiary, which are being amortised over the expected economic lives of 5 to 20 years.
- Computer Software is being amortised under straight line method over 5 years.
- Net of foreign exchange adjustment of Rs. 1082.57 lakhs (31.03.14 - Rs. 1073.17 lakhs)
- Net of foreign exchange adjustment of Rs. 38.21 lakhs (31.03.14 - Rs. 76.59 lakhs)

Notes to Consolidated Financial Statement (Contd.)

13 NON - CURRENT INVESTMENTS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(valued at cost unless stated otherwise)		
(In Equity Shares of Rs 10 each fully paid and at cost, except otherwise stated)		
Long Term		
TRADE		
Investments in Equity Instruments - Associates		
Unquoted		
D1 Williamson Magor Bio Fuel Limited [Refer (b) below]		
7281201 Shares (31.03.2014- 7281201 Shares)		
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 509.04 lakhs (31.03.2014 - Rs. 501.63 lakhs)]	94.35	184.35
Investments in Equity Instruments - Others		
Quoted		
Murabblack India Limited		
500000 Shares (31.03.2014 - 500000 Shares)	*	*
McNally Bharat Engineering Co. Limited		
3052295 Shares (31.03.2014 - 3052295 Shares)	131.25	131.25
Williamson Financial Services Limited		
1666853 Shares (31.03.2014 - 1666853 Shares)	519.33	488.39
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. Nil (31.03.2014 - Rs. 30.94 lakhs)]		
Eveready Industries India Limited		
1663289 Shares of Rs. 5/- each (31.03.2014 - 1663289 Shares)	169.66	169.66
Kilburn Engineering Limited		
848168 Shares (31.03.2014 - 848168 Shares)	36.05	36.05
The Standard Batteries Limited		
1003820 Shares of Re. 1/- each (31.03.2014 - 1003820 Shares)	*	*
Kilburn Chemicals Limited		
350200 Shares (31.03.2014 - 350200 Shares)	14.04	14.04
Kilburn Office Automation Limited		
31340 Shares (31.03.2014 - 31340 Shares)	1.27	1.00
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. Nil (31.03.2014 - Rs. 0.27 lakhs)]		
Unquoted		
Babcock Borsig Limited		
1299600 Shares (31.03.2014 - 1299600 Shares)	201.31	281.40
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 482.03 lakhs (31.03.2014 - Rs. 401.94 lakhs)]		
Dewrance Macneill & Co. Limited		
200000 Shares (31.03.2014 - 200000 Shares)	*	*
Kilburn Electricals Limited		
28000 Shares (31.03.2014 - 28000 Shares)	*	*
Cosepa Fiscal Industries Limited		
350000 Shares (31.03.2014 - 350000 Shares)	*	*
Delhi Golf & County Club Private Limited		
35750 Shares of Rs.100/- each (31.03.2014 - 35750 Shares)	*	*
ABC Tea Workers Welfare Services Limited		
11067 Shares (31.03.2014 - 11067 Shares)	0.71	0.71

Notes to Consolidated Financial Statement (Contd.)

13 NON - CURRENT INVESTMENTS (CONTD.)

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
OTHER THAN TRADE		
Investments in Equity Instruments - Others		
Quoted		
Suryachakra Seafood Limited		
400000 Shares (31.03.2014 - 400000 Shares)	*	*
Unquoted		
Jalpaiguri Club Limited		
523 Shares (31.03.2014 - 523 Shares)	-	-
Indonilpur Marketing Pvt. Ltd.		
12500 Shares (31.03.2014 - 12500 Shares)	-	-
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 1.25 lakhs (31.03.2014 - Rs. 1.25 lakhs)]		
Nilhat Shipping Company Limited		
1000 Shares (31.03.2014 - 1000 Shares)	-	-
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 0.10 lakhs (31st March 2014 - Rs. 0.10 lakhs)]		
Woodlands Multispeciality Hospital Limited		
229610 Shares (31.03.2014 - 229610 Shares)	22.36	22.35
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. Nil (31.03.2014 - Rs. 0.01 lakhs)]		
Investments in preference shares		
Unquoted		
Thakurbari Club Limited		
56 Preference Shares of Rs.100 each (31.03.2014 - 56 Preference Shares)	*	*
CFL Capital Financial Services Ltd. -		
1154790 13% Redeemable Cumulative Preference Shares of Rs.100 each (31.03.2014 - 1154790 Preference Shares)	-	-
[Net of Provision other than temporary diminution in carrying amount of investment - Rs. 1160.56 (31.03.2014 - Rs. 1160.56 lakhs)]		
Investments in Government or trust securities		
Unquoted		
National Defence Bond (Deposited with Excise Authorities)	-	0.02
(Written off during the year)		
	1190.33	1329.22
* Amount is below the rounding off norm adopted by the Company.		
(a) Aggregate amount of quoted investments	871.59	871.59
Aggregate market value of quoted investments	8060.51	3549.23
Aggregate amount of unquoted investments	2554.33	2554.33
Aggregate provision for diminution in value of investments	2235.58	2096.70

Notes to Consolidated Financial Statement (Contd.)

13 NON - CURRENT INVESTMENTS (CONTD.)

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(b) Investment in D1 Williamson Magor Bio Fuel Limited (Associate Company) [Refer Note 29(c)]		
Shares in Net Assets on Acquisition	1610.01	1610.01
Add : Goodwill arising on Acquisition	574.35	574.35
Cost of Investment	2184.36	2184.36
Less : Group's share in accumulated loss:		
As per last account	1498.38	1378.14
Loss for the year	82.59	120.24
	603.39	685.98
Less : Provision for diminution	509.04	501.63
	94.35	184.35

14 LONG-TERM LOANS AND ADVANCES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(Unsecured - considered good unless otherwise stated)		
Capital Advances		
Considered Good	1345.84	470.37
Considered Doubtful	37.45	40.93
Less: Allowance for Doubtful Capital Advances	(37.45)	(40.93)
Security Deposits;		
Considered Good	1585.66	1434.82
Considered Doubtful	-	26.25
Less: Allowance for Doubtful Security Deposits	-	(26.25)
Deposits with National Bank for Agriculture and Rural Development	7082.09	15173.19
Other Loans and Advances		
MAT Credit Entitlement	3924.08	4495.06
Prepaid Expenses	1012.28	521.19
Advances to Suppliers, Service Providers etc.	1217.20	1217.20
Less : Provision for Bad and Doubtful Advances	(1217.20)	(1217.20)
Loans to Others	850.00	850.00
Less : Provision for Bad and Doubtful Loans	(850.00)	(850.00)
Loans to Employees	80.89	40.35
Loans to Related Parties (Key Management Personnel)	-	1029.43
	15030.84	23164.41

Notes to Consolidated Financial Statement (Contd.)

15 OTHER NON-CURRENT ASSETS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Book value of Investments held through Trust - 2,70,67,500 (31.03.14 - 2,70,67,500) Equity Shares of Rs. 5/- each in the Parent Company pursuant to a Scheme of Arrangement and a Scheme of Amalgamation given effect to in earlier years	892.79	892.79
Margin Money Deposit with bank (a)	14.70	14.70
Other Long Term Receivable		
From Sale of Tea Estates	180.82	180.82
Receivables from Tea Growers	370.48	414.64
Interest Accrued on Loans and Deposits	2284.22	2284.22
Less : Provision for Bad and Doubtful Accrued Interest	(2284.22)	(2284.22)
	1458.79	1502.95

(a) For issuing Bank Guarantee

16 INVENTORIES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
At lower of cost and net realisable value		
Finished Goods (Stock of Tea)	14546.95	9729.19
[including in transit Rs. 362.81 lakhs (31.03.2014 - Rs.395.09 lakhs)]		
Stores and Spares	11314.76	10518.44
	25861.71	20247.63

17 TRADE RECEIVABLES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Debts outstanding for a period exceeding six months from the date they are due for payment -		
Secured		
- Considered Good	350.00	350.00
Unsecured		
- Considered Good	10.31	405.15
- Considered Doubtful	340.90	340.90
Less: Provision for Doubtful Debts	(340.90)	(340.90)
Other Debts		
Unsecured		
- Considered Good	8404.47	3932.34
	8764.78	4687.49

Notes to Consolidated Financial Statement (Contd.)

18 CASH AND BANK BALANCES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Cash and Cash Equivalents		
Cash on hand	251.64	94.72
Remittance in Transit	11.00	-
Balance with banks in Current Accounts	3693.02	4406.36
Dividend Accounts *	386.15	319.75
Escrow Accounts/Fractional Share Sale Proceeds Account	0.18	0.60
	4341.99	4821.43

* Earmarked for payment of unclaimed dividend

- (a) Margin Money Deposit kept with bank for issuing guarantee in favour of Third party has been disclosed under Other Non-Current Assets (Refer Note 15)

19 SHORT-TERM LOANS AND ADVANCES

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(Unsecured - considered good unless otherwise stated)-		
Loans to Related Parties		
- Subsidiary	0.62	33.59
- Key Managerial Personnel	-	272.20
Loans to Others		
Considered Good	4108.00	328.00
Considered Doubtful	248.00	248.00
Less: Provision for bad and Doubtful Loans	(248.00)	(248.00)
Deposits with National Bank for Agriculture and Rural Development	7500.00	4000.00
Other Loans and Advances		
MAT Credit Entitlement	616.05	233.54
Advance Tax - Agricultural Income Tax (Net of Provision)	5432.01	3896.44
Advance Tax- Fringe Benefit Tax (Net of Provision)	307.76	-
Prepaid Expenses	782.43	1011.07
Balance with Excise Authorities	47.05	67.99
Advance for Employee Benefits	2055.41	1584.25
Advance to Employees	689.55	700.57
Advance to Suppliers, Service Providers etc.		
Considered Good	2501.53	2365.36
Considered Doubtful	103.77	103.69
Less: Provision for bad and Doubtful Advances	(103.77)	(103.69)
Loans to Employees		
Considered Good	311.43	107.88
Considered Doubtful	9.56	-
Less: Provision for bad and Doubtful Loans	(9.56)	-

Notes to Consolidated Financial Statement (Contd.)

19 SHORT-TERM LOANS AND ADVANCES (CONTD.)

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Deposit with Government Authorities	150.07	67.45
Claim Receivable	454.27	600.66
Tax payment under protest (Refer Note 37)	700.00	700.00
	25656.18	15969.00

20 OTHER CURRENT ASSETS

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
(Unsecured - considered good unless otherwise stated)		
Interest Accrued on Loans and Deposits		
Considered Good	1243.48	1173.58
Considered Doubtful	173.35	173.35
Less: Provision for Doubtful Interest Receivable	(173.35)	(173.35)
Subsidies receivable from Government	1535.01	1662.54
Compensation receivable from Government	44.11	64.47
Accrued duty exemption benefits pertaining to exports	907.19	1626.35
	3729.79	4526.94

21 REVENUE FROM OPERATIONS

	Year Ended 31st March 2015		Year Ended 31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Sale of Product - Tea		162529.24		175422.77
Other Operating Revenues				
Consultancy Fees	152.55		117.78	
Subsidy on Orthodox Tea	72.68		131.73	
Replantation Subsidy	181.84		179.22	
Transport Subsidy	166.51		315.24	
Accrued duty exemption entitlement and other Benefits relating to exports / premium on sale thereof	1492.65		2708.97	
		2066.23		3452.94
		164595.47		178875.71

Notes to Consolidated Financial Statement (Contd.)

22 OTHER INCOME

	Year Ended 31st March 2015		Year Ended 31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Interest Income (Gross)				
On Deposits	1131.62		1301.52	
On Loans	2569.14	3700.76	1717.42	3018.94
Dividend on Long Term Trade Investments		120.71		223.03
Insurance Claims		162.91		158.36
Sundry Income		353.91		249.29
Profit on Disposal of Fixed Assets (net)		-		4.82
Provision for Doubtful Debt no Longer Required Written back		-		53.18
Liabilities no Longer Required Written Back		13.35		145.88
Net Gain on Foreign Currency Transaction and Translation		119.02		582.10
		4470.66		4435.60

23 COST OF MATERIALS CONSUMED

	Year Ended 31st March 2015	Year Ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Green Leaf (purchased and consumed)	30770.46	29079.53
	30770.46	29079.53

24 CHANGES IN INVENTORIES OF FINISHED GOODS

	Year Ended 31st March 2015	Year Ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Stock of Tea at the beginning of the year (a)	9934.05	6112.86
Less: Stock of Tea at the end of the year	14546.95	9635.73
(Increase)/Decrease	(4612.90)	(3522.87)

(a) Includes adjustment relating to exchange difference etc. Net of Rs. (298.32 lakhs) (31.03.14 - Rs. 86.52 lakhs)

25 EMPLOYEE BENEFITS EXPENSE

	Year Ended 31st March 2015	Year Ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Salaries and Wages	51121.21	46894.51
Contribution to Provident and Other Funds	5768.94	5141.12
Labour and Staff Welfare	6588.31	6344.94
	63478.46	58380.57

Notes to Consolidated Financial Statement (Contd.)

26 FINANCE COSTS

	Year Ended 31st March 2015		Year Ended 31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Interest Expense				
On Fixed Loans	1974.48		1755.26	
Others	4936.41	6910.89	3951.94	5707.20
Other Borrowing Costs		279.15		272.63
		7190.04		5979.83

27 DEPRECIATION AND AMORTISATION

	Year Ended 31st March 2015		Year Ended 31st March 2014	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Depreciation on Tangible Fixed Assets	7895.70		5002.52	
Less : Withdrawn on account of Depreciation on amount added on Revaluation of Tangible Fixed Assets (Refer Note 3)	(274.34)		(348.03)	
Less : Reversal of Impairment Loss (Refer Note 11)	(407.36)	7214.00	(1317.59)	3336.90
Amortisation of Intangible Fixed Assets		460.95		434.18
		7674.95		3771.08

Certain companies (transferor companies) were amalgamated/ merged with the Parent Company in earlier years by virtue of approved schemes of arrangement. Fixed Assets were revalued by those transferor companies (including other companies which were amalgamated with the transferor companies from time to time) and the resultant incremental value of fixed assets was credited to Revaluation Reserve by those companies. Additional charge of depreciation on amount added on revaluation is adjusted against Revaluation Reserve, wherever available, consistently.

28 OTHER EXPENSES

	Year Ended 31st March 2015	Year Ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Consumption of Stores and Spare Parts	9053.67	8770.82
Consumption of Packing Materials	1622.74	1757.04
Power and Fuel	20882.80	19980.57
Rent	102.87	114.06
Lease Rent	94.28	93.78
Repairs - Buildings	1888.56	1871.48
- Machinery	3924.19	3836.27
- Others	1658.15	1551.90
Insurance	856.03	949.20
Rates and Taxes [including wealth Tax Rs. 28.00 lakhs (2013-2014 - Rs 25.00 Lakhs)]	482.95	592.44
Cess on Tea	410.56	457.54
Green Leaf Cess	959.54	1078.99
Travelling	1609.92	1725.71

Notes to Consolidated Financial Statement (Contd.)

28 OTHER EXPENSES (Contd.)

	Year Ended 31st March 2015	Year Ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Loss (net) on disposal of Fixed Assets	78.04	60.51
Legal and Professional Fees	1550.71	1420.76
Freight, Shipping and Selling Expenses	9029.90	9092.12
Brokerage on Sales	836.03	753.82
Selling Agents' Commission	725.38	551.83
Bad Debts written off	4.12	-
Bad investments written off	0.02	-
Security Deposit written off	26.25	-
Less : Adjusted from provisions	(26.25)	-
Provision for Doubtful Loans	9.56	-
Net Loss on Foreign Currency Transaction and Translation	1254.73	-
Miscellaneous Expenses	4475.89	4242.09
	61510.64	58900.93

29. (a) The Consolidated Financial Statements for the year comprise the financial statements of the Parent Company and its subsidiary companies as detailed below:-

Name of the Company		Country of Incorporation	Proportion of Ownership Interest		Reporting Date
			As at 31st March		
			2015	2014	
Subsidiaries					
i)	Borelli Tea Holdings Limited (BTHL)	United Kingdom	100%	100%	31st March
ii)	Phu Ben Tea Company Limited (Phu Ben)	Vietnam	100%	100%	31st December
iii)	Rwenzori Tea Investments Limited (RTIL)	Uganda	100%	100%	31st December
iv)	McLeod Russel Uganda Limited (MRUL)	Uganda	100%	100%	31st December
v)	Gisovu Tea Company Limited (GTCL)	Rwanda	60%	60%	31st December
vi)	McLeod Russel Middle East DMCC (MRME)	United Arab Emirates	100%	100%	31st December
vii)	McLeod Russel Africa Limited (MRAL)	Kenya	100%	100%	31st December
viii)	Pfunda Tea Company Limited (PTCL)	Rwanda	90%	-	31st December

- (b) During the year the Group has acquired a subsidiary PTCL on 26th November, 2014 through its subsidiary BTHL for a consideration of Rs. 12918.96 lakhs. Its year end net assets as on 31st December 2014 and net loss for the period ended 31st December 2014 amounting to Rs. 2952.40 lakhs and Rs. 48.18 lakhs respectively have been considered in these Consolidated Financial Statements.
- (c) The Consolidated Financial Statements also include the Group's interest in the following Associate Companies accounted for under equity method based on their financial statements:

Associate	Country of Incorporation	Proportion of Ownership Interest	
		As at 31st March 2015	As at 31st March 2014
D1 Williamson Magor Bio Fuel Limited	India	34.30%	34.30%

Notes to Consolidated Financial Statement (Contd.)

30. Schemes of Amalgamation/Scheme of Arrangement given effect to in earlier years

Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Schemes, such assets and liabilities remain included in the books of the Parent Company under the name of the transferor companies (including other companies which were amalgamated with the transferor companies from time to time).

31. EMPLOYEE BENEFITS:

I. Post Employment Defined Contribution Plans:

During the year an amount of Rs. 5033.95 lakhs (31st March 2014 - Rs. 4461.98 lakhs) has been recognised as expenditure towards Defined Contribution plans of the Parent Company.

II. Post Employment Defined Benefit Plans:

(a) Gratuity (Funded)

The Parent Company's gratuity scheme, a defined benefit plan, covers the eligible employees and is administered through certain gratuity fund trusts. Such gratuity funds, whose investments are managed by insurance companies/trustees themselves, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of Rs. 10.00 lakhs. Vesting occurs upon completion of five years of service.

(b) Superannuation (Funded)

The Parent Company's Superannuation scheme, a Defined Benefit plan, is administered through trust funds and covers certain categories of employees. Investments of the funds are managed by insurance companies /trustees themselves. Benefits under these plans had been frozen in earlier years with regard to salary levels then prevailing. Upon retirement, death or cessation of employment, Superannuation Funds purchase annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

(c) Staff Pension – Type A (Funded)

The Parent Company's Staff Pension Scheme – Type A, a Defined Benefit plan, is administered through a trust fund and covers certain categories of employees. Investments of the fund are managed by Life Insurance Corporation of India. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

(d) Staff Pension – Type B (Unfunded)

The Parent Company's Staff Pension Scheme – Type B, a Defined Benefit Plan, covers certain categories of employees. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

(e) Medical Insurance Premium Re-imbursement (Unfunded)

The Parent Company has a scheme of re-imbursement of medical insurance premium to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit. The company has introduced a scheme of re-imbursement of medical expenses to a certain category of employees up to a certain monetary limit. The scheme is in the nature of Defined Benefit plan.

(f) Expatriate Pension (Unfunded)

The Parent Company has an informal practice of paying pension to certain categories of retired expatriate employees and in certain cases to their surviving spouses. The scheme is in the nature of Defined Benefit plan.

Notes to Consolidated Financial Statement (Contd.)

The following Tables sets forth the particulars in respect of aforesaid Defined Benefit plans of the Parent Company for the year ended 31st March 2015 and corresponding figures for the previous year.

Description	Rs. Lakhs	
	Gratuity Fund	
	Funded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	12227.65	11757.12
Interest Cost	919.78	942.29
Current Service Cost	1216.63	872.94
Past Service Cost	-	-
Benefits Paid	(1460.86)	(1342.59)
Actuarial loss/(gain) on obligation	262.91	(2.11)
Present Value of obligation at the end of the year	13166.11	12227.65
Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	13094.08	12031.58
Expected Return on Plan Assets	1047.53	1022.68
Contributions	810.25	1271.65
Benefits Paid	(1460.86)	(1342.59)
Actuarial gain/(loss) on Plan Assets	726.72	110.76
Fair Value of Plan Assets at the end of the year	14217.72	13094.08
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	13166.11	12227.65
Fair Value of Plan Assets at end of the year	14217.72	13094.08
Net Asset/(Liability) Recognised in Balance Sheet	1051.61	866.43
Expense Recognised in Profit and Loss Statement		
Current Service Cost	1216.63	872.94
Past Service Cost	-	-
Interest Cost	919.78	942.29
Expected Return on Plan Assets	(1047.53)	(1022.68)
Actuarial loss/(gain) recognised in the year	(463.81)	(112.87)
Expense Recognised in Profit and Loss Statement	@ 625.07	@ 679.68
@ included in Contribution to Provident and Other Funds (Note 25)		
Category of Plan Assets		
Investments in Bonds and Special Deposit	31.13	31.05
Investments with Life Insurance Corporation of India	2289.43	2129.62
Investments with other Insurance Companies	11730.63	10847.34
Others including Bank Balances	166.53	86.07
Total	14217.72	13094.08
Actual Return on Plan Assets	1774.25	1133.44
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.50
Inflation Rate (%)	5.00	5.00
Return on Asset (%)	8.00	8.50

Notes to Consolidated Financial Statement (Contd.)

Description	Rs. Lakhs	
	Superannuation Fund	
	Funded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	1692.51	1849.76
Interest Cost	129.56	146.64
Current Service Cost	-	-
Benefits Paid	(146.01)	(249.09)
Actuarial loss/(gain) on obligation	(117.87)	(54.80)
Present Value of obligation at the end of the year	1558.19	1692.51
Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	2405.63	2365.74
Expected Return on Plan Assets	192.45	201.09
Contributions	3.82	6.71
Benefits Paid	(146.01)	(249.09)
Actuarial gain/(loss) on Plan Assets	99.52	81.18
Fair Value of Plan Assets at the end of the year	2555.41	2405.63
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	1558.19	1692.51
Fair Value of Plan Assets at end of the year	2555.41	2405.63
Net Asset/(Liability) Recognised in Balance Sheet	997.22	713.12
Expense Recognised in Profit and Loss Statement		
Current Service Cost	-	-
Interest Cost	129.56	146.64
Expected Return on Plan Assets	(192.45)	(201.09)
Actuarial loss/(gain) recognised in the year	(217.39)	(135.98)
Expense Recognised in Profit and Loss Statement	(280.28)	@ (190.43)
@ Included in Contribution to Provident and other Funds (Note 25)		
Category of Plan Assets		
Investments in Bonds and Special Deposit	38.33	47.65
Investments with Life Insurance Corporation of India	169.09	222.32
Investments with other Insurance Companies	2338.36	2122.93
Others including Bank Balances	9.63	12.73
Total	2555.41	2405.63
Actual Return on Plan Assets	291.97	282.27
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.5
Return on Asset (%)	8.00	8.5

Notes to Consolidated Financial Statement (Contd.)

Description	Rs. Lakhs	
	Staff Pension Fund Type A	
	Funded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	403.31	436.91
Interest Cost	32.25	37.12
Current Service Cost	68.06	54.39
Benefits Paid	(0.26)	(0.30)
Actuarial loss/(gain) on obligation	(71.11)	(124.81)
Present Value of obligation at the end of the year	432.25	403.31
Changes in the fair value of plan assets during the year ended 31st March		
Fair Value of Plan Assets at the beginning of the year	104.78	98.16
Expected Return on Plan Assets	8.38	8.34
Contributions	0.26	0.30
Benefits Paid	(0.26)	(0.30)
Actuarial gain/(loss) on Plan Assets	1.05	(1.72)
Fair Value of Plan Assets at the end of the year	114.21	104.78
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	432.25	403.31
Fair Value of Plan Assets at end of the year	114.21	104.78
Net Asset/(Liability) Recognised in Balance Sheet	(318.04)	(298.53)
Expense Recognised in Profit and Loss Statement		
Current Service Cost	68.06	54.39
Interest Cost	32.25	37.12
Expected Return on Plan Assets	(8.38)	(8.34)
Actuarial loss/(gain) recognised in the year	(72.16)	(123.09)
Expense Recognised in Profit and Loss Statement	@ 19.77	@ (39.92)
@ Included in Contribution to Provident and Other Funds (Note 25)		
Category of Plan Assets		
Investments with Life Insurance Corporation of India	114.21	104.78
Total	114.21	104.78
Actual Return on Plan Assets	9.43	6.62
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.5
Inflation Rate (%)	5.00	5.0
Return on Asset (%)	8.00	8.5

Notes to Consolidated Financial Statement (Contd.)

Description	Rs. Lakhs	
	Staff Pension Type B	
	Unfunded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	3318.27	3077.57
Interest Cost	258.83	255.42
Current Service Cost	634.72	444.64
Benefits Paid	(165.75)	(145.17)
Actuarial loss/(gain) on obligation	(495.60)	(314.19)
Present Value of obligation at the end of the year	3550.47	3318.27
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	3550.47	3318.27
Fair Value of Plan Assets at the end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(3550.47)	(3318.27)
Expense Recognised in Profit and Loss Statement		
Current Service Cost	634.72	444.64
Interest Cost	258.83	255.42
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	(495.60)	(314.19)
Expense Recognised in Profit and Loss Statement	# 397.95	# 385.87
# included in Salaries and Wages (Note 25)		
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.50
Inflation Rate (%)	5.00	5.00

Description	Rs. Lakhs	
	Medical Benefit Liability	
	Unfunded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	430.50	419.65
Interest Cost	34.44	35.67
Current Service Cost	-	-
Benefits Paid	(26.74)	(27.71)
Actuarial loss/(gain) on obligation	(9.65)	2.89
Present Value of obligation at the end of the year	428.55	430.50
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	428.55	430.50
Fair Value of Plan Assets at the end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(428.55)	(430.50)
Expense Recognised in Profit and Loss Statement		
Expense Recognised in Profit and Loss Statement		
Current Service Cost	-	-
Interest Cost	34.44	35.67

Notes to Consolidated Financial Statement (Contd.)

Description	Rs. Lakhs	
	Medical Benefit Liability	
	Unfunded	
	2014-15	2013-14
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	(9.65)	2.89
Expense Recognised in Profit and Loss Statement	* 24.79	* 38.56
* included in Labour and Staff Welfare (Note 25) and Insurance (Note 28)		
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.5

Description	Rs. Lakhs	
	Expatriate Pension	
	Unfunded	
	2014-15	2013-14
Changes in present value of defined benefit obligation during the year ended 31st March		
Present value of obligation at the beginning of the year	34.78	38.98
Interest Cost	1.43	1.78
Current Service Cost	-	-
Benefits Paid	(33.83)	(35.95)
Actuarial loss/(gain) on obligation	29.55	29.97
Present Value of obligation at the end of the year	31.93	34.78
Amount recognised in Balance Sheet		
Present Value of obligation at the end of the year	31.93	34.78
Fair Value of Plan Assets at the end of the year	-	-
Net Asset/(Liability) Recognised in Balance Sheet	(31.93)	(34.78)
Expense Recognised in Profit and Loss Statement		
Current Service Cost	-	-
Interest Cost	1.43	1.78
Expected Return on Plan Assets	-	-
Actuarial loss/(gain) recognised in the year	29.55	29.97
Expense Recognised in Profit and Loss Statement	# 30.98	# 31.75
# included in Salaries and Wages (Note 25)		
Principal Actuarial Assumptions		
Discount Rate (%)	8.00	8.5

The estimates of rate of inflation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment sphere.

Plan assets represent investment in various categories. The return on amounts invested with LIC is declared annually by them. Return on amounts invested with Insurance Companies, other than LIC, is mostly by way of Net Asset Value declared on units purchased, with some schemes declaring returns annually. Investment in Bonds and Special Deposit carry a fixed rate of interest.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risk of asset management and other relevant factors.

Notes to Consolidated Financial Statement (Contd.)

Effect of increase/ decrease of one percent point in the assumed medical cost trend rates on:

	Rs. Lakhs			
	Year ended 31st March 2015		Year ended 31st March 2014	
	Increase	Decrease	Increase	Decrease
Aggregate of Current Service Cost and Interest	34.44	34.44	35.67	35.67
Accumulated Post Employment Benefit obligation for Medical Cost	432.84	424.27	435.50	426.37

Company's best estimate of contribution expected to be paid to the Funds in the next year

	As on 31st March	
	2015	2014
Gratuity Fund	864.15	1342.94
Superannuation Fund	4.03	7.08
Staff Pension Fund	0.28	0.46

Other Particulars	Rs. Lakhs				
	31st March				
	2015	2014	2013	2012	2011
Gratuity Fund (Funded)					
Defined Benefit Obligation	13166.11	12227.65	11757.12	10574.50	9579.29
Plan Assets	14217.72	13094.08	12031.58	10920.69	9773.53
Surplus/(Deficit)	1051.61	866.43	274.46	346.19	194.24
Experience Adjustments on Plan Liabilities	(28.76)	784.62	535.36	939.06	499.79
Experience Adjustments on Plan Assets	726.72	110.76	231.30	(52.88)	57.67

Superannuation Fund (Funded)					
Defined Benefit Obligation	1558.19	1692.51	1849.76	1910.35	1879.33
Plan Assets	2555.41	2405.63	2365.74	2297.83	2209.49
Surplus/(Deficit)	997.22	713.12	515.98	387.48	330.16
Experience Adjustments on Plan Liabilities	(39.61)	(47.78)	(63.34)	(36.74)	(23.17)
Experience Adjustments on Plan Assets	99.52	81.18	49.85	(16.44)	(20.80)

Staff Pension Fund Type A (Funded)					
Defined Benefit Obligation	432.25	403.31	436.91	396.96	441.38
Plan Assets	114.21	104.78	98.16	90.76	105.24
Surplus/(Deficit)	(318.04)	(298.53)	(338.75)	(306.20)	(336.14)
Experience Adjustments on Plan Liabilities	(133.76)	(39.77)	(108.33)	(30.19)	4.21
Experience Adjustments on Plan Assets	1.05	(1.72)	0.14	(1.18)	0.05

Notes to Consolidated Financial Statement (Contd.)

Rs. Lakhs

Other Particulars	31st March				
	2015	2014	2013	2012	2011
	Staff Pension Fund Type B (Unfunded)				
Defined Benefit Obligation	3550.47	3318.27	3077.57	2803.16	2686.96
Plan Assets	NA	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	(207.39)	(79.25)	(164.59)	(69.00)	112.42
Experience Adjustments on Plan Assets	NA	NA	NA	NA	NA

Medical Benefit Liability (Unfunded)					
Defined Benefit Obligation	428.55	430.50	419.65	326.50	282.73
Plan Assets	NA	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	2.33	92.01	64.13	(14.55)	(10.95)
Experience Adjustments on Plan Assets	NA	NA	NA	NA	NA

Expatriate Pension (Unfunded)					
Defined Benefit Obligation	31.93	34.78	38.98	42.65	43.46
Plan Assets	NA	NA	NA	NA	NA
Surplus/(Deficit)	NA	NA	NA	NA	NA
Experience Adjustments on Plan Liabilities	27.52	30.78	25.88	28.80	5.59
Experience Adjustments on Plan Assets	NA	NA	NA	NA	NA

NA: Not Applicable

g) Provident Fund:

Contributions towards provident funds are recognised as expense for the year. The Parent Company has set up Provident Fund Trusts in respect of certain categories of employees which is administered by Trustees. Both the employees and the Parent Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Parent Company.

In terms of the Guidance on implementing Accounting Standard 15 (Revised 2005) on

Employee Benefits issued by the Accounting Standard Board of The Institute of Chartered Accountants of India (ICAI), a provident fund set up by the Parent Company is defined benefit plan in view of the Parent Company's obligation to meet shortfall, if any, on account of interest.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the balance sheet date using Project Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Parent Company as at the balance sheet date. Further during the year, the Parent Company's contribution of Rs. 386.59 lakhs (31st March 2014 – Rs. 282.70 lakhs) to the Provident Fund Trust has been expensed under the "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Notes to Consolidated Financial Statement (Contd.)

	2014-2015	2013-2014
Principal Actuarial Assumptions		
Discount Rate	7.66%	8.97%
Expected Return on Exempted Fund	8.89%	8.90%
Expected EPFO Return	8.75%	8.75%

h) Gratuity Plan (Unfunded) in respect of MRUL, a subsidiary company:

MRUL's terms and conditions of employment provide for a gratuity to Ugandan nationals employed by the company. The gratuity is payable after completion of five years' service upon resignation, retirement or termination and on condition that the employee leaves honourably. The gratuity is calculated at twenty working days per year of service for employees with five to ten years service and thirty working days per year of service for those with more than ten years service. The provision takes account of service rendered by employees up to the balance sheet date and is accounted for on the full liability method.

(i) Gratuity Plan (Unfunded) in respect of MRME, a subsidiary company:

Provision is made for end-of-service gratuity payable to the staff at the balance sheet date in accordance with United Arab Emirates labour law.

(j) Classification of Provision/Advance for Employee Benefits

	Classified as Non-Current		Classified as Current	
	As at 31st March		As at March	
	2015	2014	2015	2014
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Provision for Employee Benefits				
- Staff Pension	2550.27	2350.75	1318.23	1266.05
- Medical Benefit	365.93	366.66	62.63	63.84
- Expatriate Pension	27.97	30.46	3.97	4.32
- Other Employee Benefits	418.16	318.69	182.73	121.37
	3362.33	3066.56	1567.56	1455.58
Advance for Employee Benefits				
- Gratuity Fund	-	-	1051.61	866.43
- Superannuation Fund	-	-	997.22	713.12
- Others	-	-	6.58	4.70
	-	-	2055.41	1584.25

Notes to Consolidated Financial Statement (Contd.)

32. CONTINGENT LIABILITIES

- a) Claims against the Company not acknowledged as debts :-

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Electricity Dues	169.87	45.17
Provident Fund	-	68.43
Income Tax	1851.21	1272.57
Service Tax	131.61	70.13
Disputed Labour Claims	32.00	65.01
Duty on Tea stock	21.18	22.12
Excise Duty	10.75	10.75
Land Revenue	2.09	-
Others	40.35	33.66

- b) Bank Guarantees Rs. 123.96 lakhs (31st March 2014 - Rs. 86.58 lakhs)
c) Bills Discounted – Rs. 1203.58 lakhs (31st March 2014– Rs. 8057.93 lakhs)

It is not practicable for the company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the same.

The company does not expect any reimbursement in respect of the above contingent liabilities.

- 33.** The Company has charged depreciation in keeping with the requirements of Schedule II to the Companies Act, 2013. Consequently, the estimated useful lives of certain fixed assets have been revised based on technical evaluation carried out by Company's expert, where considered appropriate, in keeping with the provisions of Schedule II to the Companies Act, 2013 effective 1st April 2014. Pursuant to the said revision in useful lives, the depreciation expense for the year ended 31st March 2015 is higher and profit before tax is lower by Rs. 2378.81 lakhs and the net book value of fixed assets aggregating to Rs. 5287.66 lakhs (net of deferred tax Rs. 2412.48 lakhs) and Rs 253.80 lakhs has been adjusted against opening balance of general reserve and revaluation reserve respectively, where the revised useful lives have expired by 31st March 2014.

In future years, depreciation on tangible fixed assets will be lower by Rs. 10294.51 lakhs.

34. COMMITMENTS

- a) Estimated Capital Commitment on account of contracts remaining to be executed and not provided for at the year-end is Rs. 3392.61 lakhs (31st March 2014 - Rs. 1998.30 lakhs). Such commitment, net of advances, is Rs. 1052.08 lakhs (31st March 2014 – Rs. 1363.34 lakhs).
- b) The Parent Company has undertaken to continue to directly hold 100% of all the shares in the share capital of Borelli Tea Holdings Limited (BTHL) in connection with the Senior Term Loan facility of EURO 6.00 million obtained by BTHL from ICICI Bank UK PLC, Frankfurt.
- c) In connection with a Term Loan of Rs.5000.00 lakhs taken by McNally Bharat Engineering Company Limited (MBECL) from one of its Bankers, the Parent Company has furnished a Non-Disposal Undertaking in respect of its present and future holding of shares in MBECL to remain valid so long as any monies remain due by MBECL in respect of the said loan to the said bank.

Notes to Consolidated Financial Statement (Contd.)

35. SEGMENT INFORMATION

The Group is primarily engaged in the business of cultivation, manufacture and sale of tea across various geographical locations with different political and economic environment, risks and returns etc, and accordingly geographical segments has been considered by the Group as primary reporting format.

The geographical segments have been identified as India, Vietnam, Uganda and Rwanda.

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Segment Revenue		
India	138713.66	147357.22
Vietnam	5153.41	6728.80
Uganda	15674.79	19092.72
Rwanda	3463.91	4167.58
Other	1589.70	1529.39
Total	164595.47	178875.71
Segment Results (Profit before Interest and Tax)		
India	7284.35	25076.58
Vietnam	(671.01)	1021.26
Uganda	(508.26)	3784.71
Rwanda	865.42	1534.29
Other	150.54	3354.28
Total	7121.04	34771.12
Less : Finance Cost [Net of Interest Income Rs. 3700.76 lakhs (31.03.2014 – Rs. 3018.94 lakhs)]	3489.28	2960.89
Exceptional Items	56.27	215.99
Unallocable	1104.14	1864.21
Profit before Taxation, share of Earnings from Associates and Minority Interest	2471.35	29730.03
Less : Taxation Charge		
Current Tax	912.53	4416.64
Deferred Tax - Charge/(Credit)	(1845.36)	(931.04)
Profit after Taxation but before share of Earning from Associates and Minority Interest	3404.18	26244.43
Segment Assets		
India	199139.20	193833.50
Vietnam	14029.73	8714.07
Uganda	16486.42	20260.97
Rwanda	10027.46	5175.43
Other	3468.45	4003.82
	243151.26	231987.79
Unallocable	65704.88	56771.96
	308856.14	288759.75

Notes to Consolidated Financial Statement (Contd.)

	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs
Segment Liabilities		
India	76876.86	73725.42
Vietnam	858.90	214.05
Uganda	1569.79	2094.73
Rwanda	891.56	222.95
Other	1425.39	258.90
	81622.50	76516.05
Unallocable *	71521.65	50954.90
	153144.15	127470.95
* Excluding Shareholders' Funds (other than Revaluation Reserve) and Minority Interest		
Capital Expenditure relating to Segments		
India	11861.75	11857.22
Vietnam	3106.39	2212.98
Uganda	1098.06	2219.52
Rwanda	1658.74	669.87
Other non-reportable	7.77	188.32
	17732.71	17147.91
Depreciation and Amortisation relating to Segments		
India	* 6026.95	* 2407.51
Vietnam	433.78	316.93
Uganda	855.60	722.67
Rwanda	280.06	256.01
Other	78.56	67.96
	7674.95	3771.08
* Net of Reversal of Impairment Loss – Rs. 407.36 Lakhs (31.03.2014 – Rs. 1317.59 Lakhs)		
Significant non-cash expenses other than Depreciation and Amortisation relating to Segments	-	-

The Group does not have any Secondary Segment

36. Information given in accordance with the requirement of Accounting Standard 18 on Related Party Disclosures prescribed under the Act :-

a) List of Related Parties

i. Key Management Personnel (of the Parent Company)

Managing Director	Mr. Aditya Khaitan (AK)
Wholetime Directors	Mr. Rajeev Takru (RT)
	Mr. Azam Monem (AM)
	Mr. Kamal Kishore Baheti (KKB)

ii. Relatives of Key Management Personnel with whom transactions took place during the year.

Mr. Brij Mohan Khaitan (BMK)	Father of Mr. Aditya Khaitan
Mr. Deepak Khaitan (DK)	Brother of Mr. Aditya Khaitan

iii Others :

Associate :
D1 Williamson Magor Bio Fuel Limited (D1)

Notes to Consolidated Financial Statement (Contd.)

b) Transactions / Balances with Key Management Personnel

	Remuneration		Dividend paid		Loan Outstanding as at	
	2014-15	2013-14	2014-15	2013-14	31st March 2015	31st March 2014
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
AK	482.18	344.19	0.51	0.51	-	-
RT	194.57	169.59	0.06	0.06	-	1.93
AM	199.73	168.58	0.04	0.04	-	-
KKB	196.90	167.84	0.36	0.36	-	-
Total	1073.38	850.20	0.97	0.97	-	1.93

The above remuneration of Managing Director (AK) and Whole time directors (RT, AM, KKB) is in accordance with the Shareholders' approval obtained at the Sixteenth AGM of the Company held on 23rd July, 2014.

However, due to inadequacy of profit of the Company during the year 2014-15, the above remuneration has exceeded the limit prescribed under section 197 of the Companies Act, 2013 in anticipation of which the Company has applied to the Central Government seeking its approval to the above remuneration.

c) Transactions / Balances with relatives of Key Management Personnel

	As at Year ended 31st March 2015	As at Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Directors' Sitting Fees		
BMK	1.00	1.20
DK	0.80	0.80
Commission		
BMK	-	2.50
DK	-	2.50
Dividend Paid		
BMK	2.54	2.54
DK	0.83	0.83
Amount payable at year end		
BMK	-	2.50
DK	-	2.50

d) Transactions / Balances with Associate

Name of the Associate	Nature of Transactions/Balances	As at Year ended 31st March 2015	As at Year ended 31st March 2014
		Rs. Lakhs	Rs. Lakhs
D1	Balance of Investments at the year end	94.35	184.35
	[Net of provision for diminution in value of investments Rs. 2090.00 lakhs (31.03.2014 – Rs. 2000.00 lakhs)]		

Notes to Consolidated Financial Statement (Contd.)

- 37.** In connection with an overseas acquisition of a subsidiary in 2005, the Income Tax authority had raised a demand of Rs.5278 lakhs during the year 2009-10 on the Parent Company on account of alleged non-deduction of tax at source and interest thereon pertaining to the transaction. The Parent Company challenged the said demand before the appropriate authorities and the matter is pending. Further, the Parent Company has obtained a stay against the said demand from the Hon'ble High Court of Calcutta. The Parent Company deposited Rs. 700.00 lakhs during the year 2011-12 with Income Tax Authority under protest (Refer Note 19). In any event, as per the related Share Purchase Agreement, Capital Gain tax or other tax, if any, relating to sale of shares etc. is to be borne by the seller and not the Parent Company.

38. Earnings per Equity Share:

	Year ended 31st March 2015	Year ended 31st March 2014
a) Numerator used:		
Profit after Taxation and Minority Interest (Rs. Lakhs)	3117.37	25715.25
b) Denominator used		
Weighted Average Number of Equity Shares	10,94,55,735	10,94,55,735
c) Face Value of Equity Shares - Rs.	5	5
d) Dilutive Potential Equity Shares	-	-
e) Earnings per Share [Basic and Diluted] – Rs.	2.85	23.49

- 39.** Revenue Expenditure on Research and Development Rs. 140.11 lakhs (31st March 2014 - Rs. 109.49 lakhs) represent subscription to Tea Research Association.

- 40.** Adjustment on account of dividend represents:

Dividend paid during the year 2014-15 by the Parent Company on Equity Share held by its subsidiary Rs. 1894.73 lakhs (2013-14 – Rs. 1894.73 lakhs).

41. Lease Commitments:

A non cancellable operating lease agreement had been entered during the year for a period of one year, in connection with a motor car. There is an option for renewal of lease for further period of one year and purchase of the motor car at negotiated price.

During the year 2012-13, a tea-manufacturing factory has been taken on non-cancellable operating lease by parent company for the period from 1st January 2013 to 31st December 2017.

Following amount has been charged in the Consolidated Profit and Loss Statement on account of lease rental :

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Lease Rent	94.28	93.78
The future minimum lease commitment of the Group is as under :		
Not later than one year	98.83	96.73
Later than one year and not later than five years	227.12	293.92
Later than five years	570.58	544.48

Notes to Consolidated Financial Statement (Contd.)

- 42.** Following items, to the extent indicated, have been measured and recognised on the basis of different accounting policies applied by certain subsidiary companies, as set out in Note 1 above, as compared to those applied by the Parent Company. It is not practicable to use uniform accounting policies in preparing the consolidated financial statements. Had the accounting policies of the Parent Company being applied, the impact thereof on the expenditure for the year and year-end carrying amounts of assets / liabilities is not ascertainable at this stage.

	Rs. Lakhs	Rs. Lakhs
Income and Expenditure	Year ended 31st March 2015	Year ended 31st March 2014
Depreciation / Amortisation	1648.00	1363.57

Assets and Liabilities	As at 31st March 2015	As at 31st March 2014
Inventories	5368.12	4953.15
Accumulated Depreciation	17988.86	14645.22
Provision for Employee Benefit		
- Long term	9.38	5.89
- Short term	-	4.09

- 43. D1, an Associate, applies accounting policies relating to the following items which are different from those followed by the Parent Company:**

(a) Depreciation is provided by D1 on written down value method as against straight line method.

It is not considered practicable to quantify the impact of differences for making appropriate adjustments in the financial statements of the aforesaid Associate for the purpose of consolidation.

- 44. Exceptional Item comprises**

	Year ended 31st March 2015	Year ended 31st March 2014
	Rs. Lakhs	Rs. Lakhs
Provision in carrying amount of long term		
Investments in :		
An associate	7.41	179.76
Body Corporates	48.86	36.23
	56.27	215.99

Notes to Consolidated Financial Statement (Contd.)

45. Derivative Investments and Unhedged Foreign Currency Exposure of the Parent Company

a) Derivatives outstanding as at the reporting date:-

Particulars	Purpose	Currency	As at 31st March, 2015		As at 31st March, 2014	
			Amount in Foreign Currency	Amount in Rs. Lakhs	Amount in Foreign Currency	Amount in Rs. Lakhs
Forward contracts on past performance	Hedging of foreign currency receivables	USD	20094089.78	12560.82	27000000	16178.40
		GBP	-	-	4000000	3991.20
Currency and Interest Rate Swap	Hedging of floating interest rate	USD	-	-	3719530	2228.74

b) Particulars of unhedged foreign currency exposures as at the reporting date.

Particulars	Currency	As at 31st March, 2015		As at 31st March, 2014	
		Amount in Foreign Currency	Amount in Rs. Lakhs	Amount in Foreign Currency	Amount in Rs. Lakhs
Trade/ Other Receivables	USD	-	-	120210	72.03

	2014-15	2013-14
	Rs. Lakhs	Rs. Lakhs

c) Mark to Market Losses Provided for	-	610.75
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46. Current Tax

	Year ended 31st March 2015	Year ended 31st March 2014
Provision for Current Tax for the year	1662.54	5534.56
MAT Credit Entitlement	(355.73)	(1087.53)
MAT Credit written off	544.21	-
Excess provisions of earlier years written back		
- Current Tax	(588.54)	(30.39)
- Fringe Benefit Tax	(349.95)	-
	912.53	4416.64

Notes to Consolidated Financial Statement (Contd.)

47. Statement Containing Financial Informations of Subsidiary & Associate:

Sl. No.	Name of the Entity	Net Assets		Share in profit or loss	
		As a % consolidated net assets	Amount (Rs. in Lakhs)	As a % consolidated profit or loss	Amount (Rs. in Lakhs)
1	McLeod Russel India Limited	85.20	178187.78	161.08	5021.39
2	Borelli Tea Holdings Limited & Its Subsidiaries	15.95	33364.04	(54.53)	(1699.80)
	Total		211551.82		3321.59
Less:	Minority Interest	(1.15)	2405.07	(6.55)	204.22
	Consolidated Net Assets/Profit after tax	100.00	209146.75	100.00	3117.37

Sl. No.	Name of the Associate	% of ownership interest	Share in profit or loss
1	D1 Williamson Magor Bio Fuel Ltd.	34.30	(82.59)

48. Previous year figures have been reclassified to conform to this year's classification.

Signatures to Note 1 to 48.

For **PRICE WATERHOUSE**

Firm Registration Number 301112E

Chartered Accountants

On behalf of the Board of Directors

Prabal Kr. Sarkar

Partner

Membership Number 52340

A. Khaitan

Managing Director

K. K. Baheti

Wholetime Director & CFO

A. Guha Sarkar

Company Secretary

Kolkata, 28th May 2015

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Lakhs)

Sl. No.	1	2	3	4	5	6	7	8
Name of the subsidiary	Borelli Tea Holdings Limited (BTHL)	Phu Ben Tea Company Limited	Rwenzori Tea Investments Limited	McLeod Russel Uganda Limited	Gisovu Tea Company Limited	McLeod Russel Africa Limited	Pfunda Tea Company Limited (PTCL)	McLeod Russel Middle East DMCC
Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	31 st March	31 st December	31 st December	31 st December	31 st December	31 st December	31 st December	31 st December
Reporting currency	British Pound (GBP)	Vietnamese Dong (VND)	Uganda Shilling (Ushs)	Uganda Shilling (Ushs)	Rwandan Franc (RWF)	Kenya Shilling (Kshs)	Rwandan Franc (RWF)	US Dollar (USD)
Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	92.40000	0.00294	0.02127	0.02127	0.09207	0.68847	0.09207	62.43243
Share capital	334.49	5501.37	7285.28	8853.99	1955.03	0.69	0.92	34.03
Reserves & surplus	23450.73	(1211.46)	1277.90	11282.00	4088.04	(127.11)	2970.38	(435.25)
Total Assets	47314.72	14063.41	8563.18	26632.69	6586.31	304.70	3541.27	809.43
Total Liabilities	47314.72	14063.41	8563.18	26632.69	6586.31	304.70	3541.27	809.43
Investments	36443.85	-	8563.18	-	-	-	-	-
Turnover	710.85	5551.78	-	14604.03	3655.78	-	3059.69	1535.14
Profit before taxation	727.53	(1079.70)	-	540.44	811.70	(140.34)	391.22	(56.06)
Provision for taxation	191.03	-	-	83.82	219.20	(41.87)	126.43	-
Profit after taxation	536.51	(1079.70)	-	456.61	592.51	(98.47)	264.80	(56.06)
Proposed Dividend	#	-	-	-	184.15	-	-	-
% of shareholding	100%	100%	100%	100%	60%	100%	90%	100%

The Board of Directors of Borelli Tea Holdings Ltd. has recommended a dividend of GBP 1.5 per share.

However, as per Accounting Standards in U.K., provision for the same has not been made in their books of accounts.

During the year the Group has acquired 90% of the Share Capital of PTCL on 26th November 2014 through its subsidiary BTHL. However, the details figures given above is for the full year.

Part “B”: Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate		D1 Williamson Magor Bio Fuel Ltd
1.	Latest audited Balance Sheet Date	31st Mar 15
2.	Shares of Associate held by the Company on the year end:	
	No.	7281201
	Amount of Investment in Associates (Rs. in Lakhs)	2184.36
	Extend of Holding %	34.30%
3.	Description of how there is significant influence	Because of shareholding
4.	Reason why the associate is not consolidated	Financial Statements are consolidated
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs. in Lakhs)	277.21
6.	Loss for the year (Rs. in Lakhs)	240.79
	i. Considered in Consolidation (Rs. in Lakhs)	82.59
	ii. Not Considered in Consolidation (Rs. in Lakhs)	158.20

For and on behalf of the Board of Directors

Place: Kolkata

Date: 28th May 2015

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

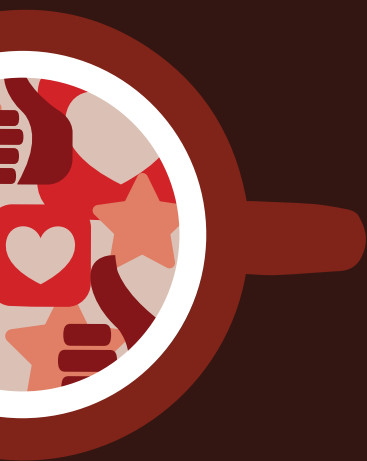
Particulars of Tea Estates

Locations	Estates	Area Under Tea (Hectare)	Saleable Production for 2014-15 (Kgs.)
Bishnauth	Dekorai	869.73	1801665
	Mijicajan	958.11	1713403
	Monabarie	1123.71	2434870
	Pertabghur	799.45	1669361
Dhunseri	Behora	697.96	1054227
	Bukhial	586.78	915639
Doom Dooma	Baghjan	579.45	1707298
	Bordubi	900.12	2150666
	Koomsong	691.17	1551617
	Phillobari	403.00	1119408
	Beesakopie/ Diamukhia	1239.46	2001770
	Samdang	920.17	2081436
	Raidang	963.73	2089527
	Bargang	1005.52	2441181
East Boro	Behali	578.03	1878774
	Boroi	393.52	1242262
	Dufflaghur	680.62	1474038
	Halem	592.67	1804292
	Nya Gogra	650.06	1540411
Jorhat	Hunwal	894.67	2132490
Mangaldai	Attareekhat	527.77	2236731
	Bhooteachang	561.03	1295234
	Borengajuli	625.14	1871918
	Corramore	481.06	1321316
	Dimakusi	435.90	1520803
	Paneery	413.06	989407

Locations	Estates	Area Under Tea (Hectare)	Saleable Production for 2014-15 (Kgs.)
Margherita	Bogapani	821.03	1990461
	Dehing	498.73	1893451
	Dirok	786.48	2242429
	Margherita	604.28	1355211
	Namdang	746.99	1866563
	Attabarie	386.54	842990
Moran	Dirai	683.03	2369385
	Lepetkatta	435.72	1006154
	Moran	618.28	1508413
	Rajmai	485.09	1308015
	Sepon	600.59	1565871
Thakurbari	Addabarie	674.05	1443580
	Harchurah	443.54	1455128
	Phulbari	838.64	1332624
	Rupajuli	351.84	687172
	Tarajulie	478.83	861856
	Tezpore & Gogra	512.69	1312755
Tingri	Dirial	576.16	1801445
	Itakhooli	396.14	883798
	Keyhung	606.05	1727189
	Mahakali	568.45	981325
Dooars	Bhatpara	591.93	870172
	Central Dooars	756.33	1101101
	Chuapara	644.00	1065675
	Jainti/Chuniajhora	613.54	1185090
	Mathura	656.51	1359386
		33947.35	80056983

Production includes tea made out of inter-estate transfer/purchase of green leaf.





A MEMBER OF WILLIAMSON MAGOR GROUP