

# ARCUTTIPORE TEA CO. LTD.

**Manufacturers of Quality Teas**

CIN No. : L15491WB1900PLC000220  
☎ 033-65406001/ ☎ 033-40667153

Registered Office :  
4A, COUNCIL HOUSE STREET  
M.M.S. CHAMBERS, 1ST FLOOR  
KOLKATA - 700 001

E-mail : arcuttipore008@rediffmail.com

Date: 04.10.2016

To  
The Manager  
Department of Corporate Services  
BSE Ltd.  
Dalal Street, Fort  
Mumbai - 400 001

**Sub. :- Regulation 34 (1) of LODR, 2015 - Submission of Annual Report for FY-  
2015-16**

**Ref. :- Scrip Code- 530261**

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith Annual Report of Arcuttipore Tea Company Ltd. for FY-2015-16 duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

Kindly take the same on your records and acknowledge the receipt.

Thanking you,

Yours faithfully,

For Arcuttipore Tea Company Ltd.

**ARCUTTIPORE TEA CO. LTD**

*H. K. Bajoria*  
**Managing Director**

(Harsh Kumar Bajoria) (DIN: 00893180)  
Managing Director

Encl: as above

# **ARCUTTIPORE TEA COMPANY LIMITED**



**Annual Report & Accounts  
For the Year ended 31st March  
2016**

# **ARCUTTIPORE TEA COMPANY LIMITED**

## **BOARD OF DIRECTORS:**

SHRI HARSH KUMAR BAJORIA	-	Managing Director
SHRI SHALAKYA KUMAR BAJORIA	-	Director
SHRI CHANDI PRASAD PODDAR	-	Director
SHRI NARESH SHAH	-	Director
SMT PRAMILA BAJORIA	-	Director

## **SHARE REGISTERS:**

MCS SHARE TRANSFER AGENT LIMITED  
12/1/5 Monohar Pukur Road,  
Kolkata – 700026

## **AUDITOR:**

GORA & COMPANY  
CHARTERED ACCOUNTANTS  
8/2, KIRAN SHANKAR ROY ROAD,  
KOLKATA – 700001

## **REGISTERED OFFICE:**

MMS Chambers, 1<sup>st</sup> Floor,  
4A, Council House Street,  
Kolkata – 700001  
Phone: (033) 6540 6001

## **GARDEN:**

ARCUTTIPORE TEA ESTATE  
Silchar, Cachar, Assam

**WEBSITE:** [www.arcuttiporetea.co.in](http://www.arcuttiporetea.co.in)

**E-MAIL:** [investorrelations@arcuttiporetea.com](mailto:investorrelations@arcuttiporetea.com)

<b>CONTENT</b>	<b>Page</b>
<b>NOTICE</b>	<b>1 - 7</b>
<b>DIRECTOR'S REPORT</b>	<b>8 - 13</b>
<b>REPORT ON CORPORATE GOVERNANCE (Annexure - I)</b>	<b>14 - 20</b>
<b>CEO CERTIFICATION</b>	<b>21</b>
<b>CERTIFICATE FROM THE AUDITORS REGARDING COMPLIANCE</b>	<b>22</b>
<b>MANAGEMENT DISCUSSION &amp; ANALYSIS REPORT (Annexure II)</b>	<b>23-24</b>
<b>SECRETARIAL AUDIT REPORT</b>	<b>25 - 27</b>
<b>ANNEXURE TO THE DIRECTOR'S REPORTS (Annexure V)</b>	<b>28 - 29</b>
<b>EXTRACT OF ANNUAL RETURN (Form No.MGT-9)</b>	<b>30 - 36</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>37 - 44</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>45 - 47</b>
<b>CASH FLOW STATEMENT</b>	<b>48</b>
<b>BALANCE SHEET STATEMENT</b>	<b>49</b>
<b>PROFIT AND LOSS STATEMENT</b>	<b>50</b>
<b>NOTES ON FINANCIAL STATEMENTS</b>	<b>51 - 67</b>

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## **ARCUTTIPORE TEA COMPANY LIMITED**

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### **ARCUTTIPORE TEA COMPANY LIMITED**

**CIN: L15491WB1900PLC000220**

**Regd. Office: 4A, Council House Street  
1St Floor, MMS Chamber, Kolkata- 700001  
Website: www.arcuttiporetea.co.in**

### **NOTICE**

NOTICE is hereby given that the 147th Annual General Meeting of the Members of **ARCUTTIPORE TEA COMPANY LIMITED** will be held on Thursday, the 29th day of September, 2016 at 3.00 pm at MMS Chamber, 4A Council House Street, Kolkata – 700001, to transact the following businesses:

#### **ORDINARY BUSINESS:**

1. To consider and adopt the audited Financial Statements consisting of the Balance Sheet as at 31st March ,2016, the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date , the Report of Auditors thereon and the Report of Board of Directors of the Company for the year ended 31st March, 2016.
2. To appoint Mr. C.P. Poddar (DIN- 00739513.) as Director who retires by rotation and being eligible offers himself for re- appointment.
3. To ratify the appointment of Auditors of the Company and to fix their remuneration and for this purpose to consider and if thought fit and proper to pass with or without modification(s) the following resolution as an Ordinary Resolution thereof.

**“RESOLVED THAT** pursuant to the provisions of Section 132, 142 and Other applicable provisions of the Companies Act ,2013 and the Rules made there under , pursuant to the recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the Annual General Meeting held on 29th September , 2014 , the appointment of M/s Gora & Company, Chartered Accountants (FRN No.327183E) as Auditors of the Company to hold office till the conclusion of the 148th AGM to be held in the calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix their remuneration payable to them for the financial year ending March ,31,2017 .

By Order of the Board  
For ARCUTTIPORE TEA COMPANY LIMITED

Kolkata  
Dated 3<sup>rd</sup> September, 2016  
Phone -033-6540-6001

HARSH KUMAR BAJORIA (DIN: 00893180)  
(Managing Director)

## ARCUTTIPORE TEA COMPANY LIMITED

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### NOTES:

1. A member entitled to attend and vote at the above Meeting is entitled to appoint a proxy, to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective must be deposited at the Registered Office of the Company, not less than forty – eight hours before the commencement of the Annual General Meeting.  
A person can act as a Proxy on behalf of Members not exceeding fifty and holding in aggregate shares not more than 10 percent of the total share capital of the Company.
2. Corporate Members/AOPs are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote on their behalf at the Meeting.
3. Pursuant to the Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Book of the Company shall remain closed from **Friday 23<sup>rd</sup> September, 2016 to Thursday 29<sup>th</sup> September, 2016 (both days inclusive).**
4. (i) A person, whose name is recorded in the Registrar of Members or in the Register of Beneficial Owners maintained by the depositories as on the **cut-off-date i.e. 26<sup>th</sup> August 2016** only shall be entitled.  
(ii) Persons, who have acquired Shares and become Members or in the Register of Beneficial Owners maintained by the depositories as on the **cut-off-date i.e. 26<sup>th</sup> August 2016** only shall be entitled to avail the facility of either remote e-Voting at the AGM through Ballot Paper.
5. The Notice of the Meeting will also be available on the Company's website [www.arcuttiporetea.co.in](http://www.arcuttiporetea.co.in) and the website of National Securities Depository Limited ("NSDL") at [www.evotingindia.com](http://www.evotingindia.com).
6. **Members holding shares in physical form are requested to notify change of address, if any, along with address proof i.e. self attested copy of Voter Identity Card, Electricity/Telephone Bill, Driving License or a copy of the passport, Aadhaar Card and Bank Statement to the Share Department of the Company/Registrar and Share Transfer Agent and, in case the shares are held in dematerialized form, then this information should be passed on to the respective Depository Participants and not to the Share Department of the Company / Registrar and share Transfer Agent.**
7. In case the mailing address mentioned on the envelope of this Annual Report is either without Pin Code or with incorrect Pin Code, Members are requested to advise the correct Pin Code to the **Share Department of the Company / Registrar and Share Transfer Agent** or the respective **Depository Participant(s)** as the case may be, immediately, for speedier delivery of documents in future.
8. (a) Members desirous of receiving Notices and/or documents from the Company through the **electronic mode** are requested to update their email addresses with their **Depository Participants**, where shares are held in electronic form or with the **Share Department of the Company / Registrar and Share Transfer Agent** where shares are held in physical form.  
(b) Email addresses of Members as advised to the **Share Department of the Company/Registrar and Share Transfer Agent** where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode are deemed to be the Member's registered Email addresses for serving Company's documents/notices. Members intending to refresh/update their email addresses should do so as soon as possible.  
© Members who hold shares in electronic form and who have not registered their e-mail addresses so far are requested to register their email IDs with their **Depository Participants**. Members who hold shares in physical form are requested to intimate the **Share Department of the Company/Registrar and Share Transfer Agent** for faster communication.
9. Members holding Shares, in physical form, in identical order of names in more than one Folio, are requested to write to the **Share Department of the Company / Registrar and Share Transfer Agent** enclosing the relevant Share Certificates requesting consolidation of such Folios into one Folio for their own convenience.

## ARCUTTIPORE TEA COMPANY LIMITED

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10. Electronic copy of the Annual Report for 2015-16 and Notice of the aforesaid AGM, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all such members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email IDs, physical copies of the Annual Report 2015-16, Notice of the AGM along with Attendance Slip, Electronic Voting Particulars and Proxy Form is being sent at their registered addresses.
11. As per the provisions of the Act, the facility for making/varying/cancelling nominations is available to individuals holding shares in the company. Nominations can be made in **Forms-SH.13** and any variation/ cancellation thereof can be made by giving notice **Form SH14**, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 (as amended) for the purpose. The Forms can be obtained from the Share Department of the Company/Registrar and Share Transfer Agents or from the Website of Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).
12. **a) Members desirous of getting any information in relation to the Company's Annual Report 2015-16 are requested to address their query(ies) well in advance, i.e. at least 10 days before the Meeting, to the Company to enable the Management to keep the information readily available at the Meeting.**  
**b) Members holding shares in Electronic Form, are requested to bring their Depository ID Number and Client ID Number to facilitate their identification or recording attendance at the forthcoming Annual General Meeting.**
13. As per Securities and Exchange Board of India (SEBI) circular no MRD/ Dop/ Cir-05/2009 dated May 20, 2009, it has become mandatory to furnish a copy of PAN card for registration of transfer of shares in physical form.
14. As per requirements of SEBI (Listing Obligations and Disclosure Requirements ) Regulations, 2015, particulars relating to appointment and reappointment of Directors are given in the Corporate Governance Section of the Annual Report and forms the part of this Notice.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. **Voting through electronic means**  
As per Section 108 of the Companies Act, 2013 read with Companies ( Management and Administration ) Amendment Rules , 2014 as amended vide Companies ( management and Administration ) Amendment Rules , 2015 effective 19<sup>th</sup> March , 2015 and Regulation 44 of SEBI ( Listing Obligations and Disclosure Requirements) Regulations ,2015:
  - i) The items of business set out in the attached Notice are to be transacted also through the electronic voting system from a place other than the venue of the meeting (“ remote e – voting” ) under an arrangement with National Securities Depository Limited ( 'NSDL“), as specified more fully in the instructions under Serial No 17 , provided that once the vote on a Resolution is cast , a Member shall not be allowed to change it subsequently or cast the vote again .
  - ii) the facility for voting through ballot paper shall also be made available at the Annual General Meeting and members attending the meeting who have not already cast their vote by remote e voting shall be able to exercise their right at the meeting.
  - iii) The members who have cast their vote by remote e – voting prior to the meeting may also attend and participate in the Meeting but shall not be entitled to cast their vote again.

## ARCUTTIPORE TEA COMPANY LIMITED

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**17. The instructions for members for voting electronically are as under:**

- (i) The voting period begins on Monday, 26<sup>th</sup> September, 2016 from 10:00 a.m. (IST) and ends on Wednesday 28th September, 2016 5:00 p.m.(IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September,2016 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now, select "ARCUTTIPORE TEA CO. LTD." from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID:
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps give below.

**For Members holding shares in Demat Form and in Physical Form**

PAN	Enter your 10 digit 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 Covering Letter.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field.

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## ARCUTTIPORE TEA COMPANY LIMITED

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- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through NSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "ARCUTTIPORE TEA COMPANY LIMITED" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES IMPLIES THAT YOU ASSENT TO THE Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on "FORGOT PASSWORD" & enter the details as prompted by the system.
- (xviii) **Note for Institutional Shareholders**  
Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <http://www.evoting.nsdl.co.in> and register themselves as Corporates.  
A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [www.evoting.nsdl.com](http://www.evoting.nsdl.com).  
After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.  
The list of accounts should be mailed to [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and on approval of the accounts they would be able to cast their vote.  
A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (xx) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company
- (xxi) The results of voting will be announced at the Annual General Meeting of the company to be held at 4A, Council House Street, 1st Floor, Kolkata - 700001 on 29th September 2016 at 3 pm. The results of the voting will be communicated to the BSE and also be hosted on the website of the company [www.arcuttiporetea.co.in](http://www.arcuttiporetea.co.in)
- (xxii) In case of members receiving the physical copy, they are advised to follow all steps from serial no. (i) to (xvi) above.

## ARCUTTIPORE TEA COMPANY LIMITED

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18. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
19. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off-date**.
20. The Board of Directors of the Company at their meeting held on 03th September, 2016 has appointed Mr. Atish Kumar Shaw, Practicing Chartered Accountant (Membership No. 306098) of A. K. Shaw (Proprietor) as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner, whose e-mail address is: atish.shaw@gmail.com.
21. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Ballot Paper for all those Members who are present at the AGM and have not cast their votes by availing the remote e-Voting facility.
22. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or the person authorized by him in writing. The results shall also be simultaneously communicated to the Stock Exchange.
24. On receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM.
25. The Landmark and Route Map of the venue of the AGM is given on the back side of the Attendance Slip in the Annual Report 2015-16.

By Order of the Board  
For ARCUTTIPORE TEA COMPANY LIMITED

HARSH KUMAR BAJORIA  
(DIN: 00893180)  
(Managing Director)

Kolkata  
Dated 3<sup>rd</sup> September, 2016



## ARCUTTIPORE TEA COMPANY LIMITED

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### **Annexure “A”**

Details of Directors seeking re- appointment at the 147th Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement)

Pursuant to Clause 49 of the listing agreements with the stock exchanges, following information is furnished about the Directors proposed to be appointed/re-appointed.

1) Mr. C.P.Poddar is a Non-Independent Director on the Board of the Company since 09.07.2001 He is a B.com Graduate and has around 35 years experience in Administration work. He is holding Nil shares in the Company. He is related to other Directors of the Company.

<b>Other Directorships</b>	<b>Other Committee Memberships</b>
<b>Name of Company</b>	<b>Name of Committee</b>
Pusha Steels Ltd.	Nil

The disclosures as required under section II, part II of the Companies Act, 2013 are not applicable.

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## ARCUTTIPORE TEA COMPANY LIMITED

**ARCUTTIPORE TEA COMPANY LIMITED**  
**4A, Council House Street, M.M.S Chambers, 1<sup>st</sup> Floor,**  
**Kolkata – 700001**  
**CIN: L15491WB1900PLC000220**

### DIRECTORS' REPORT TO THE MEMBERS

Your Directors take pleasure in presenting their 147<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2016.

<b>Financial Summary</b>	<b>Amount in Rs.</b>	
Particulars	2015-16	2014-15
Profit/ (Loss) before depreciation	24,82,002	(18,87,980)
Provision for depreciation		
	16,21,273	(7,04,887)
Profit/ (Loss) after depreciation	8,60,729	(25,92,867)
Provision for Taxation	1,61,990	-
Profit / (Loss) after tax	6,98,739	(25,92,867)
Add:(Loss) Brought forward from previous year	(12,35,79,565)	(12,71,34,103)
Add :Revaluation amount on Outlived assets adjusted	-	69,45,665
Add : Higher amount of Depreciation in earlier year adjusted	-	(7,98,260)
Transfer to Balance Sheet		
	(12,28,80,826)	(12,35,79,565)
Profit available for appropriation	Nil	Nil

#### Dividend

In view of inadequate profit and huge accumulated losses, no dividend is recommended for the Financial Year and no transfer is proposed to be taken to Reserves.

#### Share Capital

The Company has not issued any shares with or without differential voting rights , granted stock options or issued sweat equity shares during the year under report. The Paid up Share Capital of the Company as on 31<sup>st</sup> March,2016 is Rs. 530.83 lakhs

#### Operations and Outlook

##### Green Leaf & Made Tea

Your company has registered production of 19,53,553 kgs of green leaf in the year 2015-16 as compared to production of green leaf of 17,41,841 kgs , in the year 2014-15 , resulting in an increase production of 2,11,712 kgs despite the fact of cause that there has been erratic climate and undistributed rain in the year . This cause has brought down fall in green leaf production against budgeted production of 21,00,000 kgs for the year . This year too, your company has inducted huge amount of private funds and internal accruals in the operation to target & achieve better production of green leaf and correspondingly full production of made tea with good quality in years to come. Your Company has made capital investment of Rs. 52,63,058/-as compared to Rs. 44,41,875/-in previous year in land development ,machineries making payments of old statutory dues too. There has been continuous efforts to take the company out from the operational financial crisis.

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## ARCUTTIPORE TEA COMPANY LIMITED

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As against this year's Green leaf production, your company has manufactured 4,30,599 kgs of tea ( inclusive of 9308 kgs on Bought leaf ) as compared to 3,91,699 kgs in the previous year. Efforts are being made to cease fall in recovery and improvement in quality of made tea so that better margins on sale of its tea product could be reaped in this competitive domestic market. It is pleasure to state that your company has been regular in payment of stipulated old statutory dues and meeting increasing labour dues, amenities to staff and production overheads.

It is our continuous endeavor that in order to reduce cost of production at the initial period of season, your company is contemplating to enhance made tea production in such initial period with bought leaf, and the company's tea production activities be enhanced with better quality of made tea to reap higher margins on sale of its tea product in this competitive domestic market in coming season.

### **Performance**

Your Directors report that the Company has made profit during the year, against the continuous erosion of net worth of the company in the earlier years. This year, the company has written back liabilities amounting Rs. 41,22,640/- during the year, However, your company have been registering their entitlements of subsidy on plantation for future periods.

### **Future Prospects**

Your Directors observe that there are ups and downs in demand of tea in the domestic market as well as in overseas markets in the current season. Despite the erratic climate and undistributed rain in the current year followed by higher cost of labour production and overheads, the Directors contemplate that your company would be able to produce good quality of tea as well as higher production of tea product with good quality so that it would sustain higher margins.

It is stated that necessary steps are being taken for manuring the garden, and repairs of machineries and repairs of factory buildings so that there be improvement in production of green leaf and better yield of made tea and of quality tea.

Your company is targeting to achieve positive results in the current season provided there would have been production of green leaf in the remaining period as per estimations.

The company does not have any subsidiary or joint venture/ associate companies.

### **Directors Responsibility Statement**

Pursuant to Section 134(3)(c) of the Companies Act 2013, the Board of Directors hereby state that:

- (a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) it has 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 as at 31 March, 2016 and of the profit of the Company for the financial year ended on that.
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis.
- (e) the Directors had laid down internal financial controls to be followed by the company and such controls are adequate and operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;

### **Auditors Report / Secretarial Audit Report**

The Notes on Financial Statements referred to in the Auditors 'Report are self explanatory and need no further explanations in this regard.

Certain observations made in the Secretarial Audit Report are self explanatory and the same need no further explanations in this regard.

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## ARCUTTIPORE TEA COMPANY LIMITED

### **Corporate Governance And Management Discussion & Analysis**

A separate Report on 'Corporate Governance' along with Auditor's Certificate on its compliance and a CEO certification pursuant clause 49 of the Listing agreement are attached as **Annexure I** of this Annual Report .

The "Management Discussion & Analysis" is attached as **Annexure II** to this Annual report.

### **Directors and Key Managerial Personnel (KMP)**

The Board confirms that it has the required number of Independent Directors as envisaged under Section 149(4) of the Act and the clause 49 of the listing Agreement with Bombay Stock Exchange (BSE) .

The Company has received declaration from the Independent Director of the Company confirming that he meets with the criteria of Independence as prescribed under Section 149 (6) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with Stock Exchange.

Mr. C.P.Poddar retires at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

Brief profiles of Directors being re-appointed are given in the Report on Corporate Governance.

In compliance with Section 203 of the Act, Shri Harsh Kumar Bajoria as Chief Executive Officer & Managing Director is appointed as Key Managerial Personnel during the under reference. There is no Chief Financial Officer appointed by the Company.

Mr. Harsh Kumar Bajoria, CEO & the Managing Director of the company, has informed that in view of inadequate profit in the year, he has forgone his basic remuneration for the year and has decided to continue rendering his services as CEO & Managing Director as he had been rendering services in earlier years even without remuneration.

The company took on record the appreciation of services rendered by Mr. Harsh Kumar Bajoria during the year and his continued support. However, renewal of the letter of appointment and remuneration of Mr. Harsh Kumar Bajoria as Managing director of the company and the requisites compliances in this regard with the Registrar of Companies, West Bengal, are pending.

### **Evaluation of performance of Board and its Committees**

In compliance with the provisions of the Act and clause 49 of the Listing Agreement , the Board has evaluated its own performance during the year under report along with that of its various Committees and its individual Directors . The independent Directors also reviewed the performance of the Non – Independent Director of the Company .

### **Number of Board Meetings**

The Board met five times during the financial year 2015-16. Details of Meetings and the attendance of each Director is provided in the Report on Corporate Governance.

### **Nomination and Remuneration Policy of the Company**

The Company has in place a formal Nomination and remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and the text of the policy is disclosed in the Corporate Governance Report .**Annexure III**

### **Audit committee**

The Board's Audit Committee comprises Sri C.P. Poddar and Sri Naresh Shah. During the year under the report, there were no disagreements whatsoever between the audit Committee and the Board.

**Related Party Transactions**

All related party transactions that were entered during the Financial year were on an arm's length basis and in the ordinary course of business and provisions of section 188 of the Act were not attracted. Hence, the disclosure in Form AOC-2 is not required to be given.

There were no materially significant related party transactions made during the period under review by the Company with promoters, Directors or other designated persons which could have potential conflict with the interest of the company at large. Necessary disclosure regarding transactions with related parties has been made in the Notes to the Audited Accounts.

As required under Clause 49 of the Listing Agreement with BSE and regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, related party transactions are placed before the Audit Committee for approval. Where required, prior omnibus approval of the Audit Committee is obtained for continuous transactions and the corresponding actual transactions become a subject of review at subsequent Audit Committee Meetings.

The company has no Related Party Transactions policy that is to be given on the website of the company under the head investors corporate Governance.

**Particulars of Loans , Guarantees or investments under Section 186 of the Companies Act , 2013**

- (i) The Company has given interest free advances given in the nature of loan to some of companies covered under provisions of section 186 of the Companies Act 2013.  
The amount of Interest free advances given in the nature of loan is Rs. 1,04,01,680/- and the whole amount including amounts outstanding as on 31.03.2015, except to the extent of Rs. 51,75,680/- have been received back during the year. The purpose was to utilize the advances amount for their general business purposes .
- (ii) The loan and advances given to employees are Rs 1,84,104/- as on 31.03.2016 and the same are being covered under the remuneration policy of the company. Hence, Section 186 of the Companies Act 2013 is not applicable.
- (iii) The company has not provided any guarantee.
- (iv) The details of the investments made by the company are given in the notes of the financial statements.

**Fixed Deposit**

The company has not accepted any fixed deposits during the financial year 2015-16.

**Corporate Social Responsibility ( CSR) initiatives**

The Company does not meet the criteria specified in Section 135 of the Act requiring it to constitute a Corporate Social Responsibility Committee and formulate a policy for this purpose.

**Whistle Blower Policy**

In compliance with the provisions of section 177 (9) of the Act and Clause 49 of the Listing Agreement with CSE and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not codified whistle Policy which is to be hosted on its website ([www.arcuttiporeteaco.in](http://www.arcuttiporeteaco.in))

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## ARCUTTIPORE TEA COMPANY LIMITED

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### **Statutory Auditors**

As per Section 139 and other applicable provisions of the Companies Act, 2013 the Company has appointed M/s Gora & Company, Chartered Accountants, (Registration No. 327183E) as the Statutory Auditors as per the approval of the shareholders in Annual General Meeting (AGM) held on 29th September, 2014, for a further period of three years till the conclusion of 148th Annual General Meeting 2017 ("AGM"), subject to ratification by shareholders at every AGM of the company, on the remuneration and other terms and conditions as may be fixed by the Board of Directors.

M/S Gora & Company have confirmed to the Company that their appointment satisfies the criteria prescribed in Section 141 of the Act and are not disqualified to be re-appointed.

The Board recommends the ratification by the shareholders regarding their re appointment.

### **Cost Auditor**

As the manufacturing activities of the Company is below the threshold limit per Notification dated 30<sup>th</sup> June, 2014 issued by Ministry of Corporate Affairs, Government of India, the company is not required to maintain cost record, and no cost auditor u/s 148 of the company Act 2013 was appointed.

### **Secretarial Audit**

Pursuant to the provisions of Section 204) of the Company Act. 2013, read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 The Board has appointed B.K. BARIK & ASSOCIATES Company secretary in practice to audit the secretarial records of the Company in respect of the Financial Year 2015-16.

The Report of the Secretarial Auditor is attached in **Annexure IV** to this Report.

### **Risk management and Significant Orders**

The management is continuously endeavouring to deal with perceived risks in its business by indentifying and evaluating business risks and opportunities. This year, the tea garden has stopped causing business loss, In the opinion of the Board, there is no business risk to threaten the existence of the company.

### **Internal Control Systems**

The company has adequate system of internal control commensurate with the size and nature of business. Procedures are in place to ensure that all assets are safeguarded and protected against loss, all transactions are authorized, recorded and appropriately reported. The internal control system is monitored and evaluated by the Internal Audit team, which interacts with the Audit Committee.

### **Cash Flow Analysis**

The Cash Flow Statement for the year under review in terms of the Listing Agreement with the Bombay Stock Exchange (BSE) is annexed.

### **Energy, Technology & Foreign Exchange**

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is stated in **Annexure V** attached herewith this report. There were no foreign exchange earnings during the year under review and details of Outgo are given in the accounts.

### **Particulars of Employees**

Particulars as required under Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not given, as no employee of the Company falls under the prescribed category.



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## ARCUTTIPORE TEA COMPANY LIMITED

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### Disclosure Under Sexual Harassment of Women At Workplace

Following implementation of the Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013, a summary of complaints received or disposed of during the Financial year 2015-16 have been provided as under :-

No. of Complaints received	Nil
No. of complaints disposed off	Nil

### Extract From Annual Return

The details forming part of the extract of the Annual return in form MGT 9 as required under section 92 of the Act are given as **Annexure VI** to this Report.

### Miscellaneous

- 1. Industrial Relations:**  
During the year under review, the Company enjoyed cordial relationship with the workers and employees at all levels.
- 2. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**  
No Such orders passed during the year under review.

### Annexures forming Part of this Report

Annexure	Particulars
I	Report on Corporate Governance together with Certificate from Auditor on compliance thereof and CEO certification under the Listing agreement
II	Management Discussion & Analysis
III	Nomination and Remuneration mentioned in Annexure I
IV	Secretarial Audit Report
V	Information pertaining to Conservation of Energy , Technology Absorption and Foreign Exchange Earnings and Outgo
VI	Extracts from the Annual Return to be filed by the Company in Form MGT 9

### Acknowledgement

Your Directors acknowledges the understanding and support shown the Government, lenders, bankers, Share holders, Stock Exchanges, suppliers employees and all other business associates for the growth of the organization. Your Directors place on record their appreciation of the wholehearted support extended by the concerned persons of the company.

**For and on behalf of the Board**

**HARSH KUMAR BAJORIA**  
(DIN: 00893180)  
CEO & Managing Director

**Kolkata**  
**Date: 29.06.2016**

## ARCUTTIPORE TEA COMPANY LIMITED

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ARCUTTIPORE TEA CO. LTD.

Annexure - I

### Corporate Governance Report

#### 1. Governance Philosophy

The Company's philosophy on governance is founded upon and structured on a rich legacy of principles and practices that predicated dealings with stakeholders based transparency, Professionalism, Accountability, Fairness and social responsibility. It is continuous endeavor of the Company to fulfill these objectives and enhance the wealth generating capacity, keeping in mind long term interest of the stakeholders.

#### 2. Board of Directors: -

**Composition of the Board , Directorships and Committee positions held in other companies and shares held as on 31<sup>st</sup> March 2016**

i) As on 31<sup>st</sup> March 2016, the Board consists of 5 (Five) Directors. The composition of the Board complies with the provisions of the Companies Act 2013 ("Act") and the Listing Agreement/ SEBI ( Listing Obligations and Disclosure Regulations) Regulations , 2015. Details of Compositions are given in table as follow. Their particulars and attendance at Board Meetings and AGM are given therein:

Sl No	Directors	Category	Shares held	No. of Board Meetings Attended	Attendance at the Last EGM/ AGM	No of Other Directorships			
						Board of Directors		Board Committee	
						Chairman	Member	Chairman	Member
1	Mr. H.K. Bajoria	Executive Managing Director/Promoter	698887	7	Yes	-	2	Nil	Nil-
2	Mr. Shalakyaj Bajoria	Executive Non Independent	340370	7	Yes	-	1	Nil	Nil-
3	Smt. Pramila Bajoria	Non Executive Women Independent	1090615	7	Yes		Nil	Nil	Nil
4	Mr. Naresh Shah	Non Executive Independent	nil	2	Yes		4	Nil	Nil
5	Mr. C.P. Poddar	Non Executive Independent	nil	Nil	Nil		1	Nil	Nil

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## ARCUTTIPORE TEA COMPANY LIMITED

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### ii) Attendance of Directors at meetings held during the Financial Year 2015-16

Sl No	Date of Meeting	Board Strength	No. of Directors Present
1	May 08, 2015	5	3
2	May 30, 2015	5	4
3	August 12, 2015	5	3
4	September 3, 2015	5	4
5	November, 14 2015	5	3
6	January 12, 2016	5	3
7	February 12, 2016	5	3

No remuneration or commission was payable or paid to any director during the financial year 2015-16.

The payment of sitting fees has been waived.

The non- Independent Director is subject to retire on rotation but being eligible, may be re-appointed accordingly.

### iii) Information placed before the Board of Directors

As required under the clause 49 all the information were placed before the Board.

### iv) Code of Conduct

The Company has a Code of Conduct applicable to all its Board Members and senior management executives for avoidance of conflict of interest between each of the above individuals and the Company. Each Board Member and senior management executive has to declare his compliance with the Code of Conduct as at the end of each Financial Year. The required declarations in respect of the Financial Year 2015-16 have been received from all Board Members and Key Managerial personnel (KMPs). There was no materially significant transaction during the Financial Year with Board Members and senior management executives, including their relatives that had or could have had a potential conflict of interest with the Company except disclosed otherwise at Note 27. of this Accounts Report . The Board designated the Managing Director as Chief Executive Officer (CEO) for the purpose of Corporate Governance. A declaration signed by the Managing Director as CEO in this regard is annexed at the end of this Report

## 3. AUDIT COMMITTEE

### i) Terms of Reference & Composition:

The terms of reference of the committee cover the matters specified for Audit Committee under Clause 49 of the listing Agreement with BSE and Regulation 18 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013.

### Composition , Name of Members and Chairman

As on 31<sup>st</sup> March , 2016, the Audit Committee presently consists of the under noted persons as its members. The members are Non Executive Independent director and Non Executive- independent director respectively

## ARCUTTIPORE TEA COMPANY LIMITED

Name of Director	Date of meetings held during the financial year	No of Meeting	No. of Meetings attended
Sri C.P.Poddar Sri Naresh Shah	30.05.2015	4	4
	12.08.2015	4	4
	14.11.2015	4	4
	and 12.02.2016	4	4

**There is no secretary appointed to the committee**

**ii) Brief Description of Terms of Reference**

The role of the Audit Committee and its Terms of reference comprised review of the operations, financial Management, Audit Plan, audited quarterly / half- yearly / annual returns, findings of internal / statutory auditors and compliance of the policy decisions of the company with all the powers and authorities as mentioned in Clause 49 of Listing Agreement with the BSE and / or the said SEBI Regulations from time to time. The Audit Committee also acts as a link between the Board of Directors and the Statutory / Internal Auditors.

**iii) Nomination and Remuneration Committee**

The name of the existing Remuneration Committee was changed to 'Nomination and Remuneration Committee of Directors' pursuant to changes in Section 178 of the Act and the Listing Agreement. The Company does not have such Remuneration Committee and as such, no meeting of the said Remuneration committee was held during the year.

**iv) Remuneration Policy**

The Remuneration Policy of the Company rewards performance based on achievement and existing industry benchmarks. The remuneration of the Managing Director is governed by the terms and conditions approved by the Board of Directors, the shareholders and the Centre Government, if required. The remuneration structure comprises of salary, perquisites and allowances, contribution to Provident Fund and gratuity as per Schedule XII and other applicable provisions of the Companies Act, 2013.

**v) Remuneration of Directors**

Name of Director	Category	Sitting fee Paid Meeting		Salary & Perks*	Total
		For Board	For Committee		
Mr. H.K.Bajoria	Executive Managing Director/Promoter	-	-	-	-
Mr. Shalakya Bajoria	Executive Non Independent	-	-	-	-
Smt. Pramila Bajoria	Non Executive Women Independent	-	-	-	-
Mr. Naresh Shah	Non Executive Independent	-	-	-	-
Mr. C.P.Poddar	Non Executive Independent	-	-	-	-

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## ARCUTTIPORE TEA COMPANY LIMITED

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**\* Includes perquisites**

1. The Agreement with Mr. H.K.Bajoria, Managing Director is a period of 5 years which is pending for renewal.
2. The Company does not have any employee Stock Option scheme.
3. The Company has not paid any remuneration to executive as well as non – executive directors.

**vi) Evaluation of Board's performance:**

During the year, the Board has carried out the Annual performance evaluation of its own performance, its committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board and committees, experience and competencies, performance of specific duties and obligations, governance issues, performance of individual Directors. The chairman of the Board was also evaluated on parameters such as attendance, contribution to meetings, and otherwise independent judgment, apart from the parameters mentioned earlier, etc.

**vii) Familiarization Programmes of Independent Directors**

The company has adopted familiarization programs for the Independent Directors by way of presentations on the required basis which includes all the activities and operations in which the company operates. Involvement of the experts is also made for better awareness and training of all the Directors. Factory visits are also organized from time to time. The Familiarization programs are not disclosed at the company's website. [www.arcuttiporetea.co.in](http://www.arcuttiporetea.co.in)

**viii) Shareholders/ Investor's Grievance Committee:**

The Committee presently consists of two persons one of whom is Sri C. P. Poddar, a Non executive Non independent Director and the other is Sri Monoranjan Pal. The grievances received from the shareholders were dealt with at its meetings. Sri **Naresh Shah, a non executive Independent director, is the Compliance Officer of the Company.** During the year, *No* Complaint was received from the shareholder during the year. All others have been resolved to date. The Company has no transfer pending at the close of the financial year.

**ix) Annual General Meeting**

The last 3 (Three) Annual General Meetings were held as follows. .

<b>Year Ended</b>	<b>Date of meeting</b>	<b>Time</b>	<b>Venue</b>
31.3.2015 (146th AGM)	29.9.2015	3.00P.M.	MMS Chamber 4A Council House Street Kolkata—700001
31.3.2014 (145th AGM)	29.9.2014	3.00P.M.	MMS Chamber 4A Council House Street Kolkata—700001
31.3.2013 (144th AGM)	27.9.2013	3.00P.M.	MMS Chamber 4A Council House Street Kolkata—700001

## ARCUTTIPORE TEA COMPANY LIMITED

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All the resolutions set out in the respective notices were passed by the shareholders.

No postal ballots were used for voting at these meetings.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

**x) Details of appointment / reappointment non executive independent directors**

Mr. C.P.Poddar will retire by rotation at the ensuing Annual general Meeting and being eligible, offers himself for re- appointment.

The information pertaining to these directors as follows:

Name of Director	Mr. C.P.Poddar
Age	58 years
Date of Appointment	09.07.2001
Expertise In specific Functional Area	He is a business man with extensive business experience in administration Also in business development and overall management.
Qualification	B.Com
Chairman / Director of Other companies	One
Membership / Chairman ship in Other Board / committee	Nil
Equity Shares held in the company	Nil

**4) General Shareholder information.**

**i) Annual General meeting – Date, Time, Venue.**

147th Annual general Meeting of the Members of the Company will be held on Thursday the September 29, 2016 at 3.00 P.M at MMS Chambers, 4A Council House Street, Kolkata 700001.

**ii) Date of Book closure.**

The Register of Members of the Company will remain closed from September 23, 2016 to September 29, 2016 (both days inclusive) for the purpose of Annual General meeting of the Company.

**iii) Registered Office of the Company: 4A, Council House Street, Dewar's Garage, 1<sup>st</sup> Floor, Kolkata – 700 001.**

**iv) Registrar and Transfer Agents.**

M/s. MCS SHARE TRANSFER AGENT LIMITED, of 12/1/5 Monohar Pukur Road, Kolkata – 700026 have been appointed as the Company's RTA, including dematerialized segment. The company has been paying their dues as per agreement with said RTA to function as Share Transfer agent of the Company.

**iii) Share Transfer System**

The Company shares are normally traded in the demat form for all category of shareholders. All transfers are debited/credited through the respective Accounts maintained with the Depository participants (DPs) of the investor and the shares are transferred within stipulated period of 30 days.

**vi) Listing on Stock Exchanges: -**

Shares are listed on two Stock Exchange viz. The Kolkata Stock Exchange Association Ltd. (Regional), and The Bombay Stock Exchange, Mumbai. However, the trading of shares in the company is suspended at Calcutta Stock Exchange.

The company has been regularly making compliances in terms of the listing agreement with the BSE Exchange and quarterly financial results of the company are being published in the newspapers.



## ARCUTTIPORE TEA COMPANY LIMITED

- vii) **Company's stock code: -**  
 Kolkata Stock Exchange 011062  
 Mumbai Stock Exchange 530261  
 Demat ISIN number for NSDL & CDSL INE674C01010
- viii) **Stock Price date**  
 Trading in shares of the company are taking place at Bombay Stock Exchange only. The matter for Calcutta Stock Exchange is under consideration for revocation of its suspension at the exchange. Market price data in respect of High and Low during the financial year 2015-2016 are not ascertained. The Source is: [www.bseindia.co.in](http://www.bseindia.co.in)  
 There were transactions in the shares of the company during the Financial Year 2015-2016. However, the performance comparison to broad based indices such as BSE Sensex, are not ascertained.
- ix) **Financial Calendar:**  
 The Company's financial year is from April 01 to March 31 of the following year. During the year under review this has been as follows: -

Un-audited results for the Quarter Ended	Approved by the Board of Directors
30.06.2015	12.08.2015
30.09.2015	14.11.2015
31.12.2015	12.02.2016
31.03.2016 ( Audited)	29.06.2016

- x) Financial Audited Results approved by the Board of Directors on 29.06.20165
- xi) Annual General Meeting for the year-ended 31.03.2016 to be held on 29.09.2016.
- xii) Distribution of Shareholding and share holding Pattern as on 31<sup>st</sup> March, 2016

Category	Number of shares held	% of share holding
A. Promoters' Holding		
Promoters		
- Indian Promoters		
- Individuals	2174726	43.35
- Corporate	833000	16.61
- Foreign Promoters	-	-
Sub – Total	3007726	59.96
B. Non – promoters' holding		
1. Institutional investors		
a. Mutual Fund		
b. Bank , Financial Institutions and Insurance Corporations	100333	2.00
c. Central Govt./ State Govt.	-	-
d. Foreign Institutional Investors	-	-
Sub- Total	100333	2.00
2. Others		
a. Private corporate bodies	443776	8.84
b. Indian Public	1464245	29.18
c. NRI/OBCs	300	0.006
d. Others	-	-
Sub- Total	1908321	38.04
Total	5016380	100.00

## ARCUTTIPORE TEA COMPANY LIMITED

### Analysis of Share holding

Block of Shares	No of Shareholders	Percentage Shares (%)	No of Shares held	Percentage Holders (%)
1- 500	2103	4.6255	232031	88.9594
501-1000	99	1.6522	82880	4.1878
1001-2000	68	2.0358	102124	2.8765
2001-3000	13	0.5940	29798	0.5499
3001-4000	15	1.1394	57159	0.6345
4001-5000	10	0.9469	47500	0.4230
5001-10000	16	2.3320	116982	0.6768
10001-50000	29	12.6010	632113	1.2267
50001-100000	4	6.1542	308720	0.1692
And above	7	67.9190	3407073	0.2961
Total	2364	100.0000	5016380	100.0000

#### xiii) Address for Correspondence

M/s. MCS SHARE TRANSFER AGENT LIMITED  
12/1/5, Monohar Pukur Road, Kolkata – 700 026.

#### xiv) Plant Location

Arcuttipore Tea Estate  
P.O. Silchar, Dist. Cachar, Assam.

#### xv) Dematerialization of Shares

.....% and .....% of the paid up Equity share capital are held in dematerialized form with National Securities Depository Limited and Central Depository Services Limited as on 31<sup>st</sup> March, 2016 respectively.

#### xvi) Outstanding GDRs/ADRs etc as on 31.03.2016

The company has not issued any of the aforesaid instruments.

#### xvii) Disclosures

- There are related party transactions made by the Company with its promoters, the Directors or management or relatives that may not have potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in Note 27 of Financial statements of the company. Compliances in this regard, wherever necessary, in terms of the Companies Act, 1956 are carried out.
- For the year under review, there are strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory for non-compliance of any matter related with the capital markets. The Company has not made payments of Annual Listing fees for 2015-16 Rs. 227830 /- and 2016-17 for Rs. 229836 /- of the Bombay Stock Exchange for the year and of the earlier year too.
- The Company has not adopted Non –mandatory requirements.

#### (xviii) Auditors Certificate on Corporate Governance

The Company has obtained a certificate from its statutory auditors regarding compliance of requirements of Corporate Governance as stipulated in Clause 49 of the Listing agreement with Stock exchange and the same is annexed. The Certificate will also be sent to the Stock exchange alongwith the Annual report by the Company.

For and on behalf of the Board

Kolkata  
The 29<sup>th</sup> June 2016

**H. K. Bajoria (DIN: 00893180)**  
Managing Director

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## ARCUTTIPORE TEA COMPANY LIMITED

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**Certificate From Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**

To,

**Board of Directors**

**Arcuttipore Tea Company Limited**

1. We have reviewed the financial statements and the cash flow statement of Arcuttipore Tea Company Limited for the year ended March 31, 2016 and that to the best of our knowledge and belief, we state that:
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing according standards, applicable laws and regulations;
2. We also certify that based on our knowledge and information provided to us ,there are, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and necessary steps have been taken to rectify these deficiencies.
4. We have indicated to the Auditors and Audit Committee:
  - (a) Significant changes, if any, in internal control over the financial reporting during the year;
  - (b) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (c) There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

We further declare that all Members of Board, its Committee and all Senior Managerial Personnel have affirmed compliance with Code of Conduct of the Company of the current year.

**For Arcuttipore Tea Company Limited**

**Shalakya Kumar Bajoria**

**Harsh Kumar Bajoria**

**June 29, 2016**

**(DIN: 00893170)**

**(DIN: 00893180)**

**Kolkata**

**Director**

**Managing Director & CFO**

## **ARCUTTIPORE TEA COMPANY LIMITED**

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### **Auditors' Certificate on Corporate Governance**

#### **To the Members of Arcuttipore Tea Company Limited**

We have examined the compliance of conditions of Corporate Governance by Arcuttipore Tea Company Limited, for the year ended 31st March, 2016 as stipulated in Clause 49 of the listing Agreement of the said company with the BSE for the period from 1st April, 2015 to 19th February, 2016 and as the relevant provisions of Securities and Exchange Board of India ('Listing Obligations and Disclosure Requirements') Regulations, 2015 as referred to in Regulation 15(2) of the Listing Regulations for the period from 20th February, 2016 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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, except as given below:

- a) Declarations of the Directors have been obtained by the Company.
- b) Auditors have not been invited to attend the Audit Committee meeting.
- c) Information regarding Internal control system, Scope of Audit, Audit observations, defaults in financial obligation to and by the company and non-payment of goods sold by the company has been placed before the Board of Directors.
- d) Payment of Annual listing Fees to the Exchange.
- e) Information regarding market price data high and low at during each month and performance in comparison to broad base indices such as BSE Indices, are given in the report except percentage of dematerialization of the shares with NSDL & CDSL performance in comparison to broad base indices as the shares of the company are given in the report.

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

For GORA & COMPANY  
Chartered Accountants  
(FRN 327183E)

8/2 Kiran Shankar Roy Road  
Kolkata 700 001  
Date: 29<sup>th</sup> June, 2016

(Gora Chand Mukherjee)  
Partner  
Membership No- 17630

**Annexure II**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Clause 49 of the Listing Agreement with BSE, a Management Discussion and Analysis Report is given below:

**(a) Industry Structure and Developments**

The tea industry is improving supply position over demand. With the sale volume with reasonable realization, the margins are comparatively less remunerative on account of continued increase in labour costs and overheads. The Company has had its full production of made tea and the same is achieved after introducing significant amount of private borrowed fund into the operating system. The company has not sold green leaf during the year as margins on sale of made tea are comparatively reasonable. The Company has taken steps for cost control & quality control of its and also adopted strategic marketing policy to earn a better margin in future, and in the current season 2016-17, the company is contemplating its market strategy in respect of sale of its product to both private parties and through auctioneers.

**(b) Opportunities and Threats**

Your company's tea produce is presently restricted in domestic market.

**(c) Segment-wise or product-wise performance**

In spite of the tea industry operating unfavourable conditions, the performance of your company has somehow been sustainable due to its full production of tea and its sale at reasonable price during the year review.

**(d) Outlook**

It is hoped that the tea industry would be improving, with the demand for in domestic markets besides exports picking-up in period to come. The Company has already consolidated its brand in domestic tea market.

**(e) Risks and concerns**

New land for cultivation available to the company, continues to be a constraint. In order to increase production of green leaf and the process of re-plantation, the Company is

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## ARCUTTIPORE TEA COMPANY LIMITED

### Annexure II

(Contd)

enduring to take necessary steps in this regards despite fund constraints . It would improve, revive and sustain its manufacturing capacities provided the company gets the needed financial support from the intending lenders.

**(f) Internal control systems and their adequacy**

The system of internal control is commensurate with the size and nature of the business of the Company. The systems are regularly reviewed to ensure its operational effectiveness.

**(g) Discussion on financial performance with respect to operational performance**

These have been covered in the Director's Report specifically under the section on Financial Results and operations. The Statement of Accounts show that the net worth of the company has eroded hugely due to losses in operational activities as well as increased overheads coupled with erratic climate affecting green leaf production. The Company's current year performance is moderate and the efforts are being made both at the garden and administrative office to achieve the budgeted production and moderate realization.

**h) Material developments in Human Resources / Industrial Relations front, including number of people employed**

The Company continues to lay emphasis on training and development of its human resources. The requirement of professionally qualified and trained personnel for the garden is regularly reviewed to obtain optimum results in all spheres of its activity.

The Company continued to maintain healthy and cordial Industrial relations at all its production facilities. It also strives to maintain the best of relations with its employees and ensure providing all mandatory facilities to them.

**I) Cautionary Statement**

The Management Discussion and Analysis report contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results of the company may differ materially from these expressed in the statement as the factors such as Government policies, local, political and economic development, fund requirements , risk inherent to the company could influence the Company's operations



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## ARCUTTIPORE TEA COMPANY LIMITED

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ANNEXURE - IV

**Form No. MR – 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the companies (Appointment and Remuneration Personnel) Rules, 2014]*

The Members,  
**M/s. ARCUTTIPORE TEA CO LIMITED**  
4A, Council House Street, 1st Floor,  
Kolkata – 700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **M/s. ARCUTTIPORE TEA CO LIMITED** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conduct/ statutory compliance and expressing our opinion thereon.

Based on our verification of the **M/s. ARCUTTIPORE TEA CO LIMITED**, books, papers, minute books, forms, and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report in our opinion that the company has during the audit period covering the financial year ended on 31st March, 2016 complied with all the statutory provisions listed hereunder and also that the company has proper Board-process 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 **M/s. ARCUTTIPORE TEA CO LIMITED** (“the Company”), for the financial year ended on 31st March, 2016 according to provision of:-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and External Commercial Borrowings. **(NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (b) 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; **(NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT)**
  - (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT)**
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT)**
  - (e) 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; **(NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT)**

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## ARCUTTIPORE TEA COMPANY LIMITED

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- (f) The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009; **(NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDERAUDIT)** and
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDERAUDIT)**
- (i) Tea Marketing Control order (TMCO) issued by Tea Board for each tea garden.  
We also examined compliance with the applicable clauses of the following:-
- (h) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited, BSE Ltd. and Calcutta Stock Exchange limited.

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

- i) **The Company has not appointed of Chief Financial Officer (CFO).**
- ii) **The Company is in process of appointing of Company Secretary.**
- iii) **The Company is in process of appointing Nomination & Remuneration Committee to comply with the provisions of the Act and rules made thereunder.**

### **We further report that**

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

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.

**We further report that** the Company has a tea garden situated at Silchar Cachar, Assam and the Company has also tea manufacturing units situated in the gardens.

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

**Place: Kolkata**  
**Date : 29/06/2016**

**For B.K.BARIK & ASSOCIATES**  
**Company Secretaries**  
**B.K.Barik**  
**Practising Company Secretary**  
**FCS : 5696, C.P.No. 3897**

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

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**ARCUTTIPORE TEA COMPANY LIMITED**

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**Annexure- A**

The Members  
**M/s. ARCUTTIPORE TEA CO LIMITED**  
4A, Council House Street, 1st Floor,  
Kolkata – 700001

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

**Management's Responsibility**

1. It is the responsibility of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For B.K.BARIK & ASSOCIATES**  
Company Secretaries

**B.K.Barik**  
Practising Company Secretary  
FCS : 5696, C.P.No. 3897

**Place: Kolkata**  
**Date: 29/06/2016**

## ARCUTTIPORE TEA COMPANY LIMITED

### Annexure V to the Directors' Reports

Information under Section 134(3) (m) of the Companies Act , 2013 read with Rule 8(3) of the Companies (Accounts) Rules , 2014 and forming part of the Directors ' Report for the year ended March,31 ,2016.

#### 1) CONSERVATION OF ENERGY:

##### a) Energy Conservation Measures Taken:

All Possible measures and precautions are being taken to reduce the consumption of energy.

##### b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy : Nil

##### c) Impacts of measures taken at (a) and (b) for reduction of enegy consumption and consequent Impact on the cost of Production of Goods : Not Ascertainable.

##### d) The relevant figures are given below:

<b>A Power &amp; Fuel Consumption :</b>	<b>2015-16 (Figures in Rs)</b>	<b>2014-15 (Figures in Rs)</b>
<b>i) Electricity :-</b>		
a) Purchased - Units	348338	270802
Total Amount	3343897	2429156
Rate/unit	9.60	8.97
b) Own Generation :-		
From DG sets - Units	49100	88938
Units/ltr of Diesel	2.50	2.50
Cost/unit	19.52	23.90
<b>ii) Furnace Oil for Tea Processing in withering and Drying</b>		
Quantity (K.ltrs)	-	-
Total Cost	-	-
Average Rate (Per K. litre)	-	-
<b>iii) Coal :-</b>		
Quantity (M.T)	468.73	516.01
Total Cost ( Rs )	3,596,515.00	4,096,813.00
Average Rate (Rs.per M.T)	7672.89	7939.41
<b>iv) H.S.D.Oil for Transport and Material Handling</b>		
Quantity (K.Ltrs)	10.00	9.50
Total Cost ( Rs. )	456762.12	553100.88
Average Rate (Rs.per K.Ltrs)	45676.21	58202.77

**ARCUTTIPORE TEA COMPANY LIMITED**

	2015-16 (Figures in Rs)	2014-15 (Figures in Rs)
<b>v) Petrol for Transport and Material handling</b>		
Quantity (K.Ltrs)	0.73	0.77
Total Cost ( Rs. )	45024.34	71417.16
Average Rate (Rs.per K.Ltrs)	61677.00	92848.44
<b>B Consumption per unit of production :</b>		
a) Electricity Consumed - Units	397438	359740
Total Production - Tea (kg)	439907	391699
<b>2) RESEARCH AND DEVELOPMENT :</b>		
1) Specific area in which R&D is carried out by the Company	}	The Company subscribes to Tea Reseach Association which is Registered U/s 35(1) (ii) of the income tax Act 1961
2) Benefits derived as a result of the above R & D		
3) Future Plans of Action		
4) Expenditure on R & D		
<b>3) TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION :</b>		
1) Efforts made	}	Not Applicable
2) Benefits derived as a result of above effot		
3) Imported technology in the last five years		
<b>4) FOREIGN EXCHANGE EARNINGS AND OUTGO</b>		
a) Expenditure in Foreign Currency	Rs. 5,51,300/-	Rs. 7,39,643/-

**By Order of the Board**

**H. K. Bajoria**  
(DIN:00893180)  
(Managing Director)

**Kolkata**  
**Dated : 29.06.2016**

**FormNo.MGT-9**

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31st March, 2016**

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

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L15491WB1900PLC000220
ii.	Registration Date	19 <sup>th</sup> January, 1869
iii.	Name of the Company	ARCUTTIPORE TEA COMPANY LIMITED
iv.	Category/Sub-Category of the Company	Public Company
v.	Address of the Registered office and contact details	4A, Council House Street, 1 <sup>st</sup> Floor, Kolkata - 700001
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited 12/1/5, Manoharpukur Road, Kolkata-700026, Phone: (033) 4072 4051 to 4054, Fax: (033) 4072 4050, E-mail: mcssta@rediffmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Tea Business	090230	100
2			
3			

**ARCUTTIPORE TEA COMPANY LIMITED**

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

Sr. No.	Name And Address of the Company	CIN / GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	<b>NOT APPLICABLE</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
2.					
3.					
4.					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

*i. Category-wise Share Holding*

Category of Shareholders	Shareholding at the 1st April, 2015				Shareholding as at 31st March, 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/ HUF	2129872	44854	2174726	43.35	2129872	44854	2174726	43.35	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	833000	Nil	833000	16.61	833000	Nil	833000	16.61	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	2962872	44854	3007726	59.96	2962872	44854	3007726	59.96	-
<b>2) Foreign</b>									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	-
<b>B. Public Shareholding</b>									
<b>A. Public Shareholding</b>									
<b>I. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	Nil	100333	100333	2.00	Nil	100333	100333	2.00	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-

**ARCUTTIPORE TEA COMPANY LIMITED**

Category of Shareholders	Shareholding at the 1st April, 2015				Shareholding as at 31st March, 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non Institutions</b>									
a) Bodies Corp.									
(i) Indian	487023	17709	504732	10.06	426067	17709	443776	8.86	(-)1.2
(ii) Overseas									
b) Individuals									
(I) Individual shareholders holding nominal share capital up to Rs. 1 lakh	386935	209080	596015	11.88	590365	208080	798445	15.91	(+)4.03
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	781574	26000	807574	16.10	639800	26000	665800	13.27	(-)2.83
c) Others(Specify)	-	-	-	-	300	-	300	0.006	(+)0.006
Sub-total(B)(2)	1655532	252789	1908321	38.04	1656532	251789	1908321	38.04	-
Total Public Shareholding (B) = (B)(1)+ (B)(2)	1655532	359776	2008654	40.04	1656532	352122	2008654	40.04	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4618404	397976	5016380	100.00	4619404	396976	5016380	100.00	-

**ii. Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the 1st April, 2015			Shareholding as at 31st March, 2016			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	
1.	Pramila Bajoria	1090615	21.74	-	1090615	21.74	-	-
2.	Devesh Trade Credit Pvt. Ltd.	832600	16.60	-	832600	16.60	-	-
3.	Harsh Kumar Bajoria	698887	13.93	-	698887	13.93	-	-
4.	Shalakya Kumar Bajoria	340370	6.79	-	340370	6.79	-	-
5.	Devyani Chamria	44854	0.89	-	44854	0.89	-	-
6.	Anadi Trading & Investment Pvt. Ltd.	400	0.01	-	400	0.01	-	-
	Total	3007726	59.96		3007726	59.96		



**ARCUTTIPORE TEA COMPANY LIMITED**

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

Sl. No	Shareholder's Name	Shareholding at the 1st April, 2015		Shareholding as at 31st March, 2016	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Pramila Bajoria	1090615	21.74	-	-
2	Devesh Trade Credit Pvt. Ltd.	832600	16.60	-	-
3	Harsh Kumar Bajoria	698887	13.93	-	-
4	Shalakya Kumar Bajoria	340370	6.79	-	-
5	Devyani Chamria	44854	0.89	-	-
6	Anadi Trading & Investment Pvt. Ltd.	400	0.01	-	-

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

Sl. No	Shareholder's Name	Shareholding at the 1st April, 2015		Shareholding as at 31st March, 2016	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Deeleep (India) Grains (P) Ltd.	215186	4.29	215186	4.29
2	Sunil Choudhary	126915	2.53	126915	2.53
3	Raghav Ruia	-	-	102500	2.04
4	Central Bank of India	100000	1.99	100000	1.99
5	Hitesh Ramji Javeri	75881	1.51	75881	1.51
6	Hungerford Consultants (P) Ltd.	73838	1.47	73838	1.47
7	K K Khandelwal	59001	1.18	59001	1.18
8	Sumil Kumar Agarwal	50000	0.99	50000	0.99
9	Sudhir N	39300	0.78	39300	0.78
10	Pawan Ramgopal Kedia	38612	0.77	38612	0.77

**v. Shareholding of Directors and Key Managerial Personnel:**

Sl. No	Shareholder's Name	Shareholding at the 1st April, 2015		Shareholding as at 31st March, 2016	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Pramila Bajoria	1090615	21.74	1090615	21.74
2	Harsh Kumar Bajoria	698887	13.93	698887	13.93
3	Shalakya Kumar Bajoria	340370	6.79	340370	6.79
4	Chandi Prasad Poddar	-	-	-	-
5	Naresh Shah	-	-	-	-

## ARCUTTIPORE TEA COMPANY LIMITED

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### v. I. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	17,73,003	5,62,81,819	0	5,80,54,822
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (I + ii + iii)	<b>17,73,003</b>	<b>5,62,81,819</b>	<b>0</b>	<b>5,80,54,822</b>
Change in Indebtedness during the financial year				
- Addition	21,49,395	6,39,40,762	0	6,60,90,157
- Reduction	9,77,303	5,61,32,069	0	5,71,09,372
Net Change	11,72,092	78,08,693		89,80,785
Indebtedness at the end of the financial year				
i) Principal Amount	29,45,095	6,40,90,512		6,70,35,607
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i +ii +iii)	<b>29,45,095</b>	<b>6,40,90,512</b>		<b>6,70,35,607</b>

**ARCUTTIPORE TEA COMPANY LIMITED**

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

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

Sl. No.	Particulars of Remuneration	Managing Director Harsh Kumar Bajoria	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - Others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
6.	Total (A)	Nil	Nil
	Ceiling as per the Act		

**B. Remuneration to Other Director :**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Naresh Shah	Chandi Prasad Poddar	
	<u>Independent Directors</u>			
	• Fee for attending board committee meetings	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil
	Total (1)	Nil		Nil
	<u>Other Non-Executive Directors</u>	Naresh Shah	Chandi Prasad Poddar	
	• Fee for attending board committee meetings	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil
	Total (B) = (1+2)	Nil	Nil	Nil
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

**ARCUTTIPORE TEA COMPANY LIMITED**

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

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

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

Type	Section of Companies Act	Brief Description	Details of Penalty / Punishment / Compounding / fees imposed	Authority [RD / NCLT / Court]	Appeal Made. If any (give details)
<b>A. Company</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
			<b>B. Directors</b>		
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
			<b>C. Other Officers In Default</b>		
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**GORA & COMPANY**

Chartered Accountants

8/2 Kiran Shankar Roy Road,

Kolkata – 700001

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF ARCUTTIPORE TEA COMPANY LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying Standalone Financial Statements of **ARCUTTIPORE TEA COMPANY LIMITED** (“the company”) which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

**Management’s Responsibility For The Standalone Financial Statements**

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

**Auditors’ Responsibility**

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

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

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

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the Auditor’s judgment, including the assessment of the risks of material misstatement of the financial statement, 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 over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company’s Directors, as well as evaluating the overall presentation of the financial statements.

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

**GORA & COMPANY**

Chartered Accountants

8/2 Kiran Shankar Roy Road,

Kolkata – 700001

**Basis for Qualified Opinion: -**

- i. **Note 12.4 regarding, non-provision / non-ascertainment of diminution in value of shares held as stock in trade, the eventual shortfall that may arise there from cannot be commented upon by us.**
- ii. **Note 12.5 regarding non-availability of shares held as stock in trade for physical verification.**
- iii. **Note 13.1 regarding sundry receivables, aggregating to Rs. 20,000/- (Previous year Rs.20,000/), the eventual recovery of which and extent of provision there against, if any, cannot be ascertained.**
- iv. **Note 29 regarding non-provision and basis of ascertainment of gratuity liability on the management's estimate, which may be different if ascertained on the basis of actuarial valuation and the impact of which is not ascertainable. This is not in consonance with Accounting Standard-15 on Accounting of Retirement benefits issued by the Institute of Chartered Accountants of India (ICAI). Due to non provision , the Profit for the year is higher by Rs 7,20,523/- (Previous year Rs. 4,42,033/-), Reserve and Surplus are higher and current liabilities at the year end are lower by Rs 1,52,14,923/- (Previous year Rs.1,20,05,963/-) (to the extent ascertained).**

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its Cash Flows for the year ended on that date.

**Emphasis of Matters**

We draw attention to the following matters in the Notes to the Financial Statements:

**Note 12.4 regarding, non-provision / non-ascertainment of diminution in value of shares held as stock in trade, the eventual shortfall that may arise there from.**

Our opinion is not modified in respect of these matters.

**Note 29 regarding non-provision and basis of ascertainment of gratuity liability on the management's estimate, which may be different if ascertained on the basis of actuarial valuation and the impact of which is not ascertainable. This is not in consonance with Accounting Standard-15 on Accounting of Retirement benefits issued by the Institute of Chartered Accountants of India (ICAI) i.e. on Actuarial basis.**

Our opinion is not modified in respect of these matters.

**GORA & COMPANY**

**Chartered Accountants**

**8/2 Kiran Shankar Roy Road,**

**Kolkata – 700001**

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ( " the Order" ) issued by the Central Government of India in terms of sub section 11 of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that :
  - a We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose 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, Statement of Profit & Loss and Cash Flow statement dealt with by this report are in agreement with the books of account,
  - d In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act , read with Rule 7 of the Companies ( Accounts) Rules , 2014
  - e On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2016 from being appointed as a Director in terms of Section 164(2) of the Act .
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position except to Note No 8.2 to 8.4 ( Refer ) to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For GORA & COMPANY**  
**Chartered Accountants**  
**FRN 327183E**

**Place: Kolkata**  
**Date: 29th June 2016**

**Gora Chand Mukherjee**  
**(Partner)**

**Membership No. 17630**

**GORA & COMPANY**  
**Chartered Accountants**

**8/2 Kiran Shankar Roy Road,**  
**Kolkata – 700001**

**ANNEXURE TO THE INDEPENDENTS AUDITORS' REPORT**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016. We report that:

- i. (a) Proper records showing full particulars including quantitative details and situation of its fixed assets are being updated from time to time by the company.
- (b) As explained to us, the fixed assets of the Company have been physically verified by the management during the year. No material discrepancies were noticed on such physical verification. In our Opinion, this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- ii. (a) The Inventories of the Company have been physically verified by the management at regular intervals . There is inventory of finished stock of tea at the year end with third parties and confirmations for the same have not been obtained from the concerned third parties. In our opinion and according to the information and explanations given to us, no discrepancies were noticed on physical verification.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- iii. (a) The company has taken/granted certain unsecured loan and /or advances in the nature of loans from/to the companies, firms, parties covered under the register maintained under Section 189 of the Companies Act 2013. In the absence of relevant information and related documents/records, we are unable to quantify the number of companies and amount involved in the transactions. There are however, interest free loan of Rs.1,58,00,000/- taken by the company from a company other than the aforesaid companies and parties . The maximum amount such outstanding at any time during the year was Rs.1,58,00,000/- ,and at the year end, the balance is Rs.1,58,00,000/-. The company has also taken, and has at the year end , the remaining outstanding of interest bearing unsecured loans amounting Rs 2,53,14,986/- in aggregate .( previous year Rs Rs2,43,00,698/-) from several companies other than the aforesaid such companies & parties. Moreover, the company has given an interest free advance in the nature of unsecured loan amounting Rs. 49,00,000/-(previous year Rs. 35,00,000/-) to bodies corporate and the same are receivable on demand. The Company has made related parties transactions which are stated in Note 27 of the Financial Statements.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the said unsecured loans taken and given by the company, are not prima facie prejudicial to the interest of the company.



**GORA & COMPANY**

**Chartered Accountants**

**8/2 Kiran Shankar Roy Road,**

**Kolkata – 700001**

- (c) In respect of the said loans and interest thereon , there are no overdue amounts and the principal loan amounts are repayable on demand, except for the interest free long term loan Rs.1,58,00,000/- which is repayable within remaining period of 3 years.
- (d) In case of other loans taken and or given, there is no stipulation for payment of principal and interest amount except as stated in Para iii(a) and iii(c). As such, we are unable to ascertain whether such terms are prejudicial to the interest of the company and whether the said loan is overdue for repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act , 2013 in respect of loans and investment made.
- v The Company has not accepted any deposit from the public during the year.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause 148 (1) of the Companies Act, 2013, for the year for the products of the Company. No Cost Audit has been conducted during the year.
- vii. As given in Note 7.2 & 7.3 and according to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales-Tax, Value Added tax, Professional Tax. Cess on Green leaf and other statutory dues with the appropriate authorities during the year. The old statutory dues on these accounts for the earlier years, as stipulated, are being deposited with the concerned authorities.
- (b) *According to information and explanations given to us, there are no dues of Provident Fund excepting Rs. 31,84,627/- (previous year Rs.38,56,212/-). income tax, sales tax excepting Rs.3,05,413/- (previous year Rs 1,97,656/-), Value Added tax excepting Rs. 2,50,606/- wealth tax, service tax, professional tax excepting Rs, 1,21,322/- (Previous year Rs. 94,373/-), custom duty, excise duty or cess on green leaf excepting Rs.40,03,752/-(Previous year Rs. 46,63,702/-), land Revenue tax Rs. 14,05,943/- (previous year Rs. 13,01,364/-) as at 31st March, 2016 for a period of more than six months from the date they became payable , outstanding on account of any dispute, other than the following:*

Name of Statute	Nature of Dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Income tax Act 1961	Income tax	Assessment per CIT (A) –IV Order dated 17.12.2013 in appeal	Asst Year 2002-03	Appettate Tribunal
Income tax Act 1961	Income tax	Assessment per CIT (A) -2 Order dated 21.07.2015 in appeal	Asst year 2003-04	Appettate Tribunal

**ARCUTTIPORE TEA COMPANY LIMITED****GORA & COMPANY****Chartered Accountants****8/2 Kiran Shankar Roy Road,****Kolkata – 700001**

Name of Statute	Nature of Dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Wealth Tax Act	Demand raised in the Order of regular assessment u/s 17& 16(5)	5,370	Asst year 2002-03	
Wealth Tax Act	Demand raised in the Order of regular assessment u/s 17& 16(5)	15,303	Asst year 2003-04	
Wealth Tax Act	Demand raised in the Order of regular assessment u/s 17& 16(5)	12,921	Asst year 2004-05	

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and Financial institution excepting overdue installments amounting Rs. 1,49,209/- at the year end against which Rs. 84,337/- has since been paid. The Company has not taken any loan from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act as the same have been waived by the managing director due to persisting losses and or inadequate profit during the year.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For GORA & COMPANY**  
**Chartered Accountants**  
**FRN 327183E**

**Place : Kolkata**  
**Date : 29th June 2016**

**Gora Chand Mukherjee**  
**(Partner)**  
**Membership No. 17630**

**ARCUTTIPORE TEA COMPANY LIMITED**

**GORA & COMPANY**  
Chartered Accountants

8/2 Kiran Shankar Roy Road,  
Kolkata – 700001

**“Annexure B” to the Independent Auditors’ Report**

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

We have audited the internal financial controls over financial reporting of Arcuttipore Tea Company Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

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

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

**ARCUTTIPORE TEA COMPANY LIMITED**

**GORA & COMPANY**  
**Chartered Accountants**

**8/2 Kiran Shankar Roy Road,  
Kolkata – 700001**

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

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

**Place: Kolkata**  
**Date: 29.06.2016**

**For and on behalf of**  
**GORA & COMPANY**  
**Chartered Accountants**

**FRN ; 327183E**  
**( Gora Chand Mukherjee )**  
**Partner**  
**Membership number: 17630**

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## ARCUTTIPORE TEA COMPANY LIMITED

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### **SIGNIFICANT ACCOUNTING POLICIES:**

#### **1. General:**

- a) These accounts have been prepared on the historical cost basis and on the basis of going concern and have been prepared to comply with the accounting standards notified under the relevant provisions of the Companies Act, 2013.
- b) Accounting policies not specifically stated to otherwise are consistent and are in consonance with generally accepted accounting principles.
- c) The previous year's figures have been regrouped or reclassified wherever necessary to conform the current year's presentation.

#### **2. Tangible Assets :**

- a. Fixed Assets other than revalued assets are stated at cost less depreciation.
- b. Revalued assets are shown at net current Replacement Cost.
- c. Expenditure on extension of tea planting is capitalised and the same is shown under the head Land (leasehold) and Development Account.

#### **3. Depreciation :**

Depreciation on Fixed assets is provided on the basis of useful life of the assets as prescribed in Schedule II to the Companies Act 2013.

Balance amount of Increase in value of fixed assets due to revaluation is depreciated and recognized on the basis of remaining useful life of the assets in accordance with provisions specified in the Schedule II to the Companies Act 2013.

Depreciable value of fixed asset is its cost of acquisition as reduced by residual value of five percent of the cost of acquisition of the asset.

#### **4. Impairment of Assets**

The carrying amounts of cash Generating unit / assets are reviewed at Balance sheet date to determine whether there is any indication of impairment, if any such indication exists; the recoverable amount is estimated as the higher of net selling price and value in use. Impairment loss is recognized wherever carrying amount exceeds recoverable amount.

#### **5. Investment:**

Both Investments and Non current investment are stated at cost, Provision to diminution in value of such investments, if any, other than temporary in nature has not been made in the accounts.

## **ARCUTTIPORE TEA COMPANY LIMITED**

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### **6. Inventories:**

- a) Stores, Spares and Packing materials are valued at cost on FIFO basis.
- b) (i) Finished Goods of made Tea as well as green leaf if any are valued at net realizable value. There is no stock of green leaf at the year end.  
ii) The Company has followed valuation of finished goods of tea at net realization value. Pursuant to the Accounting Standard (AS-2) on inventory valuation issued by the Institute of Chartered Accountants of India, inventories are required to be valued at cost or net realizable value whichever is lower. Considering the nature of business, the Management has followed consistently the practice of valuation at net realizable value.
- c) Shares held as stock in trade are taken valued at cost

### **7. Recognition of Income & Expenditure:**

- a. Income and expenses, unless specified otherwise, are recognised on accrual basis.
- b. Sales are recognized on passing of property in goods as per the terms of sales on completion of auction in case of auction sales and in case of consignment sale. Sales of tea and green leaf are inclusive of excise and cess duty, and are net of VAT.

### **8. Taxes on Income:**

Current Tax is determined as the amount of Tax payable in respect of Taxable Income for the period based on applicable tax rates and laws. Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using Tax rates and laws that have enacted or substantively enacted as on Balance Sheet date.

Deferred tax assets are recognised only if there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. Such assets are reviewed as at each Balance Sheet date to reassess reliability thereof.

### **9. Excise Duty and Cess:**

Excise duty and Cess on dispatch of manufactured tea from the factory during the year, is provided in the accounts. Cess on owned green leaf and bought leaf for the year has been provided in the accounts.

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## ARCUTTIPORE TEA COMPANY LIMITED

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**10. Government / Tea Board subsidy / grant:**

Subsidy received from the Tea Board during the year is treated as revenue receipt, and adjusted with the corresponding expenditure in the Profit and Loss statement. There is no such receipts.

**11. Retirement Benefits:**

Liability for gratuity & leave encashment is accounted for on cash basis. However, amount of gratuity Rs.3,54,550/-, paid during the year and the same paid Rs 8,49,550/- up to 31.03.2016 has been shown as Other Advances as on that date ( Refer Note 29 )

**12. Borrowing Cost:**

Borrowing cost is charged as expenses in the year in which these are incurred.

**13. Contingent Liability:**

Contingent Liabilities are generally not provided for in the accounts and are separately shown in the notes to accounts.

**14. Cash & Cash equivalents:**

In the cash flow statement, cash and cash equivalents include cash in hand and balances with bank.

**15. Earning per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the, period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, ,such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**16. Segment reporting:**

Segments have been identified and reported taking into account nature of products, the differing risks and returns associated with operations.

## ARCUTTIPORE TEA COMPANY LIMITED

### Cash Flow Statement for the year ended 31st March 2016

	(Figures in ₹) 2015-16	(Figures in ₹) 2014-15
<b>A Cash Flow from Operating Activities:</b>		
Net Profit/(Loss) before tax and Exceptional/ Non recurring items	860,729.10	(2,592,867.46)
Adjustments for Depreciation		
Depreciation Expenses	1,621,273.00	704,887.00
Interest Received	(154,561.00)	-
(Profit)/Loss on Sale of Fixed Assets	-	-
Interest Paid	3,648,082.92	3,622,319.21
Capital work in progress written off	-	-
Liability no longer required written back	(4,122,640.07)	4,207,318.40
Surplus on Secured loan settlement	-	-
Sundry Balances Written Off	-	-
	992,154.85	8,534,524.61
<b>Operating Profit before Working Capital Changes Adjustments for</b>	<b>1,852,883.95</b>	<b>5,941,657.15</b>
Trade & Other Receivables	949,384.35	(561,736.71)
Inventories	(12,060,633.84)	3,533,249.89
Unsecured Loan & Advances Given	(1,306,700.29)	(48,451.25)
Unsecured Loans taken	8,980,785.54	8,178,111.21
Trade Payables & Other Liabilities	11,768,003.69	(8,910,132.58)
	10,183,723.40	8,132,697.71
<b>Cash generated from Operations</b>		
Direct Taxes Paid	-	-
	10,183,723.40	8,132,697.71
<b>Cash Flow before Exceptional/Non Recurring Items</b>	<b>-</b>	<b>-</b>
<b>Exceptional/Non Recurring Items</b>	<b>-</b>	<b>-</b>
<b>NET CASH</b>	<b>10,183,723.40</b>	<b>8,132,697.71</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(6,231,771.57)	4,441,875.90
Sale of Fixed Assets	-	-
Purchase of Shares as Investments	-	-
Sale of Investments converted into stock in trade/ w/off	-	-
Loans From Companies & Others	-	-
Interest Income Received	154,561.00	-
<b>Net Cash used in Investing Activities</b>	<b>(6,077,210.57)</b>	<b>4,441,875.90</b>
<b>C Cash Flow from Financing Activities</b>		
Loans From Companies & Others	-	-
Repayment of Unsecured Loans	-	-
Repayment of Secured Loans	-	-
Interest Paid	(3,648,082.92)	3,622,319.21
Dividend Paid	-	-
<b>Net Cash from Financing Activities</b>	<b>(3,648,082.92)</b>	<b>3,622,319.21</b>
<b>Net Changes in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>458,429.91</b>	<b>68,502.60</b>
Opening Balance of Cash & Cash Equivalents	435,248.55	366,745.95
Closing Balance of Cash & Cash Equivalents	893,678.46	435,248.55

**"THIS IS THE CASH FLOW STATEMENT REFERRED TO IN OUR REPORT OF EVEN DATE."**

8/2 Kiran Shankar Roy Road  
Kolkata, the 29th June 2016

For GORA & Company  
Chartered Accountants

Gora Chand Mukherjee  
Partner

Membership No 17630

Harsh Kumar Bajoria  
DIN 00893180

Director  
Shalaky Bajoria  
DIN 00893170

Director



**ARCUTTIPORE TEA COMPANY LIMITED**

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

(Figures in ₹)

Particulars	Note	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
Shareholders' funds			
(a) Share Capital	1	53,083,650.00	53,083,650.00
(b) Reserves and Surplus	2	(35,600,518.08)	(36,011,529.18)
Non-current liabilities			
(a) Long-Term Borrowings	3	17,784,462.38	16,792,534.11
(b) Deferred Tax Liabilities (Net)	4	830,546.00	830,546.00
Current liabilities			
(a) Short-Term Borrowings	5	49,251,144.63	41,262,287.36
(b) Trade Payables	6	14,021,789.88	14,872,912.31
(c) Other Current Liabilities	7	25,442,174.17	16,945,688.12
(d) Long-Term Provisions	8	2,810,537.00	2,648,547.00
<b>TOTAL</b>		<b>127,623,785.98</b>	<b>110,424,635.72</b>
<b>II. ASSETS</b>			
Non-current assets			
Non-current assets			
(a) Fixed Assets	9		
(i) Tangible Assets		84,271,916.80	78,683,896.23
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		-	1,265,250.00
(iv) Intangible Assets Under Development		-	-
		<u>84,271,916.80</u>	<u>79,949,146.23</u>
(b) Non-Current Investments		4,500,000.00	4,500,000.00
(c) Deferred Tax Assets (net)	10	830,546.00	830,546.00
(d) Long-Term Loans and Advances	11	11,705,872.94	10,920,924.65
(e) Other Non-Current Assets		-	-
Current assets			
(a) Current Investments		-	-
(b) Inventories	12	23,513,238.86	11,452,605.02
(c) Trade Receivables	13	1,093,583.92	2,141,004.27
(d) Cash and Cash equivalents	14	893,678.46	435,248.55
(e) Short-Term Loans and Advances	15	716,913.00	195,161.00
(f) Other Current Assets	16	98,036.00	-
<b>TOTAL</b>		<b>127,623,785.98</b>	<b>110,424,635.72</b>

Significant accounting policies:

Notes on Financial Statements

As per our Report of even date annexed

1 to 32

**For GORA & Company**  
Chartered Accountants

**Harsh Kumar Bajoria**  
DIN 00893180  
Director

8/2 Kiran Shankar Roy Road  
Kolkata, the 29th day of June 2016.

Gora Chand Mukherjee  
Partner  
Membership No 17630

Shaklanya Bajoria  
DIN 00893170  
Director

## ARCUTTIPORE TEA COMPANY LIMITED

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

(Figures in Rs)

	Particulars <small>Note</small>		2015-2016	2014-2015
I.	Revenue from operations	17	34,383,964.50	46,001,414.18
II.	Other income	18	6,035,470.29	5,387,378.40
III.	Total Revenue (I+II)		40,419,434.79	51,388,792.58
IV.	Expenses:			
	Cultivation Expenses	19	11,793,898.20	11,629,701.47
	Purchase of Green Leaf		812873.50	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	(11,489,738.00)	3,271,496.00
	Employee benefits expense	21	12,680,552.37	11,400,818.63
	Finance costs	22	3,648,082.92	3,622,319.21
	Depreciation and amortization expense	23	1,621,273.00	704,887.00
	Other expenses	24	20,491,763.70	23,352,437.73
	Total Expenses		39,558,705.69	53,981,660.04
V.	Profit before exceptional and extraordinary items and tax (III - IV)		860,729.10	(2,592,867.46)
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V-VI)		860,729.10	(2,592,867.46)
VIII.	Extraordinary items		-	-
IX.	Profit before tax (VII-VIII)		860,729.10	(2,592,867.46)
X.	Tax expense:			
	(1) Current tax		161,990.00	-
	(2) Deferred tax		-	-
XI.	Profit (Loss) for the period from continuing operations (VII-VIII)		698,739.10	(2,592,867.46)
XII.	Profit/(loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	Profit/(loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV.	Profit (Loss) for the period (XI+XIV)		698,739.10	(2,592,867.46)
XVI.	Earnings per equity share:	25		
	(1) Basic		0.14	(0.52)
	(2) Diluted		0.14	(0.52)

Significant Accounting Policies:  
Notes on Financial Statements

1 to 32

For GORA & Company  
Chartered Accountants

Harsh Kumar Bajoria  
DIN 00893180

As per our Report of even date annexed DIRECTOR

Kolkata, the Wednesday 29th June 2016  
8/2 Kiran Shankar Roy Road

Gora Chand Mukherjee  
Partner  
Membership No 17630

Shalaky Kumar Bajoria  
DIN 00893170  
DIRECTOR

**ARCUTTIPORE TEA COMPANY LIMITED**

**Notes on Financial Statements for the Year ended 31st March, 2016**

(Figures in ₹)

	<b><u>As at 31st March, 2016</u></b>	<b><u>As at 31st March, 2015</u></b>
<b>1 Share Capital</b>		
Authorised: 70,00,000 ( Previous year 70,00,000) Ordinary		
Shares of Rs.10/- each	<u>70,000,000.00</u>	<u>70,000,000.00</u>
Issued : 56,00,900 ( Previous year 56,00,900 ) Ordinary		
Shares of Rs.10/- each Subscribed & Paid-Up: 50,16,380 ( Previous year 50,16,380 ) Ordinary	<u>56,009,000.00</u>	<u>56,009,000.00</u>
Shares of Rs.10/- each fully paid up	50,163,800.00	50,163,800.00
Add: Shares Forfeited	<u>2,919,850.00</u>	<u>2,919,850.00</u>
Total	<u>53,083,650.00</u>	<u>53,083,650.00</u>

1.1 70,000 (Previous year 70,000) shares out of issued, subscribed and paid up share capital were issued and allotted as fully paid up Bonus shares by capitalisation of Reserves.

1.2 The details of shareholders holding more than 5% shares :

	<b><u>As at 31st March, 2016</u></b>		<b><u>As at 31st March, 2015</u></b>	
	No of shares - % held		No of shares - % held	
<b>Name of Share holder</b>				
Devesh Trade Credit Private Limited	832600	16.60	832600	16.60
Smt. Pramila Bajoria	1090615	21.74	1090615	21.74
Harsh Kumar Bajoria	698887	13.93	698887	13.93
Shalakya Kumar Bajoria	340370	6.79	340370	6.79

## ARCUTTIPORE TEA COMPANY LIMITED

### 1.3 The reconciliation of the number of shares outstanding is set out below :

Name of of the Share holder	As at 31st March, 2016 No of shares	As at 31st March, 2015 No of shares
Ordinary Shares at the beginning of the the year	5016380	5016380
Add:- Shares Issued during the year	-	-
Less : Shares cancelled during the year	-	-
Ordinary Shares at the end of the year	5016380	5016380
<b>2 Reserves And Surplus</b>	As at 31st March, 2016	As at 31st March, 2015
Capital Reserve As per Last Account	57,350.00	57,350.00
Share Premium Account As per Last Account	37,404,750.00	37,404,750.00
Revaluation Reserve As per Last Account	46,478,639.00	53,712,031.00
Less : Adjusted with value of fixed assets on its outlive as per Contra	-	(6,945,665.00)
Less : Transfer to Profit & Loss account on account of Depreciation	(287,728.00) 46,190,911.00	(287,727.00) 46,478,639.00
General Reserve As per Last Account	3,627,297.06	3,627,297.06
Profit and Loss Account As per Last Account	(123,579,565.24)	127,134,102.78
Add : Depreciation amount adjusted	-	(798,260.00)
Add :-Revaluation Amount adjusted per Contra	-	6,945,665.00
Add :- Profit / (Loss) for the year	698,739.10	(122,880,826.14)
<b>Total</b>	<u>(35,600,518.08)</u>	<u>(36,011,529.18)</u>

**ARCUTTIPORE TEA COMPANY LIMITED**

	As at 31st March, 2016	As at 31st March, 2015
<b>3 Long Term Borrowings</b>		
Secured Loan		
From a bank	1,619,431.50	371,995.00
From a Finance Company	365,030.88	1,984,462.38
Unsecured		
From a Body Corporate	15,800,000.00	15,800,000.00
<b>Total</b>	<b>17,784,462.38</b>	<b>16,792,534.11</b>
3.1 Secured loans taken from a bank are against purchase of vehicles, and the said loan amounts are repayable within 2/5 years.		
3.2 Secured loans taken from a financial company are against purchase of machineries & others and the same are repayable over 3 years .		
3.3 Unsecured Loan taken from a Body Corporate is interest free and is repayable within remaining 3 years.		
<b>4 Deferred Tax Liability</b>		
As Per Last Account	830,546.00	830,546.00
Depreciation ( Charge )	-	-
<b>Total</b>	<b>830,546.00</b>	<b>830,546.00</b>
4.1 As there is uncertainty that sufficient future taxable income will be available, deferred tax assets have not been recognised and reviewed during the year. However, the components of deferred assets and liabilities as on 31st March, 2016 are as above.		
<b>5 Short Term Borrowings</b>		
Secured		
From a bank	569,164.40	314,635.00
From a Financial Company	391,468.23	960,632.63
		<b>780,468.36</b>
Unsecured		
Other Loans		
From Bodies Corporate	40,868,393.00	37,451,819.00
On Bill Discounting Account	2,733,214.00	-
From Others	4,688,905.00	3,030,000.00
<b>Total</b>	<b>49,251,144.63</b>	<b>41,262,287.36</b>
5.1 Unsecured- Other Loans includes Rs. 2,53,14,986/- (Previous year Rs.2,43,00,698/-) as interest bearing loans and the balance amount Rs.2,29,75,526/- ( Previous year Rs. 1,69,61,589/-) are without bearing interest. Loan amounts are repayable on demand.		
<b>6 Trade Payables</b>		
Micro, Small and Medium Enterprises	10,171,724.07	11,929,694.81
Others	3,850,065.81	2,943,217.50
<b>Total</b>	<b>14,021,789.88</b>	<b>14,872,912.31</b>

## ARCUTTIPORE TEA COMPANY LIMITED

	As at 31st March, 2016	As at 31st March, 2015
6.1 Details of amounts outstanding to Micro, Small and Medium Enterprise are not readable available with the company		
<b>7 Other Current Liabilities</b>		
Advance from Customers ****	14,251,592.09	5,028,466.02
Other payable	11,190,582.08	11,917,222.10
<b>Total</b>	<b>25,442,174.17</b>	<b>16,945,688.12</b>
**** Includes Rs. 9822263/- from Consignment parties from whom the accounts sales against for despatch of goods on consignment of 113906 kgs are pending.		
7.1 Other payables include amount of statutory dues, Cess , and P.F. dues, TDS dues & others.		
7.2 The Company has settled for P.F. outstanding dues with appropriate Authorities in earlier years. The aggregate amount of total outstanding as on 31.03.2016 as per the records of the Company is Rs.45,83,590/- (previous year Rs.46,00,520/-) which includes Rs. 15,62,380/- (previous year Rs. 7,44,308/-) for the year 2015-16 against which Rs.4,63,882/- ( previous Year Rs. 2,17,692/-) has since been paid . The P.F dues amounts are the aggregate of both Employers and Employees contributions and net of P.F. Collections and P.F. Advance . The Company has paid during the year the old outstanding amounts as under :-		
D) Rs.8,70,000/- (previous year Rs.7,20,000/-) in aggregate have been paid for P.F. dues against P.F. Bakijai case.		
7.3 The Company has outstanding dues for Cess on Green Leaf with appropriate Authorities in earlier years. The aggregate amount of total outstanding as on 31.03.2016 as per the records of the Company is Rs.40,15,065/- (previous year Rs.46,63,702/-) which includes Rs. 4,97,993/- (previous year Rs. 4,26,629/-) for the year 2015-16 against which Rs. Nil ( previous year Rs. 1,01,970/- ) has since been paid. The Company has paid during the year old outstanding dues as under:-		
D) Rs.7,20,000/- in aggregate have been paid for cess on Green Leaf during the year under review.		

**ARCUTTIPORE TEA COMPANY LIMITED**

	As at 31st March, 2016	As at 31st March, 2015
7.4 Necessary steps have been taken to regularise payment of certain statutory non-compliance in regard to Provident Fund dues , Cess , Cess on land revenue etc. Interest and Levies due on due to such delay shall be accounted for as and when ascertained. The Company has however regularly depositing Tax Deducted at Source and Provident Fund contributions for the year with the concerned authorities.		
<b>8 Long Term Provisions</b>		
Provisions for Income Tax	2,648,547.00	2,648,547.00
Provision for Income tax AY 2016-17	161,990.00	-
<b>Total</b>	<b>2,810,537.00</b>	<b>2,648,547.00</b>
8.1 In view of taxable income for the year , provision for current Income tax ,and not for Assam Agricultural Tax, has been provided in the accounts as per the relevant tax laws.		
8.2 For Income tax Assessment Year 2002-03 , an appeal has been preferred by DCIT Circle with Income tax Appellate Tribunal against Appellate Order No 266/ CIT (A) -IV /2009-10 dated 30.10.2013 upon the assessment and agaিসnt refund of Rs 1358214/- that has been determined thereagainst . The case is pending before the Concerned Authorities and consequently, income tax liability , if any, has not been ascertained.		
8.3 For Income tax Assessment Year 2003-04 , an appeal has been preferred by the Income Tax Officer with Income tax Appellate Tribunal against Appellate Order No 266/ CIT (A) -2 /2014-15 dated 24.06.2015 upon the assessment. The case is pending before the Concerned Authorities , hence income tax liability if any, has not been ascertained.		
8.4 For Income tax Assessment Year 2013-14, the case is under Scrutiny u/s 143(2) of the Income tax Act ,1961 and the assessment proceedings are pending before the Concened Authorities .		





**ARCUTTIPORE TEA COMPANY LIMITED**

	As at 31st March, 2016	As at 31st March, 2015
10		
Deferred Tax Assets ( Refer no 4.1) As Per last Account Unabsorbed depreciation & Carried forward Losses	-	-
Expenses allowable on Payment basis (credit)	830,546.00	830,546.00
	<u>830,546.00</u>	<u>830,546.00</u>
11		
Long Term Loans and Advances (Unsecured, Considered good)		
Deposits	18,399.00	18,399.00
Loan to bodies corporate	4,900,000.00	4,460,500.00
Advance Income Tax	4,453,872.98	4,453,872.98
Other Loan and Advances *	2,333,600.96	1,988,152.67
<b>Total</b>	<u>11,705,872.94</u>	<u>10,920,924.65</u>
* includes Advances to garden employees and advances to other parties		
11.1		
Loans given to companies are without bearing interest and the same are repayable on demand.		
12		
Inventories Stores & Spares **	2,993,290.86	2,422,395.02
Stock in Trade - shares	3,585,000.00	3,585,000.00
Stock of Green Leaf	-	-
Stock of Tea made ****	16,934,948.00	5,445,210.00
<b>Total</b>	<u>23,513,238.86</u>	<u>11,452,605.02</u>
** includes stores in transit Rs. 1,32,955/- ( Previous year Rs. 26,500/- )		
**** includes Rs. 12065590/- ( 113906 kgs ) of Goods on Consignment basis against which Accounts Sales are pending .		

## ARCUTTIPORE TEA COMPANY LIMITED

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	As at 31st March, 2016	As at 31st March, 2015
12.1 Details of Stock in trade - shares (On Conversion from Investment) Un Quoted : (Fully Paid-up) No. of shares		
40,000 (previous year 40000) Equity share of Rs. 10/- each of Rajhans Vincom Private Limited	420,000.00	420,000.00
19,300 (previous year 19,300) Equity share of Rs. 10/- each of Atlantica Exim Limited	965,000.00	965,000.00
4,400 (previous year 4,400) Equity share of Rs 500/- each of MNJ Solution Pvt.Ltd	2,200,000.00	2,200,000.00
	<b>3,585,000.00</b>	<b>3,585,000.00</b>

- 12.2 Investment in Unquoted shares held as Stock-in-Trade on conversion in the earlier years were taken at book cost and investment of 40,000 equity shares of Rajhans Vincom Pvt Ltd has converted into stock-in-trade are yet to be transferred in the name of the Company.
- 12.3 The company has stocks of made tea, shares and stores as at year end. There is no stock of green leaf as on that date.  
The company has consistently followed valuation of finished goods at net realisable value. Pursuant to the Accounting Standard (AS 2) - on inventory valuation, issued by the Institute of Chartered Accountants of India and made mandatory w.e.f. 01.04.1999, inventories are to be valued at cost or net realisable value whichever is lower. Considering the nature of business, the management has continued the practice of valuation at net realisable value excepting stocks of shares and stores that have been valued and taken at book cost.
- 12.4 No provision for diminution in value of shares held as Stock-in trade, if any, has been accounted for in the accounts and the same is considered to be of temporary in nature.
- 12.5 Shares held as Stock-in-trade have not been made available to Auditors for their verification.
- 12.6 The company has not identified slow/non moving and obsolete stores during the year.

**ARCUTTIPORE TEA COMPANY LIMITED**

	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
13	<b>Trade Receivables (Unsecured, Considered Good)</b>	
	Over six Months	663,009.83
	Others	213,468.00
	<b>Total</b>	<b>1,927,536.27</b>
	<b>1,093,583.92</b>	<b>2,141,004.27</b>
13.1	Trade receivables include Debtors amounting Rs 20,000/- (previous year Rs.20,000/-) are overdue for recovery. In view of the persuasive steps being taken for recovery, the balance has been considered good and fully recoverable.	
14	<b>Cash and bank Balance</b>	
	Balance with Banks	114,441.32
	Cash on Hand	274,006.33
	<b>Total</b>	<b>435,248.55</b>
	<b>893,678.46</b>	<b>435,248.55</b>
15	<b>Short Term Loans and Advances ( Unsecured , Considered Good )</b>	
	Loans to Related parties	81,180.00
	Loans to Bodies Corporate	-
	TDS on Interest	-
	Deposits with Excise Authority	3,277.00
	Others	191,884.00
	<b>Total</b>	<b>195,161.00</b>
	<b>716,913.00</b>	<b>195,161.00</b>
16	<b>Other Current assets</b>	
	Pre paid Expenses	98,036.00
	<b>Total</b>	<b>-</b>
	<b>98,036.00</b>	<b>-</b>

## ARCUTTIPORE TEA COMPANY LIMITED

### Notes on Financial Statements for the year ended 31st March, 2016

	(Figures in ₹) 2015-16	(Figures in ₹) 2014-15
<b>17 Revenue from Operations</b>		
Sale of Tea Made (3,23,199 kgs Previous Year 4,39,853 Kgs)	34,383,964.50	45,639,644.18
Sale of green Leaf (Nil Kgs Previous year 24,675 Kgs)	-	361,770.00
<b>Total</b>	<b>34,383,964.50</b>	<b>46,001,414.18</b>
<b>18 Other Income</b>	<b>2015-16</b>	<b>2014-15</b>
Liabilities no longer required written back	4,122,640.07	4,207,318.40
Miscellaneous Receipts	1,758,269.22	1,180,060.00
Interest On Security Deposits with Assam Electricity Board ( TDS Rs. 15456/- Previous Year Rs. Nil )	154,561.00	-
<b>Total</b>	<b>6,035,470.29</b>	<b>5,387,378.40</b>
<b>19 Cultivation Expenses</b>	<b>2015-16</b>	<b>2014-15</b>
Crop Expenses	8,055,730.54	5,048,963.59
Nursery Expenses	-	833,573.57
Old Cultivation	3,296,843.23	4,894,753.78
Rejuvenation	2,775.00	6,429.00
Replanting & Replacement	286,364.43	488,152.65
Teak / Nursery/ Young Tea Expenses	152,185.00	357,828.88
<b>Total</b>	<b>11,793,898.20</b>	<b>11,629,701.47</b>
19.1 Subsidy on plantations amounting Rs. Nil (Previous Year Rs. 1,42,176/-) received during the year has been adjusted from expenditures incurred on Old Cultivation account		

**ARCUTTIPORE TEA COMPANY LIMITED**

**Notes on Financial Statements for the year ended 31st March, 2016**

	(Figures in ₹) 2015-16	(Figures in ₹) 2014-15
<b>20 Changes in Inventories</b>	<b>2015-16</b>	<b>2014-15</b>
Inventories ( as on 31.03.2016)		
Finished Goods - Tea ( 1,55,243 kgs Previous Year 48,595 kgs ) ( Refer Note 12****)	16,934,948.00	5,445,210.00
Stock in Process	-	-
Stock in Trade - Shares ( 63,700 nos Previous year 63,700 nos)	3,585,000.00	3,585,000.00
<b>Sub Total</b>	<b>20,519,948.00</b>	<b>9,030,210.00</b>
Inventories (01.04.2015)		
Finished Goods - Tea ( 48,595 kgs Previous Year 99,271 kgs)	5,445,210.00	8,716,706.00
Stock in Process		
Stock in Trade - Shares ( 63,700 nos Previous year 63,700 nos)	3,585,000.00	3,585,000.00
<b>Sub Total</b>	<b>9,030,210.00</b>	<b>12,301,706.00</b>
<b>Total</b>	<b>(11,489,738.00)</b>	<b>(3,271,496.00)</b>
<b>21 Employees Benefits Expenses</b>	<b>2015-16</b>	<b>2014-15</b>
Salary, Wages & Gratuity	8,358,112.78	8,080,914.33
Contribution to Providend & Other funds	1,588,324.24	1,101,488.65
Staff Welfare Expenses	1,091,238.07	1,012,531.70
Loss on Food Stuffs	1,642,877.28	1,205,883.95
<b>Total</b>	<b>12,680,552.37</b>	<b>11,400,818.63</b>
<b>22 Finance Costs</b>	<b>2015-16</b>	<b>2014-15</b>
Interest To Financiers & Others	317,754.54	236,263.21

## ARCUTTIPORE TEA COMPANY LIMITED

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### Notes on Financial Statements for the year ended 31st March, 2016

	(Figures in ₹) 2015-16	(Figures in ₹) 2014-15
<b>22.1 Interest on Loans</b>	<b>2,933,315.00</b>	<b>2,726,655.63</b>
Interest on Sales Loan	390,483.38	635,828.37
Brokerage on Loan	6,530.00	23,572.00
<b>Total</b>	<b>3,648,082.92</b>	<b>3,622,319.21</b>
<b>23 Depreciation</b>	<b>2015-16</b>	<b>2014-15</b>
Depreciation on Fixed Assets	1,909,001.00	1,743,441.00
	1,909,001.00	1,743,441.00
Less : Transferred from Revaluation Reserve	287,728.00	-
Less:- Amount adjusted on assets.	-	1,038,554.00
<b>Total</b>	<b>1,621,273.00</b>	<b>704,887.00</b>
<b>24 Other Expenses</b>	<b>2015-16</b>	<b>2014-15</b>
Manufacturing Expenses		
Cess on Green Leaf	683,743.55	609,644.35
Electricity Charges	180,869.80	567,026.67
Land Rent	104,579.00	146,988.00
Manufacturing expenses	10,681,722.91	10,736,946.34
Machinery Hire Charges	100,000.00	200,000.00
Mechanical Vehicles	1,668,911.83	1,583,433.11
Repairs to Building	257,633.44	549,617.52
Repairs to Machinery	646,906.08	886,525.73

**ARCUTTIPORE TEA COMPANY LIMITED**

**Notes on Financial Statements for the year ended 31st March, 2016**

	(Figures in ₹) 2015-16	(Figures in ₹) 2014-15
Establishment Expenses		
Cess on Tea made	210,000.00	195,000.00
Professional Fees	13,535.00	118,456.00
General Charges	2,055,950.97	2,130,391.54
Rent	606,000.00	275,500.00
Insurance	62,223.00	28,208.00
Subscription , Rates & Taxes	144,704.00	87,152.00
Expenses on Sales	1,328,558.07	3,363,664.47
Listing Fees to Exchanges / Registrar	393,920.00	191,007.00
Travelling and Conveyance Expenses	1,100,802.00	1,483,869.00
(Including Foreign Travel expenses Rs.5,62,420/- Previous year Rs 7,39,643/-)		
Vehicle Running Expenses	93,404.05	95,358.00
Consultancy Charges	100,000.00	40,000.00
Auditors' Remuneration		
i) Audit Fee	30,000.00	30,000.00
ii) Tax Audit Fee	8,000.00	5,000.00
iii) Other Charges	-	-
Donations & Subscriptions	20,300.00	28,650.00
<b>Total</b>	<b>20,491,763.70</b>	<b>23,352,437.73</b>
<b>25 Earnings Per Share</b>	<b>2015-16</b>	<b>2014-15</b>
i) Net Profit/(Loss) after Tax (Rs.) (as per statement of Profit & Loss account)	860,729.10	(2,592,867.46)
ii) Provisions for Income Tax (Rs.)	161990.00	0.00
iii) Net Profit attributable to Ordinary Shareholders (Rs.)	698,739.10	(2,592,867.46)
iv) Weighted average no of ordinary shares	5,016,380	5,016,380
v) Basic & Diluted earnings per ordinary share (Rs.)	0.14	(0.52)
vi) Face value per ordinary shares (Rs.)	10.00	10.00

## ARCUTTIPORE TEA COMPANY LIMITED

26) Information given in accordance with the requirements of Accounting Standard - 17 on Segment reporting issued by the Institute of Chartered Accountants of India: -

The Company has one primary business Segment having two divisions:-

- i. Tea Division
- ii. Trading Division including insurance service

The Tea Division of the Company is engaged in the business of cultivation manufacturing, Sale of Tea & Green leaf. The Company's Trading Division is engaged in purchase & sale of shares and service charges on insurance business.

### Information about Business Segments :- Primary

Particulars	Tea Division 2015-162014-15		Trading Division 2015-162014-15		Total 2015-162014-15	
	(Figures in Rs)	(Figures in Rs)	(Figures in Rs)	(Figures in Rs)	(Figures in Rs)	(Figures in Rs)
<b>1. Revenue</b>						
External Sales	34,383,964.50	45,639,644.18	-	902,400.00	34,383,964.50	46,542,044.18
Internal Segment Sales					-	-
Other Income	6,035,470.29	5,749,148.00	-	-	6,035,470.29	5,749,148.00
Unallocated Income					-	-
<b>Total Revenue</b>	<b>40,419,434.79</b>	<b>51,388,792.18</b>	<b>-</b>	<b>902,400.00</b>	<b>40,419,434.79</b>	<b>52,291,192.18</b>
<b>2. Results</b>						
Segment Results	4,354,251.02	1,029,451.75	-	-	<b>4,354,251.02</b>	<b>1,029,451.75</b>
Unallocable Income/(Loss) net of Expenses	-	-	-	-	-	-
Operating Profit	4,354,251.02	1,029,451.75	-	-	4,354,251.02	1,029,451.75
Interest Expenses	(3,648,082.92)	(3,622,319.21)	-	-	(3,648,082.92)	(3,622,319.21)
Interest Income	154,561.00	-	-	-	154,561.00	-
Profit from Ordinary Activities	860,729.10	(3,622,319.21)	-	-	860,729.10	(2,592,867.46)
Extra Ordinary Loss	-	-	-	-	-	-
Irrecoverable Expenses W/Off	-	-	-	-	-	-
<b>Net Profit/(Loss)</b>	<b>860,729.10</b>	<b>(2,592,867.46)</b>	<b>-</b>	<b>-</b>	<b>860,729.10</b>	<b>(2,592,867.46)</b>
<b>3. Other Information</b>						
Segment Assets	113,450,379.98	91,831,608.72	8,105,000.00	8,105,000.00	121,555,379.98	99,936,608.72
Unallocable Corp. Assets					6,068,406.00	5,252,906.00
<b>Total Assets</b>					<b>127,623,785.98</b>	<b>105,189,514.72</b>
Segment Liability	158,917,259.06	101,406,885.72	-	-	158,917,259.06	101,406,885.72
Reserve & Surplus (net)					(35,438,528.08)	-
Unallocable Corp. Liability					4,145,055.00	3,782,629.00
<b>Total Liability</b>					<b>127,623,785.98</b>	<b>105,189,514.72</b>
Capital Expenditure	6,231,771.57	4,441,875.00	-	-	6,231,771.57	4,441,875.00
Depreciation	1,621,273.00	1,420,670.00	-	-	1,621,273.00	1,420,670.00
Non Cash Expenses other than depreciation	-	-	-	-	-	-



## ARCUTTIPORE TEA COMPANY LIMITED

27) Related Party disclosure as identified by the management in accordance with the Accounting Standard - 18 issued by the Institute of Chartered Accountants of India are given as below:-

A) List of Related Parties

- i) Parties where control exists - none
- ii) Associated Concern: -
  - a) Deeleep (India) Grains Private Limited
  - b) Pusha Steels Limited
  - c) Fastrack Realestate Consultant Pvt Ltd .
  - d) Devesh Trade Credit Pvt.Ltd.
- iii) Key Management personnels and Relatives
  - a) Mr. H.K.Bajoria (Managing Director)
  - b) Mr. Shalakya Bajoria (Director, Relative of Managing Director)
  - c) Mr.Naresh Shah (Director,)
  - d) Mr.Chandi Prasad Poddar (Director,)
  - e) Smt. Pramila Bajoria ( Director , Relative of (a) &( b)
  - f) Harsh Kumar Bajoria (HUF)- Represented By karta H.K.Bajoria , Director
  - g) Shalalaya Bajoria (HUF) Represented by Karta S.K.Bajoria , Director
  - iv) Enterprises over which key management personnels and relatives have significant influence.
    - a) Star Textiles & Industries Ltd.

B) Transactions with related parties :

Sl.No	Nature of Transactions	Key Management Personnels & Relatives (Figures in Rs)	Enterprise Overwhich Key Management Personnels and Relatives have Significantinfluence (Figures in Rs)	Associate (Figures in Rs)
	Hire Charges paid Pusha Steels Limited			200,000.00
	<b>Advance Given</b> Star Industries Limited		60,500.00	
	<b>Advance Given Refunded</b> Deeleep (India) Grains Pvt. Ltd.			446,000.00
	Advances Taken Deeleep India Grains Pvt. Ltd.			216,000.00
	Devesh Trade Credit Pvt.Ltd.			450,000.00
	Harsh Kumar Bajoria HUF	130,000.00		
	Harsh Kumar Bajoria	11,347,333.00		
	Shalakya Bajorai	6,117,572.00		
	Shalakya Bajorai HUF	245,000.00		
	<b>Advances taken Refunded</b> Devesh Trade Credit Pvt.Ltd.			350,000.00
	Fastrack Realestate Consultant Pvt. Ltd.		20,680.00	
	Harsh Kumar Bajoria HUF	35,000.00		
	Harsh Kumar Bajoria	12,125,000.00		
	Shalakya Bajorai	5,191,000.00		
	<b>Advances given Outstanding</b> Fastrack Realestate Consultant Pvt Ltd			20,680.00
	Deeleep India Grains Pvt. Ltd.			230,000.00
	Star Industries Limited		60,500.00	
	<b>Advance Taken Outstanding/ Creditors</b> Pusha Steels Limited			200,000.00
	Devesh Trade Credit Pvt.Ltd.			100,000.00
	Shalakya Bajorai HUF	245,000.00		
	Shalakya Bajorai	926,572.00		
	Harsh Kumar Bajoria	2,252,333.00		
	Harsh Kumar Bajoria HUF	1,265,000.00		

## ARCUTTIPORE TEA COMPANY LIMITED

28) Confirmations for Credit and Debit balances including Secured Loans and Unsecured Loans, Sundry Debtors, Sundry Creditors, Advances received from customers, loans and advances are to be obtained. Necessary consequential adjustments will be made as and when ascertained.

29) Unprovided estimated gratuity liability Rs. 7,20,523/- (previous year Rs.4,42,033/-) for the year and the total unprovided gratuity as on 31.03.2016 as estimated by the Management amounts to Rs.1,52,14,923.25/- (net of advances) (previous year Rs.1,20,05,963/-) including in respect of employees retired till 31.03.2016. However, the company has paid gratuity of Rs.3,54,550/- to its employees during the year and the same has not been charged to this statement of Profit and Loss. Moreover, the company has paid amount Rs.8,49,550/- (previous year Rs 5,34,600/-) up to 31.03.2016 to the retired employees on account against their gratuity dues and the same are shown as advances at the year end.

	2015-16 (Figures in Rs)	2014-2015 (Figures in Rs)
30) Contingent Liabilities not provided in respect of :-		
i) Enhanced tax payable under Assam Land revenue Re-Assessment (Amendment) act, 1990 Pending in appeal	Nil	4,28,379/-
ii) Excise duty demanded against which petition has been filed before Court and decision is pending	Nil	3,92,841/-
31) Income & Expenditure in Foreign Currency: - Travelling Expenses in Foreign Currency,	Rs. 5,51,300/-	Rs. 7,39,643/-

	2015-2016 Rs.	2014-2015 Rs.
32) Other information :		
A. Production of :		
Green Leaf Plucked from Own Garden	Kgs 1,953,553	1,741,841
Bought Leaf	45,252	-
Tea made	4,30,599	3,91,699
Tea made on Bought Leaf (As Certified by the management)	9,308	0
B. Turnover :	Kgs	Kgs
Green Leaf - sold	-	-
Tea made-sold	3,23,199	24,675
Traded Tea-sold	34,383,964.50	439,853
	-	3,61,770
	-	34,048,613.80
	-	902,400.00

8/2, Kiran Shankar Roy Road  
Kolkata.  
29.06.2016

For GORA & COMPANY  
Chartered Accountants  
Gora Chand Mukherjee  
(Partner)  
Membership No. 17630

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**ARCUTTIPORE TEA COMPANY LIMITED**

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**C. Stock of Traded Goods**

**Stock Of Tea**

Opening Stock (kgs)	48,595	5,445,210	99,271	8,716,706
Tea made****	433147		389177	
Sold during the year	323199	34,383,965	439853	34,048,614
Closing Stock (Nos.)	158,543	16,934,948	48,595	5,445,210

<b>Stock Of Shares</b>	<b>Nos</b>		<b>Nos</b>	
Opening Stock (Nos.)	63,700	3,585,000	63,700	-
Purchase during the year	-	-	-	-
Sold during the year	-	-	-	-
Closing Stock (Nos.)	63700	3,585,000	63700	3,585,000

32.1) In Tea Industry, value of Green Leaf Produced in Company's Own estate is not ascertainable Since Production involves an integrated process of growing and cultivation.

\*\*\*\*Excluding Complementary Kgs of tea 2,760 to staff (Previous year 2,522 kgs) and Tea waste 4,000 kgs (previous year Nil kgs)

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