



James Warren Tea Limited

CIN : L15491AS2009PLC009345

12, Pretoria Street, Kolkata 700 071, Telephone : 91-33-4034 1000, Telefax : 91-33-4034 1015

E-mail : investors@jameswarrentea.com, Website : www.jameswarentea.com

Date: 16th August, 2019

| | |
|---|---|
| BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code :538564 | The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata –700 001. Scrip Code :020263 |
|---|---|

Sub: Compliance under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015- Annual Report for the Financial Year ended 31 March, 2019

Dear Sir,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing herewith the Annual Report of the Company for the Financial Year ended 31 March, 2019 along with the Notice of Annual General Meeting of the Company scheduled on 7th September, 2019.

The Annual Report for the Financial Year 2018-19 is available on the Company's website at www.jameswarrentea.com.

This is for your information and record.

Thanking You

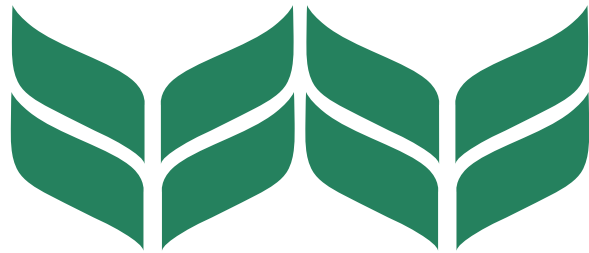
For James Warren Tea Limited

AKHIL
KUMAR RUIA

Digitally signed by
AKHIL KUMAR RUIA
Date: 2019.08.16
10:32:54 +05'30'

Akhil Kumar Ruia
Wholetime Director





JAMES
WARREN TEA

James Warren Tea Limited

Annual Report 2018-19



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CORPORATE INFORMATION

JAMES WARREN TEA LIMITED

CIN No. L15491AS2009PLC009345

| | | |
|---|--|--|
| Chairman | Mr. Anil Kumar Ruia | |
| Whole Time Directors | Mr. Akhil Kumar Ruia Mr. Sudeep Kumar Ahluwalia | |
| Independent Directors | Mr. Arup Kumar Chowdhuri Mr. Abhiram Kastur Sheth Mrs. Sucharita Basu De Mr. Raghav Lall (Appointed as Additional Director w.e.f. 11.05.2019) | |
| Chief Financial Officer | Mr. Vikram Saraogi | |
| Company Secretary | Mr. Gyanendra Singh | |
| Statutory Auditors | M/s. B. Chhawcharia & Co., Chartered Accountants | |
| Cost Auditors | Mr. Debabrota Banerjee, Cost Accountant | |
| Bankers | State Bank of India Kotak Mahindra Bank | HDFC Bank Limited ICICI Bank Limited |
| Registrar & Share Transfer Agent | Maheshwari Datamatics Private Limited 23, R. N. Mukherjee Road, 5 th Floor, Kolkata – 700 001 Tel: +91-033 2243-5809, 2243-5029; 2248-2248; Fax: +91-033 2248-4787 E-mail: mdpldc@yahoo.com | |
| Tea Gardens | Dhoedaam Tea Estate Balijan (H) Tea Estate Thowra Tea Estate Zaloni Tea Estate | Deamoolie Tea Estate Rajah Alli Tea Estate Tippuk Tea Estate |
| Registered Office | Dhoedaam Tea Estate, P.O. Borahapjan, Tinsukia-786150, Assam. Tel: 03759-247922. | |
| Corporate Office | 12 Pretoria Street, Kolkata - 700 071, West Bengal. Tel: 91-33-40341000 Fax: 91-33-40341015 Email: corporate@jameswarrentea.com ; investors@jameswarrentea.com ; Website: www.jameswarrentea.com | |

FROM CEO'S DESK

Dear Shareholders

2018 was a good year for crop as we made our highest since 2013. However, higher costing dampened profitability, and we have made a loss of Rs. 0.53 crores. This is disappointing, and as a company we must improve the efficiency of our plantations.

We require full access to government schemes on the tea garden such as rations, medicine and electricity. Tea companies cannot be responsible for providing welfare to the villages within the estate, when we have ceded control over attendance and productivity. We must be free to choose who to employ and when to employ them.

We also want greater assistance from local police and politicians with drainage, theft and encroachment issues. Somewhere along the line, we have lost sight of the fact that these villages and communities exist because of the tea garden, not in spite of it.

In addition we call upon the Tea Board to release subsidies on time and in full. It is the Government's duty to honor the commitments made in the 12th and 13th Plan.

Our investments have fared well this year; with the exception of our half a percent holding in Warren Tea Limited (WTL). WTL performed poorly yet again in 2018 with a loss of Rs. 23 crores before tax. At a PAT level we have now outperformed WTL by 10 times cumulatively in the 7 years since our demerger in 2013.

Like WTL many of our peers are suffering huge and unsustainable losses. We would like a level playing field between the organised and unorganised sectors. One step towards this is to monetise rations and other benefits. Another would be a minimum price on tea to discourage the production of poor quality bought leaf tea.

The crux of the challenge facing those in the business of operating tea plantations is that wages have more than doubled since 2012, whilst selling prices have remained flat.

In spite of all these challenges I remain optimistic. Resilience is in our DNA. From our tea bushes to our people, James Warren is resilient and we will continue to stand up to outside pressures to be well placed when this current cycle turns.

Akhil Kumar Ruia
Chief Executive Officer

NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of the Members of M/s. James Warren Tea Limited will be held at the Registered Office of the Company at Dhoedaam Tea Estate, P.O.- Borahapjan, Dist: Tinsukia, Assam – 786150 on Saturday, the 7th day of September, 2019 at 9.00 A.M. to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone and consolidated Financial Statement of the Company for the financial year ended 31st March, 2019, together with Reports of Board of Directors' and Auditors' thereon; and
2. To appoint a Director in place of Mr. Anil Kumar Ruia (DIN: 00236660), who retires by rotation and, being eligible, seeks re-appointment.

SPECIAL BUSINESS:

3. RE-APPOINTMENT OF MR. SUDEEP KUMAR AHLUWALIA (DIN: 07797775) AS A WHOLETEIME DIRECTOR

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and/or any other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded for the re-appointment of Mr. Sudeep Kumar Ahluwalia (DIN : 07797775), as a Whole-time Director of the Company and also designated as Key Managerial Personnel (KMP), for a period of 1 (One) year on expiry of his present terms of office, i.e. with effect from April 20, 2019 ,on such terms and conditions including remuneration, as set out in the statement annexed to the Notice convening this meeting as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board), with the liberty to the Board to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Ahluwalia, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modifications or re-enactment thereof;

RESOLVED FURTHER THAT as a Whole-time Director of the Company, Mr. Sudeep Kumar Ahluwalia shall be responsible for operations and other functions of the Company and shall be accountable to the Board, subject to the overall superintendence, directions and control of the Board.

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

4. RE-APPOINTMENT OF MS. SUCHARITA BASU DE (DIN: 06921540) AS AN INDEPENDENT DIRECTOR

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any, and the Rules made thereunder read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Sucharita Basu De (DIN: 06921540) be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (Five) consecutive years, with effect from 1st October, 2019 to 30th September, 2024 and shall not be liable to retire by rotation.”

NOTICE

5. APPROVAL FOR THE APPOINTMENT OF MR. RAGHAV LALL (DIN: 05121368) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any, and the Rules made thereunder read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Raghav Lall (DIN: 05121368) be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (Five) consecutive years, with effect from 11th May, 2019 and shall not be liable to retire by rotation.”

6. TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2020

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the Statement annexed to the Notice convening this Meeting, to be paid to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be and is hereby ratified.

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

By Order of the Board of Directors
For **JAMES WARREN TEA LIMITED**
Sd/-
Gyanendra Singh
Company Secretary

Place: Kolkata
Date : May 11, 2019

Notes:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”), with respect to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, TO VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND SUCH APROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. **A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBERS HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.**

NOTICE

4. **THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE VALID AND EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DELIVERED AT THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE COMMENCEMENT OF THE MEETING.THE PROXY FORM IS ATTACHED HEREWITH. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY AS APPLICABLE.**
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company pursuant to the provision of Section 113 of the Companies Act, 2013, a duly certified true copy of the Board Resolution/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members/proxies/authorized representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. The Proxy shall carry his/her/their Identity proof for attending the meeting to proof his/her/their credentials in terms of the Secretarial Standards.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The details of the Directors retiring by rotation/seeking appointment/re-appointment, as required in terms of applicable regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchanges and Secretarial Standard 2 as issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice.
10. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 9th August, 2019.
11. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 30th August, 2019 are requested to send the duly signed written / email communication to the Company at investors@jameswarrentea.com and to the RTA at mdpldc@yahoo.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
12. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 30th August, 2019. A person who is not a member as on cut-off date should treat this notice for information purpose only.
13. The shareholders shall have one vote per equity share held by them as on the cut-off date of 30th August, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
14. Members holding shares in physical form are advised to file nominations SH-13 (form as attached) in respect of their shareholding in the Company, if not already registered and to submit the same to the R&TA. The nomination form may also be downloaded from the Company's website: www.jameswarrentea.com.
15. Non-Resident Indian members are requested to inform RTA/respective DPs, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

NOTICE

16. The Register of Members and Share Transfer Books will remain closed from 31st August, 2019 to 7th September, 2019 (both days inclusive) for the purpose of this AGM.
17. Relevant documents referred to in this Notice are open for inspection by the members at the Registered Office and Corporate Office of the Company on all working days, except Saturdays, during business hours and also at the venue of the AGM in physical mode.
18. Members whose shareholding is in the electronic mode are requested to update address & bank account details to their respective Depository Participant(s) and the Members whose shareholding is in the physical mode are requested to provide the same to R&TA.
19. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the Quarterly Reports, Notices, Annual Reports including financial statements, Board Reports, etc. and any other communications via email. All the shareholders holding shares in physical mode who have not registered their e-mail addresses so far are requested to register their e-mail address to the RTA / Company for receiving all aforesaid communication from the Company, electronically.
20. The Notice of the 10th AGM, along with the Annual Report, Attendance Slip and Proxy Form along with the process, instructions and the manner of conducting e-voting are being sent by electronic mode only to all those members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2018-19 are being sent in the permitted mode. The documents referred to above, if any, are also available on the Company's website: www.jameswarrentea.com
21. As an austerity measure copies of the Annual Report will not be distributed at the meeting. Members are requested to bring their copy of Annual report to the Meeting.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participant(s) and Members holding shares in physical form are requested to submit their PAN details to the Company/R&TA.

23. Voting Through Electronic Means

- I. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("remote e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more particularly in the instruction hereunder provided that once the vote on a Resolution is casted through e-voting, a Member shall not be allowed to change it subsequently.
- II. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

NOTICE

III. The instructions for shareholders voting electronically are as under:

- (i) The voting through electronic means will commence on Wednesday, the 4th day of September, 2019 at 10.00. a.m. (IST) and will end on Friday, the 6th day of September, 2019 at 5.00 p.m.(IST). The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-Voting module shall be disabled by CDSL for voting thereafter. The Shareholders as on the cut-off date 30th August, 2019 may cast their vote.
- (ii) Shareholders who have already voted prior to the meeting date (by remote e-voting) shall not be entitled to vote at the meeting venue.
- (iii) Log on to the e-voting website www.evotingindia.com during the voting period.
- (iv) Click on “Shareholders” tab.
- (v) After that enter your user ID;
For CDSL: 16 digits beneficiary ID;
For NSDL; 8 Character DP ID followed by 8 Digits Client ID; and
Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the image verification as displayed and click Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----------------------|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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. |
| Date of Birth (DOB) | Enter the Date of Birth as recorded in your demat account with the depository or in the Company records for your folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio. <ul style="list-style-type: none"> • Please Enter the DOB or Bank Account Number in order to Login. • If both the details are not recorded with the depository or Company then please enter the member-ID / Folio Number in the Bank Account Number details field as mentioned in above instruction (v). |

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other

NOTICE

Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <JAMES WARREN TEA LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Institutional Shareholders and Custodians.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
- (xxi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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24. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at santibrewalla@gmail.com with a copy mark to helpdesk.evoting@cdslindia.com and the same may also be send to the Scrutinizer in physical mode also on or before 6th day of September, 2019 up to 5.00 p.m. without which the vote shall not be treated as valid.
25. The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.
26. However, in case the members who have casted their votes by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their votes again.
27. Mr. Santosh Kumar Tibrewalla, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 3(three) days of conclusion of the meeting make a consolidated scrutinizer's Report (which includes remote e-voting and voting as may be permitted at the venue of the AGM by means of ballot paper/poll) of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the results of the voting forthwith.
28. Subject to casting of requisite number of votes in favour of the resolution(s), it shall be deemed to be passed on the date of Annual General Meeting of the Company.
29. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.jameswarrentea.com and on the website of CDSL immediately after declaration of results of passing of the resolution at the Annual General Meeting of the Company and the same shall also be communicated to BSE Limited and The Calcutta Stock Exchange Limited, where the shares of the Company are listed.
26. Route-map to the venue of the AGM is annexed for the convenience of the members.

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

(Annexure as referred to in the notes of the notice)

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 3

The present terms of appointment of Mr. Sudeep Kumar Ahluwalia (DIN: 07797775) as a Whole Time Director have expired on April 20, 2019. The Nomination & Remuneration Committee at its meeting held on 8th February, 2019 had recommended his re-appointment for a further period of 1 (one) year with effect from April 21, 2019 and the same was approved by the Board of Directors in its meeting held on May 11, 2019 subject to the approval of members in the ensuing Annual General Meeting of the Company. The remuneration, perquisites payable to Mr. Sudeep Kumar Ahluwalia and other terms & conditions as recommended by the Nomination and Remuneration Committee, subject to provisions of section 197 and Schedule V of the Companies Act, 2013 are as follows :-

- I. Basic Salary: ₹ 71,500/-per month.
- II. Special/Composite Allowance of ₹ 35,500/- per month with such revisions as may be determined by the Nomination & Remuneration Committee from time to time subject to overall ceiling laid down in the Companies Act.

NOTICE

III. Transport Allowance of ₹ 35,500/- per month.

IV. Perquisites, Amenities and Incentives :

a. Medical Benefits:

- The medical and hospital facilities provided by the Company are available to the extent of one month's basic salary per year and will be subject to the Rules of the Company applicable to the senior management executives.
- The Company will also subscribe to a Medical Insurance plan on his behalf. Rent Free Accommodation including electricity, furniture, maintenance charges and domestic staffs will be provided in line with the policy of the Company.

b. Leave Travel Allowance provided by the Company are available to the extent of one month's basic salary per year.

c. Telephone Expenses will also be reimbursed on actual basis as per the rules of the Company. Personal long distance call will be billed upon the Director.

d. A Fixed Incentive equivalent to 1 months' basic Salary per annum.

e. A Performance Incentive of upto 1 months' basic salary per annum may be awarded based on the performance.

f. Retirement benefits :

- Contribution to Provident Fund as applicable to other employees.
- Gratuity in accordance with the Gratuity Fund Rules, payable as per the Payment of Gratuity Act, 1972.

g. Other benefits, amenities and facilities as per Company's Rules

h. Subject to overall ceiling on remuneration mentioned hereinabove, Mr. Sudeep Kumar Ahluwalia may be given any other allowances, benefits and perquisites as the Board may from time to time decide on recommendation of Nomination and Remuneration Committee.

i. Perquisites shall be evaluated as per the Income Tax Act, 1961 and Rules made thereunder wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at cost.

j. Either party is entitled to terminate the aforesaid appointment by giving 3 (three) months' notice in writing to other party. However, on mutual agreement the duration of the notice period may be reduced or waived.

Mr. Sudeep Kumar Ahluwalia shall not be liable to retire by rotation unless any of the provisions of the Act requires his retirement by rotation during his tenure as a Whole-time Director.

Mr. Sudeep Kumar Ahluwalia, is an alumnus of St. Edmunds College, Shilong. He has rich experience of 35 years in the Tea Industry. He had been entrusted with the charge of our Dhoedaam Tea Estate and also assists our Visiting Agent on operational and administrative matters. Mr. Ahluwalia has held the position of the Vice Chairman of the ABITA Doomdooma circle and was also President of the Thakurbari Planter's Club.

Mr. Ahluwalia does not hold any equity shares of the Company in his own name.

Besides, as per the provision of section 197(3) and Part II of Schedule V of the Companies Act, 2013 where in any financial year during the currency of tenure of a managerial persons, a Company has no profit or its profit are inadequate the appointment of a person as managerial personnel is to be approved by the members by passing ordinary/special resolution.

NOTICE

A Statement as per Schedule V (third proviso of Section II of Part II) in respect of appointment of Mr. Sudeep Kumar Ahluwalia as a Whole time Director of the Company is annexed hereto which forms part this explanatory statement.

Mr. Ahluwalia is responsible for operation and other functions of the Company. The Board felt that his association with the Company for managing the affairs of the Company would definitely contribute in the performance of the Company and accordingly proposed for his re-appointment.

Except Mr. Ahluwalia, none of the Directors or any Key Managerial Personnel or their relatives is in any way, financially or otherwise, directly or indirectly, concerned or interested in the aforesaid resolution.

The Board recommends the resolution as set forth in Item no. 3 for the approval of the members of the Company.

The letter of Appointment issued to Mr. Sudeep Kumar Ahluwalia setting out the terms of his re-appointment is open for inspection at the Registered Office and Corporate Office of the Company by any members during business hours on all working days except Saturday and also at the venue of the Annual General Meeting in physical mode.

Item No. 4

Ms. Sucharita Basu De (DIN: 06921540) was appointed as Independent Directors of the Company with effect from 1st October, 2014 and would hold office till 30th September, 2019 pursuant to the Companies Act, 2013 and Listing Agreement.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office of the Directors of the Company for a term upto 5 (five) consecutive years and can be re-appointed on the Board of Directors of the Company by passing a special resolution for another term of 5 (five) consecutive years. Hence, based on her skills, experience, knowledge and report of her performance evaluation, it is proposed to re-appoint Ms. Sucharita Basu De for a further period of 5(five) consecutive years from 1st October, 2019 to 30th September, 2024.

Ms. Sucharita Basu De is a practicing advocate in Kolkata at Aquilaw. She has extensive work experience in commercial and corporate agreements, joint venture and financing transactions, real estate, trust laws and litigation and has led and been involved in numerous transactions involving the above. She advises a range of large Indian and multinational clients in various business sectors including infrastructure, real estate, power, carbon credit, finance, banking, telecom, automobile, engineering, steel, cement, agriculture and agri-products, software and information technology, retail, services, etc.

Further the Company has received requisite consent and declaration from her stating her intention to continue as an Independent Director of the Company and that she fulfils the criteria of independence as provided in section 149 and Rules made thereunder, SEBI (LODR) Regulations, 2015 and is independent of the management.

Ms. Sucharita Basu does not hold any equity shares of the Company.

The Board, based on the performance evaluation report of Nomination and Remuneration Committee and the performance evaluation report of the Board itself, considers that her association would be of immense benefit to the Company as it has been beneficial in the past and it is desirable to avail services of Ms. Sucharita Basu De as an Independent Director and accordingly recommends the resolution as set forth in Item no. 4 for the approval of the shareholders of the Company.

Summary of Performance evaluation report :(As per SS 2 – para 1.2.5)

Ms. Sucharita Basu fulfils the criteria of performance evaluation laid down by the Nomination & remuneration Committee in respect of Qualification, Experience, Knowledge & Competency, Fulfillment of functions, Ability to function as a team, Initiative, Availability and attendance, Commitment, Contribution, Integrity, Independence, Independent views and judgement, etc.

NOTICE

The copy of the letter of appointment setting out the terms and conditions of her re-appointment would be available for inspection at the Registered Office and Corporate Office of the Company by any members during business hours on all working days except Saturday and at the venue of the Annual General Meeting in physical mode and also posted on the Company's website.

Except Ms. Sucharita Basu De, none of the Directors or any Key Managerial Personnel or their relatives is in any way, financially or otherwise, directly or indirectly, concerned or interested in the aforesaid respective resolutions.

Item No. 5

Mr. Raghav Lall (DIN: 05121368) is Post Graduate from Faculty of management Studies, Delhi University and also holds Bachelor Degree in Arts. Mr. Lall has great work experience in Finance and Business Management and wide experience of Tea Industry. He has been there in the Tea Industry since 1986 and has exposure of more than 36 years in this.

Further the Company has received requisite consent and declaration from him stating his intention to act as an Independent Director of the Company and that he fulfils the criteria of independence as provided in section 149 and Rules made thereunder, SEBI (LODR) Regulations, 2015 and is independent of the management.

Mr. Raghav Lall does not hold any equity shares of the Company.

The Board, based on recommendation of Nomination and Remuneration Committee and the extensive working experience of Mr. Lall, considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Raghav Lall as an Independent Director and accordingly recommends the resolution as set forth in Item no. 5 for the approval of the shareholders of the Company.

Item No.6

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Debobrata Banerjee & Associates, the Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020 at remuneration of ₹ 84,000/- per annum as their Audit fees plus taxes, if any and re-imbursment of out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the shareholders of the Company in the General Meeting. Accordingly, consent of the Members is sought for passing the Resolution as set out in Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

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

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

Sd/-

Gyanendra Singh
Company Secretary

Place: Kolkata
Date : May 11, 2019

NOTICE

ANNEXURE TO NOTICE OF AGM

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

| Sl. No. | Name of the Director | Mr. Anil Kumar Ruia | Mrs. Sucharita Basu De | Mr. Sudeep Kumar Ahluwalia | Mr. Raghav Lall |
|---------|---|--|--|--|---|
| 1. | DIN | 00236660 | 06921540 | 07797775 | 05121368 |
| 2. | Date of Birth and Age | 17.12.1955 63 years | 28.10.1975, 43 years | 07.11.1964, 54 years | 31.10.1954 64 years |
| 3. | Nationality | British | Indian | Indian | Indian |
| 4. | Date of appointment on Board | 24.09.2012 | 01.10.2014 | 21.04.2017 | 11.05.2019 |
| 5. | Terms & Condition of appointment/ re-appointment | As provided in the notice | As provided in the notice | As provided in the notice | As provided in the notice |
| 6. | Remuneration proposed | N.A. | N.A. | As provided in the notice | N.A. |
| 7. | Remuneration last drawn (₹ In Lakhs) | N.A. | N.A. | 19.61 | N.A. |
| 8. | No. of shares held in the Company | NIL | NIL | NIL | NIL |
| 9. | Qualification & Expertise in specific functional area | He holds law degree from King's College, London and is also a Chartered Accountant and has received an Honorary Doctorate from the University of Manchester. His business activities involve importation, distribution and conversion of textiles products and have his expertise in Specific Functional Areas of Administration and General Corporate Affairs. He is also involved in philanthropic, social and charitable activities for social cause. | Mrs. Sucharita Basu De is a practicing advocate in Kolkata at Aquilaw. She has extensive work experience in commercial and corporate agreements, joint venture and financing transactions, real estate, trust laws and litigation and has led and been involved in numerous transactions involving the above. She advises a range of large Indian and multinational clients in various business sectors including infrastructure, real estate, power, carbon credit, finance, banking, telecom, automobile, engineering, steel, cement, agriculture and agri-products, software and information technology, retail, services, etc. | He holds a Bachelor degree in Arts from St. Edmunds College, Shillong He has rich experience of 35 years in the Tea Industry. He had been entrusted with the charge of our Dhoedaam Tea Estate and also assists our Visiting Agent on operational and administrative matters. | He holds a Post Graduate from Faculty of management Studies, Delhi University and also holds Bachelor Degree in Arts. Mr. Lall has great work experience in Finance and Business Management and wide experience of Tea Industry. He has been there in the Tea Industry since 1986 and has exposure of more than 36 years in this. |

NOTICE

| | | | | | |
|-----|---|---|---|-----|-------------------------|
| 10. | No. of Board Meetings Attended during the F.Y. 2018-19 | 2 | 6 | 1 | N.A. |
| 11. | List of other listed Companies in which Directorships held as on 31 st March, 2019 | NIL | 1. HIMADRI SPECIALITY CHEMICAL LIMITED 2. HIMADRI CREDIT & FINANCE LTD | NIL | 1. DHELAKHAT TEA CO LTD |
| 12. | List of other Companies in which Directorships held as on 31 st March, 2019 | 1. Ashdene Investments Limited 2. Enez Investments Limited 3. Isis Enterprises Limited 4. Maygrove Investments Limited 5. Woodcutter Limited 6. Maru International Limited* 7. JW Properties Private Limited 8. JWR Properties Private Limited | NIL | NIL | NIL |
| 13. | Chairman/Member of the Committee of the Board of other Companies in which he is a Director as on 31.03.2019 | NIL | 2 | NIL | 2 |
| 14. | Disclosure of relationship between Directors, Managers and Key Managerial Personnel inter-se | Mr. Akhil Kumar Ruia - Son | NIL | NIL | NIL |

* Erstwhile Maru Limited

B. Statement as per Schedule V (third proviso of Section II of Part II) of the Companies Act, 2013 in respect of remuneration payable by the Company having no profits or inadequate profits

I. General Information:

- 1) Nature of industry: Manufacturing of Tea.
- 2) Date or expected date of commencement of commercial production: Not Applicable as it is an existing Company since 2009.
- 3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

NOTICE

- 4) Financial performance based on given indicators: (₹ in Lakhs)

| | 31.03.2019 | 31.03.2018 | 31.03.2017 |
|---------------------|------------|------------|------------|
| Turnover (Gross): | 14468.40 | 11610.28 | 12136.45 |
| Net Profit/(Loss) : | 403.22 | (253.12)* | 1.24* |

- 5) Foreign investments or collaborations, if any: No investment is made by the Company during f.y. 2018-19.

* Represent figures calculated under Ind AS provisions.

II. Information about the appointee:

| | |
|--|--|
| Name of the appointee: | Sudeep Kumar Ahluwalia |
| Background details: | Mr. Sudeep Kumar Ahluwalia, aged 54, is the Wholetime Director & KMP of our Company. He is an alumnus of St. Edmunds College, Shilong. He has rich experience of 35 years in the Tea Industry. He had been entrusted with the charge of our Dhoedaam Tea Estate and also assists our Visiting Agent on operational and administrative matters. Mr. Ahluwalia has held the position of the Vice Chairman of the ABITA Doomdooma circle and was also President of the Thakurbari Planter's Club. |
| Past remuneration (₹ In Lakhs) | 19.61 |
| Recognition or awards | NIL |
| Job profile and his suitability | He had been entrusted with the charge of our Dhoedaam Tea Estate and also assists our Visiting Agent on operational and administrative matters. |
| Remuneration proposed | As provided in the notice |
| Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person | The Board is of the opinion that the proposed remuneration is commensurate with his role and responsibility as a Whole-time Director of the Company. |
| Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any. | Nil |

III. Other information:

- Reasons of loss or inadequate profits: During the year 2018-19, in spite an increase in the production as compared to last year, there was also an impactful increase in the wage rate in Assam and other expenses related to production, resulting significant increase in cost of production.
- Steps taken or proposed to be taken for improvement: Various measures and suitable steps have been taken to cope with the increased cost of production & unfavorable climatic conditions for increasing efficiency/ productivity/ quality in the coming years.
- Expected increase in productivity and profitability in measurable terms: The Company expects substantial increase in production and significant profitability after implementation of its necessary steps for improvement.

IV. Disclosures:

The requisite disclosure with respect to Mr. Sudeep Kumar Ahluwalia has been set out in item no. 4 of the Explanatory Statement annexed to the notice convening this meeting.

BOARD'S REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Tenth Annual Report together with the Audited Annual Accounts (Both Standalone & Consolidated) of your Company for the year ended March 31, 2019.

FINANCIAL RESULTS

(₹ in Lakhs)

| | <i>Particulars</i> | <i>Standalone</i> | | <i>Consolidated</i> | |
|-------|---|-------------------|-------------------|---------------------|-------------------|
| | | <i>FY 2018-19</i> | <i>FY 2017-18</i> | <i>FY 2018-19</i> | <i>FY 2017-18</i> |
| i. | Gross Turnover | 14468.40 | 11610.28 | 14468.40 | 11610.28 |
| ii. | Other Income | 429.11 | 499.75 | 429.11 | 499.75 |
| iii. | Total Revenue | 14897.51 | 12110.03 | 14897.51 | 12110.03 |
| iv. | Expenses other than Finance Cost and Depreciation | 14025.76 | 12171.46 | 14025.76 | 12171.46 |
| v. | Earnings Before Interest, Depreciation, Taxation and Amortization (EBIDTA) | 871.75 | (61.43) | 871.75 | (61.43) |
| vi. | Finance Cost | 0.00 | 0.00 | 0.00 | 0.00 |
| vii. | Depreciation | 307.36 | 311.63 | 307.36 | 311.63 |
| viii. | Profit/(Loss) before Tax & Exceptional Item | 564.39 | (373.06) | 564.39 | (373.06) |
| ix. | Exceptional Items | 0.00 | 25.01 | 0.00 | 25.01 |
| x. | Profit / (loss) before Taxation (PBT) | 564.39 | (348.05) | 564.39 | (348.05) |
| xi. | Tax including Deferred Tax | 161.17 | (94.93) | 161.17 | (94.93) |
| xii. | Profit / (loss) after Taxation (PAT) | 403.22 | (253.12) | 403.22 | (253.12) |
| xiii. | Proportionate share of loss in Joint Venture | - | - | (2.44) | (1.73) |
| xiv. | Profit/(Loss) for the period | 403.22 | (253.12) | 400.78 | (254.85) |
| xv. | Other Comprehensive Income (OCI) | (456.48) | 502.77 | (456.48) | 502.77 |
| xvi. | Total Comprehensive Income for the period (Comprising Profit / (Loss) and OCI for the period) | (53.26) | 249.65 | (53.70) | 247.92 |

STATE OF COMPANY'S AFFAIRS AND OPERATIONS:

During the year under review your Company has achieved a Total Turnover of Rs. 14897.51 lakhs and in spite of having EBIDTA of ₹ 871.75 lakhs, which is higher as compared with the previous financial year, the Company has witnessed a total Comprehensive Loss of ₹ 53.26 lakhs & ₹ 53.70 lakhs for standalone & consolidated respectively. In the previous financial year, the total Comprehensive Profit of the Company was ₹ 249.65 lakhs & ₹ 247.92 lakhs for standalone & consolidated respectively. The Company has produced 77,80,828 Kgs of Tea during the financial year as compared to 61,94,707 Kgs of tea in the previous financial year which is 25.60% higher than the previous financial year. The rise in production of crop was directly connected to good agricultural practices followed by the tea estates and also due to favorable climatic conditions.

There is no change in the nature of business of the Company during the financial year 2018-19.

DIVIDEND

In the financial year under review, the Company has decided to buy-back the equity shares of the Company to the extent 24.99% of the total equity share capital of the Company at a price of ₹ 115/- per share by utilizing the surplus fund as available with the Company. In view of the above, the Board did not recommend any dividend on the equity shares of the Company.

DEPOSITS

Your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

BOARD'S REPORT

BUYBACK OF EQUITY SHARES

The Board, with the objective to return surplus funds to the members holding equity shares and to improve its earnings per share and enhanced return on invested capital, the Company has approved the proposal of buyback of 23,25,000 fully paid up Equity Shares of the Company at the price of ₹ 115/- per equity share aggregating to ₹ 26,73,75,000 crores by way of "Tender Offer" route through Stock Exchange mechanism (representing 22.50% of the total number of the equity share capital of the Company) in its meeting held on 22nd March, 2019. Subsequently, the aforesaid buyback of equity shares has also been approved by the shareholders of the Company in their Extra-Ordinary General Meeting held by means of Postal Ballot on 3rd May, 2019.

In the process of Buy-back, the Company has filed Offer Document with Securities Exchange Board of India (SEBI) for its approval on the same, as per the provisions of the SEBI (Buy-Back of Securities) Regulations, 2018.

TRANSFER TO RESERVE

Your Company has not transferred any amount in the general reserve for the financial year under review.

CHANGE IN SHARE CAPITAL

The Company's paid up equity share capital remained at ₹ 9,30,08,040 (Rupees Nine Crores Thirty Lakhs Eight Thousand Forty only) comprising of 93,00,804 equity shares of ₹ 10/- each fully paid-up.

There was no change in the Company's paid up share capital during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) In the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts for the financial year ended 31st March, 2019 on a going concern basis;
- v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND MANAGERIAL REMUNERATION

Disclosure pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this Report as "Annexure -A".

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said

BOARD'S REPORT

rules are provided in the Annual Report, which forms part of this Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection on all working days, during business hours, at the Registered Office of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

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

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

All Tea Estates of your Company continue to be the participants of the Ethical Tea Partnership Programme and are FSSCI 22000 certified. Further, all your Tea Estates, except one, are also Rain Forest Alliance certified.

COMPANY'S WEBSITE

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

LISTING OF SECURITIES IN STOCK EXCHANGES

The shares of the Company are presently listed at Bombay Stock Exchange Limited and The Calcutta Stock Exchange Ltd. The Company is registered with both NSDL & CDSL for holding the shares in dematerialized form and open for trading. The Company has paid the Listing Fees to the Stock Exchange and the depositories for the financial year 2018-19.

DETAILS OF BOARD MEETING

During the Financial Year 6 (Six) Board Meetings were held, details of which are given below:

| Sl.No. | Date of the meeting | No. of Directors attended the meeting |
|--------|---------------------|---------------------------------------|
| 1. | 17th May, 2018 | 3 |
| 2. | 14th August, 2018 | 4 |
| 3. | 3rd November, 2018 | 3 |
| 4. | 18th January, 2019 | 4 |
| 5. | 8th February, 2019 | 4 |
| 6. | 22nd March, 2019 | 4 |

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

i) Retirement by Rotation

Mr. Anil Kumar Ruia (DIN : 00236660), Chairman (Non-executive Director) of the Company, pursuant to the provisions of Section 152(6) and other applicable provisions, of the Companies Act, 2013, retires by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.

BOARD'S REPORT

ii) Appointment /Re-appointment of Executive Directors / Independent Directors

- a) Mr. Sudeep Kumar Ahluwalia (DIN: 07797775) was appointed as a Whole-time Director and was also designated as Wholetime Key Managerial Personnel (KMP) of the Company by the Board in its meeting held on May 17, 2018 for a period of 1 (one) year with effect from April 21, 2018 and the same was approved by the shareholders in the Annual General Meeting held on 3rd August, 2018.

Further, the present term of Mr. Sudeep Kumar Ahluwalia (DIN: 07797775) as a Whole-time Director (designated as KMP) has expired on April 20, 2019. The Nomination & Remuneration Committee in its meeting held on 8th February, 2019 had recommended his re-appointment for a further period of 1 (one) year with effect from April 21, 2019 and the same was approved by the Board of Directors in its meeting held on May 11, 2019, subject to the approval of shareholders in the ensuing Annual General Meeting, in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and/or any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. His appointment as a Whole Time Director has been proposed accordingly.

- b) The term of appointment of Mr. Akhil Kumar Ruia (DIN: 03600526) as a Whole-time Director of the Company expired on June 30, 2018. The Board of Directors and shareholders of the Company at their meeting held on May 17, 2018 and August 3, 2018 respectively, has re-appointed Mr. Akhil Kumar Ruia as a Whole-time Director of the Company for a period of 3 (Three) years with effect from July 1, 2018 at a remuneration and on such terms and conditions as recommended by the Nomination & Remuneration Committee pursuant to the provisions of sections 196, 197, 198 read with Schedule V and/or any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- c) Mr. Arup Kumar Chowdhuri (DIN: 00997826) and Mr. Abhiram Kastur Sheth (DIN: 00473105) were appointed as Independent Directors of the Company with effect from April 1, 2014 to March 31, 2019. Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder SEBI (LODR) Regulations, 2015, and considering their past performances, the Board at its meeting held on May 17, 2018 had recommended their re-appointment as Independent Directors from April 1, 2019 to March 31, 2024 and the same was approved by the Shareholders by means of passing Special resolution in the 9th Annual General Meeting of the Company held on August 3, 2018.
- d) The terms of appointment of Ms. Sucharita Basu as a Independent Director would expire on 30th September, 2019. The Board of Directors on recommendation of Nomination and Remuneration Committee has proposed for her re-appointment for the 2nd term for a further period of 5 (years) w.e.f. 1st October, 2019 subject to the approval of the shareholders in the ensuing Annual General meeting.

Brief resume of the Directors proposed to be appointed/re-appointed as stipulated under Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the Notice convening the 10th AGM of the Company.

iii) Appointment and Resignation of Whole-time Key Managerial Personnel (KMP):

During the year under review, Mr. Sudeep Kumar Ahluwalia was appointed as Whole Time Director and was designated as an whole time key managerial personnel (KMP) w.e.f. 21st April, 2018. There was no other change in the KMP.

BOARD'S REPORT

The present Whole-time Key Managerial Personnel (KMP) of the Company stand as follows:-

- i. Mr. Sudeep Kumar Ahluwalia – Whole-time Director
- ii. Mr. Vikram Saraogi– Chief Financial Officer
- iii. Mr. Gyanendra Singh– Company Secretary & Compliance Officer

None of the Directors of the Company are disqualified as per section 164(2) of the Companies Act, 2013 and rules made thereunder or any other provisions of the Companies Act, 2013. The Directors have also made necessary disclosures to the extent as required under provisions of section 184(1) of the Companies Act, 2013.

In accordance with Section 149(7) of the Act, each Independent Director has given a written declaration to the Company conforming that he/she meets the criteria of independence as mentioned under section 149(6) of the Act and Regulation 16(1)(b) of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015.

All members of the Board of Directors and senior management personnel affirmed compliance with the Company's Code of Conduct policy on an annual basis.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee presently comprises of:

| | |
|----------------------------|-------------------------------|
| Mr. Sudeep Kumar Ahluwalia | Chairman of the Committee |
| Mr. Akhil Kumar Ruia | Members of the Committee; and |
| Mr. Arup Kumar Chowdhuri | Members of the Committee. |

Further, other details regarding CSR Activities/Initiatives undertaken by the Company are mentioned in the 'Annual Report on CSR Activities' enclosed as "**Annexure –C**" to this Report. The CSR policy is also uploaded on the Company's website i.e. on www.jameswarrentea.com.

AUDITORS AND THEIR REPORTS

(i) Statutory Auditors:

The present Statutory Auditors, M/s. B. Chhawchharia & Co., Chartered Accountants (Registration No. 305123E), has been appointed pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and Rules made thereunder, in the 9th AGM of the Company for a term of five consecutive years commenced from the conclusion of the Ninth Annual General Meeting of the Company until conclusion of Fourteenth Annual General Meeting of the Company to be held in the year 2023.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. Pursuant to Regulation 33(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have confirmed that they have valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

The notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments/explanation. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

(ii) Cost Auditor:

The Company has received consent and confirmation of eligibility pursuant to section 148 of the Companies Act, 2013 from M/s. Debabrota Banerjee & Associates for his re-appointment as the Cost Auditors of the Company for the financial year 2019-20, thereafter the Board of Directors on recommendation of the

BOARD'S REPORT

Audit Committee has re-appointed M/s. Debabrota Banerjee & Associates (Registration No. 102336), Cost Accountants, as the Cost Auditors of the Company for the financial year 2019-20.

Accordingly, remuneration, as recommended by the Board, to be paid to M/s. Debabrota Banerjee & Associates, for the financial years 2019-20 is subject to ratification of Members at the ensuing 10th Annual General Meeting of the Company.

(iii) Secretarial Auditor:

The Board had re-appointed Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary, as the Secretarial Auditor of the Company to carry out the Secretarial Audit for the year 2018-19 under the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The report of the Secretarial Auditor for the F.Y. 2018-19 is enclosed as "Annexure D" to this Board's Report, which is self-explanatory and hence do not call for any further explanation.

The Company has received consent letter from Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary for his re-appointment as the Secretarial Auditors of the Company for the financial year 2019-20 and the Board has re-appointed him accordingly.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark .

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

The Management Discussion and Analysis Report, in terms of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms the part of this Annual Report as enclosed "Annexure-E".

CODE OF CONDUCT

The Code of Conduct for Directors, Key Managerial Personnel and Senior Executives of the Company is already in force and the same has been placed on the Company's website: www.jameswarrentea.com and the declaration to this effect have been given in Annexure to this Board's Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Securities and Exchange Board of India (SEBI) vide its notification in the Official Gazette dated January 21, 2019 has amended the SEBI (Prohibition of Insider Trading) Regulations, 2015 applicable from April, 1 2019. Your Company has also approved and adopted the amended Code of Conduct for Prevention of Insider Trading in the Board meeting held on 22nd March, 2019, and the same is also placed on the Company's website www.jameswarrentea.com.

Further, in accordance with the provisions of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has already adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and formulated the Code of Conduct of the Company.

INDIAN ACCOUNTING STANDARDS

The Company has, as applicable, implemented and prepared its accounts in accordance with IND AS w.e.f. 1st April, 2017. The financial statement for the F.Y. 2017-18 has been re-grouped/ revised to make it comparable with the financial statement for the F.Y. 2018-19.

DISCLOSURES AS PER APPLICABLE ACT AND SEBI (LODR) REGULATIONS, 2015:

i) Related Party Transactions:

All transaction entered with related parties during the financial year 2018-19 were on an arm's length basis and provisions of Section 188(1) are not attracted. There have been no materially significant related

BOARD'S REPORT

party transactions with the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013 and the Listing Regulations which may have potential conflict of interest with the Company at large. Accordingly, disclosure in Form AOC 2 is not required.

The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy.

The necessary disclosures regarding related party transactions in accordance to IND AS are given in the notes to accounts.

ii) **Number of Board Meetings:**

The Board of Directors met 6 (six) times in the year 2018-19 and the maximum interval between two meetings did not exceed 120 days. The details of the Board meeting and attendance of the Directors are provided in the Corporate Governance Report, attached as Annexure to this Board's Report.

iii) **Committees of the Board :**

5 (five) Committees are in place as on 31st March, 2019, viz. Audit Committee, the Nomination and Remuneration Committee, the Stakeholder's Relationship Committee, the Share Allotment Committee and the Corporate Social Responsibility Committee. The composition and detailed note on the Committee is provided in the Corporate Governance Report section of this Annual Report.

Recommendation by Audit Committee:

There were no such instances where the recommendation of Audit Committee has not been accepted by the Board during the financial year under review.

iv) **Extracts of Annual Return and Annual Return :**

The details forming part of the extract of the Annual Return in MGT-9 as provided under section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed as "Annexure F" and the same is placed on the website of the company at the following link: www.jameswarrentea.com.

Pursuant to Section 134(3)(a) of the Companies Act, 2013 and amendments thereof, the Annual Return for the f.y. 2017-18 is placed on the website of the company at the following link: www.jameswarrentea.com.

v) **Risk Analysis:**

The Board has developed and implemented a risk management policy identifying therein the elements of risk that may threaten the existence of the Company. The Company has in place a mechanism to inform the Board members about the risk assessment, their comparison against benchmarks or standards, and determination of an acceptable level of risk and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.

vi) **Internal Financial Control :**

The Company has in place adequate Internal Financial Control as required under section 134(5)(e) of the Companies Act, 2013 and the same was evaluated by the Audit Committee. During the year such controls were tested with reference to financial statements and no material weakness in the formulation or operations were observed. The Statutory Auditors of the Company conducted audit on the Company's internal financial control over financial reporting and the report of the same is annexed with Auditors' Report.

BOARD'S REPORT

vii) Disclosure Relating to Material Variations:

As per Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, there are no such material variances in the Company.

viii) Loans, Guarantees and Investments:

During the year under review, your Company has invested and deployed its surplus funds in Securities, Bonds, units of Mutual Funds, Fixed deposits, etc. which is within the overall limit of the amount and within the powers of the Board as applicable to the Company in terms of section 179 and 186 of the Companies Act, 2013. The particulars of loans, guarantees and investments have been disclosed in the notes of the Financial Statements for the year ended 31st March, 2019 and form a part of this Annual Report.

ix) Material Changes and Commitments, if any, affecting the financial position between the end of the financial year and date of the Report:

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year save and except amount as may be utilized for buy-back of the shares out of the reserves of the Company and the date of this Report.

x) Subsidiaries, Associates or Joint Ventures:

As on 31st March, 2019 Company has only one Joint Venture Company viz. Mayfair Investment Holding Pte. Ltd.

The consolidated financial statement in this Annual Report is as per the Accounting Standards as laid down by the Institute of Chartered Accountants of India. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information will be available on our website www.jameswarrentea.com including financial statement of Joint Venture and also forms part of Form AOC-1 pursuant to Rule 5 of the Companies (Accounts) Rules, 2014, which are set out as an "Annexure G" to the Directors' Report and forms a part of this Annual Report. These documents will also be available for inspection during business hours at the Registered office of the Company. The Company will also make available copy on specific request by any member of the Company, interested in obtaining the same.

xi) Evaluation of the Board's Performance:

During the year under review, the Board, in compliance with the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has continued to adopt formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board, as a whole and the Chairman, who were evaluated on parameters such as their participation, contribution at the meetings and otherwise, independent judgements, safeguarding of minority shareholders interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors, Committees of the Board and Board as a whole were carried out by the Independent Directors in their separate meeting.

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

BOARD'S REPORT

xii) **Nomination, Remuneration and Evaluation Policy:**

The Nomination, Remuneration and Evaluation Policy in compliance with the provisions of the Companies Act, 2013 read with the Rules and the Listing Agreement entered with the stock exchanges (as amended from time to time) is formulated to provide a framework and set standards in relation to the followings and details on the same are given in the Corporate Governance Report, attached as Annexure to this Board's Report:

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

The detailed Nomination & Remuneration Policy of the Company is placed on the Company's website.

xiii) **Vigil Mechanism (Whistle Blower Policy):**

By virtue of Whistle Blower Policy, the Directors and employees of the Company are encouraged to escalate to the level of the Audit Committee any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of Directors or employees or any other person who avails the mechanism from reprisals or victimization, for whistle blowing in good faith. This policy also allows the direct access to the Chairperson of the Audit Committee. During the year under review, the Company has not reported any complaints under Vigil Mechanism.

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

CORPORATE GOVERNANCE

The Corporate Governance which form an integral part of this Report, are set separately as annexure to Board's Report, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, 2015.

Your Company is a follower of sound Corporate Governance which encompasses not only the regulatory and legal requirements, but also the voluntary practices developed by the Company to protect the best interests of all stakeholders. Your Company has complied with the all the Standards, Guidelines and Principles of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on corporate governance (hereinafter referred to as "Listing Regulations", as issued by Securities and Exchange Board of India and as amended from time to time). Your Company has given its deliberations to provide all the information in the Board's Report and the Corporate Governance Report as per the requirements of the Companies Act, 2013 and the Listing Regulations, as a matter of prudence and good governance.

A Report on Corporate Governance Practices and the Secretarial Auditor's Certificate regarding compliance of conditions of Corporate Governance along with annual Secretarial Compliance Report inserted vide SEBI Notification no. CIR/CFD/CMD1/27/2019 dated 08.02.2019 and certification by CEO/Whole-time Director & CFO are given as Annexure, and to this report.

BOARD'S REPORT

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place the Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral.

The summary of the Sexual Harassment complaints received during the year 2018-19 are as under:

| Number of complaints received | Number of complaints disposed of | Number of complaints pending |
|-------------------------------|----------------------------------|------------------------------|
| NIL | Not Applicable | Not Applicable |

INDUSTRIAL RELATIONS

The industrial relation during the year 2018-19 had been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staff and Workers towards the progress of the Company.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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

APPRECIATION

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors
For **James Warren Tea Limited**

Sd/-

Akhil Kumar Ruia
Wholetime Director
DIN: 03600526

Sd/-

Arup Kumar Chowdhuri
Independent Director
DIN: 00997826

Place: Kolkata
Dated: May 11, 2019

ANNEXURE - 'A'

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

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under :

| Sl. No. | Name of Director/ KMP and Designation | Remuneration of Director / KMP for financial year 2018-19 (₹ in lakhs) | % increase in Remuneration in the financial year 2018-19 | Ratio of remuneration of each Director/to median remuneration of employees |
|---------|--|--|--|--|
| 1 | Mr. Akhil Kumar Ruia, Wholetime Director | 190.30 | 1.94 | 559.70:1 |
| 2 | Mr. Sudeep Kumar Ahluwalia, Wholetime Director | 19.61 | 15.49 | 59.29:1 |
| 3 | Mr. Vikram Saraogi, Chief Financial Officer | 20.81 | 16.58 | 61.20:1 |
| 4 | Mr. Gyanendra Singh, Company Secretary | 4.84 | 130.48 | 14.23:1 |

Note: No Director other than the Wholetime Directors of the Company received any remuneration other than sitting fees during the financial year 2018-19. Therefore, the same are not considered for the aforesaid purpose.

Note:

- i) No other Director other than the Whole-time Directors received any remuneration during the financial year 2018-19.
- ii) The median remuneration of employees of the Company during the financial year was 0.34 lakhs compared to the previous year was 0.30 lakhs;
- iii) In the financial year, there was an increase of 12.45 % in the median remuneration of employees;
- iv) There were 8578 permanent employees on the rolls of Company as on March 31, 2019;
- iv) As compared to previous financial year, there was an increase of 10.70% in the salaries of the employees other than the managerial personnel in this financial year i.e. 2018-19. Whereas there was a decrease of 1.29% in the managerial remuneration for the financial year 2018-19 when its compared to previous financial year.
- v) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2019 is as per the Remuneration Policy of the Company.

ANNEXURE – 'A'

Statement pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. LIST OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN :

| Sl. No. | Name of the Employees | Designation of the employee | Remuneration drawn during the financial year 2018-19 (₹ in lakhs) | Nature of employment, whether contractual or otherwise | Qualifications and experience | Date of commencement of employment | Age | Last employment held before joining the Company | % of equity shares held in the Company | Whether relative of any Director or Manager of the Company and if so, name of such Director or Manager |
|---------|------------------------|-----------------------------|---|--|--|------------------------------------|----------|--|--|--|
| 1 | Akhil Kumar Ruia | Wholetime Director | 190.30 | Contractual | MBA and Masters in Management having work experience of 14 years. | 28.06.2012* | 38 years | Investment Banker at Barclays Capital, UK | 0.26% (24,800 equity shares) | Yes. Son of Mr. Anil Kumar Ruia, Chairman |
| 2 | Gulshan Rai Bagai | Visiting Agent | 30.76 | Permanent | M. Sc. in Physics with specialization in electronics Having work experience of 52 years . | 01.05.2017 | 75 years | Senior Plantation Consultant at Assam Company India Ltd. | Nil | No |
| 3 | Vikram Saraogi | Chief Financial Officer | 20.81 | Permanent | Chartered Accountant (CA), Company Secretary (CS), Diploma in Business Management (Finance), Master of Commerce (M.Com) having work experience of 16 years | 01.08.2013* | 41 years | Company Secretary at Electrosteel Steels Ltd. | 0.00% (1 Equity Shares) | No |
| 4 | Sudeep Kumar Ahluwalia | Wholetime Director | 19.61 | Contractual | B.A. (Hons) having work experience of 36 years | 15.02.2017 | 55 years | General Manager at Apeejay Tea Ltd. | Nil | No |
| 5 | Rajiv Singh Parmar | Estate Manager | 14.14 | Permanent | B.Sc. having work experience of 38 years | 01.12.2014 | 59 years | Senior Manager at Assam Group Ltd. | Nil | No |

ANNEXURE – 'A'

| Sl. No. | Name of the Employees | Designation of the employee | Remuneration drawn during the financial year 2018-19 (₹ in lakhs) | Nature of employment whether contractual or otherwise | Qualifications and experience | Date of commencement of employment | Age | Last employment held before joining the Company | % of equity shares held in the Company | Whether relative of any Director or Manager of the Company and if so, name of such Director or Manager |
|---------|-----------------------|-----------------------------|---|---|--|------------------------------------|----------|--|--|--|
| 6 | Kamalesh Gupta | Estate Manager | 11.92 | Permanent | B.com (Hons) Having work experience of 30 years | 01.11.2016 | 55 years | Manager at Anandbag Tea Company Ltd. | Nil | No |
| 7 | Rupam J Bhuyan | Estate Manager | 10.79 | Permanent | B.Sc. (Agriculture) having work experience of 22 years | 12.02.2008 | 47 years | Assistant Manager at Hindustan Unilever Ltd. | Nil | No |
| 8 | Aditya More | Senior Manager | 10.73 | Permanent | Chartered Accountant (CA), having work experience of 8 years | 04.03.2013* | 30 years | Assistant manager at Visa Steels Ltd. | 0.00% (1 Equity Shares) | No |
| 9 | Sandip Das | Senior Manager | 10.73 | Permanent | M.com, CA (Inter) Having work experience of 16 years | 26.03.2014 | 44 years | Manager – Accounts & Finance at United Spirit Ltd. | 0.00% (3 Equity Shares) | No |
| 10 | Bipul Kumar Talukdar | Senior Assistant Manager | 10.50 | Permanent | Maters' in Zoology Having work experience of 26 years | 16.07.2015 | 51 Years | Not served for any Company other than JWTL. | Nil | No |

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

- B. No employee employed for a part of the FY 2018-19 have drawn remuneration for that year, at a rate which, in the aggregate was not less than eight lakhs and fifty thousand rupees per month.
- C. There is no employee in employment throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Executive Chairman or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the Company.
- D. There is no employee posted and working outside India not being directors or their relatives, drawing more than sixty lakhs rupees per financial year or five lakhs rupees per month.

ANNEXURE – 'B'

Particulars pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014:

A) Conservation of Energy -

(i) Steps taken or impact on conservation of energy

The conservation of energy is a continuous process for the Company and towards this endeavor, the company has taken various initiatives are as under:

- Up gradation and modernization of equipments at various factories based on fuel or power efficiency.
- Monitoring the maximum demand and power load factor on daily basis.
- Installation of power capacitors for efficient utilization of available power.
- Optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity consumption bills.
- Condensed Bulbs is gradually replaced with LED Bulbs in the factories and Bungalows to reduce the energy consumption.
- Installation of Gas flow meter to save the power and fuel cost.

(ii) Steps taken by the Company for utilizing alternate sources of energy

The Company is committed to conserve energy at its various establishments and has explored possibilities to exploit alternate source of energy as well.

(iii) Capital investment on energy conservation equipments

During the year under review the company has not incurred material capital expenditure towards various plant and machinery in its tea estates inter alia for conservation of energy.

B) Technology Absorption -

(i) Efforts, in brief, made towards technology

Managerial staffs are engaged to attend seminars and training program for agricultural practices in thefield and manufacturing process in the factories.

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

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

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

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

ANNEXURE – 'B'

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)-

- | | | |
|--|---|------|
| a) Details of technology imported | } | |
| b) Year of import | } | N.A. |
| c) Whether the technology been fully absorbed | } | |
| d) If not fully absorbed, areas where absorption has not taken place, reasons thereof: and | } | |

(iv) The expenditure incurred on Research and Development

The Company contributes to Tea Research Association (TRA), which does R & D work for its tea industries and their expert advice is also being obtained through visits by their Advisory Officers to the garden from time to time.

C) FOREIGN EXCHANGE EARNING AND OUTGO

The Foreign exchange earned in terms of actual cash inflows during the year and the Foreign exchange outgo during the year in terms of actual outflows is as follows –

(₹ In lakhs)

| | 2018-19 | 2017-18 |
|---|---------|---------|
| Total foreign Exchange Used and Earned: | | |
| Earned (F.O.B.) | 364.96 | 534.87 |
| Used | 326.57 | 262.93 |

Registered Office:
Dhoedaam Tea Estate P.O Borahapjan,
Dist : Tinsukia
Assam - 786150

On behalf of the Board of Directors
For **James Warren Tea Limited**

Date : May 11, 2019

Sd/-
Akhil Kumar Ruia
Wholetime Director
(DIN: 03600526)

Sd/-
Arup Kumar Chowdhuri
Independent Director
(DIN: 00997826)

ANNEXURE – ‘C’

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

Corporate Social Responsibility (CSR) is the contribution from the Corporate towards Social and Economic development of Society. CSR integrates Organization, Society and Planet. CSR policy should ensure activities which may include sustainable development by skill enhancement, sustainable environment, promotion to gender equality, prevention of health care and sanitation, care for senior citizens and differently able persons, promoting education etc.

Your Company has carried out carrying out programs, projects and activities (collectively known as “CSR Activities”) for achieving social goals like education, health, sanitation, clean & pollution-free environment, livelihood opportunities, medical facilities, etc. to enable the people to deliver their best. Preserving the ecosystem has also given great importance.

The charitable trust of the Company viz. “JAMES WARREN TEA FOUNDATION” meant for carrying out CSR activities and it has contributed towards projects viz. planting of avenue trees and forestry in the nearby location of the Tea Estate, promoting education of underprivileged children, prevention of health care and sanitation etc.

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

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

| Names of the Director | Designation in Committee | Nature of Directorship |
|----------------------------|--------------------------|------------------------|
| Mr. Sudeep Kumar Ahluwalia | Chairman | Whole time Director |
| Mr. Akhil Kumar Ruia | Member | Wholetime Director |
| Mr. Arup Kumar Chowdhuri | Member | Whole time Director |

There is no change in the composition of the CSR Committee in the financial year 2018-19, as compared to the reporting made in the previous year i.e. 2017-18.

- 3. Average net profit of the Company for last three financial years** : ₹ 398.24 Lakhs
- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)** : ₹ 7.96 Lakhs
- 5. Details of CSR spent during the financial year.**
 - Total amount to be spent during the financial year (including unspent money for earlier years) : ₹ 37.33 Lakhs
 - Amount unspent, if any : ₹ 23.59 Lakhs

ANNEXURE - 'C'

(₹ in Lakhs)

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

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---------|---|--|--|---|--|--|---|
| Sl. No. | CSR project or activity identified | Sector in which the Project is covered | Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs. 2) Overheads | Cumulative expenditure upto the reporting period | Amount spent: Direct or through implementing agency |
| 1 | Plantation of avenue trees and forestry | Schedule VII, item no. (iv) | Local Area Dist: Tinsukia and Dibrugarh, Assam | 3.20 | - | - | - |
| 2 | Construction of twin strip tarmac pattern road and semi kutcha road | Schedule VII, item no. (x) | Local Area Dist: Tinsukia and Dibrugarh, Assam | 1.54 | - | - | - |
| 3 | Improvement of Sanitation Infrastructure and Awareness Campaign | Schedule VII item no. (i) | Local Area Dist: Tinsukia and Dibrugarh, Assam | 31.15 | 20 | 20 | Through James Warren Tea Foundation |
| 4 | Promoting Health care | Schedule VII, item no. (i) | Chennai | 1.00 | 1.00 | 1.00 | Through James Warren Tea Foundation |
| 5 | Promoting Art & Culture | Schedule VII, item no. (v) | Kolkata West Bengal | 0.50 | 0.50 | 0.50 | Through James Warren Tea Foundation |
| 6 | Eradicating Hunger, Poverty & Malnutrition | Schedule VII, item no. (i) | Kolkata West Bengal | 0.20 | 0.20 | 0.20 | Through James Warren Tea Foundation |
| 7 | Other CSR Activities | Schedule VII | Local Area Dist: Tinsukia and Dibrugarh, Assam | 7.70 | - | - | - |
| | TOTAL | | | 45.29 | 21.70 | 21.70 | - |

The unspent amount of ₹ 23.59 Lakhs proposed to be spent in the Financial Year 2019-20.

6. The Company through its trust has identified above mentioned CSR activities and projects during the year under review and accordingly budget have been prepared. The Committee has also assessed and quantified the amount to be contributed for CSR expenditure for the financial year 2019-20 i.e. ₹ 6.31 Lakhs, which is 2% of the average net profit of the Company for last three financial years. However, the aforesaid activities will be executed and carried out during the year 2019-20 and accordingly expenditure on the same will be made, as per their respective budgets.

ANNEXURE - 'C'

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

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

For James Warren Tea Limited

Sd/-

Akhil Kumar Ruia
Wholesale Director
DIN: 03600526

Sd/-

Sudeep Kumar Ahluwalia
Wholesale Director
DIN: 07797775

Place : Kolkata
Dated : May 11, 2019

ANNEXURE - 'D' (MR-3)

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

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

To,
The Members,
James Warren Tea Limited
Dhoedaam Tea Estate,
P.O Borahapjan,
Tinsukia,
Assam – 786 150.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. James Warren Tea Limited** (hereinafter called 'the Company') bearing **CIN:L15491AS2009PLC009345**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the James Warren Tea Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2019 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: I have examined the books, papers; minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, to the extent Acts / provisions of the Acts applicable, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ANNEXURE – 'D' (MR-3)

- vi. I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable Acts, laws and Regulations to the Company, the Company has complied with the following laws specifically applicable to the Company :-
- i. The Tea Act, 1953
 - ii. The Tea Rules, 1954
 - iii. The Investigation of Tea Undertaking/Tea Units (Procedure) Rules, 1981
 - iv. Tea (Distribution & Export) Control Order, 2005
 - v. Tea Waste Control Order, 1959
 - vi. Tea (Marketing) Control Order, 2003
 - vii. Tea Warehouse Licensing Order, 1989
 - viii. Plantations Labour Act, 1951 as amended by The Plantations Labour (Amendment) Act, 2010
 - ix. Assam Tea Plantations Provident, Pension, & Deposit Linked Insurance Fund Scheme Act 1955 & Scheme, 1968 & 1984
 - x. The Assam Plantations Labour Rules, 1956, Plantations Labour (Amendment) Act, 1981, 2001 and 2006
 - xi. Assam Tea Plantations Provident Fund and Pension Fund and Deposit Linked Insurance Fund Scheme (Amendment) Act, 2005

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and to the extent amended and notified from time to time.
- (ii) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Ltd. and BSE Limited. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including a Woman Director. 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

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

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

Place: Kolkata
Date: 11.05.2019

Sd/-
Santosh Kumar Tibrewalla
Practicing Company Secretary
FCS No.:3811 C P No.:3982

ANNEXURE – 'E' (MANAGEMENT'S DISCUSSION AND ANALYSIS)

BUSINESS OVERVIEW

Your Company is engaged in the business of growing, manufacturing and marketing of teas produced in its seven tea estates as under, located in the top quality belt of South Bank, Upper Assam;

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

Our tea estates produce top quality teas, both CTC and orthodox and are popular with customers in the Indian domestic market as well as renowned importers of Germany, UK, USA, Middle East.

Your Company is a strong believer of sustainable agricultural practices and has clear vision to enhance turnover by focusing on increasing yield and quality. Significant investment is being made on an ongoing basis into uprooting and replanting in order to improve our yield and quality. Major investments have also been made in irrigation and machinery upgradation in our factories.

All seven estates of the group are partners of Ethical Tea Partnership (ETP) and are FSSC 22000 certified.

Rainforest Alliance: Six tea estates of the Garden viz, Dhoedaam T.E., Deamoolie T.E., Balijan (H) T.E., Rajah Alli T.E., Thowra T.E., and Zaloni T.E. are Rainforest Alliance certified and Trustea certified.

Rainforest Alliance compliances are audited half yearly by a team of Professionals from the Certified Body.

Global & Indian Tea Industry

Global Trends

Consumption of tea has remained healthy and the global tea market is expected to reach \$47.20 billion by 2020, growing at a CAGR of 2.8% from 2014 to 2020.

Global Tea production has increased by 3.25% during 2018, primarily driven by significant growth in production of China, India and Kenya.

Indian Tea Industry

India is the second largest tea producer in the world accounting for 23% of global production. The tea industry, being labour intensive, directly employs over 1 million workers. Apart from its own workforce of 1 million, it also looks after more than 3 million dependants who are resident in the tea estates. The tea industry generates income and livelihood directly and indirectly, for more than 10 million people, over and above its own workforce. Women constitute 50% of the workforce. Every three years workers' wages are increased through bilateral/tripartite negotiation. Wages & associated welfare costs constitute around 65% of COP.

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

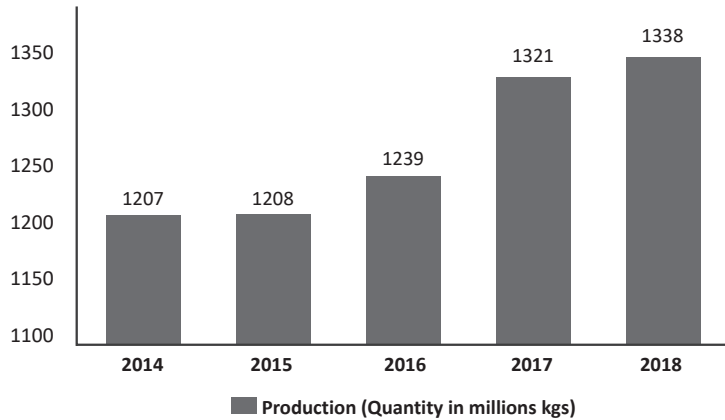
Tea production in India

Production of tea was 1338.63 million kg (M Kg) in 2018 showing an increase of 16.87 million kg over 2017. 1113.76 million kg was produced in North India and 224.87 million kg was produced in South India. Regions contributing to tea production of North India are Assam – 691.91 M Kg, West Bengal – 394 M Kg and Other - 27.85 M Kg, while Tamil Nadu – 158.86 M Kg, Kerala – 60.82 M Kg and Karnataka – 5.19 M Kg have contributed to the production of tea in South India.

ANNEXURE - 'E' (MANAGEMENT'S DISCUSSION AND ANALYSIS)

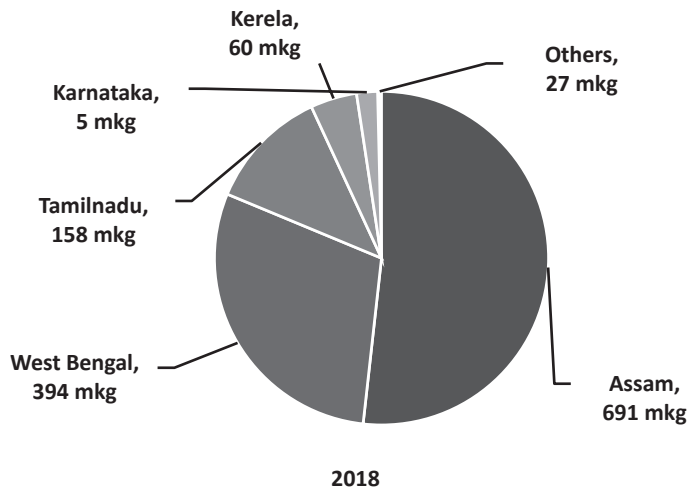
Tea cultivation is one of the premier industries of Assam. It plays a vital role in the economy of the state. Large numbers of workers of Assam are engaged in the tea industry. The total area under tea cultivation in Assam accounts for more than half of the country's total area under tea. In addition to existing large tea gardens managed by the organised sector, the profession of tea plantation in the State has been taken up by common man as business venture triggering rapid growth in production over the last decade.

Tea Production in India (MKG)



Source: J. Thomas Tea Statistics, 2018

Comparison of District wise Tea Production in India (MKG)



Source: J. Thomas Tea Statistics, 2018

ANNEXURE – 'E' (MANAGEMENT'S DISCUSSION AND ANALYSIS)

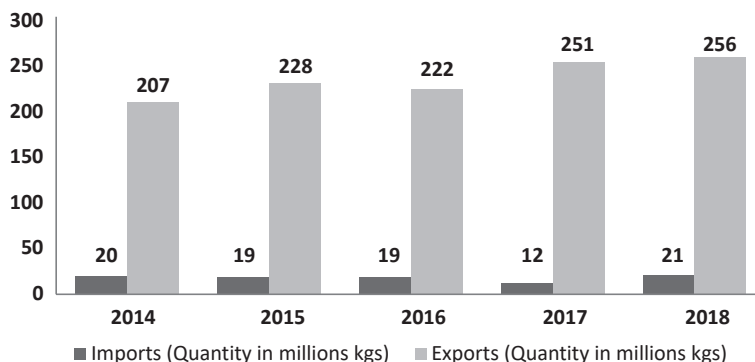
Consumption of Tea in India

Presently India is estimated to consume approximately 1000 million kilos which is significant in terms of volume, yet the per capita consumption at 733 gms is considered low while compared to neighbouring countries like Pakistan where per capita consumption is 1.3 kilos.

Exports and Imports of Tea in India

India is one of the leading country in terms of tea exports and it has achieved the highest tea exports during the calendar year 2018 (Jan–Dec), pegged at 256.06 million kgs breaking the record of 1981 when the total tea exports reached 241.25 million kgs. The exports by India, increased by 4.15 million kgs (1.64%) during 2018 as compared to 2017. The total value of the exports during 2018 stood at ₹ 5731.39 crores, increasing by ₹ 999.73 crores (21.12%). Similarly, the total value of the exports in US\$ was 811.71 million, a significant increase of 84.95 million US\$ (11.69%) as compared to last year.

The major importing Countries of Indian teas are CIS – 63 M Kg, Middle East Countries – 56.86 M Kg, UK – 15.71 M Kg, and other countries 51.40 M Kg approximately.



Source: ITA website

COMPETITION

Tea continues to be perceived as a common man's beverage and will continue to face competition from coffee and other modern beverages amongst youth and urban population.

Competition from Kenya will be stronger in years to come as plantations in these regions are comparatively young, hence yield is much higher. Moreover Kenya enjoys round the year favourable growing conditions whereas tea production in India is highly seasonal. Two other African countries such as Rwanda and Burundi are capable of producing very good tea throughout the year. Such round the year availability of quality teas helps the global packers to manage the inventories efficiently.

Sri Lanka, on the other hand has emerged as the largest producer of orthodox teas. Domestic consumption in this country being negligible, Sri Lanka has been aggressively promoting their teas predominantly in the high consuming Middle East markets backed by the strong support from their Government.

OPPORTUNITIES AND THREATS

Global consumption of tea is likely to grow on the back of changing consumer habits towards natural health and wellness beverages.

ANNEXURE –‘E’ (MANAGEMENT’S DISCUSSION AND ANALYSIS)

More importantly the pace of consumption expansion within India is likely to be strong. Per capita consumption is low at 733 gms which will be critical factor driving growth.

While Tea consumption in some of the traditional countries appears to be stagnating, new markets are emerging rapidly in US, Asia as well as Middle East.

Major challenge for the Tea industry is climate change which may alter the distribution and quality of India’s natural resources and impact adversely the sensitive sectors such as agriculture, water and forestry. Changes in temperature and precipitation patterns as well as increase in temperature are triggering increase in pest activities and uncertainty in cropping pattern which is also adding pressure on already high input cost. The Industry continues to bear the burden of high social cost on large resident population in the east states. The non-working population adds on to the recurring social cost that is posing a major challenge to manufacture within economic cost parameters.

INTERNAL CONTROL SYSTEMS

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

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

FINANCIAL PERFORMANCES

During the year under review your Company has achieved a Total Turnover of ₹ 14897.51 lakhs and in spite of having EBIDTA of ₹ 871.75 lakhs, which is higher as compared with the previous financial year, the Company has witnessed a total Comprehensive Loss of ₹ 53.26 lakhs & ₹ 53.70 lakhs for standalone & consolidated respectively. In the previous financial year, the total Comprehensive Profit of the Company was ₹ 249.65 lakhs & ₹ 247.92 lakhs for standalone & consolidated respectively. The Company has produced 77,80,828 Kgs of Tea during the financial year as compared to 61,94,707 Kgs of tea in the previous financial year which is 25.60% higher than the previous financial year. The rise in production of crop was directly connected to good agricultural practices followed by the tea estates and also due to favorable climatic conditions.

ANNEXURE –‘E’ (MANAGEMENT’S DISCUSSION AND ANALYSIS)

RATIO ANALYSIS

Following are ratios for the current financial year and their comparison with preceding financial year, along with explanations where the change has been 25% or more when compared to immediately preceding financial year:

| Sl. No | Ratios | 2019 | 2018 | % Change | Explanation |
|--------|----------------------------|--------|-------|----------|---|
| 1 | Debtors Turnover (Times) | 133.14 | 49.32 | 169.94 | Significant change is due to increase in turnover and reduction in receivables. |
| 2 | Inventory Turnover (Times) | 43.90 | 35.66 | 23.11 | Change is due to increase in Cost of Goods Sold. |
| 3 | Interest coverage ratio | - | - | - | There is no Interest expense of the Company. |
| 4 | Current Ratios | 1.87 | 2.09 | -10.47 | Change is due to decrease in Current Assets. |
| 5 | Debt Equity ratio | - | - | - | There is no borrowing in the Company. |
| 6 | Operating margin (%) | 3.79 | -3.08 | -222.98 | Significant change recorded on account of increase in Cost of production which resulted into net loss to the Company. |
| 7 | Net profit margin (%) | -0.37 | 2.18 | -117.14 | |
| 8 | Return on Net Worth (%) | -0.47 | 2.19 | -121.43 | |

HUMAN RESOURCES

Tea Industry is highly labour intensive. Your Company has employed over 8,578 personnel at its tea estates and other establishments in India. A tea plantation worker and his family are provided with housing, medical, education etc. facilities. Workforces are also provided with social security benefits like terminal benefits, employment injury/maternity benefits, insurance, pension, gratuity etc. The employee relations remained satisfactory during the period under review.

CAUTIONARY STATEMENT

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

ANNEXURE – 'F'

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS:

- a. CIN:- L15491AS2009PLC009345
- b. Registration Date: 09.11.2009
- c. Name of the Company: James Warren Tea Limited
- d. Category / Sub-Category of the Company: Company limited by Shares, Non-govt. company
- e. Address of the Registered office and contact details: Dhoedaam Tea Estate, P.O. Borahapjan
Dist: Tinsukia – 786 150, Assam
Phone: 03759 – 247922/ 214835 Email Id: investors@jameswarrentea.com
- f. Whether listed company: Yes
- g. Name, Address and Contact details of Registrar and Transfer Agent, if any:
Maheshwari Datamatics Pvt. Ltd.
Address: 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001
Tel: +91-033 2243-5809, 2243-5029, 2248-2248
Fax: +91-033 2248-4787;
E-mail: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Tea Production | 01271 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| Sl. No. | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|---|---------------------------------------|--------------------------------|------------------|---|
| 1 | Mayfair Investment Holding PTE. Ltd. Registered Office Address – The Central #15-92, 8 EU Tong Sen Street, Singapore - 059818 | ACRA Registration No. – 201542926H | Joint Venture | 48.99% | Section 2(6) of the Companies Act, 2013 |

ANNEXURE – 'F'

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

i) Category-wise Share Holding:

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 1st April 2018] | | | | No. of Shares held at the end of the year [As on 31st March 2019] | | | | % change during the Year |
|---|--|------------|----------------|-------------------|---|------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 50000 | 0 | 50000 | 0.5376 | 50000 | 0 | 50000 | 0.5376 | 0 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks/Fi | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A)(1) | 50000 | 0 | 50000 | 0.5376 | 50000 | 0 | 50000 | 0.5376 | 0 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 6913170 | 0 | 6913170 | 74.3287 | 6913170 | 0 | 6913170 | 74.3287 | 0 |
| d) Banks/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A)(2) | 6913170 | 0 | 6913170 | 74.3287 | 6913170 | 0 | 6913170 | 74.3287 | 0 |
| Total shareholding of Promoter (A)=(A)(1)+(A)(2) | 6963170 | 0 | 6963170 | 74.8663 | 6963170 | 0 | 6963170 | 74.8663 | 0 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks/FI | 79 | 178 | 257 | 0.0028 | 79 | 178 | 257 | 0.0028 | 0 |
| c) Central Govt | 3 | 0 | 3 | 0.0000 | 3 | 0 | 3 | 0.0000 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Alternate Investment Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Portfolio Investors | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Provident Funds / Pension Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Qualified Foreign Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total(B)(1):- | 82 | 178 | 260 | 0.0028 | 82 | 178 | 260 | 0.0028 | 0 |

ANNEXURE – 'F'

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 1st April 2018] | | | | No. of Shares held at the end of the year [As on 31st March 2019] | | | | % change during the Year |
|---|--|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 551468 | 6189 | 557657 | 5.9958 | 587932* | 72583 | 660515* | 7.1017 | 1.1059 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 752639 | 281788 | 1034427 | 11.1219 | 750495 | 247920 | 998415 | 10.7347 | -0.3872 |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 132522 | 34518 | 167040 | 1.7960 | 143765 | 34518 | 178283 | 1.9169 | 0.1209 |
| c) Others (Specify) | | | | | | | | | |
| Non Resident Indians | 490673 | 2780 | 493453 | 5.3055 | 489191 | 2678 | 491859 | 5.2883 | -0.0172 |
| Qualified Foreign Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Custodian of Enemy Property | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clearing Members | 2798 | 0 | 2798 | 0.0301 | 7818 | 0 | 7818 | 0.0841 | 0.0540 |
| Trusts | 425 | 0 | 425 | 0.0046 | 433 | 0 | 433 | 0.0047 | 0.00001 |
| Foreign Bodies-D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Portfolio Investors | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NBFCs registered with RBI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Employee Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Domestic Corporate Unclaimed Shares Account | 81574 | 0 | 81574 | 0.8771 | 0 | 51 | 51 | 0.0005 | -0.8766 |
| Investor Education and Protection Fund Authority | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total(B)(2):- | 2012099 | 325275 | 2337374 | 25.1310 | 1979624 | 357750 | 2337374 | 25.1309 | -0.0001 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 2012181 | 325453 | 2337634 | 25.1338 | 1979706 | 357928 | 2337634 | 25.1337 | -0.0001 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 8975351 | 325453 | 9300804 | 100.00 | 8942876 | 357928 | 9300804 | 100.00 | - |

* As on 31.03.2019, 13246 no. equity shares are lying in the Domestic Corporate Unclaimed Shares Account. In category Indian Body Corporate 13195 no. equity shares are included.

ANNEXURE – 'F'

(ii) Shareholding of Promoters:

| Sl No | Shareholder's Name | Shareholding at the beginning of the year [As on 1st April 2018] | | | Shareholding at the end of the year [As on 31st Mar 2019] | | | % change in share holding during the Year |
|-------|------------------------------|--|----------------------------------|--|---|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1 | ASHDENE INVESTMENTS LIMITED | 1836544 | 19.7461 | 0.0000 | 1836544 | 19.7461 | 0.0000 | 0.00 |
| 2 | ISIS ENTERPRISES LIMITED | 1629303 | 17.5179 | 0.0000 | 1629303 | 17.5179 | 0.0000 | 0.00 |
| 3 | MAYGROVE INVESTMENTS LIMITED | 971665 | 10.4471 | 0.0000 | 971665 | 10.4471 | 0.0000 | 0.00 |
| 4 | ENEZ INVESTMENTS LIMITED | 850212 | 9.1413 | 0.0000 | 850212 | 9.1413 | 0.0000 | 0.00 |
| 5 | WOODCUTTER LIMITED | 815371 | 8.7667 | 0.0000 | 815371 | 8.7667 | 0.0000 | 0.00 |
| 6 | *MARU INTERNATIONAL LIMITED | 810075 | 8.7097 | 0.0000 | 810075 | 8.7097 | 0.0000 | 0.00 |
| 7 | AKHIL KUMAR RUIA | 24800 | 0.2666 | 0.0000 | 24800 | 0.2666 | 0.0000 | 0.00 |
| 8 | ANKIT GOVIND RUIA | 24800 | 0.2666 | 0.0000 | 24800 | 0.2666 | 0.0000 | 0.00 |
| 9 | MAULSHREE RUIA | 100 | 0.0011 | 0.0000 | 100 | 0.0011 | 0.0000 | 0.00 |
| 10 | RAJAT AGARWALLA | 100 | 0.0011 | 0.0000 | 100 | 0.0011 | 0.0000 | 0.00 |
| 11 | DARSHANA SARAF | 100 | 0.0011 | 0.0000 | 100 | 0.0011 | 0.0000 | 0.00 |
| 12 | VARTIKA AGARWALLA | 100 | 0.0011 | 0.0000 | 100 | 0.0011 | 0.0000 | 0.00 |
| | TOTAL | 6963170 | 74.8663 | 0.0000 | 6963170 | 74.8663 | 0.0000 | 0.00 |

* Erstwhile Maru Limited

(iii) Change in Promoters' shareholding

| Sl. No. | Name | Shareholding at the beginning [As on 1st April 2018] end of the year [As on 31st Mar 2019] | | Cumulative Shareholding during the year [1st April 2018 to 31st Mar 2019] | |
|---------|-------------------------------------|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | WOODCUTTER LIMITED | | | | |
| | 1/4/2018 | 815371 | 8.7667 | - | - |
| | 31/3/2019 | 815371 | 8.7667 | 815371 | 8.7667 |
| 2 | MAYGROVE INVESTMENTS LIMITED | | | | |
| | 1/4/2018 | 971665 | 10.4471 | - | - |
| | 31/3/2019 | 971665 | 10.4471 | 971665 | 10.4471 |
| 3 | ISIS ENTERPRISES LIMITED | | | | |
| | 1/4/2018 | 1629303 | 17.5179 | - | - |
| | 31/3/2019 | 1629303 | 17.5179 | 1629303 | 17.5179 |

ANNEXURE - 'F'

| Sl. No. | Name | Shareholding at the beginning [As on 1st April 2018] end of the year [As on 31st Mar 2019] | | Cumulative Shareholding during the year [1st April 2018 to 31st Mar 2019] | |
|---------|------------------------------------|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 4 | ENEZ INVESTMENTS LIMITED | | | | |
| | 1/4/2018 | 850212 | 9.1413 | - | - |
| | 31/3/2019 | 850212 | 9.1413 | 850212 | 9.1413 |
| 5 | *MARU INTERNATIONAL LIMITED | | | | |
| | 1/4/2018 | 810075 | 8.7097 | - | - |
| | 31/3/2019 | 810075 | 8.7097 | 810075 | 8.7097 |
| 6 | ASHDENE INVESTMENTS LIMITED | | | | |
| | 1/4/2018 | 1836544 | 19.7461 | - | - |
| | 31/3/2019 | 1836544 | 19.7461 | 1836544 | 19.7461 |
| 7 | MAULSHREE RUIA | | | | |
| | 01/04/2018 | 100 | 0.0008 | - | - |
| | 31/03/2019 | 100 | 0.0011 | 100 | 0.0011 |
| 8 | RAJAT AGARWALLA | | | | |
| | 01/04/2018 | 100 | 0.0008 | - | - |
| | 31/03/2019 | 100 | 0.0011 | 100 | 0.0011 |
| 9 | DARSHANA SARAF | | | | |
| | 01/04/2018 | 100 | 0.0008 | - | - |
| | 31/03/2019 | 100 | 0.0011 | 100 | 0.0011 |
| 10 | VARTIKA AGARWALLA | | | | |
| | 01/04/2018 | 100 | 0.0008 | - | - |
| | 31/03/2019 | 100 | 0.0011 | 100 | 0.0011 |
| 11 | AKHIL KUMAR RUIA | | | | |
| | 01/04/2018 | 24800 | 0.2067 | - | - |
| | 31/03/2019 | 24800 | 0.2666 | 24800 | 0.2666 |
| 12 | ANKIT GOVIND RUIA | | | | |
| | 01/04/2018 | 24800 | 0.2067 | - | - |
| | 31/03/2019 | 24800 | 0.2666 | 24800 | 0.2666 |

* Erstwhile Maru Limited

ANNEXURE - 'F'

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

| Sl. No. | Name | Shareholding at the beginning [As on 1st April 2018] end of the year [As on 31st Mar 2019] | | Cumulative Shareholding during the year [1st April 2018 to 31st Mar 2019] | |
|-----------------------|-------------------------------|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | CHANDMULL BATIA | | | | |
| | 1/4/2018 | 34518 | 0.3711 | - | - |
| | 31/3/2019 | 34518 | 0.3711 | 34518 | 0.3711 |
| 2 | LUXMI TOWNSHIP LIMITED | | | | |
| | 1/4/2018 | 176244 | 1.8949 | - | - |
| | 06/04/2018 - Transfer | 2684 | 0.0289 | 178928 | 1.9238 |
| | 13/04/2018 - Transfer | 297 | 0.0032 | 179225 | 1.9270 |
| | 27/04/2018 - Transfer | 839 | 0.0090 | 180064 | 1.9360 |
| | 04/05/2018 - Transfer | 828 | 0.0089 | 180892 | 1.9449 |
| | 11/05/2018 - Transfer | 543 | 0.0058 | 181435 | 1.9507 |
| | 18/05/2018 - Transfer | 1216 | 0.0131 | 182651 | 1.9638 |
| | 25/05/2018 - Transfer | 2989 | 0.0321 | 185640 | 1.9960 |
| | 08/06/2018 - Transfer | 2766 | 0.0297 | 188406 | 2.0257 |
| | 15/06/2018 - Transfer | 1147 | 0.0123 | 189553 | 2.0380 |
| | 22/06/2018 - Transfer | 1221 | 0.0131 | 190774 | 2.0512 |
| | 29/06/2018 - Transfer | 83 | 0.0009 | 190857 | 2.0520 |
| | 06/07/2018 - Transfer | 1319 | 0.0142 | 192176 | 2.0662 |
| | 13/07/2018 - Transfer | 183 | 0.0020 | 192359 | 2.0682 |
| | 20/07/2018 - Transfer | 179 | 0.0019 | 192538 | 2.0701 |
| | 27/07/2018 - Transfer | 1199 | 0.0129 | 193737 | 2.0830 |
| | 03/08/2018 - Transfer | 214 | 0.0023 | 193951 | 2.0853 |
| | 10/08/2018 - Transfer | 5348 | 0.0575 | 199299 | 2.1428 |
| | 17/08/2018 - Transfer | 382 | 0.0041 | 199681 | 2.1469 |
| | 24/08/2018 - Transfer | 342 | 0.0037 | 200023 | 2.1506 |
| | 31/08/2018 - Transfer | 1597 | 0.0172 | 201620 | 2.1678 |
| | 07/09/2018 - Transfer | 1638 | 0.0176 | 203258 | 2.1854 |
| | 21/09/2018 - Transfer | -1187 | 0.0128 | 202071 | 2.1726 |
| | 05/10/2018 - Transfer | 5062 | 0.0544 | 207133 | 2.2270 |
| | 12/10/2018 - Transfer | 4899 | 0.0527 | 212032 | 2.2797 |
| | 19/10/2018 - Transfer | 30 | 0.0003 | 212062 | 2.2800 |
| | 02/11/2018 - Transfer | 6821 | 0.0733 | 218883 | 2.3534 |
| | 09/11/2018 - Transfer | -3493 | 0.0376 | 215390 | 2.3158 |
| | 22/02/2019 - Transfer | 57 | 0.0006 | 215447 | 2.3164 |
| | 01/03/2019 - Transfer | 1299 | 0.0140 | 216746 | 2.3304 |
| 08/03/2019 - Transfer | 425 | 0.0046 | 217171 | 2.3350 | |
| 31/03/2019 | 217171 | 2.3350 | 217171 | 2.3350 | |

ANNEXURE - 'F'

| Sl. No. | Name | Shareholding at the beginning [As on 1st April 2018] end of the year [As on 31st Mar 2019] | | Cumulative Shareholding during the year [1st April 2018 to 31st Mar 2019] | |
|---------|---|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 3 | PUSHPANJALI INVESTRADE PVT LTD* | | | | |
| | 01/04/2018 | 20526 | 0.2207 | - | - |
| | 31/08/2018 - Transfer | 20000 | 0.2150 | 40526 | 0.4357 |
| | 31/03/2019 | 40526 | 0.4357 | 40526 | 0.4357 |
| 4 | BINDAL FINVEST PRIVATE LIMITED * | | | | |
| | 01/04/2018 | 0 | 0.0000 | - | - |
| | 17/08/2018 - Transfer | 31726 | 0.3411 | 31726 | 0.3411 |
| | 07/09/2018 - Transfer | 41518 | 0.4464 | 73244 | 0.7875 |
| | 22/03/2019 - Transfer | -18181 | 0.1955 | 55063 | 0.5920 |
| | 29/03/2019 - Transfer | -385 | 0.0041 | 54678 | 0.5879 |
| | 31/03/2019 | 54678 | 0.5879 | 54678 | 0.5879 |
| 5 | BINDAL BROTHERS PVT LTD # | | | | |
| | 01/04/2018 | 41518 | 0.4464 | - | - |
| | 07/09/2018 - Transfer | -41518 | 0.4464 | 0 | 0.00 |
| | 31/03/2018 | 0 | 0.00 | 0 | 0.00 |
| 6 | DHANLUXMI TEXTILES LIMITED | | | | |
| | 01/04/2018 | 98269 | 1.0566 | - | - |
| | 31/03/2019 | 98269 | 1.0566 | 98269 | 1.0566 |
| 7 | KEMEX ENGINEERING PVT LTD # | | | | |
| | 01/04/2018 | 39793 | 0.4278 | - | - |
| | 31/08/2018 - Transfer | -39793 | 0.4278 | 0 | 0.0000 |
| | 31/03/2019 | 0 | 0.0000 | 0 | 0.0000 |
| 8 | BINDAL COMMODITIES (P) LTD # | | | | |
| | 01/04/2018 | 31726 | 0.3411 | - | - |
| | 17/08/2018 - Transfer | -31726 | 0.3411 | 0 | 0.0000 |
| | 31/03/2019 | 0 | 0.0000 | 0 | 0.0000 |
| 9 | DANIEL VYAPPAR PRIVATE LIMITED* | | | | |
| | 01/04/2018 | 18660 | 0.2006 | - | - |
| | 31/08/2018 - Transfer | 19793 | 0.2128 | 38453 | 0.4134 |
| | 31/03/2019 | 38453 | 0.4134 | 38453 | 0.4134 |
| 10 | CHANDRIKA VINODCHANDRA PAREKH * | | | | |
| | 01/04/2018 | 28369 | 0.3050 | - | - |
| | 31/03/2019 | 28369 | 0.3050 | 28369 | 0.3050 |

ANNEXURE - 'F'

| Sl. No. | Name | Shareholding at the beginning [As on 1st April 2018] end of the year [As on 31st Mar 2019] | | Cumulative Shareholding during the year [1st April 2018 to 31st Mar 2019] | |
|---------|--|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 11 | VINODCHANDRA MANSUKHLAL PAREKH | | | | |
| | 01/04/2018 | 33093 | 0.3558 | - | - |
| | 31/03/2019 | 33093 | 0.3558 | 33093 | 0.3558 |
| 12 | JAMES WARREN TEA LTD UNCLAIMED SECURITIES SUSPENSE ACCOUNT# | | | | |
| | 01/04/2018 | 81574 | 0.8771 | - | - |
| | 06/04/2018 - Transfer | -17 | 0.0002 | 81557 | 0.8769 |
| | 08/06/2018 - Transfer | -102 | 0.0011 | 81455 | 0.8758 |
| | 22/02/2019 - Transfer | -68260 | 0.7339 | 13195 | 0.1419 |
| | 31/03/2019 | 13195 | 0.1419 | 13195 | 0.1419 |
| 13 | SUNFAST MERCHANTS PRIVATE LIMITED | | | | |
| | 01/04/2018 | 39652 | 0.4263 | - | - |
| | 31/03/2019 | 39652 | 0.4263 | 39652 | 0.4263 |
| 14 | RADHE SHYAM SARAF | | | | |
| | 01/04/2018 | 473501 | 5.0910 | - | - |
| | 31/03/2019 | 473501 | 5.0910 | 473501 | 5.0910 |

*Not in the list of Top 10 shareholders as on 01/04/2018 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2019.

#Ceased to be in the list of Top 10 shareholders as on 31/03/2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2018.

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

| Sl No | Name | Shareholding at the beginning [As on 1st April 2018] end of the year [As on 31st Mar 2019] | | Cumulative Shareholding during the year [1st April 2018 to 31st Mar 2019] | |
|-------|-----------------------------|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1 | ABHIRAM KASTUR SHETH | | | | |
| | 1/4/2018 | 34 | 0.0004 | - | - |
| | 31/3/2019 | 34 | 0.0004 | 34 | 0.0004 |
| 2 | VIKRAM SARAOGI | | | | |
| | 01/04/2018 | 1 | 0.0000 | - | - |
| | 31/03/2019 | 1 | 0.0000 | 1 | 0.0000 |
| 3 | AKHIL KUMAR RUIA | | | | |
| | 01/04/2018 | 24800 | 0.2666 | - | - |
| | 31/03/2019 | 24800 | 0.2666 | 24800 | 0.2666 |

* Directors and KMP holding shares have been considered only.

ANNEXURE – 'F'**V. INDEBTEDNESS**

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

(Rs. in lakhs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| • Addition | - | - | - | - |
| • Reduction | - | - | - | - |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in lakhs)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount |
|---------|---|--|---|---------------|
| | | Mr. Akhil Kumar Ruia (Wholetime Director) | Mr. Sudeep Kumar Ahluwalia (Wholetime Director) | |
| 1 | Gross salary | 114.00 | 12.60 | 126.60 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | |
| | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 | 61.22 | 4.20 | 65.42 |
| | (c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | - | - | - |
| | - as % of profit | | | |
| | - others, specify... | | | |
| 5 | Others (PF, Gratuity, Funds, LTA, Incentives) | 15.08 | 2.81 | 17.89 |
| | Total (A) | 190.30 | 19.61 | 209.91 |
| | Ceiling as per the Act | 10% of the Net Profit of the Company | | |

ANNEXURE - 'F'

B. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|---------|---|--|---------------------------------|-------------------------------|---------------|
| | | Mr. Arup Kumar Chowdhuri | Mr. Abhiram Kastur Sheth | Mrs. Sucharita Basu De | |
| 1 | Independent Directors | Mr. Arup Kumar Chowdhuri | Mr. Abhiram Kastur Sheth | Mrs. Sucharita Basu De | |
| | Fee for attending board or committee meetings | 1.05 | 0.15 | 0.60 | 1.80 |
| | Commission | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (1) | 1.05 | 0.15 | 0.60 | 1.80 |
| 2 | Other Non-Executive Directors | Mr. Anil Kumar Ruia | - | - | - |
| | Fee for attending board or committee meetings | 0.10 | - | - | 0.10 |
| | Commission | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (2) | 0.10 | - | - | 0.10 |
| | Total (B)=(1+2) | | | | 1.90 |
| | Total Managerial Remuneration (A+B) | | | | 211.81 |
| | Overall Ceiling as per the Act | | | | |
| | - Fee for attending board/committee Meeting | Rs. 1,00,000 per Board/Committee Meeting | | | |
| | - Commission | 1% of the Net Profit of the Company | | | |

ANNEXURE – 'F'*C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:*

(Rs. in lakhs)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | |
|---------|---|---|--|--------------|
| | | Mr. Vikram Saraogi (Chief Financial Officer) | Mr. Gyanendra Singh (Company Secretary) | Total |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 11.10 | 2.79 | 13.89 |
| | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 | 5.45 | 1.28 | 6.73 |
| | (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | - | - | - |
| | - as % of profit | | | |
| | - others, specify... | | | |
| 5 | Others (PF, Gratuity, Funds, LTA, Incentives) | 4.26 | 0.77 | 5.03 |
| | Total | 20.81 | 4.84 | 25.65 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

ANNEXURE - 'G'

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A: Subsidiaries

The Company has no subsidiary as on 31.03.2019.

Other information:

- Names of subsidiaries which are yet to commence operations - Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

Part B: Associates and Joint Ventures:

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

| Name of Associates or Joint Ventures | Joint Venture: Mayfair Investment Holding Pte. Ltd. |
|--|---|
| 1. Latest audited Balance Sheet Date | 31.03.2019 |
| 2. Date on which the associate or joint venture was associated or acquired | 11.10.2016 |
| 3. Shares of Associate or Joint Ventures held by the company on the year end | |
| No. | 119857 shares of US\$10 each |
| Amount of Investment in Associates or Joint Venture | ₹ 1118.83 lakhs |
| Extend of Holding (in percentage) | 48.99% |
| 4. Description of how there is significant influence | Parties have joint control of the arrangement, have rights to the net assets of the arrangement pursuant to Section 2(6) of Companies Act, 2013 |
| 5. Reason why the associate/joint venture is not consolidated | N.A. |
| 6. Networth attributable to Shareholding as per latest audited Balance Sheet | 48.99% |
| 7. Profit/Loss for the year | |
| i. Considered in Consolidation | Yes , Loss of ₹ 2.44 Lakhs |
| ii. Not Considered in Consolidation | N.A. |

Other information :

- Names of associates or joint ventures which are yet to commence operations - Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year – Not Applicable.

For and on behalf of the Board of Directors
For James Warren Tea Limited

| | | | | |
|---------------------|---------------------------|-----------------------------|--------------------------------|--------------------------|
| | Sd/- | Sd/- | Sd/- | Sd/- |
| | Akhil Kumar Ruia | Arup Kumar Chowdhuri | Vikram Saraogi | Gyanendra Singh |
| Place: Kolkata | <i>Wholetime Director</i> | <i>Independent Director</i> | <i>Chief Financial Officer</i> | <i>Company Secretary</i> |
| Dated: May 11, 2019 | DIN: 03600526 | DIN: 00997826 | | |

ANNEXURE TO THE DIRECTORS' REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members of
James Warren Tea Limited
Dhoedaam Tea Estate, Tinsukia
Assam- 786150

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of James Warren Tea Limited having CIN L15491AS2009PLC009345 having registered office at Dhoedaam Tea Estate, Tinsukia, Assam- 786150 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I, hereby certify that **none** of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any such other Statutory Authorities.

| Sl. No. | Name of Director(s) | DIN | Date of appointment in Company |
|---------|------------------------|----------|--------------------------------|
| 1 | Anil Kumar Ruia | 00236660 | 24/09/2012 |
| 2 | Abhiram Kastur Sheth | 00473105 | 27/12/2013 |
| 3 | Arup Kumar Chowdhuri | 00997826 | 27/12/2013 |
| 4 | Akhil Kumar Ruia | 03600526 | 28/06/2012 |
| 5 | Sucharita Basu De | 06921540 | 01/10/2014 |
| 6 | Sudeep Kumar Ahluwalia | 07797775 | 21/04/2017 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Dated : May 11, 2019

Sd/-
Santosh Kumar Tibrewalla
Practising Company Secretary
Membership No. : 3811
Certificate of Practice No. : 3982

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

As required under Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein referred as "Listing Regulations"

1. Company's philosophy on Corporate Governance

The business goals of your Company are aimed at the overall well-being and welfare of all the constituents of the system. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top level executives, inducting competent professionals across the Organization and putting in place appropriate systems, process and technology.

The Company is committed to achieve and maintain the highest standards of Corporate Governance. The back bone of modern enterprise system lies with good Corporate Governance mechanism. Your Company is always committed to improve Corporate Governance in a bid to boost shareholders' value and investors' confidence.

2. Report on Corporate Governance:

In accordance with the applicable regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance of the Company is set out herein below :-

3. Board of Directors

The Company has a balanced Board with diverse professionals in different fields, who primarily role is to take care of the business needs and stakeholders' interest.

Composition and Attendance of Directors

The Board of Directors of the Company consists of 6 (six) members as on March 31, 2019 which comprises:-

- One Non Executive - Non Independent Chairman.
- Two Executive Directors.
- Three Non Executive - Independent Directors (including One Woman Director).

| Sl. No | Category | Name of the Directors and their designation |
|--------|------------------------|---|
| 1. | Promoter Directors | <ul style="list-style-type: none"> • Mr. Anil Kumar Ruia, Non-Executive - Chairman • Mr. Akhil Kumar Ruia, Whole-time Director |
| 2. | Non-Promoter Directors | <ul style="list-style-type: none"> • Mr. Abhiram Kastur Sheth, Independent Director • Mr. Arup Kumar Chowdhuri, Independent Director • Mrs. Sucharita Basu De, Independent Director • Mr. Sudeep Kumar Ahluwalia, Whole-time Director |

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

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

| Sl No | Name of the Directors | Category | No. of other Directorship(s) in Public Limited Companies incorporated in India | No. of Membership in Board Committees of other Companies* | No. of Chairmanship in Board Committees of other Companies* |
|-------|----------------------------|---|--|---|---|
| 1 | Mr. Anil Kumar Ruia | Non Executive - Non Independent, Chairman | NIL | NA | NA |
| 2 | Mr. Akhil Kumar Ruia | Whole Time Director | NIL | NA | NA |
| 3 | Mr. Sudeep Kumar Ahluwalia | Whole Time Director | NIL | NA | NA |
| 4 | Mr. Abhiram Kastur Sheth | Non Executive - Independent Director | NIL | NA | NA |
| 5 | Mr. Arup Kumar Chowdhuri | Non Executive - Independent Director | NIL | NA | NA |
| 6 | Mrs. Sucharita Basu De | Non Executive - Independent Director | 2 | 2 | NA |

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

Note: Private Companies, foreign companies and companies under Section 8 of the Companies Act, 2013 are excluded.

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

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

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

Familiarisation Programme imparted to Independent Directors

The Company in accordance with the provisions of Regulation 25(7) of the Listing Regulations, has taken initiatives to familiarize its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, the CSR activities which are being pursued by the Company etc., through various programs and the same is posted on the website of the Company: <http://www.jameswarrentea.com/#!corporatepolicies/c1rqi>.

The Board members are provided with necessary documents, reports and internal policies. Periodic presentations are made on business and performance updates of the Company, business strategy and risks

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

involved to enable them to familiarize with the Company's procedures and practices and also on regular intervals updates their knowledge pertaining to changes in the laws and global economic conditions effecting activities of the Company and re-designing the business module in the changed circumstances.

Separate Meeting of the Independent Directors:

- i. As stipulated by the Code of Independent Directors, Schedule IV under the Companies Act, 2013 and the Listing Regulations, the Company has facilitated holding of a separate meeting of the Independent Directors, during the financial year 2018-19 on 8th February, 2019 and the same was attended by all the Independent Directors, and inter alia has reviewed the performance of non-independent Directors and the Board as a whole ;
- ii. The performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors ; and
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

Attendance of Directors at the Board Meetings during the financial year ended March 31, 2019 and at the last Annual General Meeting (AGM).

Six Board Meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held during the Financial Year 2018-19 and attendance on the same are as follows:

| Sl. No. | Date of Board Meeting | Board Strength | Directors present |
|---------|-----------------------|----------------|-------------------|
| 1 | 17th May, 2018 | 6 | 3 |
| 2 | 14th August, 2018 | 6 | 4 |
| 3 | 3rd November, 2018 | 6 | 3 |
| 4 | 18th January, 2019 | 6 | 4 |
| 5 | 8th February, 2019 | 6 | 4 |
| 6 | 22nd March, 2019 | 6 | 4 |

The attendance details of each Director at the Board meetings held during their tenure and at the last Annual General Meeting (AGM) is given herein below:

| Sl. No. | Name of the Directors | No. of meetings held | No. of Board meetings attended | Attendance at the last AGM held on August 3, 2018 |
|---------|----------------------------|----------------------|--------------------------------|---|
| 1 | Mr. Anil Kumar Ruia | 6 | 2 | No |
| 2 | Mr. Akhil Kumar Ruia | 6 | 6 | Yes |
| 5 | Mr. Abhiram Kastur Sheth | 6 | 1 | No |
| 6 | Mr. Arup Kumar Chowdhuri | 6 | 6 | Yes |
| 7 | Mrs. Sucharita Basu De | 6 | 6 | No |
| 9 | Mr. Sudeep Kumar Ahluwalia | 6 | 1 | Yes |

The meetings of the Board are generally held at the Corporate Office of the Company.

The Board is given presentations covering finance, sales, profit, opportunities, strategies and risk management practices before taking on record the Company's quarterly/ annual financial results. The agenda and notes on agenda are circulated to all the Directors in advance.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

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

Code of Conduct

'Code of Conduct' for all the Board Members, Key Managerial Personnel and other Senior Executives of the Company as framed by the Company is in place and they have affirmed compliance with the same as on March 31, 2019. Duties of the Independent Directors have suitably been incorporated in the Code. A declaration signed by the Whole-Time Director & Chief Financial Officer (CFO) of the Company to this effect is enclosed at the end of this report. The Code is also posted on the Company's website www.jameswarrentea.com.

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, (as amended) the Board has approved the 'Code of Conduct for prohibition of Insider Trading' and entrusted the Compliance Officer to monitor the compliance of the code, who shall report to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee at such frequency as may be stipulated by the Board of Directors.

Whistle Blower (Vigil Mechanism) Policy

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

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

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

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

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

Details of Directors seeking Appointment/Re-appointment:

The details of Directors seeking appointment/re-appointment as required under Regulation 36 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is given in annexure to the notice convening Annual General Meeting.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

Relationship between the Directors inter-se:

| Name of Director | Name of Other Director | Name of Relationship |
|------------------|------------------------|----------------------|
| Anil Kumar Ruia | Akhil Kumar Ruia | Son |
| Akhil Kumar Ruia | Anil Kumar Ruia | Father |

*No other Directors in the Board are inter se related to each other.

Shares and Convertible Instruments held by Non-Executive Directors of the Company in their own name, as on March 31, 2019 are as follows:

| Name of the Directors | No. of Equity shares held |
|--------------------------|---------------------------|
| Mr. Anil Kumar Ruia | Nil |
| Mr. Arup Kumar Chowdhuri | Nil |
| Mr. Abhiram Kastur Sheth | 34 |
| Mrs. Sucharita Basu De | Nil |

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

4. Committees of Board

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

a) Audit Committee

The Audit Committee is constituted in accordance with the provisions of Regulation 18 of the SEBI Regulations and Section 177 of the Act. The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The committee reviews the reports of the internal auditors and statutory auditors along with the comments and corrective action taken by the management.

The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Composition of the Committee

The Audit Committee comprises of two Non-executive Independent Directors and one Executive Director, all having financial management and accounting knowledge and internal controls. The members of the Audit Committee as on March 31, 2019 are:

| Names of the Director | Designation | Nature of Directorship |
|--------------------------|-------------|------------------------------------|
| Mr. Arup Kumar Chowdhuri | Chairman | Non Executive Independent Director |
| Mrs. Sucharita Basu De | Member | Non Executive Independent Director |
| Mr. Akhil Kumar Ruia | Member | Wholetime Director |

Mr. Gyanendra Singh is acting as the Secretary of the Committee.

The Audit Committee Meetings are usually held at Company's Corporate Office and attended by members of the Committee and the Company's statutory auditors and the internal auditors are invited on regular basis.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

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

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee reviews the following information:

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

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

Meetings and Attendance

During the financial year ended March 31, 2019, 4 (four) Audit Committee meetings were held on May 17, 2018, August 14, 2018, November 3, 2018 and February 8, 2019. The attendance details of each member at the Audit Committee meetings are given below:

| Name of the Members | No. of meetings Attended |
|--------------------------|--------------------------|
| Mr. Arup Kumar Chowdhuri | 4 |
| Mr. Akhil Kumar Ruia | 4 |
| Mrs. Sucharita Basu De | 4 |

b) Nomination & Remuneration Committee

The Nomination & Remuneration committee was re-constituted by the Board on November 3, 2018 and Mr. Akhil Kumar Ruia ceased to be member of the committee due to his resignation from the membership of the Committee w.e.f. November 3, 2018.

Composition of the Committee

The Committee presently comprises of the following members:

| Names of the Director | Designation | Nature of Directorship |
|--------------------------|-------------|------------------------------------|
| Mr. Arup Kumar Chowdhuri | Chairman | Non Executive Independent Director |
| Mr. Abhiram Kastur Sheth | Member | Non Executive Independent Director |
| Mrs. Sucharita Basu De | Member | Non Executive Independent Director |

Mr. Gyanendra Singh is acting as the Secretary of the Committee.

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

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

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

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company discloses the remuneration policy and the evaluation criteria in its Annual Report.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

Meetings and Attendance

For the financial year ended March 31, 2019, 1 (One) meeting of the Committee was held on 8 February, 2019.

| Name of the Members | No. of meetings Attended |
|--------------------------|--------------------------|
| Mr. Arup Kumar Chowdhuri | 1 |
| Mr. Abhiram Kastur Sheth | 1 |
| Mrs. Sucharita Basu De | 1 |
| Mr. Akhil Kumar Ruia* | - |

*Ceased from membership w.e.f. November 3, 2018.

Nomination, Remuneration and Evaluation Policy of the Company

i) Appointment

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

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

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

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

- The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other employees.
- The Remuneration/Compensation/Commission etc. paid to the Whole-time/Executive/ Independent Directors and/or KMP, shall be governed as per the provisions of the Companies Act, 2013 and rules made there under. The amount of sitting fees shall be paid in accordance with the decision of the Board, subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under. Presently, the Non Executive Directors do not receive any remuneration from the Company except by way of sitting fees for attending the meetings of the Board and its Committees.
- The Remuneration payable to the Directors, KMPs and other employees shall be reflective of the individual's role, responsibilities and experience in relation to performance of day-to-day activities.
- Remuneration package of the Executive Directors, KMPs and other employees, shall include basic salary, allowances and other statutory/non-statutory benefits and it shall involve a balance between fixed and variable incentives pay reflecting short term and long term performance objectives appropriate to the Company's working and its goal.

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

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

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

The Statement of the remuneration paid/ payable to the Whole-time Directors and Sitting fees paid /payable to the Non-Executive Directors during the financial year 2018-19 is given below:

| Sl. No | Name of the Directors | Salary & Benefits (Rs.) | Commission & Others (Rs.) | Sitting Fees (Rs.) | Total (Rs.) | Service Contract (Period) | Effective date of Service Contract |
|--------|----------------------------|-------------------------|---------------------------|--------------------|-------------|---------------------------|------------------------------------|
| 1 | Mr. Anil Kumar Ruia | Nil | Nil | 10,000 | 10,000 | N.A. | N.A. |
| 2 | Mr. Akhil Kumar Ruia | 1,90,30,758 | Nil | Nil | 1,90,30,758 | 3 years | July 1, 2018 |
| 3 | Mr. Arup Kumar Chowdhuri | Nil | Nil | 1,05,000 | 1,05,000 | 5 years | April 1, 2019 |
| 4 | Mr. Abhiram Kastur Sheth | Nil | Nil | 15,000 | 15,000 | 5 years | April 1, 2019 |
| 7 | Mrs. Sucharita Basu De | Nil | Nil | 60,000 | 60,000 | 5 years | October 1, 2014 |
| 9 | Mr. Sudeep Kumar Ahluwlaia | 19,61,185 | Nil | Nil | 19,61,185 | 1 Year | April 21, 2019 |

Notes:

1. The remuneration of the Whole-time Directors, includes basic salary, rent free accommodation, allowances, medicals, insurance, contribution to the provident fund, superannuation and gratuity funds and perquisites (including monetary value of taxable perquisites) etc.
2. The appointment of all the Whole time Directors can be terminated by giving notice of such period, by either party, as mentioned in their respective appointment letters.
3. Other than the Whole-time Directors, all the Directors were paid sitting fees as per the Policy of the Company.
4. The Company has not entered into any other pecuniary relationship or transactions with the Non-Executive Directors.

c) Stakeholders' Relationship Committee

The 'Stakeholders' Relationship Committee' is constituted in accordance with the provisions of Regulation 20 of the SEBI Regulations and Section 178 of the Act.

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Composition of the Committee

The Committee comprises of three Directors consisting of one Non-Executive Independent Director and two Executive Directors. The members of the Stakeholders' Relationship Committee as on March 31, 2019 are;

| Names of the Director | Designation | Nature of Directorship |
|----------------------------|-------------|------------------------------------|
| Mr. Arup Kumar Chowdhuri | Chairman | Non Executive Independent Director |
| Mr. Sudeep Kumar Ahluwalia | Member | Whole-Time Director |
| Mr. Akhil Kumar Ruia | Member | Whole-Time Director |

Mr. Gyanendra Singh is acting as the Secretary of the Committee.

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

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

Meetings and Attendance

During the financial year ended March 31, 2019, 7 (seven) Stakeholders' Relationship Committee meeting were held on May 17, 2018, July 12, 2018, November 3, 2018, January 2, 2019, February 8, 2019, February 22, 2019 and March 30, 2019. The attendance details of each member at the Stakeholders' Relationship Committee meeting are given below:

| Name of the Members | No. of meetings Attended |
|----------------------------|--------------------------|
| Mr. Arup Kumar Chowdhuri | 7 |
| Mr. Akhil Kumar Ruia | 7 |
| Mr. Sudeep Kumar Ahluwalia | - |

Compliance Officer

Mr. Gyanendra Singh, Company Secretary of the Company acting as the Compliance Officer of the Company.

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Shareholders' Complaints

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

| Nature of complaints | Received | Resolved/ Replied | Pending |
|-----------------------------------|----------|-------------------|----------|
| Non-receipt of share certificates | 2 | 2 | 0 |
| Non-receipt of dividend | 1 | 1 | 0 |
| Non-receipt of annual reports | 0 | 0 | 0 |
| Others | 0 | 0 | 0 |
| Total | 3 | 3 | 0 |

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

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

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

d) Corporate Social Responsibility (CSR) Committee

The CSR Committee as constituted by the Board is responsible for compliance of its scope mentioned in its term of reference in relation to CSR affairs and shall monitor the implementation of approved CSR policy and shall meet periodically, to review & ensure orderly and efficient execution of the CSR project, programs or activities and issue necessary direction pertaining to it.

Composition of the Committee

The members of the CSR Committee as on March 31, 2019 are:

| Names of the Director | Designation | Nature of Directorship |
|----------------------------|-------------|------------------------------------|
| Mr. Sudeep Kumar Ahluwalia | Chairman | Whole time Director |
| Mr. Akhil Kumar Ruia | Member | Wholetime Director |
| Mr. Arup Kumar Chowdhuri | Member | Non Executive Independent Director |

Mr. Gyanendra Singh is acting as the Secretary of the Committee.

Terms of reference

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

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

Meetings and Attendance

For the financial year ended March 31, 2019, 3(Three) meetings of the CSR Committee was held on May 17, 2018, November 2, 2018, March 22, 2019.

| Name of the Members | No. of meetings Attended |
|----------------------------|--------------------------|
| Mr. Akhil Kumar Ruia | 3 |
| Mr. Arup Kumar Chowdhuri | 2 |
| Mr. Sudeep Kumar Ahluwalia | 1 |

e) Share Allotment Committee

The composition of the Share Allotment Committee as on March 31, 2019 is as follows:

| Names of the Director | Designation | Nature of Directorship |
|--------------------------|-------------|------------------------------------|
| Mr. Akhil Kumar Ruia | Chairman | Whole-time Director |
| Mr. Arup Kumar Chowdhuri | Member | Non Executive Independent Director |

Mr. Gyanendra Singh is acting as the Secretary of the Committee.

Terms of reference

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

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- x. Allotment of Equity Shares and/or any other securities as may be issued by the Company from time to time;
- xi. Authorizing and empowering the officers of the Company, for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the authorized officer considers necessary, desirable or advisable, in connection with the Issue, including, without limitation, engagement letter(s), any Memorandum of Understanding, the listing agreements, the registrar's agreement, the depositories agreements, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Issue, if any; and any such agreements or documents so executed and delivered and acts and things done by any such authorized officer shall be conclusive evidence of the authority of the authorized officer and the Company in so doing and any document so executed and delivered or acts and things done or caused to be done by any such authorized officer prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the authorized officer and the Company;
- xii. To secure the attendance of outsiders with relevant expertise, if it considers necessary;
- xiii. Submitting undertakings/certificates or providing clarifications to the SEBI and the relevant Stock Exchanges where Equity Shares of the Company are to be listed.

Meetings and Attendance

No meeting of the Share Allotment Committee was held during the financial year ended March 31, 2019 under review.

5. General Body Meetings

A. Date, Time and Venue for last three Annual General Meetings:

| Financial Year | Date of AGM | Venue | Time | Number of special resolutions passed |
|----------------|--------------------|---|-----------|--|
| 2015-16 | September 21, 2016 | Dhoedaam T.E, P.O. Borahapjan, Tinsukia 786150, Assam | 9:00 a.m. | Nil |
| 2016-17 | September 12, 2017 | Dhoedaam T.E, P.O. Borahapjan, Tinsukia 786150, Assam | 9:00 a.m. | 1) Change of Place of Keeping register of members and other documents. |
| 2017-18 | August 3, 2018 | Dhoedaam T.E, P.O. Borahapjan, Tinsukia 786150, Assam | 9:00 a.m. | 1) Re-appointment of Mr. Akhil Kumar Ruia as the Wholetime Director of the Company. 2) Re-appointment of Mr. Sudeep Kumar Ahluwalia as the Wholetime Director of the Company. 3) Re-appointment of Mr. Arup Kumar Chowdhuri as the Independent Director of the Company. 4) Re-appointment of Mr. Abhiram Kastur Sheth as the Independent Director of the Company. |

- B. One Special Resolution was passed through postal ballot meeting (remote e-voting and physical ballot paper) by majority and result of the same was declared on May 4, 2019, in respect of approval of Buy Back.

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

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Consolidated Voting Pattern of postal ballot forms / e-voting:

| Promoter/ Public | No. of shares held | No. of votes polled | % of votes polled on outstanding shares | No. of votes in favour | No. of votes in against | % of votes in favour on votes polled | % of votes against on votes polled |
|--|-----------------------|------------------------|--|---------------------------|----------------------------|--|--|
| | (1) | (2) | (3)=[(2)/ (1)]*100 | (4) | (5) | (6)=[(4)/ (2)]*100 | (7)=[(5)/ (2)]*100 |
| Resolution - Approval for buyback of equity shares. | | | | | | | |
| Promoter and Promoter Group | 6963170 | 6962870 | 99.996% | 6962870 | Nil | 100% | Nil |
| Public – Institutional holders | 257 | Nil | Nil | Nil | Nil | Nil | Nil |
| Public - Others | 2337377 | 96903 | 4.145% | 96763 | 140 | 99.855% | 0.145% |
| TOTAL | 9300804 | 7059773 | 75.905% | 7059633 | 140 | 99.998% | 0.002% |

- C. No business is proposed to be transacted in the ensuing Annual General Meeting which requires passing of a special resolution through postal ballot in terms of Section 110 of the Companies Act, 2013 and Rules made there under.

6. Means of Communication

The Company's un-audited/audited quarterly, half yearly and annual financial results along with limited review report/ audit report by the Auditors and notices as required under Companies Act 2013 and Listing Regulations were published in widely circulated national English daily 'Business Standard' and in a local newspaper 'Asomiya Khabar' (Jorhat & Guwahati edition). The Company's results and official news releases are displayed on the Company's website www.jameswarrentea.com and uploaded on the listing compliance portal of The BSE Limited and mailed/physically delivered to The Calcutta Stock Exchange Limited.

No presentation has been made to Institutional Investors or Analysts.

7. General Shareholders information

| | |
|---|--|
| Date, time and venue of the Annual General Meeting | Saturday, the 7th day of September, 2019, at 9:00 A.M. at Dhoedaam T.E, P.O. Borahapjan, Tinsukia : 786150, Assam. |
| Financial Year | 1st April 2018 to 31st March 2019 |
| Book Closure Period (for share transfer & AGM) | 31st August, 2019 to 7th September, 2019 (both days inclusive) |
| Dividend Payment Date | The Board has not recommended any Dividend on Equity Shares for the financial year ended on 31st March, 2019. |
| Outstanding ADRs / GDRs / warrants or any convertible instruments, conversion date and likely impact on equity. | The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments. As such there is no impact on Equity Shares of the Company. |
| Listing Details: Equity Shares | a) BSE Ltd.(BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001 and b) The Calcutta Stock Exchange Limited (CSE), 7 Lyons Range, Kolkata - 700 001. |

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

| | |
|---|--|
| Stock code at Stock Exchange | BSE : 538564 CSE : 020263 |
| Demat ISIN number for NSDL & CDSL for Equity Shares | INE718P01017 |
| Corporate Identification Number (CIN) | L15491AS2009PLC009345 |
| Annual Listing Fees | Annual Listing fees for the financial year 2018-19 have been paid to both CSE and BSE. |
| Share transfer system | <p>Share Transfer system is entrusted to the Registrar and Share Transfer Agents. Presently, Stakeholders' Relationship Committee is empowered to approve the Share Transfers. The Committee meeting is generally held on quarterly basis or on an earlier date as and when required. The shares sent for transfer in physical form are registered and returned by our Registrars and Share Transfer Agents in 15 days of receipt of the documents, provided the documents are found to be in order.</p> <p>The Share Transfers, transmission of shares Issue of duplicate certificates, split of certificates, dematerialisation, rematerialisation, etc. are endorsed by the Directors/Executives/Officers of the Company as may be authorized by the Stakeholders' Relationship Committee. Any grievances when received from the Members and/or any other miscellaneous correspondence are processed/ resolved by the Registrar and Share Transfer Agent within the prescribed time.</p> |
| Registrar & Share Transfer Agent (R&TA) for both physical & dematerialised shares | <p>M/s. Maheshwari Datamatics Private Limited Corporate Office Address: 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001 Tel: +91-033 2243-5809, 2243-5029, 2248-2248 Fax: +91-033 2248-4787; E-mail: mdpldc@yahoo.com</p> |
| Dematerialization of equity shares and liquidity | <p>The Company's shares are compulsorily tradable in electronic form and are available for trading in the depository systems of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE718P01017.</p> <p>The Company's equity shares are being traded on the BSE Limited and poised to be traded at The Calcutta Stock Exchange Limited (CSE) but there is no trading in CSE since the Stock exchange has become non-functional. As per the agreement between the Company and the depositories NSDL & CDSL, the investors also have the option to dematerialize their equity shares with either of the aforesaid depositories.</p> <p>As on March 31, 2019, the equity shares stand dematerialized/ Physical;</p> <p>Physical : 3,57,928 equity shares (3.84%) CDSL : 2,73,004 equity shares (2.94%) NSDL : 86,69,872 equity shares (93.22%)</p> |

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

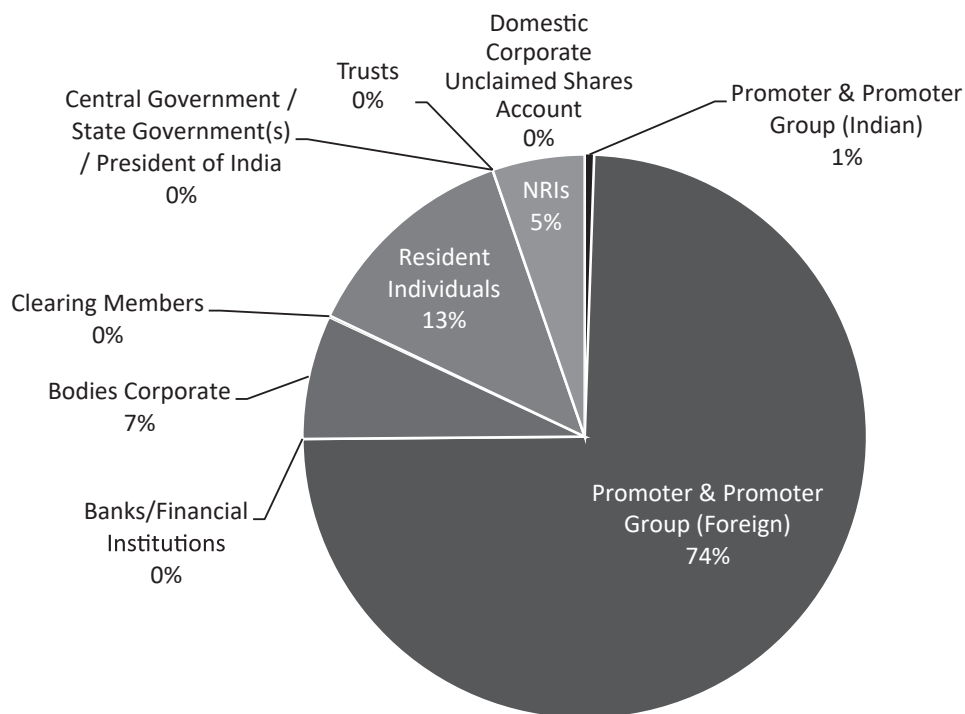
| | |
|--|---|
| Locations of Tea Gardens of the Company | <ol style="list-style-type: none"> 1. Dhoedhaam Tea Estate, P.O. Borhapjan, Tinsukia, Assam - 786150 2. Balijan (H) Tea Estate, P.O. Hoogrijan, Dibrugarh, Assam – 786601 3. Deamoolie Tea Estate, NH 37, Hapjan Block, P.O. Doom Dooma Netaji Road, Tinsukia, Assam - 786151 4. Rajah Alli Tea Estate, P.O. Hoogrijan, Dibrugarh, Assam - 786601 5. Thowra Tea Estate, Factory, Main Road., P.O. Rajmai, Sibsagar, Assam - 785670 6. Tippuk Tea Estate, NH 37, Hapjan Block, P.O. Doom Dooma Netaji Road, Tinsukia, Assam - 786151 7. Zaloni Tea Estate, Tipling Division, P.O. Hoogrijan, Dibrugarh, Assam - 786601 |
| Unclaimed Equity shares | <p>As per the provisions of the Listing Regulations, the Company has sent three reminders to the respective shareholders whose physical share certificates were returned undelivered, at their registered addresses as available in the Company's record. Thereafter, the Company has consolidated and dematerialised the shares of the shareholders whose physical share certificates have been returned undelivered and is held in the "Unclaimed Suspense Account" with one of the Depository Participants and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. On receiving claims from the rightful owner i.e. shareholder, the share certificates are being released or transferred to demat account of the concerned claimant after verifying the credential of the rightful claimant.</p> <p>Details of the unclaimed shares are mentioned as below;</p> <ol style="list-style-type: none"> i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 1,416 shareholders and 81,574 equity shares, respectively. ii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: 621 iii) Number of shareholders to whom shares were transferred from suspense account during the year: 621 iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: 795 shareholders and 13,246 equity shares |
| Foreign Exchange Risk and Hedging activities | <p>The Company does forward booking of foreign exchange to the extent of its export of tea to minimise the risk of loss on price fluctuation of the currency of the respective importing countries. The risk is deemed to be inherent to the normal business activities.</p> |
| Reconciliation of Share Capital Audit: | <p>As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.</p> |
| Address for Communication | <p>Mr. Gyanendra Singh Company Secretary and Compliance Officer Corporate Office Address : Aspirations Vintage, 12 Pretoria Street, Kolkata - 700 071 India Tel: +91 033 – 4034 1000 Fax: +91-033 – 4034 1015 Email: investors@jameswarrentea.com</p> |

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

Shareholding pattern of the Company as on March 31, 2019

| S. No | Category | No. of shareholders | Shareholders % | Total no. of Shares | % To Shares |
|-------|---|---------------------|----------------|---------------------|-----------------|
| 1 | Promoter & Promoter Group (Indian) | 6 | 0.07 | 50000 | 0.5376 |
| 2 | Promoter & Promoter Group (Foreign) | 6 | 0.07 | 6913170 | 74.3287 |
| 3 | Banks/Financial Institutions | 5 | 0.06 | 257 | 0.0028 |
| 4 | Bodies Corporate* | 113 | 1.35 | 660515 | 7.1017 |
| 5 | Clearing Members | 8 | 0.10 | 7818 | 0.0841 |
| 6 | Resident Individuals | 8170 | 97.54 | 1176698 | 12.6516 |
| 7 | Trusts | 4 | 0.05 | 433 | 0.0047 |
| 8 | NRIs | 62 | 0.74 | 491859 | 5.2883 |
| 9 | Domestic Corporate Unclaimed Shares Account* | 1 | 0.01 | 51 | 0.0005 |
| 10 | Central Government / State Government(s) / President of India | 1 | 0.01 | 3 | 0.0000 |
| | Total | 8376 | 100.00 | 9300804 | 100.0000 |

*As per Shareholding pattern provided by RTA as on 31.03.2019



Shareholding Pattern

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

Distribution of shareholding as on March 31, 2019

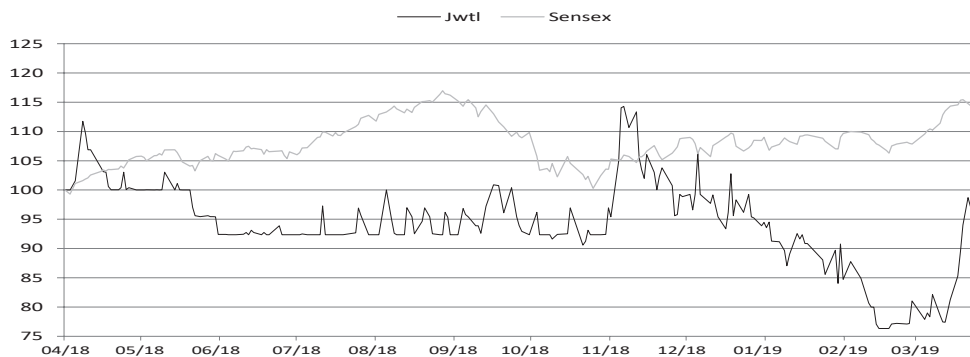
| Sl. No. | Range of nominal value of equity shares held | No. of shareholders | % to Total shareholders | Total Shareholding (Amount) | % of Total Shareholding |
|---------|--|---------------------|-------------------------|-----------------------------|-------------------------|
| 1 | 1 - 5000 | 8110 | 96.8243 | 6675820 | 7.1777 |
| 2 | 5001- 10000 | 153 | 1.8266 | 1120180 | 1.2044 |
| 3 | 10001- 20000 | 38 | 0.4537 | 539450 | 0.5800 |
| 4 | 20001- 30000 | 15 | 0.1791 | 366880 | 0.3945 |
| 5 | 30001- 40000 | 7 | 0.0836 | 256900 | 0.2762 |
| 6 | 40001- 50000 | 3 | 0.0358 | 137250 | 0.1476 |
| 7 | 50001- 100000 | 16 | 0.1910 | 1296800 | 1.3943 |
| 8 | 100001&Above | 34 | 0.4059 | 82614760 | 88.8254 |
| | Total | 8376 | 100.0000 | 93008040 | 100.0000 |

Stock Market Price for the financial year 2018-19

| Month | Bombay Stock Exchange (BSE) | | |
|--------|-----------------------------|-------------------|--------|
| | Month's High Price | Month's Low Price | Volume |
| Apr-18 | 155.00 | 125.00 | 13100 |
| May-18 | 135.00 | 121.60 | 12092 |
| Jun-18 | 127.85 | 120.00 | 10373 |
| Jul-18 | 130.90 | 121.00 | 5470 |
| Aug-18 | 133.40 | 115.35 | 17007 |
| Sep-18 | 132.50 | 118.60 | 8533 |
| Oct-18 | 127.00 | 118.00 | 19403 |
| Nov-18 | 158.00 | 118.25 | 15859 |
| Dec-18 | 150.00 | 121.00 | 2867 |
| Jan-19 | 139.90 | 101.00 | 9527 |
| Feb-19 | 118.00 | 96.80 | 5981 |
| Mar-19 | 129.30 | 100.00 | 45014 |

No Trading in the Calcutta Stock Exchange due to non-functional of trading platform.

Share price performance in comparison to broad based indices BSE Sensex for the financial year 2018-19.



CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

8. Disclosures

- a. The Company has identified risk involved in respect of its products, quality, cost, location and finance. It has also adopted the procedures/policies to minimize the risk and the same are reviewed and revised as per needs to minimize and control the risk.

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. Details of the related party transactions during the year 2018-19 have been set out under the Notes to the Financial Statements. No new material significant related party transactions made by the Company with its related party which may have potential conflict with the interest of the Company at large during the year under review. The Related Party Transactions Policy as approved by the Board and the same is uploaded on the Company's website at the web link: <http://www.jameswarrentea.com/#!corporatepolicies/c1rqi>.

The Company has followed the guidelines of Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended by the Companies (Indian Accounting Standards) (Amended) Rules, 2016 as prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable in preparation of financial statement. The Company has had adopted Ind AS w.e.f. 01.04.2017 with a transition period from April 1, 2016 till March 31, 2017.

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) and Schedule V of the Listing Regulations forms part of this report.

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other Statutory Authority related to the capital markets. No penalty, strictures for non-compliances by the Company imposed by Stock Exchanges or Securities and Exchange Board of India or any other Statutory Authority on any matter related to Capital Market during last three years.

- b. The Company has adopted the Whistle Blower Policy (Vigil Mechanism) and affirms that no person has been denied access to the Audit Committee.
- c. The Whole-time Director and the Chief Financial Officer (CFO) of the Company have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed hereto which forms part of this report.
- d. The Company has complied with all the mandatory requirements of Listing Regulations relating to Corporate Governance and status of adoption of the non-mandatory/discretionary requirements of Part E of Schedule II of the Listing Regulations forms part of this report.
- e. The Company does not have any material non-listed Indian subsidiary as defined in defined in Regulation 16 and 24 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f. The Company has taken cognizance of other non - mandatory requirements as set out in applicable regulations of SEBI (LODR) Regulations, 2015 and shall consider adopting the same at an appropriate time.
- g. Commodity price risks and commodity hedging activities: The Company does forward booking of foreign exchange to the extent of its export of tea to minimise the risk of loss on price fluctuation of the currency of the respective importing countries. The risk is deemed to be inherent to the normal business activities.
- h. The Company has complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub Regulation (2) of Regulation 46.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

9. Status of non-mandatory requirements as specified in Part E of Schedule II have been adopted

- a. Office to Non-executive Chairperson: The Company is headed by Mr. Anil Kumar Ruia, Non-Executive Director. He maintains a separate office and is also reimbursed expenses as incurred by him during the performance of his duties.

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

- b. The financial statement of your Company is continued to be with unmodified audit opinion and the notes to accounts and the audit report forming part of the financial statements are self explanatory and needs no further explanation.
- c. Separate posts of Chairperson and CEO: The Company has appointed separate persons as Chairperson and Whole-time Director or CEO. Presently Mr. Anil Kumar Ruia, Non-Executive Director is the Chairperson of the Company and Mr. Akhil Kumar Ruia is the Whole-time Director and CEO of the Company.
- d. The Internal Auditors reports directly to the Audit Committee.

10. Auditors' Certificate on Corporate Governance

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

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

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

To
The Members of
James Warren Tea Limited
Dhoedaam Tea Estate,
P.O Borahapjan, Tinsukia,
Assam – 786 150

I hereby certify that,

- a) In pursuance of the provisions of Regulation 17(5) of the Listing Regulations, a Code of Conduct, as amended has been laid down by the Company for all the Board members and the Senior Management Personnel of the Company.
- b) The said Code of Conduct, as amended is also uploaded on the website of the Company at 'www.jameswarrentea.com'.
- c) All the Members of the Board and Senior Management Personnel of the Company have affirmed their respective compliance with the Code of Conduct of the Company for the year ended March 31, 2019 in terms of Regulation 26(3) of the Listing Regulations.

For **James Warren Tea Ltd.**

Sd/-

Akhil Kumar Ruia

Wholetime Director & CEO

DIN: 03600526

Place : Kolkata

Dated : May 11, 2019

AUDITOR'S CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To ,
The Members of
James Warren Tea Limited
Dhoedaam Tea Estate,
P.O Borahapjan,
Tinsukia,
Assam – 786 150.

I have examined the Compliance of Corporate Governance by M/s. James Warren Tea Limited for the financial year 2018-19, as stipulated under applicable Regulations of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered into by the said Company with the Stock Exchanges.

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

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

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

Sd/-

Santosh Kumar Tibrewalla

Practising Company Secretary

Membership No. : 3811

Certificate of Practice No. : 3982.

Place : Kolkata
Dated : May 11, 2019

CERTIFICATION FROM CEO & CFO

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

The Board of Directors,
M/s. James Warren Tea Ltd.,
Dhoedaam Tea Estate,
P.O Borahapjan,
Tinsukia,
Assam – 786 150.

Dear Sirs,

In terms of Regulation 17(8) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

- A. We have reviewed audited Quarterly Financial Result of M/s. James Warren Tea Limited for the quarter and year ended on 31st March, 2019 and to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the listed entity during the quarter and year ended 31st March, 2019 which are fraudulent, illegal or violative of the listed entity code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- i. that there are no significant changes in internal control over financial reporting during the quarter;
 - ii. that there are no significant changes in accounting policies during the quarter; and that the same have been disclosed in the notes to the financial results; and
 - iii. that no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For James Warren Tea Ltd.

Sd/-

Akhil Kumar Ruia

Whole time Director & CEO

DIN: 03600526

For James Warren Tea Ltd.

Sd/-

Vikram Saraogi

Chief Finance Officer

Place: Kolkata

Date: May 11, 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

James Warren Tea Limited

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of JAMES WARREN TEA LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS'), of the state of affairs of the Company as at 31st March 2019, its profit including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| SL No. | Key Audit Matters | Auditor's Response |
|--------|---|--|
| 1. | <p>Valuation of biological assets and agricultural produce</p> <p>Biological assets of the Company include unharvested green tea leaves which are measured at fair value less costs to sell.</p> <p>The Company's agricultural produce comprises of harvested green leaves and is valued at fair value less cost to sell at the point of harvest.</p> <p>Finished goods produced from agricultural produce are valued at lower of cost arrived at by adding the cost of conversion to the fair value of agricultural produce and the net realisable value.</p> <p>For harvested or unharvested green leaves, since there is no active market for own leaves, significant estimates are used by management in determining the valuation of biological assets and agricultural produce consumed in manufacture of black tea and therefore has been considered as a key audit matter.</p> | <p>Principal audit procedures performed: Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the fair value measurement methodologies used and assessing the reasonableness and consistency of the significant assumptions used in the valuation. • Evaluating the procedures and implementation of Company's controls around the valuation of biological assets and harvested produce. • Assessing the plucking yields to analyse the fair valuation of biological assets. |



INDEPENDENT AUDITORS' REPORT

| SL No. | Key Audit Matters | Auditor's Response |
|--------|--|---|
| | <p>The principal assumptions and estimates in the determination of the fair value include assumptions about the yields and market prices of green leaf and the stage of transformation.</p> <p>The determination of these assumptions and estimates require careful evaluation by management and could lead to material impact on the financial position and the results of the Company.</p> <p>Refer note no 1.2 and 1.16 to the financial statement.</p> | <ul style="list-style-type: none"> Assessing the basis, reasonableness and accuracy of adjustments made to market prices of green leaves considering the quality differential of the Company's production. Verifying the consistency of application of the fair value approaches and models over the years. |

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

INDEPENDENT AUDITORS' REPORT

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The financial statements of the Company for the year ended 31st March, 2018 were audited by the predecessor auditor, Singh & Co., who have expressed an opinion on those financial statements vide their audit report dated 17th May, 2018.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 standalone financial statements dealt with by this report are in agreement with the books of



INDEPENDENT AUDITORS' REPORT

account;

- d. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
- e. on the basis of the written representations received from the directors as on 31st March, 2019 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2019 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 (IFCoFR) 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. 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, other than those disclosed in the financial statements; which would materially impact its financial position. Refer note no. 35 to the financial statement;
 - ii. the Company has made provision, as required under the applicable laws or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B. Chhawchharia & Co**
Chartered Accountants
Firm's Registration No.: **305123E**
Sd/-
S.K. Chhawchharia
Partner
Membership No. **008482**

Place: Kolkata

Dated, the 11th day of May, 2019

ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditor's Report of even date to the members of JAMES WARREN TEA LIMITED, on the Standalone financial statements for the year ended 31st March, 2019 :

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As planned, a part of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the planned frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified at reasonable intervals during the year by the management. In our, opinion the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stock and the book stock, wherever ascertained were not significant and have been properly dealt in the books of accounts.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii) (a),(b) and (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us, in our opinion, in respect of loans, investment, guarantees and security, provisions of section 185 and 186 of the Act have been complied with by the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the Company. We have broadly reviewed such accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Good and Service Tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding on the year-end for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, the following dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:



ANNEXURE-A TO THE AUDITORS' REPORT

| Name of the Statute | Nature of Dues | Amount (Rs. In Lakhs) | Period to which the amount relates | Forum where dispute is pending |
|--|----------------|-----------------------|---------------------------------------|--|
| Central Sales Tax Act, 1956 | Sales Tax | 45.77 | 1990-91 & 2004-05 | Hon'ble High Court, Guwahati |
| Central Sales Tax Act, 1956 | Sales Tax | 39.96 | 1990-91, 1994-95, 1995-96 and 1996-97 | Deputy Commissioner of Taxes (Appeal), Tinsukia (Assam) |
| Central Sales Tax Act (West Bengal), Rules, 1958 | Sales Tax | 7.91 | 2014-15 | Deputy Commissioner of Taxes (Appeal), Kolkata (West Bengal) |
| Assam Entry Tax Act, 2008 | Entry Tax | 1.35 | 2008-09 | Deputy Commissioner of Taxes (Appeal), Doom Dooma (Assam) |
| Income Tax Act, 1961 | Income Tax | 82.65 | A.Y. 2012-13 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax | 36.52 | A.Y. 2013-14 | Income Tax Appellate Tribunal |

- (viii) According to the records of the Company examined by us and the information and explanation provided to us, the company has not availed any term loan from any Financial Institution, Bank or Government nor has issued any debenture during the year nor is anything outstanding as on the balance sheet date.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year.
- (x) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company or any fraud on the company by its officer or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B. Chhawchharia & Co**

Chartered Accountants

Firm's Registration No.: **305123E**

Sd/-

S.K. Chhawchharia

Partner

Membership No. **008482**

Place: Kolkata

Dated, the 11th day of May, 2019

ANNEXURE-B TO THE 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")

In conjunction with our audit of the standalone financial statements of JAMES WARREN TEA LIMITED ("the Company") as of and for the year ended 31st March 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the company as of 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 ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR 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 Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IFCoFR, 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,



ANNEXURE-B TO THE AUDITORS' REPORT

projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR 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, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For **B. Chhawchharia & Co**

Chartered Accountants

Firm's Registration No.: **305123E**

Sd/-

S.K. Chhawchharia

Partner

Membership No. 008482

Place: Kolkata

Dated, the 11th day of May, 2019

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in lakhs)

| | Notes | As at 31st March 2019 | As at 1st April 2018 |
|--|-------|--------------------------|-------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 2 | 4,287.80 | 4,485.07 |
| Capital Work-In-Progress | 3 | 1,194.48 | 939.94 |
| Intangible Assets | 4 | 3.41 | 2.95 |
| Financial Assets | | | |
| i Investments | 5 | 4,463.04 | 4,453.90 |
| ii Loans | 6 | 162.30 | 158.72 |
| Non-Current Tax Assets | 7 | 212.35 | 317.32 |
| Other Non-Current Assets | 8 | 8.53 | 30.13 |
| | | 10,331.91 | 10,388.03 |
| CURRENT ASSETS | | | |
| Inventories | 9 | 781.63 | 835.57 |
| Biological Assets other than Bearer Plants | 10 | 78.81 | 66.91 |
| Financial Assets | | | |
| i Investments | 11 | 3,821.53 | 2,250.25 |
| ii Trade Receivables | 12 | 140.23 | 74.12 |
| iii Cash and Cash Equivalents | 13 | 109.78 | 237.99 |
| iv Loans | 14 | 903.09 | 1,009.03 |
| v Other Financial Assets | 15 | 49.95 | 40.30 |
| Other Current Assets | 16 | 539.08 | 415.98 |
| | | 6,424.10 | 4,930.15 |
| Total Assets | | 16,756.01 | 15,318.18 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 17 | 930.08 | 930.08 |
| Other Equity | 18 | 10,429.41 | 10,482.67 |
| | | 11,359.49 | 11,412.75 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 19 | 1,436.73 | 1,133.08 |
| Deferred Tax Liabilities (Net) | 20 | 300.33 | 224.16 |
| Other Non Current Liabilities | 21 | 228.15 | 190.43 |
| | | 1,965.21 | 1,547.67 |
| CURRENT LIABILITIES | | | |
| Financial Liabilities | | | |
| i Trade Payables | 22 | | |
| - Total outstanding dues of micro enterprises and small enterprises | | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 997.88 | 1,061.68 |
| ii Other Financial Liabilities | 23 | 722.36 | 159.22 |
| Provisions | 24 | 1,509.90 | 979.22 |
| Current Tax Liabilities (Net) | 25 | - | 9.23 |
| Other Current Liabilities | 26 | 201.17 | 148.41 |
| | | 3431.31 | 2357.76 |
| Total Equity and Liabilities | | 16,756.01 | 15,318.18 |

Significant Accounting Policies

1

The accompanying notes are an integral part of the standalone financial statements

As per our Report of even date

For B. Chhawchharia & Co.

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia

Wholtime Director

DIN : 03600526

Sd/-

Vikram Saraogi

Chief Financial Officer

Sd/-

Arup Kumar Chowdhuri

Independent Director

DIN : 00997826

Sd/-

Gyanendra Singh

Company Secretary

**STANDALONE STATEMENT OF PROFIT & LOSS** FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | Notes | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|---|-------|---------------------------------------|---------------------------------------|
| INCOME | | | |
| I Revenue from Operations | 27 | 14,468.40 | 11,610.28 |
| II Other Income | 28 | 429.11 | 499.75 |
| III Total Revenue (I + II) | | 14,897.51 | 12,110.03 |
| IV Expenses | | | |
| Purchase of Stock - in trade | | - | - |
| Changes in Inventories of Finished Goods | 29 | (12.61) | 7.15 |
| Employee Benefits Expense | 30 | 9,774.29 | 8,082.81 |
| Finance Costs | | - | - |
| Depreciation and Amortisation Expense | 31 | 307.36 | 311.63 |
| Other Expenses | 32 | 4,264.08 | 4,081.50 |
| Total Expenses (IV) | | 14,333.12 | 12,483.09 |
| V Profit/(Loss) before Exceptional Item & Tax (III - IV) | | 564.39 | (373.06) |
| VI Exceptional Item | 33 | - | 25.01 |
| VII Profit before Tax (V + VI) | | 564.39 | (348.05) |
| VIII Tax Expense | | | |
| Current Tax | | 85.00 | (62.00) |
| Deferred Tax | | 76.17 | (32.93) |
| IX Profit/(Loss) for the Year (VII - VIII) | | 403.22 | (253.12) |
| X Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | | | |
| a. Remeasurements of the defined benefit plans | | (512.95) | 222.92 |
| b. Equity Instruments through Other Comprehensive Income | | (3.53) | 386.85 |
| c. Income tax relating to items that will not be reclassified to profit or loss | | 60.00 | (107.00) |
| Total Other Comprehensive Income for the Year (Net of Tax) | | (456.48) | 502.77 |
| XI Total Comprehensive Income for the Year (IX + X) | | (53.26) | 249.65 |
| XII Earnings per Equity Share | | | |
| Nominal Value of Share (₹ 10 each) | | | |
| Basic and Diluted Earnings per Share (₹) | 42 | 4.34 | (2.13) |

Significant Accounting Policies

1

The accompanying notes are an integral part of the standalone financial statements

As per our Report of even dateFor **B. Chhawchharia & Co.**

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia

Wholetime Director

DIN : 03600526

Sd/-

Vikram Saraogi

Chief Financial Officer

Sd/-

Arup Kumar Chowdhuri

Independent Director

DIN : 00997826

Sd/-

Gyanendra Singh

Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|---|---------------------------------------|---------------------------------------|
| A. Cash Flow from operating activities | | |
| Profit / (Loss) before Taxation and after Exceptional Items | 564.40 | (348.05) |
| Adjustment for- | | |
| Depreciation and Amortisation | 307.36 | 311.63 |
| Interest Income | (157.86) | (116.72) |
| Profit on sale of Investments | (91.80) | 214.02 |
| Dividend Income | (8.19) | (387.51) |
| Changes in Fair Value of Biological Assets | (11.90) | (9.20) |
| Fair Value Gain on Investment | (122.66) | (152.01) |
| Finance Cost | - | - |
| Liabilities no longer required written back | (17.33) | (26.20) |
| Sundry Balances written off | 24.87 | 9.53 |
| Provision for doubtful debt | (16.14) | (14.17) |
| (Profit)/Loss on Sale of Fixed Assets (Net) | 0.18 | (25.56) |
| Operating profit before Working Capital changes | 470.93 | (544.24) |
| Changes in working capital | | |
| Trade and Other Receivables | (73.94) | 412.47 |
| Inventories | 53.94 | (150.56) |
| Trade Payables and Other Liabilities | 928.56 | 477.61 |
| Cash generated from Operations | 1,379.49 | 195.28 |
| Direct Tax Paid (net of refund) | 70.74 | (42.50) |
| Net Cash from operating activities | 1,450.23 | 152.78 |
| B. Cash Flow from investing activities | | |
| Purchase of Fixed Assets/ Advance for fixed assets | (365.98) | (693.53) |
| Sale of Fixed Assets | 0.70 | 27.24 |
| Dividend Income | 8.19 | 387.51 |
| Purchase of Non Current Investments | (501.02) | (1,231.35) |
| Purchase of Current Investments | (10,140.66) | (9,860.00) |
| Proceeds from Sale of Non-Current Investments | 2.28 | 2,272.45 |
| Proceeds from Sale of Current Investments | 9,269.84 | 12,159.73 |
| Interest Income | 148.21 | 132.13 |
| Net Cash from/ (used) in investing activities | (1,578.44) | 3,194.18 |

**STANDALONE CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | | |
|--|-----------------|-------------------|
| C. Cash Flow from financing activities | | |
| Repayment of Short Term Borrowings | - | - |
| Finance cost paid | - | - |
| Payment towards Buyback of Shares | - | (3,483.00) |
| Net Cash from / (used) in financing activities | - | (3,483.00) |
| Net increase / (decrease) in Cash and Cash Equivalent | (128.21) | (136.04) |
| Cash and Cash Equivalent | | |
| Opening Balance of cash and cash equivalent | 237.99 | 374.03 |
| Cash and Cash equivalent [Note 13] | | |
| Closing Balance of cash and cash equivalent | 109.78 | 237.99 |
| Cash and Cash equivalent [Note 13] | | |

- 1) The above Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS - 7 on 'Statement of Cash Flows'
- 2) Previous year's figures have been regrouped and rearranged, wherever considered necessary.

The accompanying notes are an integral part of the standalone financial statements

As per our Report of even dateFor **B. Chhawchharia & Co.**

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia*Wholetime Director*

DIN : 03600526

Sd/-

Vikram Saraogi*Chief Financial Officer*

Sd/-

Arup Kumar Chowdhuri*Independent Director*

DIN : 00997826

Sd/-

Gyanendra Singh*Company Secretary*

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | | Notes | Amount | | | | |
|-----------|--|-----------------------------------|------------------------|--------------------------|---|-----------------|------------------|
| A. | EQUITY SHARE CAPITAL | | | | | | |
| | As at 1st April 2017 | | | 1,200.08 | | | |
| | Buyback of Equity Shares | | | (270.00) | | | |
| | As at 31st March 2018 | | | 930.08 | | | |
| | Buyback of Equity Shares | | | - | | | |
| | As At 31st March 2019 | | | 930.08 | | | |
| B. | OTHER EQUITY | Reserves & Surplus | | | Total | | |
| | | Capital Redemption Reserve | General Reserve | Retained Earnings | Items of Other Comprehensive Income | | |
| | | | | | "Equity instrument through OCI" | | |
| | | | | | Remeasurement of Defined Benefit Plans | | |
| | Balance as at 1st April, 2017 | - | 3,821.70 | 8,560.08 | 400.04 | 664.20 | 13,446.02 |
| | Profit for the Year | | - | (253.12) | - | - | (253.12) |
| | Profit on Sale of Equity Instruments measured through OCI | - | - | - | 276.54 | - | 276.54 |
| | Mark to market Gain/(Loss) | - | - | - | 110.31 | - | 110.31 |
| | Remeasurement Gain/(Loss) | - | - | - | - | 222.92 | 222.92 |
| | Impact of Tax | - | - | - | (95.00) | (12.00) | (107.00) |
| | Transfer of realised profit to Retained Earning (Net of Taxes) | - | - | 581.58 | (581.58) | - | - |
| | Total Comprehensive Income For The Year | - | - | 328.46 | (289.73) | 210.92 | 249.65 |
| | Buy back Premium | - | (3,213.00) | - | - | - | (3,213.00) |
| | Created on a/c of Buyback of Equity Shares | 270.00 | (270.00) | - | - | - | - |
| | Balance as at 31st March, 2018 | 270.00 | 338.70 | 8,888.54 | 110.31 | 875.12 | 10,482.67 |
| | Profit for the Year | | | 403.22 | - | - | 403.22 |
| | Profit on Sale of Equity Instruments measured through OCI | - | - | - | (41.34) | - | (41.34) |
| | Mark to market Gain/(Loss) | - | - | - | 37.81 | - | 37.81 |
| | Remeasurement Gain/(Loss) | - | - | - | - | (512.95) | (512.95) |
| | Impact of Tax | - | - | - | - | 60.00 | 60.00 |
| | Transfer of realised profit to Retained Earning (Net of Taxes) | - | - | (41.34) | 41.34 | - | - |
| | Total Comprehensive Income For The Year | - | - | 361.88 | 37.81 | (452.95) | (53.26) |
| | Balance as at 31st March, 2019 | 270.00 | 338.70 | 9,250.42 | 148.12 | 422.17 | 10,429.41 |

As per our Report of even date

For and on behalf of the Board of Directors

For B. Chhawchharia & Co.

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

Sd/-

Akhil Kumar Ruia

Wholetime Director

DIN : 03600526

Sd/-

Vikram Saraogi

Chief Financial Officer

Sd/-

Arup Kumar Chowdhuri

Independent Director

DIN : 00997826

Sd/-

Gyanendra Singh

Company Secretary

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

COMPANY OVERVIEW

James Warren Tea Limited is a Company limited by shares, incorporated and domiciled in India. The Company is engaged in cultivation, manufacture and sale of tea, which is a seasonal industry.

1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of Preparation and Presentation of Financial Statement

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”) read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and other Generally Accepted Accounting Principles (GAAP) in India.

1.1.1 Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Ind AS 1 – Presentation of Financial Statements and Division-II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.1.2 Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- ii) defined benefit plans – plan assets measured at fair value;
- iii) Biological assets (including unplucked green leaves) – measured at fair value less cost to sell.

1.1.3 Use of Estimates

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

1.1.4 Fair value measurements

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value as on March 31, 2019 and March 31, 2018.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

1.1.5 Functional and Presentation Currency

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

1.2 Inventories

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw Materials: At Cost or Net Realizable Value whichever is lower. Cost of harvested tea leaves, produced from own gardens, is measured at fair value less cost to sell at the point of harvest of tea leaves. Cost of other raw materials is measured on weighted average basis.

Stores and Spare Parts: Stores and Spare Parts are measured at cost (measured at weighted average basis) or net realizable value whichever is lower. Provision is made for obsolete, slow moving and defective stocks, where necessary.

Finished Goods: Finished goods produced from agricultural produce are valued at lower of cost and the net realizable value. Cost is arrived at by adding the cost of conversion to the fair value of agricultural produce. Other finished goods are measured at cost or NRV whichever is lower.

1.3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand, which are subject to an insignificant risk of change in value.

1.4 Accounting for Taxes on Income

Income Tax expenses comprise current tax and deferred tax charge or credit.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1.4.1 Current Tax

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

1.4.2 Deferred Tax:

Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

1.5 PROPERTY, PLANT AND EQUIPMENT

1.5.1 Tangible Assets (Other than Bearer Plants)

1.5.1.1 Recognition and Measurement:

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

1.5.1.2 Subsequent Measurement:

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

1.5.1.3 Depreciation and Amortization:

Depreciation on Property, Plant & Equipment is provided under Straight Line Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.

In respect of spares for specific machinery, cost is amortized over the useful life of the related machinery as estimated by the management.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

1.5.1.4 Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

1.5.1.5 Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

1.5.2 Bearer Plants

1.5.2.1 Recognition and Measurement:

'Bearer Plants', comprising of mature tea bushes and shade trees are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Cost of 'bearer plants' includes the cost of uprooting, land development, rehabilitation, planting of Guatemala, planting of shade trees, cost of nursery, drainage, manual cultivation, fertilizers, agro-chemicals, pruning and infilling etc.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1.5.2.2 Subsequent Measurement:

Costs incurred for infilling including block infilling are generally recognized in the Statement of Profit and Loss unless there is a significant increase in the yield of the sections, in which case such costs are capitalized and depreciated over the remaining useful life of the respective sections.

1.5.2.3 Depreciation:

Depreciation on bearer plants is recognized so as to write off its cost over useful lives, using the straight-line method.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Estimated useful life of the bearer plants has been determined to be 50 years. The residual value in case of Bearer Plants has been considered as NIL.

1.5.2.4 Capital Work in Progress

Young tea bushes and shade trees, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes except plucking cost and revenue generated there until maturity. On maturity, these costs are classified under bearer plants. Depreciation of bearer plants commence on maturity.

1.6 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit or loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease.

1.7 Revenue Recognition

1.7.1 Revenue from Operations

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of tea claim and are net of sales return, sales tax/ value added tax/ goods and service tax, trade allowances and amount collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

1.7.2 Other Income

Interest Income

Interest Income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in statement of profit or loss only when the right to receive payment is established.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1.8 Employee Benefits

1.8.1 Short-term Employee Benefits

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

1.8.2 Other Long-term Employee Benefits (Unfunded)

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation

1.8.3 Post-employment Benefit Plans

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

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

1.9 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to revenue are recognised in the statement of profit or loss over the period to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the acquisition/ construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

1.10 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss.

Foreign Currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1.11.1 Financial Assets

Recognition and Initial Measurement:

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
 - o The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
 - o The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- o Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - o The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - o The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- o Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- o Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

Derecognition

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

1.11.2 Financial Liabilities

Recognition and Initial Measurement:

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs

Subsequent Measurement:

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

1.11.3 Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in statement of profit or loss immediately.

1.12 Earnings per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

1.13 Impairment of non-financial assets.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.14 Intangible Assets

1.14.1 Recognition and Measurement

Software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

1.14.2 Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss.

1.14.3 Amortization

Intangible assets are amortized over a period of five years.

The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1.14.4 Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

1.15 Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

1.16 Biological Assets

Biological assets of the Company comprises of unharvested green tea leaves that are classified under current biological assets.

The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in statement of profit and loss for the period in which it arises.

1.17 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

1.18 Critical estimates and judgements

The preparation of the financial statements require the use of accounting estimates which, by definition, will seldom equal the actual result. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a high degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Critical estimates and judgements

The areas involving critical estimates and judgements are:

i Taxation

The Company is engaged in agricultural activities and also subject to tax liability under MAT provisions. Significant judgement is involved in determining the tax liability for the Company. Also there are many transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Further judgement is involved in determining the deferred tax position on the balance sheet date.

ii Depreciation and amortization

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortization charges.

iii Employee Benefits

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government securities that have terms to maturity approximating the terms of the related defined benefit obligation. Other key assumptions for obligations are based in part on current market conditions.

iv Provisions and Contingencies

Provisions and contingencies are based on Management's best estimate of the liabilities based on the facts known at the balance sheet date.

v Fair Value of Biological Assets

The fair value of Biological Assets is determined based on recent transactions entered into with third parties or available market price. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 2 : PROPERTY, PLANT AND EQUIPMENT | | | | | | | | | | |
|--|-----------------------|---------------|-------------------|-----------------------|--------------------------|----------------|-------------|-----------------------|-----------------------|-----------------------|
| Particulars | GROSS BLOCK | | | | ACCUMULATED DEPRECIATION | | | | NET BLOCK | |
| | As at 31st March 2018 | Additions | Sales/ Adjustment | As at 31st March 2019 | As at 31st March 2018 | For The Period | Sales | As at 31st March 2019 | As at 31st March 2019 | As at 31st March 2018 |
| Bearer Plants | 873.60 | 83.49 | - | 957.09 | 59.05 | 32.38 | - | 91.43 | 865.66 | 814.55 |
| Building Roads And Bridges | 2,089.41 | 4.05 | - | 2,093.46 | 131.09 | 65.25 | - | 196.34 | 1,897.12 | 1,958.32 |
| Plant & Machinery | 1,584.06 | 8.32 | - | 1,592.38 | 272.50 | 136.94 | - | 409.44 | 1,182.94 | 1,311.56 |
| Airconditions, Refrigerators, Etc | 28.91 | 1.31 | - | 30.22 | 14.68 | 4.33 | - | 19.01 | 11.21 | 14.23 |
| Furniture And Fixtures | 245.71 | - | - | 245.71 | 56.03 | 28.06 | - | 84.09 | 161.62 | 189.68 |
| Vehicles | 260.46 | 7.03 | 2.47 | 265.02 | 70.91 | 37.49 | 1.58 | 106.82 | 158.20 | 189.55 |
| Computer | 9.01 | 0.62 | - | 9.63 | 4.43 | 0.99 | - | 5.42 | 4.21 | 4.58 |
| Networking Equipments | 4.27 | 4.82 | - | 9.09 | 1.67 | 0.58 | - | 2.25 | 6.84 | 2.60 |
| Total | 5,095.43 | 109.64 | 2.47 | 5,202.60 | 610.36 | 306.02 | 1.58 | 914.80 | 4287.80 | 4485.07 |

| 3: CAPITAL WORK IN PROGRESS | | |
|------------------------------------|-----------------------|-----------------------|
| Particulars | As at 31st March 2019 | As at 31st March 2018 |
| Capital work in progress | 1,194.48 | 939.94 |

| 4: INTANGIBLE ASSETS | | | | | | | | | | |
|-----------------------------|-----------------------|-------------|-------------------|-----------------------|--------------------------|----------------|----------|-----------------------|-----------------------|-----------------------|
| Particulars | GROSS BLOCK | | | | ACCUMULATED AMORTISATION | | | | NET BLOCK | |
| | As at 31st March 2018 | Additions | Sales/ Adjustment | As at 31st March 2019 | As at 31st March 2018 | For The Period | Sales | As at 31st March 2019 | As at 31st March 2019 | As at 31st March 2018 |
| Computer Software | 10.34 | 1.80 | - | 12.14 | 7.39 | 1.34 | - | 8.73 | 3.41 | 2.95 |
| Total | 10.34 | 1.80 | - | 12.14 | 7.39 | 1.34 | - | 8.73 | 3.41 | 2.95 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 5: NON-CURRENT INVESTMENTS | | | | | | | |
|---|----------------|----------------|------------------------|-----------------|------------------------|-----------------|--|
| | Refer Note No. | Face Value (₹) | As at 31st March, 2019 | | As at 31st March, 2018 | | |
| | | | No. of Units/ Shares | Amount | No. of Units/ Shares | Amount | |
| 5A INVESTMENT IN JOINT VENTURES AND ASSOCIATES | | | | | | | |
| Long Term (Unquoted) | | | | | | | |
| Equity Instruments- Trade | | | | | | | |
| Investment in Joint Venture | | | | | | | |
| Mayfair Investment Holding Pte. Ltd. | | USD 10.00 | 1,19,857 | 1,118.83 | 1,19,857 | 1,118.83 | |
| | | | | 1,118.83 | | 1,118.83 | |
| 5B OTHER INVESTMENTS | | | | | | | |
| Investment at Amortised Cost (Quoted) | | | | | | | |
| Investment in Bonds | | | | | | | |
| 8.41% NTPC Tax Free Bonds - 2023 | | 1,000 | 9,499 | 94.99 | 9,499 | 94.99 | |
| 8.51% HUDCO Tax Free Bonds - 2024 | 5.1 | 1,000 | 20,000 | 200.00 | 20,000 | 200.00 | |
| 8.16% India Infrastructure Finance Company Ltd - 2024 | | 1,000 | 20,000 | 200.00 | 20,000 | 200.00 | |
| 8.16% Indian Renewable Energy Development Agency Ltd - 2024 | | 1,000 | 20,000 | 200.00 | 20,000 | 200.00 | |
| 7.19% Indian Railway Finance Corporation Limited - 2025 | | 10,00,000 | 20 | 200.00 | 20 | 200.00 | |
| 7.35% National Highways Authority of India - 2031 | | 1,000 | 7,142 | 71.42 | 7,142 | 71.42 | |
| 7.49% Indian Renewable Energy Development Agency Ltd - 2031 | | 1,000 | 10,218 | 102.18 | 10,218 | 102.18 | |
| 7.39% HUDCO Tax Free Bonds - 2031 | | 1,000 | 2,803 | 28.03 | 2,803 | 28.03 | |
| 7.39% National Highways Authority of India - 2031 | | 1,000 | 9,251 | 92.51 | 9,251 | 92.51 | |
| 7.39% HUDCO Tax Free Bonds - 2031 | | 1,000 | 7,529 | 75.29 | 7,529 | 75.29 | |
| 7.35% Indian Railway Finance Corporation Limited - 2031 | | 1,000 | 5,878 | 58.78 | 5,878 | 58.78 | |
| 7.35% National Bank for Agriculture and Rural Development - 2031 | | 1,000 | 5,010 | 50.10 | 5,010 | 50.10 | |
| | | | | 1,373.30 | | 1,373.30 | |
| (Unquoted) | | | | | | | |
| Investment in Government Securities | | | | | | | |
| 3% Government of India Conversion Loan | | | - | 0.01 | - | 0.01 | |
| | | | | 0.01 | | 0.01 | |
| Investment in Debentures | | | | | | | |
| 5% 10 Years Debentures Shillong Club Limited | 5.2 | 100 | 145 | 0.00 | 145 | - | |
| Investment at Fair Value through Other Comprehensive Income (Quoted) | | | | | | | |
| Equity Instruments | | | | | | | |
| Bajaj Finserv Limited | | 5 | 400 | 28.14 | - | - | |
| Birla Corporation Limited | | 10 | 4,000 | 21.00 | - | - | |
| DLF Limited | | 2 | 15,000 | 30.24 | - | - | |
| Duncans Industries Ltd | 5.2 | 10 | 10 | - | 10 | - | |
| Himatsingka Seidge Limited | | 5 | 60,000 | 130.89 | - | - | |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 5: NON-CURRENT INVESTMENTS | | | | | | |
|--|----------------|----------------|------------------------|-----------------|------------------------|-----------------|
| | Refer Note No. | Face Value (₹) | As at 31st March, 2019 | | As at 31st March, 2018 | |
| | | | No. of Units/ Shares | Amount | No. of Units/ Shares | Amount |
| Indo Count Industries Limited | | 2 | 2,00,000 | 97.00 | - | - |
| Indostar Capital Finance Limited | | 10 | 20,000 | 83.83 | - | - |
| JSW Steel Limited | | 10 | 10,000 | 29.28 | - | - |
| Reliance Industries Limited | | 10 | 12,496 | 170.33 | 12,496 | 110.31 |
| Warren Tea Limited | | 5 | 49,361 | 31.15 | - | - |
| | | | | 621.86 | | 110.31 |
| (Unquoted) | | | | | | |
| Equity Instruments | | | | | | |
| Woodland Multispeciality Hospital Limited | | 10 | 7,035 | 0.01 | 7,035 | 0.01 |
| | | | | 0.01 | | 0.01 |
| Investment at Fair Value through Profit or Loss | | | | | | |
| (Unquoted) | | | | | | |
| Portfolio Management System | | | | | | |
| Enam Asset Management Co. Pvt. Ltd | | | | 581.24 | | 568.74 |
| Kotak Mahindra Asset Management Co. Ltd | | | | 210.73 | | 254.10 |
| | | | | 791.97 | | 822.84 |
| Equity Instruments | | | | | | |
| ABC Tea Workers Welfare Services | | 10 | 10,000 | - | 10,000 | - |
| | | | | - | | - |
| Equity Instruments | | | | | | |
| Pal Peugeot Limited | | 10 | 15,150 | - | 15,150 | - |
| Hindustan Engineering & Industries Limited | | 10 | 34 | - | 34 | - |
| Investment in Mutual Funds | | | | | | |
| IIFL Long Term Growth Fund - I | | | 50,03,202 | 557.06 | 50,03,202 | 507.00 |
| Reliance Corporate Bond Fund - Direct Growth Plan | | | - | - | 27,06,760 | 391.93 |
| Reliance Corporate Bond Fund - Growth Plan | | | - | - | 9,25,350 | 129.67 |
| | | | | 557.06 | | 1,028.60 |
| Total Non-Current Investments | | | | | | |
| Aggregate amount of quoted investments | | | | | | |
| | | | | 1,995.16 | | 1,483.61 |
| Aggregate market value of quoted investments | | | | | | |
| | | | | 1,995.16 | | 1,483.61 |
| Aggregate amount of unquoted investments | | | | | | |
| | | | | 2,467.88 | | 2,970.29 |

5.1 Pledged against facilities availed from Kotak Mahindra Bank Limited

5.2 Amount is below the rounding off norm adopted by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 6: NON CURRENT LOANS | | |
|--|--------------------------|--------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| NON CURRENT LOANS | | |
| Security Deposits | | |
| - With Others | 162.30 | 158.72 |
| Loans and Advances to Employees | | |
| - Good | - | - |
| - Doubtful | 88.60 | 101.68 |
| Less: Provision for doubtful advances | (88.60) | (101.68) |
| | 162.30 | 158.72 |
| 7: NON CURRENT TAX ASSETS | | |
| Advance Tax | 1,808.63 | 1,913.60 |
| Less: Provision for Taxation | (1,596.28) | (1,596.28) |
| | 212.35 | 317.32 |
| 8: OTHER NON-CURRENT ASSETS | | |
| (Unsecured - Considered Good, unless otherwise stated) | | |
| Capital Advances | - | - |
| Deposits with Government Authorities and Others | 8.53 | 30.13 |
| | 8.53 | 30.13 |
| 9: INVENTORIES | | |
| (At lower of cost or net realisable value) | | |
| Raw Material | - | 16.38 |
| Finished Goods (Refer - 9.1) | 313.99 | 285.00 |
| Stores and Spares (Refer - 9.1) | 467.64 | 534.19 |
| (Net of Provision - ₹38.13 (P.Y. 31.03.2018 - ₹ 38.13)) | | |
| | 781.63 | 835.57 |
| 9.1: Above Inventories include Stock in Transit | | |
| Finished Stock of Tea | 61.54 | 68.12 |
| Stock of Stores and Spares | - | 14.02 |
| 10: BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS | | |
| Fair Value of Unharvested Tea Leaves | 78.81 | 66.91 |
| | 78.81 | 66.91 |
| Unharvested tea leaves on bushes as on 31st March 2019 was 4.45 lakh kgs (31.03.2018- 3.66 lakh kgs) | | |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 11: CURRENT INVESTMENTS | | | | | | |
|---|----------------|----------------|------------------------|-----------------|------------------------|-----------------|
| | Refer Note No. | Face Value (₹) | As at 31st March, 2019 | | As at 31st March, 2018 | |
| | | | No. of Units/ Shares | Amount | No. of Units/ Shares | Amount |
| Investment at Amortised Cost | | | | | | |
| Investment in Commercial Paper (Unquoted) | | | | | | |
| IIFL Wealth Finance Limited 90D | | | 200 | 980.66 | - | - |
| | | | | 980.66 | | - |
| Investment at Fair Value through Profit or Loss | | | | | | |
| Current Maturities of Long Term Investments | | | | | | |
| (Investment in Mutual Funds) (Quoted) | | | | | | |
| Reliance Fixed Horizon Fund XXV Series-15-Growth Plan | | | - | - | 20,00,00 | 293.08 |
| HDFC FMP 1184D January 2015(1) Series 33 - Regular Growth | | | - | - | 30,00,000 | 399.14 |
| Kotak India Growth Fund Series 1 - Growth | | | - | - | 10,00,000 | 126.60 |
| | | | | - | | 818.82 |
| Other Current Investments | | | | | | |
| Investment in Mutual Funds (Unquoted) | | | | | | |
| Reliance Low Duration Fund- Growth Plan Growth Option | | | 20,633 | 533.28 | 49,154 | 1,177.30 |
| Kotak Money Market Scheme Direct Plan Growth | | | 74,763 | 2,307.59 | 5,489 | 156.55 |
| Kotak Equity Arbitrage Fund - Regular Plan - Monthly Dividend | | | - | - | 9,12,617 | 97.58 |
| Reliance Arbitrage Advantage Fund - Monthly Dividend Plan | | | - | - | - | - |
| | | | | 2,840.87 | | 1,431.43 |
| Total Current Investments | | | | 3,821.53 | | 2,250.25 |
| Aggregate amount of quoted investments | | | | - | | 818.82 |
| Aggregate market value of quoted investments | | | | - | | 818.82 |
| Aggregate amount of unquoted investments | | | | 3,821.53 | | 1,431.43 |

| 12: TRADE RECEIVABLES | | |
|---|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Unsecured | | |
| Considered Good | 140.23 | 74.12 |
| Considered Doubtful | - | 3.06 |
| Less: Allowances for doubtful receivables | - | (3.06) |
| | 140.23 | 74.12 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 13: CASH AND CASH EQUIVALENTS | | |
|---|----------------------------------|----------------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Balances with Banks | | |
| In current account | 104.09 | 235.47 |
| Cash in hand | 5.69 | 2.52 |
| | 109.78 | 237.99 |
| 14: CURRENT LOANS | | |
| Security Deposits - with Related Parties | 900.00 | 1,005.00 |
| Loans to Employees | 3.09 | 4.03 |
| | 903.09 | 1009.03 |
| 15: OTHER CURRENT FINANCIAL ASSETS | | |
| Deposits with NABARD | 0.01 | 0.01 |
| Interest Accrued on NABARD | 0.00 | 5.21 |
| Interest Accrued on Investment | 49.66 | 34.80 |
| Other Receivables | 0.28 | 0.28 |
| | 49.95 | 40.30 |
| 16: OTHER CURRENT ASSETS | | |
| Incentive/ Subsidy Receivable | 182.24 | 213.06 |
| Prepaid Expenses | 41.64 | 22.70 |
| Advances to Suppliers, Service Providers, etc. (Net of Provision - ₹ 1.10 (P.Y. 31.03.2018 - ₹ 1.10)) | 14.57 | 4.37 |
| Deposits with Government Authorities and Others | 300.63 | 175.85 |
| | 539.08 | 415.98 |
| 17: EQUITY SHARE CAPITAL | | |
| Authorised | | |
| 130,00,000 Equity Shares of ₹ 10/- each (P.Y. 31.03.2018 - 130,00,000 Equity Shares of ₹ 10/- each) | 1,300.00 | 1,300.00 |
| Issued, Subscribed and Fully Paid-up | | |
| 93,00,804 Equity Shares of ₹ 10/- each (P.Y. 31.03.2018 - 93,00,804 Equity Shares of ₹ 10/- each) | 930.08 | 1,200.08 |
| | 930.08 | 1,200.08 |

a) Rights, preferences and restrictions attached to equity shares.

The Company has only one class of shares being Equity Shares having a par value of ₹ 10/-each. Each holder of the Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

b) The Company does not have any Holding or Ultimate Holding Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

c) Shareholders holding more than 5% shares of the Company.

| Name of the Shareholders | As at 31st March, 2019 | | As at 31st March, 2018 | |
|------------------------------|---------------------------|-------|---------------------------|-------|
| | No. of Shares | % | No. of Shares | % |
| Ashdene Investments Limited | 18,36,544 | 19.75 | 18,36,544 | 19.75 |
| ISIS Enterprises Limited | 16,29,303 | 17.52 | 16,29,303 | 17.52 |
| Maygrove Investments Limited | 9,71,665 | 10.45 | 9,71,665 | 10.45 |
| Enez Investments Limited | 8,50,212 | 9.14 | 8,50,212 | 9.14 |
| Woodcutter Limited | 8,15,371 | 8.77 | 8,15,371 | 8.77 |
| Maru Limited | 8,10,075 | 8.71 | 8,10,075 | 8.71 |
| Radhe Shyam Saraf | 4,73,501 | 5.09 | 4,73,501 | 5.09 |

- d) No Equity Shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- e) There is no shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.
- f) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.
- g) No calls are unpaid by any Director or Officer of the Company during the year.
- h) The Board at its meeting on 22nd March, 2019 approved a proposal to buyback upto 23,25,000 fully paid-up equity shares of face value of Rs 10/- each from the eligible equity shareholders of the Company for a total consideration of ₹ 26,73,75,000 crores on proportionate basis through "Tender Offer" Route. The Buyback offer comprised a purchase of 23,25,000 Equity Shares aggregating 24.99% of the paid-up equity share capital of the Company. Necessary approval from the Shareholders have been obtained. Further, The letter of Offer shall be shortly submitted to SEBI for its approval on the same.

18: OTHER EQUITY

| | As at 31st March 2019 | As at 31st March 2018 |
|----------------------------|--------------------------|--------------------------|
| Capital Redemption Reserve | 270.00 | 270.00 |
| General Reserve | 338.70 | 338.70 |
| Retained Earnings | 9,250.42 | 8,888.54 |
| Other Comprehensive Income | 570.29 | 985.43 |
| | 10,429.41 | 10,482.67 |

Description of nature and purpose of each reserve

Capital Redemption Reserve

This reserve was created on account of buyback of Equity Shares as required by the statute.

General Reserve

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

Other Comprehensive Income

Other Comprehensive Income comprises items of Income and Expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other Ind-ASs.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 19: NON CURRENT PROVISIONS | | |
|--|----------------------------------|----------------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Provision for Employee Benefits | 1,436.73 | 1,133.08 |
| | 1,436.73 | 1,133.08 |
| 20: DEFERRED TAX LIABILITIES (NET) | | |
| Deferred Tax Liabilities | | |
| Timing Difference on account of Property, Plant & Equipment | 192.55 | 175.86 |
| Timing Difference on account of Bearer Plant | 302.00 | 225.88 |
| Financial Assets at Fair Value Through Profit and Loss | 20.93 | 34.96 |
| Other Items | 3.12 | - |
| | 518.60 | 436.70 |
| Deferred Tax Assets | | |
| Timing Difference on account of Provision of Doubtful Advances | 26.13 | 30.83 |
| Timing Difference on account of Unabsorbed Depreciation | 121.22 | 121.22 |
| Timing Difference on account of Deferred Government Grant | 70.92 | 59.40 |
| Other Items | - | 1.09 |
| | 218.27 | 212.54 |
| | 300.33 | 224.16 |

20.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2018 and 31st March, 2019 :

| | As at 1st April, 2017 | Recognized in Statement of Profit and Loss | Recognized in Other Comprehensive Income | As at 31st March, 2018 |
|--|----------------------------------|---|---|-----------------------------------|
| Deferred Tax Liabilities | | | | |
| Timing Difference on account of Property, Plant & Equipment | 91.77 | 84.09 | - | 175.86 |
| Timing Difference on account of Bearer Plant | 133.83 | 92.058 | - | 225.88 |
| Financial Assets at Fair Value Through Profit and Loss | 61.20 | (26.24) | - | 34.96 |
| Other Items | 34.77 | (34.77) | - | - |
| | 321.57 | 115.14 | - | 436.70 |
| Deferred Tax Assets | | | | |
| Timing Difference on account of Provision of Doubtful Advances | 36.08 | (5.25) | - | 30.83 |
| Timing Difference on account of Unabsorbed Depreciation | - | 121.22 | - | 121.22 |
| Timing Difference on account of Deferred Government Grant | - | 59.40 | - | 59.40 |
| Other Items | 28.40 | (27.31) | - | 1.09 |
| | 64.48 | 148.06 | - | 212.54 |
| | 257.09 | (32.92) | - | 224.16 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | As at 31st March, 2018 | Recognized in statement of Profit and Loss | Recognized in Other Comprehensive Income | As at 31st March, 2019 |
|--|------------------------------|--|---|------------------------------|
| Deferred Tax Liabilities | | | | |
| Timing Difference on account of Property, Plant & Equipment | 175.86 | 16.69 | - | 192.55 |
| Timing Difference on account of Bearer Plant | 225.88 | 76.12 | - | 302.00 |
| Financial Assets at Fair Value Through Profit and Loss | 34.96 | (14.03) | - | 20.93 |
| Other Items | - | 3.12 | - | 3.12 |
| | 436.70 | 81.90 | - | 518.60 |
| Deferred Tax Assets | | | | |
| Timing Difference on account of Provision of Doubtful Advances | 30.83 | (4.70) | - | 26.13 |
| Timing Difference on account of Unabsorbed Depreciation | 121.22 | - | - | 121.22 |
| Timing Difference on account of Deferred Government Grant | 59.40 | 11.52 | - | 70.92 |
| Other Items | 1.09 | (1.09) | - | - |
| | 212.54 | 5.73 | - | 218.27 |
| | 224.16 | 76.17 | - | 300.33 |

21: OTHER NON CURRENT LIABILITIES

| | As at 31st March 2019 | As at 31st March 2018 |
|--|--------------------------|--------------------------|
| Deferred Revenue- Subsidy (Deferred Govt. Grant) | 228.15 | 190.43 |
| | 228.15 | 190.43 |

22: TRADE PAYABLES

| | | |
|--|---------------|-----------------|
| For Goods & Services | | |
| -Total outstanding dues of micro enterprises & small enterprises (Refer Note - 45) | - | - |
| -Others | 997.88 | 1,061.68 |
| | 997.88 | 1,061.68 |

23: OTHER CURRENT FINANCIAL LIABILITIES

| | | |
|---------------------------|---------------|---------------|
| Employee Benefits Payable | 722.36 | 159.22 |
| | 722.36 | 159.22 |

24: CURRENT PROVISIONS

| | | |
|---------------------------------|-----------------|---------------|
| Provision for Employee Benefits | 1,509.90 | 979.22 |
| | 1,509.90 | 979.22 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 25: CURRENT TAX LIABILITIES (NET) | | |
|--|---------------------------------------|---------------------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Current Tax Liabilities | - | 9.23 |
| | - | 9.23 |
| 26: OTHER CURRENT LIABILITIES | | |
| Advance received from Customers | 10.20 | 5.64 |
| Statutory Dues | 175.66 | 129.28 |
| Deferred Revenue- Subsidy (Deferred Govt. Grant) | 15.31 | 13.49 |
| | 201.17 | 148.41 |
| 27: REVENUE FROM OPERATIONS | | |
| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Sale of finished goods | 14,269.06 | 11,462.62 |
| Other Operating Revenues | | |
| Sale of Tea Waste | 70.13 | 9.42 |
| Sale of Green Leaf | 5.39 | |
| Subsidies and Export Incentives | 103.90 | 133.63 |
| Miscellaneous Income | 19.92 | 4.61 |
| | 14,468.40 | 11,610.28 |
| 28: OTHER INCOME | | |
| Interest on Investments | 107.41 | 107.41 |
| Interest on Bank & Other Deposits | 50.46 | 9.31 |
| Profit on sale of Investment measured at FVTPL | 91.80 | (214.02) |
| Dividend Income from Investment | | |
| - Measured as FVTOCI | 6.79 | 17.58 |
| - Measured as FVTPL | 1.40 | 369.93 |
| Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through P/L | 122.66 | 152.01 |
| Change in Fair Value of Biological Assets | 11.90 | 9.20 |
| Other Non Operating Income | | |
| Profit/ (Loss) on Disposal of Fixed Assets (Net) | (0.18) | 0.55 |
| Liabilities no longer required written back | 17.33 | 26.20 |
| Net Gain on Foreign Currency Transactions and Translation | 19.12 | 10.82 |
| Miscellaneous Receipts | 0.42 | 10.76 |
| | 429.11 | 499.75 |
| 29: CHANGES IN INVENTORIES OF FINISHED GOODS | | |
| Opening Stock | 301.38 | 308.53 |
| Less : Closing Stock | 313.99 | 301.38 |
| | (12.61) | 7.15 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 30: EMPLOYEE BENEFITS EXPENSE | | |
|--|---|---|
| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Salaries and Wages | 7,650.89 | 6,046.68 |
| Contributions to Provident and Other Funds | 1,075.49 | 969.16 |
| Staff Welfare Expenses | 1,047.91 | 1,066.97 |
| | 9,774.29 | 8,082.81 |
| 31: DEPRECIATION AND AMORTISATION EXPENSE | | |
| Depreciation on Tangible Assets | 306.02 | 308.17 |
| Amortisation on Intangible Assets | 1.34 | 3.46 |
| | 307.36 | 311.63 |
| 32: OTHER EXPENSES | | |
| Consumption of Stores and Spare Parts including packing material | 1,286.15 | 1,192.18 |
| Power and Fuel | 1,072.59 | 973.62 |
| Rent | 126.09 | 173.25 |
| Rates and Taxes | 61.11 | 80.25 |
| Insurance | 33.01 | 39.27 |
| Repairs & Maintenance | | |
| -Repairs to Buildings | 31.43 | 39.52 |
| -Repairs to Plant & Machinery | 78.87 | 66.21 |
| -Repairs to Others Assets | 62.56 | 43.24 |
| Legal & Professional Consultancy charges | 338.04 | 345.75 |
| Auditors Remuneration | | |
| - Audit Fees | 10.00 | 10.00 |
| - Limited Review Fees | 10.00 | 10.00 |
| - Tax Audit Fees | 2.00 | 2.00 |
| - Fees for other services | 4.95 | 5.60 |
| - Re-imbursement of Expenses and service tax | - | 0.35 |
| Director's Sitting Fees | 1.90 | 1.95 |
| Travelling & Conveyance Expenses | 121.60 | 111.77 |
| Freight, Delivery & Selling Expenses | 458.61 | 445.15 |
| Brokerage & Commission on Sales | 118.23 | 98.66 |
| Cess on Green Leaf & Made Tea | 133.68 | 112.16 |
| Sundry Balances written off | 24.87 | 9.53 |
| Provision for Doubtful Advances (net of write back) | (13.08) | (12.78) |
| Provision for Doubtful Debts | (3.06) | (1.38) |
| Corporate Social Responsibility Expenditure | 7.65 | 15.63 |
| Other Miscellaneous Expenses | 296.88 | 319.57 |
| | 4,264.08 | 4,081.50 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 33: EXCEPTIONAL ITEM | | |
|---|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Surplus arising on acquisition of Agricultural Land | - | 25.01 |
| | - | 25.01 |

Exceptional Item represents aggregate compensation received during the year ended 31st March, 2018 for compulsory acquisition of land.

| 34: TAX EXPENSE | | |
|----------------------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Current Tax | | |
| Current Tax for the Year | 85.00 | (62.00) |
| Total Current Tax Expense | 85.00 | (62.00) |
| Deferred Tax | | |
| Deferred Tax for the Year | 76.17 | (32.93) |
| Total Deferred Tax Expense | 76.17 | (32.93) |
| | 161.17 | (94.93) |

34.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of profit and loss

| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|--|---------------------------------------|---------------------------------------|
| Profit before Taxes | 564.39 | (348.05) |
| Indian Statutory Income tax Rate | 27.82% | 33.06% |
| Estimated Income tax expenses | 157.01 | (115.07) |
| Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense : | | |
| Income exempt | (32.16) | (196.78) |
| Expenses that are not deductible in determining taxable profit | 2.13 | 13.36 |
| Additional Deduction under Income Tax Act, 1961 | (3.45) | (6.18) |
| Unrecognised Deferred Tax Asset on Tax Losses for the Year | - | 238.99 |
| Other | 37.64 | (29.25) |
| Income Tax expense in the Statement of Profit and Loss | 161.17 | (94.93) |

35. Contingent Liabilities

Claims/ Disputes/ Demands not acknowledged as debts:-

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---------------------------|--------------------------|--------------------------|
| i. Sales Tax Demand | 98.64 | 93.64 |
| ii. Income Tax Demand | - | 119.17 |
| iii. Miscellaneous Claims | 12.77 | 12.77 |

Note:

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

36. Commitments**Capital Commitments:**

Estimated amount of contracts remaining to be executed on Capital Account and not provided for net of advances is Rs. Nil.

37. A CSR committee has been formed by the company as per provisions of Section 135 of the Companies Act, 2013. The areas of CSR activities areas are as prescribed under Schedule VII of the Companies Act, 2013.

Gross amount required to be spent by the company during the year was ₹ 7.96 (P.Y. ₹ 13.63).

Amount Spent during the year on:

| Particulars | 2018-19 | | | 2017-18 | | |
|--|-----------------|--------------------|-------|-----------------|--------------------|-------|
| | Amount Incurred | Yet to be Incurred | Total | Amount Incurred | Yet to be Incurred | Total |
| Construction/ acquisition of any asset | 20.00 | Nil | 20.00 | 12.12 | Nil | 12.12 |
| On purposes other than (i) above | 1.70 | Nil | 1.70 | 2.51 | Nil | 2.51 |

38. Employee Benefits**I. Defined Contribution Plan :**

- a. **Provident Fund:** The Company maintains Provident Fund with Regional Provident Fund Commissioner. Contribution made by the company to the Fund is based on the current salaries. In the provident fund scheme contributions are also made by the employees. The Annual Contribution (including charges) amount of ₹ 846.12 (P.Y. ₹ 717.90) has been charged to Statement of Profit and Loss in relation to the above defined contribution scheme.
- b. **Employee State Insurance (ESI):** The Company contributes its ESI contribution with ESIC maintained by Government Agencies, Contributions made by the company for ESI is based on the current salaries. The annual contribution amount of ₹ 0.26 (P.Y. ₹ 0.27) has been charged to the Statement of Profit and Loss in relation to the above defined contribution scheme.

II. Defined Benefit Plan:

- a. **Gratuity:** The Company has a defined benefit gratuity plan. An employee is entitled for gratuity only after completion of five years in the service. The gratuity is calculated as per the calculations specified in the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.
- b. **Super Annuation Fund:** The Company has a defined superannuation plan. An employee is entitled for superannuation only after completion of ten years in the service. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.
- c. **Pension:** The Company has a defined pension plan. An employee is entitled for pension only after completion of twenty years in the service. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.
- d. **Additional Retirement Benefit:** The Company has a defined additional retirement plan. An employee is entitled for additional retirement only after completion of fifteen years in the service subject to retirement from the company. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

e. Risk Exposure:**Defined Benefit Plans**

Defined benefit plans expose the Company to actuarial risks such as: Interest Rate Risk, Salary Risk and Demographic Risk.

- Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- Salary risk : Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis, the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

f. Funded Plans:

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

| Particulars | Gratuity | | Super Annuation | |
|--|----------|----------|-----------------|----------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Present Value of Obligation at the beginning of the year | 2,745.15 | 2,572.30 | 502.77 | 628.24 |
| Current Service Cost | 217.41 | 189.23 | 14.98 | 53.85 |
| Interest Cost | 200.89 | 185.47 | 36.40 | 45.36 |
| Past Service Cost | - | 2.55 | - | - |
| Actuarial (Gains)/Losses arising from | | | | |
| Changes in financial assumptions | (174.52) | 158.05 | - | - |
| Experience Adjustment | 405.23 | (163.62) | (29.05) | (177.75) |
| Benefits paid | (133.22) | (198.83) | (35.00) | (46.93) |
| Present Value of Obligation at the end of the year | 3,260.94 | 2,745.15 | 490.10 | 502.77 |

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

| Particulars | Gratuity | | Super Annuation | |
|--|----------|----------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Fair value of Plan Assets at the beginning of the year | 2,585.25 | 2,330.84 | 618.77 | 629.77 |
| Interest Income on Plan Assets | 193.89 | 174.82 | 46.41 | 50.38 |
| Return on plan assets greater/ (lesser) than discount rate | (141.39) | 36.97 | (3.50) | (14.45) |
| Contributions | 159.90 | 241.45 | - | - |
| Benefits paid | (133.22) | (198.83) | (35.00) | (46.93) |
| Fair value of Plan Assets at the end of the year | 2,664.43 | 2,585.25 | 626.68 | 618.77 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

iii. Net Asset/(Liability) recognised in Balance Sheet

| Particulars | Gratuity | | Super Annuation | |
|--|----------|----------|-----------------|----------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Present Value of the Obligation at the end of the year | 3,260.94 | 2,745.15 | 490.10 | 502.77 |
| Fair value of Plan Assets at the end of the year | 2,664.43 | 2,585.25 | 626.68 | 618.77 |
| (Asset)/Liabilities recognized in the Balance Sheet | 596.51 | 159.90 | (136.58) | (116.00) |

iv. Expenses recognized in the Profit and Loss.

| Particulars | Gratuity | | Super Annuation | |
|--|----------|---------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Current Service Cost | 217.41 | 189.23 | 14.98 | 53.85 |
| Pat Service Cost | - | 2.55 | - | - |
| Net Interest Expense | 7.00 | 10.65 | (10.01) | (5.03) |
| Total Expenses Recognized and Disclosed under Contributions to Provident and Other Funds and to Staff Welfare Expenses | 224.41 | 202.43 | 4.97 | 48.82 |

v. Remeasurements recognized in other comprehensive income.

| Particulars | Gratuity | | Super Annuation | |
|--|----------|----------|-----------------|----------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Return on plan assets, excluding amounts included in interest expense/(income) | 141.39 | (36.96) | 3.50 | 14.45 |
| Effect of experience adjustments | 405.23 | (163.62) | (29.04) | (177.75) |
| Effect of changes in financial assumptions | (174.52) | 158.05 | - | - |
| Total re-measurements included in OCI | 372.10 | (42.53) | (25.43) | (163.30) |

vi. Major categories of Plan Assets.

| Particulars | Gratuity | | Super Annuation | |
|----------------------------|----------|---------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Qualified Insurance Policy | 91.49% | 85.59% | 74.67% | 80.96% |
| Debt Instruments | 7.44% | 13.19% | 15.04% | 16.97% |
| Cash and Cash Equivalents | 1.07% | 1.22% | 10.29% | 2.07% |

vii. Principal Actuarial Assumptions of funded Plans, as applicable

| Particulars | Gratuity | | Super Annuation | |
|--------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| | % | % | % | % |
| Discount Rate | 7.50 | 7.50 | 7.50 | 7.50 |
| Salary Escalation | 7.50 | 8.00 | 5.00 | 5.00 |
| Expected Return on Asset | 7.50 | 8.00 | 8.00 | 7.50 |
| Mortality Table | IALM (2006- 2008) Ultimate | IALM (2006- 2008) Ultimate | IALM (2009- 2008) Ultimate | IALM (2009- 2008) Ultimate |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

viii. Sensitivity Analysis.

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| Particulars | Gratuity | | Super Annuation | |
|-----------------------------|----------|----------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Discount Rate + 0.5% | (165.82) | (161.80) | (40.47) | (6.41) |
| Discount Rate - 0.5% | 181.24 | 178.05 | 44.87 | 10.10 |
| Salary Increase Rate + 0.5% | 179.16 | 175.17 | 36.90 | 5.66 |
| Salary Increase Rate -0.5% | (165.46) | (160.73) | (35.18) | (11.54) |

ix. Maturity profile of the defined benefit obligation.

| Particulars | Gratuity | | Super Annuation | |
|---------------|----------|----------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Within 1 year | 342.87 | 169.11 | 56.70 | 23.34 |
| 1-2 Year | 179.78 | 78.82 | 275.44 | 168.69 |
| 2-3 Year | 216.46 | 147.22 | 0 | 0 |
| 3-4 Year | 251.06 | 164.39 | 107.75 | 66.04 |
| 4-5 Year | 206.60 | 193.75 | 26.17 | 83.03 |
| Over 5 Years | 7,874.77 | 8,231.05 | 119.23 | 420.97 |

x. Asset-Liability Matching Strategy

The Company's investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Companies, the investment are being managed by these insurance companies and at the year end interest is being credited to the fund value. The company has not changed the process used to manage its risk from previous periods. The company's investment are fully secured and would be sufficient to cover its obligations.

xi. The company expects to contribute ₹ 596.51 (₹159.90) to its Gratuity fund and Nil (Nil) to its Super Annuation fund in 2019-20

g. Unfunded Plans:

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

| Particulars | Pension | | Additional Retirement Benefit | |
|--|----------|----------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Present Value of Obligation at the beginning of the year | 1,163.13 | 965.07 | 8.19 | 23.77 |
| Current Service Cost | 63.59 | 168.07 | 0.36 | 0.35 |
| Interest Cost | 85.79 | 71.14 | 0.61 | 1.46 |
| Actuarial (Gains)/Losses arising from | | | | |
| Changes in financial assumptions | - | 24.55 | - | - |
| Experience Adjustment | 166.45 | (32.72) | (0.06) | (8.91) |
| Benefits paid | (38.39) | (32.98) | - | (8.48) |
| Present Value of Obligation at the end of the year | 1,440.57 | 1,163.13 | 9.10 | 8.19 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

ii. Net Asset/(Liability) recognised in Balance Sheet.

| Particulars | Pension | | Additional Retirement Benefit | |
|--|----------|---------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Present Value of the Obligation at the end of the year | 1,440.57 | 1163.13 | 9.10 | 8.19 |
| (Asset)/Liabilities recognized in the Balance Sheet | 1,440.57 | 1163.13 | 9.10 | 8.19 |

iii. Expenses recognized in the Profit and Loss.

| Particulars | Pension | | Additional Retirement Benefit | |
|--|---------|---------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Current Service Cost | 63.59 | 168.07 | 0.36 | 0.35 |
| Net Interest Expense | 85.79 | 71.14 | 0.61 | 1.46 |
| Total Expenses Recognized and Disclosed under Contributions to Provident and Other Funds and to Staff Welfare Expenses | 149.38 | 239.21 | 0.97 | 1.81 |

iv. Remeasurements recognized in other comprehensive income.

| Particulars | Pension | | Additional Retirement Benefit | |
|--|---------|---------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | - |
| Effect of experience adjustments | 166.45 | (32.72) | (0.06) | (8.91) |
| Effect of changes in financial assumptions | - | 24.55 | - | - |
| Total re-measurements included in OCI | 166.45 | (8.17) | (0.06) | (8.91) |

v. Principal Actuarial Assumptions of unfunded Plans, as applicable

| Particulars | Pension | | Additional Retirement Benefit | |
|-------------------|---------------------------|---------------------------|-------------------------------|---------------------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| | % | % | % | % |
| Discount Rate | 7.50 | 7.50 | 7.50 | 7.50 |
| Salary Escalation | 7.50 | 8.00 | 5.00 | 5.00 |
| Mortality Table | IALM (2009-2008) Ultimate | IALM (2009-2008) Ultimate | IALM (2006-2008) Ultimate | IALM (2006-2008) Ultimate |

vi. Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| Particulars | Pension | | Additional Retirement Benefit | |
|-----------------------------|---------|---------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Discount Rate + 0.5% | (45.09) | (29.36) | (0.22) | (0.20) |
| Discount Rate - 0.5% | 47.86 | 31.10 | 0.23 | 0.20 |
| Salary Increase Rate + 0.5% | 47.19 | 30.67 | 0.23 | 0.21 |
| Salary Increase Rate – 0.5% | (44.89) | (29.22) | (0.22) | (0.21) |

vii. Maturity profile of the defined benefit obligation.

| Particulars | Pension | | Additional Retirement Benefit | |
|---------------|----------|----------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Within 1 year | 40.26 | 38.44 | 6.17 | 5.09 |
| 1-2 Year | 41.69 | 39.36 | 0.04 | 3.70 |
| 2-3 Year | 42.89 | 38.63 | 0.04 | 0.11 |
| 3-4 Year | 43.06 | 41.20 | 2.64 | 0.11 |
| 4-5 Year | 44.57 | 42.42 | 0.02 | 3.20 |
| Over 5 Years | 1,052.75 | 1,059.45 | 3.00 | 14.03 |

h. The estimates of future salary increase considered in actuarial valuation, takes into account factors like inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The actuary certifies the above information. In assessing the company's post retirement liabilities, the Company monitors mortality assumptions and uses up to-date mortality tables.

39. Segment Information

The company operates mainly in one business segment viz., Cultivation, Manufacturing and selling of Tea, being primary segment and all other activities revolve around the main activity. The Company is operating in two geographical segments i.e., in India and Outside. The details required as per the standard for the secondary segment is as follows:

| Particulars | Within India | | Rest of World | | Total | |
|---------------------|--------------|-----------|---------------|---------|-----------|-----------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Segment Revenue | 14,097.82 | 11,070.79 | 370.58 | 539.49 | 14,468.40 | 11,610.28 |
| Segment Assets | 8,259.09 | 8,296.71 | - | - | 8,259.09 | 8,296.71 |
| Capital Expenditure | 365.98 | 693.53 | - | - | 365.98 | 693.53 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

40. Related Party Disclosures**a. List of Related Parties**➤ **Directors & Key Managerial Personnel (KMP)**

| Sl. No. | Name of the Person | Relationship |
|---------|------------------------|-------------------------|
| a. | Anil Kumar Ruia | Chairman |
| b. | Akhil Kumar Ruia | Wholetime Director |
| c. | Sudeep Kumar Ahluwalia | Wholetime Director |
| d. | Arup Kumar Chowdhuri | Independent Director |
| e. | Abhiram Kastur Sheth | Independent Director |
| f. | Sucharita Basu De | Independent Director |
| g. | Vikram Saraogi | Chief Financial Officer |
| h. | Gyanendra Singh | Company Secretary |

➤ **Companies over which Directors & KMP have significant influence**

| Sl. No. | Name of the Person | Relationship |
|---------|--------------------------|---|
| a. | JW Properties Pvt. Ltd. | Companies over which the KMP are able to exercise a significant influence |
| b. | JWR Properties Pvt. Ltd. | |
| c. | AKR Properties Pvt. Ltd. | |

b. Disclosure of Transactions between the company and related parties in the ordinary course of the business

| Sl. No. | Nature of Transaction | Directors & KMP | Companies over which the KMP are able to exercise a significant influence |
|---------|--------------------------------|--------------------|---|
| a. | Remuneration | | |
| | -Short-term Employee Benefits | 231.71 (221.20) | - - |
| | -Post-employment Benefits | 3.87 (3.49) | - - |
| | -Long-term Employee Benefits | - - | - - |
| b. | Sitting Fees | 1.90 (1.95) | - - |
| c. | Security Deposit Received Back | - - | 105.00 - |
| d. | Rent Paid | - - | 162.00 (163.00) |

c. Disclosure of Balance outstanding as on Balance Sheet date with related parties

| Sl. No. | Account Head | KMP | Companies over which the KMP are able to exercise a significant influence |
|---------|------------------|--------|---|
| a. | Security Deposit | - - | 900.00 (1,005.00) |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

43. Leases

The Company's leasing agreements (as lessee) in respect of lease for office accommodation & guest house, which are on periodic renewal basis. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit & Loss amounts to ₹ 126.09 (P.Y. - ₹ 173.25)

42. Earnings Per Share

| Particulars | 2018-19 | 2017-18 |
|--|-----------|-------------|
| Profit/ (Loss) after tax as per Statement of Profit and Loss and available for Equity Shareholders (₹) (A) | 403.22 | (253.12) |
| Weighted average number of Equity Shares of ₹ 10/- each outstanding during the year (Numbers) (B) | 93,00,804 | 1,19,04,640 |
| Basic and Diluted Earnings per Share [(A) / (B)] (in ₹) | 4.34 | (2.13) |

43. Confirmations for the balances shown under long term and short term loans & advances, current liabilities, Trade payables, subsidy & Incentive Receivables and other current assets have been sought from the respective parties. Consequential adjustments shall be done on the receipt of the same. In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

44. Miscellaneous Expenditure under Note No.32 includes revenue expenditure on research and development ₹ 24.81 (P.Y- ₹ 24.91) incurred towards subscription to Tea Research Association.

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

| Sl. No | Particulars | 2018-19 | 2017-18 |
|--------|--|---------|---------|
| a. | The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year. | - | - |
| b. | The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| c. | The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| d. | The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| e. | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |

Note: The Company has circulated confirmation for the identification of suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006. On the basis of information available with the Company under the aforesaid Act, there are no such Enterprises to whom the Company owes dues which are outstanding during the year end. This has been relied upon by the Auditors

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

46. Financial Instruments and Related Disclosures**a. Fair Value of Financial Assets and Financial Liabilities (Non-Current and Current):**

| Particulars | As at 31st March, 2019 | | | As at 31st March, 2018 | | |
|------------------------------------|------------------------|---------------|-----------------|------------------------|---------------|-----------------|
| | FVTPL | FVOCI | Amortised Cost | FVTPL | FVOCI | Amortised Cost |
| Financial Assets | | | | | | |
| Investments | | | | | | |
| -Joint Ventures & Associates | - | - | 1,118.83 | - | - | 1,118.83 |
| -Equity Instruments | - | 621.87 | - | - | 110.32 | - |
| -Mutual Fund | 4,189.90 | - | - | 4,101.69 | - | - |
| -Bonds and Debentures | - | - | 2,353.97 | - | - | 1,373.31 |
| Security Deposits | - | - | 1,062.30 | - | - | 1,163.72 |
| Loans Given | - | - | 3.09 | - | - | 4.03 |
| Trade Receivables | - | - | 140.23 | - | - | 74.12 |
| Cash and Cash Equivalents | - | - | 109.78 | - | - | 237.99 |
| Deposits with Nabard | - | - | 0.01 | - | - | 0.01 |
| Interest Accrued on Deposits | - | - | 49.66 | - | - | 40.01 |
| Other Financial Assets | - | - | 0.28 | - | - | 0.28 |
| Total Financial Assets | 4,189.90 | 621.87 | 4,838.15 | 4,101.69 | 110.32 | 4,012.30 |
| Financial Liabilities | | | | | | |
| Trade Payables | - | - | 997.88 | - | - | 1,061.68 |
| Employee Benefits Payable | - | - | 722.36 | - | - | 159.22 |
| Total Financial Liabilities | - | - | 1,720.24 | - | - | 1,220.90 |

b. Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

i. Market risk

The Company's business primarily agricultural in nature, exposes it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse weather conditions and lack of future markets. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk

i. Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, euro, etc.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities, at the end of the reporting period are as follows:

| | USD | INR (₹) |
|-------------------------------|---------|---------|
| As at 31st March, 2019 | | |
| Financial Assets | | |
| Cash and Cash Equivalents | - | - |
| As at 31st March, 2018 | | |
| Financial Assets | | |
| Cash and Cash Equivalents | 122,348 | 79.58 |

Foreign currency sensitivity

The impact of sensitivity analysis arising on account of outstanding foreign currency denominated assets and liabilities is insignificant.

ii. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

The Company has no borrowings being availed during the current as well as in the previous year. Therefore, the company have no interest rate risk.

Interest rate sensitivity

Since there is no borrowings being availed during the current year as well as in the previous year, hence no sensitivity analysis is done.

iii. Price risk

The Company invests its surplus funds primarily in equity shares and mutual funds measured at fair value. Aggregate value of such investments as at 31st March, 2019 is ₹ 4,811.77 (31st March, 2018 - ₹ 4,212,01).

Increase/decrease of 5% would result in an impact (increase/ decrease) by ₹ 240.59 and ₹ 210.60 on total profit for the year ended 31st March 2019 and 31st March 2018 respectively.

II. Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty including seasonality in meeting its obligations. The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

| | Carrying Value | On Demand | Less than 1 year | Beyond 1 year | Total |
|-------------------------------|-----------------|-----------------|------------------|---------------|-----------------|
| As at 31st March, 2019 | | | | | |
| Trade Payables | 997.88 | 997.88 | - | - | 997.88 |
| Other Financial Liabilities | 722.36 | 722.36 | - | - | 722.36 |
| Total | 1,720.24 | 1,720.24 | - | - | 1,720.24 |
| As at 31st March, 2018 | | | | | |
| Trade Payables | 1,061.68 | 1,061.68 | - | - | 1,061.68 |
| Other Financial Liabilities | 159.22 | 159.22 | - | - | 159.22 |
| Total | 1,220.90 | 1,220.90 | - | - | 1,220.90 |

I. Credit risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss.

The Company has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's basis which, the terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals. The credit risk of the Company is low as the Company largely sells its teas through the auction system which is on cash and carry basis and through exports which are mostly backed by letter or credit or on advance basis.

The movement of the expected loss provision made by the Company are as under:

| Particulars | Expected Loss Provision | |
|------------------------|-------------------------|------------------------|
| | As at 31st March, 2019 | As at 31st March, 2018 |
| Opening Balance | 3.06 | 4.44 |
| Add: Provisions Made | (3.06) | (1.38) |
| Closing Balance | - | 3.06 |

c. Capital Management

The Company aims at maintaining a strong capital base maximizing shareholders' wealth safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

d. Fair value hierarchy

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| Particulars | Fair Value Hierarchy (level) | Fair Value | |
|---|------------------------------|------------------------|------------------------|
| | | As at 31st March, 2019 | As at 31st March, 2018 |
| Financial Assets | | | |
| Measured at Fair value through Profit or Loss | | | |
| -Mutual Fund (Quoted) | Level 1 | - | 818.82 |
| -Mutual Fund (Unquoted) | Level 2 | 4189.90 | 3,282.87 |
| Measured at Fair value through FVTOCI | | | |
| -Equity Instruments (Quoted) | Level 1 | 621.86 | 110.31 |
| -Equity Instruments (Unquoted) | Level 3 | 0.01 | 0.01 |

47. Fair value measurements for biological assets other than bearer plants:

The following table gives the information about how the fair value of the biological assets are determined:

| Biological Asset | As at 31st March, 2019 | As at 31st March, 2018 | Fair Value Hierarchy | Valuation techniques and key inputs |
|------------------------|------------------------|------------------------|----------------------|---|
| Unharvested tea leaves | 78.81 | 66.91 | Level 2 | Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various fields. |

48. Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

As per our Report of even dateFor **B. Chhawchharia & Co.**

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia

Wholetime Director

DIN : 03600526

Sd/-

Arup Kumar Chowdhuri

Independent Director

DIN : 00997826

Sd/-

Vikram Saraogi

Chief Financial Officer

Sd/-

Gyanendra Singh

Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

James Warren Tea Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of JAMES WARREN TEA LIMITED ('the Company') and its joint venture, which comprise the Consolidated Balance Sheet as at 31st March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as consolidated financial statements).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the management reports on separate financial statements and on the other financial information of the joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), of the consolidated state of affairs of the Company as at 31st March 2019, its consolidated financial position including other comprehensive income, its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, other than the Ind AS financial statement as certified by the management referred to in paragraph of the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the director on separate financial statements and on the other financial information of the joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

| SL No. | Key Audit Matters | Auditor's Response |
|--------|---|--|
| 1 | Valuation of biological assets and agricultural produce | Principal audit procedures performed: Our audit approach was a combination of test of internal controls and substantive procedures including: |
| | Biological assets of the Company include unharvested green tea leaves which are measured at fair value less costs to sell. | <ul style="list-style-type: none"> Obtaining an understanding of the fair value measurement methodologies used and assessing the reasonableness and consistency of the significant assumptions used in the valuation. |
| | The Company's agricultural produce comprises of harvested green leaves and is valued at fair value less cost to sell at the point of harvest. | <ul style="list-style-type: none"> Evaluating the procedures and implementation of Company's controls around the valuation of biological assets and harvested produce. |
| | Finished goods produced from agricultural produce are valued at lower of cost arrived at by adding the cost of conversion to the fair value of agricultural produce and the net realisable value. | <ul style="list-style-type: none"> Assessing the plucking yields to analyse the fair valuation of biological assets. |
| | For harvested or unharvested green leaves, since there is no active market for own leaves, significant estimates are used by management in determining the valuation of biological assets and agricultural produce consumed in manufacture of black tea and therefore has been considered as a key audit matter. | <ul style="list-style-type: none"> Assessing the basis, reasonableness and accuracy of adjustments made to market prices of green leaves considering the quality differential of the Company's production. |
| | The principal assumptions and estimates in the determination of the fair value include assumptions about the yields and market prices of green leaf and the stage of transformation. The determination of these assumptions and estimates require careful evaluation by management and could lead to material impact on the financial position and the results of the Company. Refer note no 1.2 and 1.16 to the financial statement. | <ul style="list-style-type: none"> Verifying the consistency of application of the fair value approaches and models over the years. |

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



INDEPENDENT AUDITORS' REPORT

Responsibilities of Management for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit or loss including other comprehensive income, consolidated changes in equity and consolidated cash flows of the company including its joint venture in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Board of Directors/ management of the companies and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, management is responsible for assessing the company ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company financial reporting process

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based

INDEPENDENT AUDITORS' REPORT

on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements include the Company share of net loss (including other comprehensive income) of Rs. 2.44 lakhs for the year ended 31 March, 2019, as considered in the consolidated financial statements, in respect of joint ventures located outside India, whose financial statements have not been audited by us. This financial statement is unaudited and has been prepared by the management of the joint venture and converted by the management of the company into Ind AS compliant financial statement. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures are solely based on such management certified Ind AS financial statements and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint ventures based solely on such unaudited financial statement.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and financial statement certified by the management.

The consolidated financial statements of the Company for the year ended 31st March, 2018 were audited by the predecessor auditor, Singh & Co., who have expressed an opinion on those financial statements vide their audit report dated 17th May, 2018.

Report on Other Legal and Regulatory Requirements

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

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statement;
- b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the company so far as it appears from our examination of those books and the financial statement certified by the management;
- c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;



INDEPENDENT AUDITORS' REPORT

- e) on the basis of the written representations received from the directors of the Company and taken on record, none of the directors of the company, is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164(2) of the Act. As the joint venture is incorporated outside India, hence the requirements of section 164(2) of the Act are not applicable;
- f) with respect to the adequacy of the internal financial controls over financial reporting (IFCoFR) of the Company and the operating effectiveness of such controls refer to our separate report in **Annexure 'A'**. The requirement relating to internal financial controls over financial reporting (IFCoFR) are not applicable to the joint venture as it is incorporated outside India.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

As the joint venture is incorporated outside India, hence the requirements of section 197(16) of the Act are not applicable;

- h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the financial statement as certified by the management of the joint venture:
- (i) the Consolidated financial statement does not have any pending litigations, other than those disclosed in the consolidated financial statements; which would materially impact its financial position. Refer note no. 35 to the financial statement;
- (ii) the Company has made provision, as required under the applicable laws or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- (ii) there was no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B. Chhawchharia & Co**
Chartered Accountants
Firm's Registration No.: **305123E**
Sd/-

S.K. Chhawchharia
Partner

Membership No. 008482

Place: Kolkata

Dated, the 11th day of May, 2019

ANNEXURE-A 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”)

In conjunction with our audit of the standalone financial statements of **JAMES WARREN TEA LIMITED** (“the Company”) as of and for the year ended 31st March 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the company as of 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 ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s IFCoFR 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 Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company’s IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become



ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

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, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

Other Matters

Our Aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal control financial controls over financial reporting is only relating to the Company as the same is not applicable to the joint venture which incorporated outside India.

For **B. Chhawchharia & Co**
Chartered Accountants
Firm's Registration No.: **305123E**
Sd/-
S.K. Chhawchharia
Partner
Membership No. **008482**

Place: Kolkata
Dated, the 11th day of May, 2019

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in lakhs)

| | Notes | As at 31st March 2019 | As at 31st March 2018 |
|--|-------|--------------------------|--------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 2 | 4,287.80 | 4,485.07 |
| Capital Work-In-Progress | 3 | 1,194.48 | 939.94 |
| Intangible Assets | 4 | 3.41 | 2.95 |
| Financial Assets | | | |
| i Investments | 5 | 4,456.95 | 4,450.25 |
| ii Loans | 6 | 162.30 | 158.72 |
| Non-Current Tax Assets | 7 | 212.35 | 317.32 |
| Other Non-Current Assets | 8 | 8.53 | 30.13 |
| | | 10,325.82 | 10,384.38 |
| CURRENT ASSETS | | | |
| Inventories | 9 | 781.63 | 835.57 |
| Biological Assets other than Bearer Plants | 10 | 78.81 | 66.91 |
| Financial Assets | | | |
| i Investments | 11 | 3,821.53 | 2,250.25 |
| ii Trade Receivables | 12 | 140.23 | 74.12 |
| iii Cash and Cash Equivalents | 13 | 109.78 | 237.99 |
| iv Loans | 14 | 903.09 | 1,009.03 |
| v Other Financial Assets | 15 | 49.95 | 40.30 |
| Other Current Assets | 16 | 539.08 | 415.98 |
| | | 6,424.10 | 4,930.15 |
| Total Assets | | 16,749.92 | 15,314.53 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 17 | 930.08 | 930.08 |
| Other Equity | 18 | 10,423.32 | 10,479.02 |
| | | 11,353.40 | 11,409.10 |
| Liabilities | | | |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 19 | 1,436.73 | 1,133.08 |
| Deferred Tax Liabilities (Net) | 20 | 300.33 | 224.16 |
| Other Non Current Liabilities | 21 | 228.15 | 190.43 |
| | | 1,965.21 | 1,547.67 |
| CURRENT LIABILITIES | | | |
| Financial Liabilities | | | |
| i Trade Payables | 22 | | |
| - Total outstanding dues of micro enterprises and small enterprises | | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 997.88 | 1,061.68 |
| ii Other Financial Liabilities | 23 | 722.36 | 159.22 |
| Provisions | 24 | 1,509.90 | 979.22 |
| Current Tax Liabilities (Net) | 25 | - | 9.23 |
| Other Current Liabilities | 26 | 201.17 | 148.41 |
| | | 3431.31 | 2357.76 |
| Total Equity and Liabilities | | 16,749.92 | 15,314.53 |

Significant Accounting Policies

1

The accompanying notes are an integral part of the consolidated financial statements

As per our Report of even dateFor **B. Chhawchharia & Co.**

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia

Wholetime Director

DIN : 03600526

Sd/-

Vikram Saraogi

Chief Financial Officer

Sd/-

Arup Kumar Chowdhuri

Independent Director

DIN : 00997826

Sd/-

Gyanendra Singh

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | Notes | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|--|-------|---------------------------------------|---------------------------------------|
| INCOME | | | |
| I Revenue from Operations | 27 | 14,468.40 | 11,610.28 |
| II Other Income | 28 | 429.11 | 499.75 |
| III Total Revenue (I + II) | | 14,897.51 | 12,110.03 |
| IV Expenses | | | |
| Purchase of Stock - in trade | | - | - |
| Changes in Inventories of Finished Goods | 29 | (12.61) | 7.15 |
| Employee Benefits Expense | 30 | 9,774.29 | 8,082.81 |
| Finance Costs | | - | - |
| Depreciation and Amortisation Expense | 31 | 307.36 | 311.63 |
| Other Expenses | 32 | 4,264.08 | 4,081.50 |
| Total Expenses (IV) | | 14,333.12 | 12,483.09 |
| V Profit/(Loss) before Exceptional Item & Tax (III -IV) | | 564.39 | (373.06) |
| VI Exceptional Item | 33 | - | 25.01 |
| VII Profit before Tax (V + VI) | | 564.39 | (348.05) |
| VIII Tax Expense | 34 | | |
| Current Tax | | 85.00 | (62.00) |
| Deferred Tax | | 76.17 | (32.93) |
| IX Profit/(Loss) for the Year before Share of Results of Joint Venture (VII - VIII) | | 403.22 | (253.12) |
| X Profit/(Loss) for Proportionate Share in Joint Venture | | (2.44) | (1.73) |
| XI Profit/(Loss) for the Year (IX + X) | | 400.78 | (254.85) |
| XII Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | | | |
| a. Remeasurements of the defined benefit plans | | (512.95) | 222.92 |
| b. Equity Instruments through Other Comprehensive Income | | (3.53) | 386.85 |
| c. Income tax relating to items that will not be reclassified to profit or loss | | 60.00 | (107.00) |
| Total Other Comprehensive Income for the Year (Net of Tax) | | (456.48) | 502.77 |
| XI Total Comprehensive Income for the Year (XI + XII) | | (55.70) | 247.92 |
| XII Earnings per Equity Share | | | |
| Nominal Value of Share (Rs. 10 each) | | | |
| Basic and Diluted Earnings per Share (Rs.) | 43 | 4.31 | (2.14) |

Significant Accounting Policies

1

The accompanying notes are an integral part of the consolidated financial statements

As per our Report of even dateFor **B. Chhawchharia & Co.**

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia

Wholetime Director

DIN : 03600526

Sd/-

Arup Kumar Chowdhuri

Independent Director

DIN : 00997826

Sd/-

Vikram Saraogi

Chief Financial Officer

Sd/-

Gyanendra Singh

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|---|---------------------------------------|---------------------------------------|
| A. Cash Flow from operating activities | | |
| Profit / (Loss) before Taxation and after Exceptional Items | 564.40 | (348.05) |
| Adjustment for- | | |
| Depreciation and Amortisation | 307.36 | 311.63 |
| Interest Income | (157.86) | (116.72) |
| Profit on sale of Investments | (91.80) | 214.02 |
| Dividend Income | (8.19) | (387.51) |
| Changes in Fair Value of Biological Assets | (11.90) | (9.20) |
| Fair Value Gain on Investment | (122.66) | (152.01) |
| Finance Cost | - | - |
| Liabilities no longer required written back | (17.33) | (26.20) |
| Sundry Balances written off | 24.87 | 9.53 |
| Provision for doubtful debt | (16.14) | (14.17) |
| (Profit)/Loss on Sale of Fixed Assets (Net) | 0.18 | (25.56) |
| Operating profit before Working Capital changes | 470.93 | (544.24) |
| Changes in working capital | | |
| Trade and Other Receivables | (73.94) | 412.47 |
| Inventories | 53.94 | (150.56) |
| Trade Payables and Other Liabilities | 928.56 | 477.61 |
| Cash generated from Operations | 1,379.49 | 195.28 |
| Direct Tax Paid (net of refund) | 70.74 | (42.50) |
| Net Cash from operating activities | 1,450.23 | 152.78 |
| B. Cash Flow from investing activities | | |
| Purchase of Fixed Assets/ Advance for fixed assets | (365.98) | (693.53) |
| Sale of Fixed Assets | 0.70 | 27.24 |
| Dividend Income | 8.19 | 387.51 |
| Purchase of Non Current Investments | (501.02) | (1,231.35) |
| Purchase of Current Investments | (10,140.66) | (9,860.00) |
| Proceeds from Sale of Non-Current Investments | 2.28 | 2,272.45 |
| Proceeds from Sale of Current Investments | 9,269.84 | 12,159.73 |
| Interest Income | 148.21 | 132.13 |
| Net Cash from/ (used) in investing activities | (1,578.44) | 3,194.18 |

**CONSOLIDATED CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | | |
|--|-----------------|-------------------|
| C Cash Flow from financing activities | | |
| Repayment of Short Term Borrowings | - | - |
| Finance cost paid | - | - |
| Payment towards Buyback of Shares | - | (3,483.00) |
| Net Cash from / (used) in financing activities | - | (3,483.00) |
| Net increase / (decrease) in Cash and Cash Equivalent | (128.21) | (136.04) |
| Cash and Cash Equivalent | | |
| Opening Balance of cash and cash equivalent | 237.99 | 374.03 |
| Cash and Cash Equivalent [Note 13] | | |
| Closing Balance of cash and cash equivalent | 109.78 | 237.99 |
| Cash and Cash Equivalent [Note 13] | | |

- 1) The above Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS - 7 on 'Statement of Cash Flows'
- 2) Previous year's figures have been regrouped and rearranged, wherever considered necessary

The accompanying notes are an integral part of the consolidated financial statements

As per our Report of even dateFor **B. Chhawchharia & Co.**

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia*Wholetime Director*

DIN : 03600526

Sd/-

Arup Kumar Chowdhuri*Independent Director*

DIN : 00997826

Sd/-

Vikram Saraogi*Chief Financial Officer*

Sd/-

Gyanendra Singh*Company Secretary*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019
(₹ in lakhs)

| | | Notes | Amount | | | | |
|-----------|--|-----------------------------------|------------------------|--|--------------------------------------|---|------------------|
| A. | EQUITY SHARE CAPITAL | | | | | | |
| | As at 1st April 2017 | | 1,200.08 | | | | |
| | Buyback of Equity Shares | | (270.00) | | | | |
| | As at 31st March 2018 | | 930.08 | | | | |
| | Buyback of Equity Shares | 49 | - | | | | |
| | As At 31st March 2019 | | 930.08 | | | | |
| B. | OTHER EQUITY | | | Items of Other Comprehensive Income | Total | | |
| | | Capital Redemption Reserve | General Reserve | Retained Earnings | Equity instrument through OCI | Remeasurement of Defined Benefit Plans | |
| | Balance as at 1st April, 2017 | - | 3,821.70 | 8,558.16 | 400.04 | 664.20 | 13,444.10 |
| | Profit for the Year | | - | (254.85) | - | - | (254.85) |
| | Profit on Sale of Equity Instruments measured through OCI | - | - | - | 276.54 | - | 276.54 |
| | Mark to market Gain/(Loss) | - | - | - | 110.31 | - | 110.31 |
| | Remeasurement Gain/(Loss) | - | - | - | - | 222.92 | 222.92 |
| | Impact of Tax | - | - | - | (95.00) | (12.00) | (107.00) |
| | Transfer of realised profit to Retained Earning (Net of Taxes) | - | - | 581.58 | (581.58) | - | - |
| | Total Comprehensive Income For The Year | - | - | 326.73 | (289.73) | 210.92 | 247.92 |
| | Buy back Premium | - | (3,213.00) | - | - | - | (3,213.00) |
| | Created on a/c of Buyback of Equity Shares | 270.00 | (270.00) | - | - | - | - |
| | Balance as at 31st March, 2018 | 270.00 | 338.70 | 8,884.89 | 110.31 | 875.12 | 10,479.02 |
| | Profit for the Year | | - | 400.78 | - | - | 400.78 |
| | Profit on Sale of Equity Instruments measured through OCI | - | - | - | (41.34) | - | (41.34) |
| | Mark to market Gain/(Loss) | - | - | - | 37.81 | - | 37.81 |
| | Remeasurement Gain/(Loss) | - | - | - | - | (512.95) | (512.95) |
| | Impact of Tax | - | - | - | - | 60.00 | 60.00 |
| | Transfer of realised profit to Retained Earning (Net of Taxes) | - | - | (41.34) | 41.34 | - | - |
| | Total Comprehensive Income For The Year | - | - | 359.44 | 37.81 | (452.95) | (55.70) |
| | Balance as at 31st March, 2019 | 270.00 | 338.70 | 9,244.33 | 148.12 | 422.17 | 10,423.32 |

As per our Report of even date

For **B. Chhawchharia & Co.**

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia

Wholetime Director

DIN : 03600526

Sd/-

Vikram Saraogi

Chief Financial Officer

Sd/-

Arup Kumar Chowdhuri

Independent Director

DIN : 00997826

Sd/-

Gyanendra Singh

Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

COMPANY OVERVIEW

James Warren Tea Limited (the Parent Company) is a Company limited by shares, incorporated and domiciled in India. The Parent Company is engaged in cultivation, manufacture and sale of tea and the Joint Venture is Special Purpose Vehicle (SPV) for making Foreign Investments. The parent Company and its Joint Ventures together referred as “the Company” or “the Group”.

1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of Preparation and Presentation of Financial Statement

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”) read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and other Generally Accepted Accounting Principles (GAAP) in India.

1.1.1 Basis of consolidation

The consolidated financial statements have been prepared on the following basis:

Investment in Joint Ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint ventures. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities required unanimous consent of parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor.

The Group’s investment in Joint Ventures are accounted using the equity method. Goodwill relating to a Joint Venture is included in the carrying value of the investments and is not tested for impairment separately. Under equity method of accounting, the investments are initially recorded at cost and adjusted thereafter to recognize the Group’s share of post-acquisition profit and loss, and the Group’s share of other comprehensive income. Dividend received from joint ventures are recognised as a reduction in the carrying amount of the investments. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group’s interest in these entities. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods.

At each reporting date, the Group determines whether there is objective evidence that the investment in a Joint Venture is impaired. If there is such evidence, the carrying amount is tested for impairment by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount and impairment, if any, is recognized as ‘Share of profit of a joint venture’ in the consolidated statement of profit and loss.

1.1.2 Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in Ind AS 1 – Presentation of Financial Statements and Division-II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1.1.3 Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- ii) defined benefit plans – plan assets measured at fair value;
- iii) Biological assets (including unplucked green leaves) – measured at fair value less cost to sell.

1.1.4 Use of Estimates

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

1.1.5 Fair value measurements

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value as on March 31, 2019 and March 31, 2018.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

1.1.6 Functional and Presentation Currency

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All financial information presented in INR has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

1.2 Inventories

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw Materials: At Cost or Net Realizable Value whichever is lower. Cost of harvested tea leaves, produced from own gardens, is measured at fair value less cost to sell at the point of harvest of tea leaves. Cost of other raw materials is measured on weighted average basis.

Stores and Spare Parts: Stores and Spare Parts are measured at cost (measured at weighted average basis) or net realizable value whichever is lower. Provision is made for obsolete, slow moving and defective stocks, where necessary.

Finished Goods: Finished goods produced from agricultural produce are valued at lower of cost and the net realizable value. Cost is arrived at by adding the cost of conversion to the fair value of agricultural produce. Other finished goods are measured at cost or NRV whichever is lower.

1.3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand, which are subject to an insignificant risk of change in value.

1.4 Accounting for Taxes on Income

Income Tax expenses comprise current tax and deferred tax charge or credit.

1.4.1 Current Tax:

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

1.4.2 Deferred Tax:

Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1.5 PROPERTY, PLANT AND EQUIPMENT

1.5.1 Tangible Assets (Other than Bearer Plants)

1.5.1.1 Recognition and Measurement:

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

1.5.1.2 Subsequent Measurement:

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

1.5.1.3 Depreciation and Amortization:

Depreciation on Property, Plant & Equipment is provided under Straight Line Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Group based on the technical evaluation.

In respect of spares for specific machinery, cost is amortized over the useful life of the related machinery as estimated by the management.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

1.5.1.4 Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

1.5.1.5 Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

1.5.2 Bearer Plants

1.5.2.1 Recognition and Measurement:

'Bearer Plants', comprising of mature tea bushes and shade trees are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Cost of 'bearer plants' includes the cost of uprooting, land development, rehabilitation, planting of Guatemala, planting of shade trees, cost of nursery, drainage, manual cultivation, fertilizers, agro-chemicals, pruning and infilling etc.

1.5.2.2 Subsequent Measurement:

Costs incurred for infilling including block infilling are generally recognized in the Statement of Profit and Loss unless there is a significant increase in the yield of the sections, in which case such costs are capitalized and depreciated over the remaining useful life of the respective sections.

1.5.2.3 Depreciation:

Depreciation on bearer plants is recognized so as to write off its cost over useful lives, using the straight-line method.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Estimated useful life of the bearer plants has been determined to be 50 years. The residual value in case of Bearer Plants has been considered as NIL.

1.5.2.4 Capital Work in Progress

Young tea bushes and shade trees, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes except plucking cost and revenue generated there until maturity. On maturity, these costs are classified under bearer plants. Depreciation of bearer plants commence on maturity.

1.6 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit or loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease.

1.7 Revenue Recognition

1.7.1 Revenue from Operations

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

as revenue are inclusive of tea claim and are net of sales return, sales tax/ value added tax/ goods and service tax, trade allowances and amount collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and significant risk and reward incidental to sale of products is transferred to the buyer.

1.7.2 Other Income

Interest Income

Interest Income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in statement of profit or loss only when the right to receive payment is established.

1.8 Employee Benefits

1.8.1 Short-term Employee Benefits

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

1.8.2 Other Long-term Employee Benefits (Unfunded)

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.8.3 Post-employment Benefit Plans

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

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

1.9 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to revenue are recognised in the statement of profit or loss over the period to match them with the costs that they are intended to compensate and presented within other operating income

Government grants relating to the acquisition/ construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

line basis over the expected lives of the related assets and presented within other operating income.

1.10 Foreign Currency Translation

1.10.1 Foreign Currency Transactions and Balances

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss.

Foreign Currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

1.10.2 Group Entities

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet.
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in other comprehensive income.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1.11.1 Financial Assets

Recognition and Initial Measurement:

All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- o Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
- o The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- o The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- o Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - o The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - o The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- o **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- o **Equity Instruments measured at FVTOCI:** All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

Derecognition

The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of Financial Assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

1.11.2 Financial Liabilities

Recognition and Initial Measurement:

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent Measurement:

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

1.11.3 Derivative financial instruments

The Group enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in statement of profit or loss immediately.

1.12 Earnings per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

1.13 Impairment of non-financial assets.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.14 Intangible Assets

1.14.1 Recognition and Measurement

Software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

1.14.2 Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss.

1.14.3 Amortization

Intangible assets are amortized over a period of five years.

The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

1.14.4 Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

1.15 Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1.16 Biological Assets

Biological assets of the Group comprises of unharvested green tea leaves that are classified under current biological assets.

The Group recognizes biological assets when, and only when, the Group controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Group and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in statement of profit and loss for the period in which it arises.

1.17 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

1.18 Critical estimates and judgements

The preparation of the financial statements require the use of accounting estimates which, by definition, will seldom equal the actual result. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a high degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates and judgements are:

i Taxation

The Group is engaged in agricultural activities and also subject to tax liability under MAT provisions. Significant judgement is involved in determining the tax liability for the Group. Also there are many transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Further judgement is involved in determining the deferred tax position on the balance sheet date.

ii Depreciation and amortization

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortization charges.

iii Employee Benefits

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Group considers the interest

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

rates of Government securities that have terms to maturity approximating the terms of the related defined benefit obligation. Other key assumptions for obligations are based in part on current market conditions.

iv Provisions and Contingencies

Provisions and contingencies are based on Management's best estimate of the liabilities based on the facts known at the balance sheet date.

v Fair Value of Biological Assets

The fair value of Biological Assets is determined based on recent transactions entered into with third parties or available market price. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 2 : PROPERTY, PLANT AND EQUIPMENT | | | | | | | | | | |
|--|-----------------------|---------------|-------------------|-----------------------|--------------------------|----------------|-------------|-----------------------|-----------------------|-----------------------|
| Particulars | GROSS BLOCK | | | | ACCUMULATED DEPRECIATION | | | | NET BLOCK | |
| | As at 31st March 2018 | Additions | Sales/ Adjustment | As at 31st March 2019 | As at 31st March 2018 | For The Period | Sales | As at 31st March 2019 | As at 31st March 2019 | As at 31st March 2018 |
| Bearer Plants | 873.60 | 83.49 | - | 957.09 | 59.05 | 32.38 | - | 91.43 | 865.66 | 814.55 |
| Building Roads And Bridges | 2,089.41 | 4.05 | - | 2,093.46 | 131.09 | 65.25 | - | 196.34 | 1,897.12 | 1,958.32 |
| Plant & Machinery | 1,584.06 | 8.32 | - | 1,592.38 | 272.50 | 136.94 | - | 409.44 | 1,182.94 | 1,311.56 |
| Airconditions, Refrigerators, Etc | 28.91 | 1.31 | - | 30.22 | 14.68 | 4.33 | - | 19.01 | 11.21 | 14.23 |
| Furniture And Fixtures | 245.71 | - | - | 245.71 | 56.03 | 28.06 | - | 84.09 | 161.62 | 189.68 |
| Vehicles | 260.46 | 7.03 | 2.47 | 265.02 | 70.91 | 37.49 | 1.58 | 106.82 | 158.20 | 189.55 |
| Computer | 9.01 | 0.62 | - | 9.63 | 4.43 | 0.99 | - | 5.42 | 4.21 | 4.58 |
| Networking Equipments | 4.27 | 4.82 | - | 9.09 | 1.67 | 0.58 | - | 2.25 | 6.84 | 2.60 |
| Total | 5,095.43 | 109.64 | 2.47 | 5,202.60 | 610.36 | 306.02 | 1.58 | 914.80 | 4,287.80 | 4,485.07 |

| 3: CAPITAL WORK IN PROGRESS | | |
|------------------------------------|-----------------------|----------------------|
| Particulars | As at 31st March 2019 | As at 1st April 2018 |
| Capital work in progress | 1,194.48 | 939.94 |

| 4: INTANGIBLE ASSETS | | | | | | | | | | |
|-----------------------------|-----------------------|-------------|-------------------|-----------------------|--------------------------|----------------|----------|-----------------------|-----------------------|-----------------------|
| Particulars | GROSS BLOCK | | | | ACCUMULATED AMORTISATION | | | | NET BLOCK | |
| | As at 31st March 2018 | Additions | Sales/ Adjustment | As at 31st March 2019 | As at 31st March 2018 | For The Period | Sales | As at 31st March 2019 | As at 31st March 2019 | As at 31st March 2018 |
| Computer Software | 10.34 | 1.80 | - | 12.14 | 7.39 | 1.34 | - | 8.73 | 3.41 | 2.95 |
| Total | 10.34 | 1.80 | - | 12.14 | 7.39 | 1.34 | - | 8.73 | 3.41 | 2.95 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

| 5: NON-CURRENT INVESTMENTS | | | | | | | |
|----------------------------|--|----------------|------------------------|-----------------|------------------------|-----------------|--|
| | Refer Note No. | Face Value (₹) | As at 31st March, 2019 | | As at 31st March, 2018 | | |
| | | | No. of Units/ Shares | Amount | No. of Units/ Shares | Amount | |
| 5A | INVESTMENT IN JOINT VENTURES AND ASSOCIATES | | | | | | |
| | Long Term (Unquoted) | | | | | | |
| | Equity Instruments- Trade | | | | | | |
| | Investment in Joint Venture | | | | | | |
| | | USD 10.00 | 1,19,857 | 1,115.18 | 1,19,857 | 1,116.91 | |
| | | | | (2.44) | | (1.73) | |
| | | | | 1,112.74 | | 1,115.18 | |
| 5B | OTHER INVESTMENTS | | | | | | |
| | Investment at Amortised Cost | | | | | | |
| | (Quoted) | | | | | | |
| | Investment in Bonds | | | | | | |
| | | 1,000 | 9,499 | 94.99 | 9,499 | 94.99 | |
| | 5.1 | 1,000 | 20,000 | 200.00 | 20,000 | 200.00 | |
| | | 1,000 | 20,000 | 200.00 | 20,000 | 200.00 | |
| | | 1,000 | 20,000 | 200.00 | 20,000 | 200.00 | |
| | | 10,00,000 | 20 | 200.00 | 20 | 200.00 | |
| | | 1,000 | 7,142 | 71.42 | 7,142 | 71.42 | |
| | | 1,000 | 10,218 | 102.18 | 10,218 | 102.18 | |
| | | 1,000 | 2,803 | 28.03 | 2,803 | 28.03 | |
| | | 1,000 | 9,251 | 92.51 | 9,251 | 92.51 | |
| | | 1,000 | 7,529 | 75.29 | 7,529 | 75.29 | |
| | | 1,000 | 5,878 | 58.78 | 5,878 | 58.78 | |
| | | 1,000 | 5,010 | 50.10 | 5,010 | 50.10 | |
| | | | | 1,373.30 | | 1,373.30 | |
| | (Unquoted) | | | | | | |
| | Investment in Government Securities | | | | | | |
| | | | - | 0.01 | - | 0.01 | |
| | | | | 0.01 | | 0.01 | |
| | Investment in Debentures | | | | | | |
| | 5.2 | 100 | 145 | - | 145 | - | |
| | Investment at Fair Value through Other Comprehensive Income | | | | | | |
| | (Quoted) | | | | | | |
| | Equity Instruments | | | | | | |
| | | 5 | 400 | 28.14 | - | - | |
| | | 10 | 4,000 | 21.00 | - | - | |
| | | 2 | 15,000 | 30.24 | - | - | |
| | 5.2 | 10 | 10 | - | 10 | - | |
| | | 5 | 60,000 | 130.89 | - | - | |
| | | 2 | 2,00,000 | 97.00 | - | - | |
| | | 10 | 20,000 | 83.83 | - | - | |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 5: NON-CURRENT INVESTMENTS | | | | | | |
|--|----------------|----------------|------------------------|-----------------|------------------------|-----------------|
| | Refer Note No. | Face Value (₹) | As at 31st March, 2019 | | As at 31st March, 2018 | |
| | | | No. of Units/ Shares | Amount | No. of Units/ Shares | Amount |
| JSW Steel Limited | | 10 | 10,000 | 29.28 | - | - |
| Reliance Industries Limited | | 10 | 12,496 | 170.33 | 12,496 | 110.31 |
| Warren Tea Limited | | 5 | 49,361 | 31.15 | - | - |
| | | | | 621.86 | | 110.31 |
| (Unquoted) | | | | | | |
| Equity Instruments | | | | | | |
| Woodland Multispeciality Hospital Limited | | 10 | 7,035 | 0.01 | 7,035 | 0.01 |
| | | | | 0.01 | | 0.01 |
| Investment at Fair Value through Profit or Loss | | | | | | |
| (Unquoted) | | | | | | |
| Portfolio Management System | | | | | | |
| Enam Asset Management Co. Pvt. Ltd | | | | 581.24 | | 568.74 |
| Kotak Mahindra Asset Management Co. Ltd | | | | 210.73 | | 254.10 |
| | | | | 791.97 | | 822.84 |
| Equity Instruments | | | | | | |
| ABC Tea Workers Welfare Services | | 10 | 10,000 | - | 10,000 | - |
| (Quoted) | | | | | | |
| Equity Instruments | | | | | | |
| Pal Peugeot Limited | | 10 | 15,150 | - | 15,150 | - |
| Hindustan Engineering & Industries Limited | | 10 | 34 | - | 34 | - |
| | | | | - | | - |
| Investment in Mutual Funds | | | | | | |
| IIFL Long Term Growth Fund - I | | | 50,03,202 | 557.06 | 50,03,202 | 507.00 |
| Reliance Corporate Bond Fund - Direct Growth Plan | | | - | - | 27,06,760 | 391.93 |
| Reliance Corporate Bond Fund - Growth Plan | | | - | - | 9,25,350 | 129.67 |
| | | | | 557.06 | | 1,028.60 |
| Total Non-Current Investments | | | | 4,456.95 | | 4,450.25 |
| Aggregate amount of quoted investments | | | | 1,995.16 | | 1,483.61 |
| Aggregate market value of quoted investments | | | | 1,995.16 | | 1,483.61 |
| Aggregate amount of unquoted investments | | | | 2,461.79 | | 2,966.64 |

5.1 Pledged against facilities availed from Kotak Mahindra Bank Limited

5.2 Amount is below the rounding off norm adopted by the Company

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 6: NON CURRENT LOANS | | |
|--|----------------------------------|----------------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| NON CURRENT LOANS | | |
| Security Deposits | | |
| - With Others | 162.30 | 158.72 |
| Loans and Advances to Employees | | |
| - Good | - | - |
| - Doubtful | 88.60 | 101.68 |
| Less: Provision for doubtful advances | (88.60) | (101.68) |
| | 162.30 | 158.72 |
| 7: NON CURRENT TAX ASSETS | | |
| Advance Tax | 1,808.63 | 1,913.60 |
| Less: Provision for Taxation | (1,596.28) | (1,596.28) |
| | 212.35 | 317.32 |
| 8: OTHER NON-CURRENT ASSETS | | |
| (Unsecured - Considered Good, unless otherwise stated) | | |
| Capital Advances | - | - |
| Deposits with Government Authorities and Others | 8.53 | 30.13 |
| | 8.53 | 30.13 |
| 9: INVENTORIES | | |
| (At lower of cost or net realisable value) | | |
| Raw Material | - | 16.38 |
| Finished Goods (Refer - 9.1) | 313.99 | 285.00 |
| Stores and Spares (Refer - 9.1) | 467.64 | 534.19 |
| (Net of Provision - ₹38.13 (P.Y. 31.03.2018 - ₹ 38.13)) | | |
| | 781.63 | 835.57 |
| 9.1: Above Inventories include Stock in Transit | | |
| Finished Stock of Tea | 61.54 | 68.12 |
| Stock of Stores and Spares | - | 14.02 |
| 10: BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS | | |
| Fair Value of Unharvested Tea Leaves | 78.81 | 66.91 |
| | 78.81 | 66.91 |
| Unharvested tea leaves on bushes as on 31st March 2019 was 4.45 lakh kgs (31.03.2018- 3.66 lakh kgs) | | |



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 11: CURRENT INVESTMENTS | | | | | | |
|---|----------------|----------------|------------------------|-----------------|------------------------|-----------------|
| | Refer Note No. | Face Value (₹) | As at 31st March, 2019 | | As at 31st March, 2018 | |
| | | | No. of Units/ Shares | Amount | No. of Units/ Shares | Amount |
| Investment at Amortised Cost | | | | | | |
| Investment in Commercial Paper (Unquoted) | | | | | | |
| IIFL Wealth Finance Limited 90D | | | 200 | 980.66 | - | - |
| | | | | 980.66 | | - |
| Investment at Fair Value through Profit or Loss | | | | | | |
| Current Maturities of Long Term Investments | | | | | | |
| (Investment in Mutual Funds) (Quoted) | | | | | | |
| Reliance Fixed Horizon Fund XXV Series-15-Growth Plan | | | - | - | 20,00,000 | 293.08 |
| HDFC FMP 1184D January 2015(1) Series 33 - Regular Growth | | | - | - | 30,00,000 | 399.14 |
| Kotak India Growth Fund Series 1 - Growth | | | - | - | 10,00,000 | 126.60 |
| | | | | | | 818.82 |
| Other Current Investments | | | | | | |
| Investment in Mutual Funds (Unquoted) | | | | | | |
| Reliance Low Duration Fund - Growth Plan Growth Option | | | 20,633 | 533.28 | 49,154 | 1,177.30 |
| Kotak Money Market Scheme - Direct Plan Growth | | | 74,763 | 2,307.59 | 5,489 | 156.55 |
| Kotak Equity Arbitrage Fund - Regular Plan - Monthly Dividend | | | - | - | 9,12,617 | 97.58 |
| Reliance Arbitrage Advantage Fund - Monthly Dividend Plan | | | - | - | - | - |
| | | | | 2,840.87 | | 1,431.43 |
| Total Current Investments | | | | 3,821.53 | | 2,250.25 |
| Aggregate amount of quoted investments | | | | | | 818.82 |
| Aggregate market value of quoted investments | | | | | | 818.82 |
| Aggregate amount of unquoted investments | | | | 3,821.53 | | 1,431.43 |
| 12: TRADE RECEIVABLES | | | | | | |
| | | | As at 31st March 2019 | | As at 31st March 2018 | |
| Unsecured | | | | | | |
| Considered Good | | | | 140.23 | | 74.12 |
| Considered Doubtful | | | | - | | 3.06 |
| Less: Allowances for doubtful receivables | | | | - | | (3.06) |
| | | | | 140.23 | | 74.12 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| 13: CASH AND CASH EQUIVALENTS | | |
|---|----------------------------------|----------------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Balances with Banks | | |
| In current account | 104.09 | 235.47 |
| Cash in hand | 5.69 | 2.52 |
| | 109.78 | 237.99 |
| 14: CURRENT LOANS | | |
| Security Deposits - with Related Parties | 900.00 | 1,005.00 |
| Loans to Employees | 3.09 | 4.03 |
| | 903.09 | 1009.03 |
| 15: OTHER CURRENT FINANCIAL ASSETS | | |
| Deposits with NABARD | 0.01 | 0.01 |
| Interest Accrued on NABARD | 0.00 | 5.21 |
| Interest Accrued on Investment | 49.66 | 34.80 |
| Other Receivables | 0.28 | 0.28 |
| | 49.95 | 40.30 |
| 16: OTHER CURRENT ASSETS | | |
| Incentive/ Subsidy Receivable | 182.24 | 213.06 |
| Prepaid Expenses | 41.64 | 22.70 |
| Advances to Suppliers, Service Providers, etc. (Net of Provision - ₹ 1.10 (P.Y. 31.03.2018 - ₹ 1.10)) | 14.57 | 4.37 |
| Deposits with Government Authorities and Others | 300.63 | 175.85 |
| | 539.08 | 415.98 |
| 17: EQUITY SHARE CAPITAL | | |
| Authorised | | |
| 130,00,000 Equity Shares of ₹ 10/- each (P.Y. 31.03.2018 - 130,00,000 Equity Shares of ₹ 10/- each) | 1,300.00 | 1,300.00 |
| Issued, Subscribed and Fully Paid-up | | |
| 93,00,804 Equity Shares of ₹ 10/- each (P.Y. 31.03.2018 - 1,20,00,804 Equity Shares of ₹ 10/- each) | 930.08 | 930.08 |
| | 930.08 | 930.08 |

a) Rights, preferences and restrictions attached to equity shares.

The Company has only one class of shares being Equity Shares having a par value of ₹ 10/-each. Each holder of the Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

- b) The Company does not have any Holding or Ultimate Holding Company.
c) Shareholders holding more than 5% shares of the Company.

| Name of the Shareholders | As at 31st March, 2019 | | As at 1st April 2018 | |
|------------------------------|---------------------------|-------|-------------------------|-------|
| | No. of Shares | % | No. of Shares | % |
| Ashdene Investments Limited | 18,36,544 | 19.75 | 18,36,544 | 19.75 |
| ISIS Enterprises Limited | 16,29,303 | 17.52 | 16,29,303 | 17.52 |
| Maygrove Investments Limited | 9,71,665 | 10.45 | 9,71,665 | 10.45 |
| Enez Investments Limited | 8,50,212 | 9.14 | 8,50,212 | 9.14 |
| Woodcutter Limited | 8,15,371 | 8.77 | 8,15,371 | 8.77 |
| Maru Limited | 8,10,075 | 8.71 | 8,10,075 | 8.71 |
| Radhe Shyam Saraf | 4,73,501 | 5.09 | 4,73,501 | 5.09 |

- d) No Equity Shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
e) There is no shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.
f) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.
g) No calls are unpaid by any Director or Officer of the Company during the year.
h) The Board at its meeting on 22nd March, 2019 approved a proposal to buyback upto 23,25,000 fully paid-up equity shares of face value of ₹ 10/- each from the eligible equity shareholders of the Parent Company for a total consideration of ₹ 26,73,75,000 crores on proportionate basis through "Tender Offer" Route. The Buyback offer comprised a purchase of 23,25,000 Equity Shares aggregating 24.99% of the paid-up equity share capital of the Parent Company. Necessary approval from the Shareholders have been obtained. Further, The letter of Offer shall be shortly submitted to SEBI for its approval on the same.

18: OTHER EQUITY

| | As at 31st March 2019 | As at 1st April 2018 |
|----------------------------|--------------------------|-------------------------|
| Capital Redemption Reserve | 270.00 | 270.00 |
| General Reserve | 338.70 | 338.70 |
| Retained Earnings | 9,244.33 | 8,884.89 |
| Othe Comprehensive Income | 570.29 | 985.43 |
| | 10,423.32 | 10,479.02 |

Description of nature and purpose of each reserve

Capital Redemption Reserve

This reserve was created on account of buyback of Equity Shares as required by the statute.

General Reserve

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

Other Comprehensive Income

Other Comprehensive Income comprises items of Income and Expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other Ind-ASs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

19: NON CURRENT PROVISIONS

| | As at 31st March 2019 | As at 1st April 2018 |
|---------------------------------|--------------------------|-------------------------|
| Provision for Employee Benefits | 1,436.73 | 1,133.08 |
| | 1,436.73 | 1,133.08 |

20: DEFERRED TAX LIABILITIES (NET)

| Deferred Tax Liabilities | | |
|--|---------------|---------------|
| Timing Difference on account of Property, Plant & Equipment | 192.55 | 175.86 |
| Timing Difference on account of Bearer Plant | 302.00 | 225.88 |
| Financial Assets at Fair Value Through Profit and Loss | 20.93 | 34.96 |
| Other Items | 3.12 | - |
| | 518.60 | 436.70 |
| Deferred Tax Assets | | |
| Timing Difference on account of Provision of Doubtful Advances | 26.13 | 30.83 |
| Timing Difference on account of Unabsorbed Depreciation | 121.22 | 121.22 |
| Timing Difference on account of Deferred Government Grant | 70.92 | 59.40 |
| Other Items | - | 1.09 |
| | 218.27 | 212.54 |
| | 300.33 | 224.16 |

20.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2018 and 31st March, 2019

| | As at 1st April, 2017 | Recognized in Statement of Profit and Loss | Recognized in Other Comprehensive Income | As at 31st March, 2018 |
|--|--------------------------|--|---|------------------------------|
| Deferred Tax Liabilities | | | | |
| Timing Difference on account of Property, Plant & Equipment | 91.77 | 84.09 | - | 175.86 |
| Timing Difference on account of Bearer Plant | 133.83 | 92.05 | - | 225.88 |
| Financial Assets at Fair Value Through Profit and Loss | 61.20 | (26.24) | - | 34.96 |
| Other Items | 34.77 | (34.77) | - | - |
| | 321.57 | 115.14 | - | 436.70 |
| Deferred Tax Assets | | | | |
| Timing Difference on account of Provision of Doubtful Advances | 36.08 | (5.25) | - | 30.83 |
| Timing Difference on account of Unabsorbed Depreciation | - | 121.22 | - | 121.22 |
| Timing Difference on account of Deferred Government Grant | - | 59.40 | - | 59.40 |
| Other Items | 28.40 | (27.31) | - | 1.09 |
| | 64.48 | 148.06 | - | 212.54 |
| | 257.09 | (32.92) | - | 224.16 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| | As at 31st March, 2018 | Recognized in Statement of Profit and Loss | Recognized in Other Comprehensive Income | As at 31st March, 2019 |
|--|------------------------------|--|---|------------------------------|
| Deferred Tax Liabilities | | | | |
| Timing Difference on account of Property, Plant & Equipment | 175.86 | 16.69 | - | 192.55 |
| Timing Difference on account of Bearer Plant | 225.88 | 76.12 | - | 302.00 |
| Financial Assets at Fair Value Through Profit and Loss | 34.96 | (14.03) | - | 20.93 |
| Other Items | - | 3.12 | - | 3.12 |
| | 436.70 | 81.90 | - | 518.60 |
| Deferred Tax Assets | | | | |
| Timing Difference on account of Provision of Doubtful Advances | 30.83 | (4.70) | - | 26.13 |
| Timing Difference on account of Unabsorbed Depreciation | 121.22 | - | - | 121.22 |
| Timing Difference on account of Deferred Government Grant | 59.40 | 11.52 | - | 70.92 |
| Other Items | 1.09 | (1.09) | - | - |
| | 212.54 | 5.73 | - | 218.27 |
| | 224.16 | 76.17 | - | 300.33 |

21: OTHER NON CURRENT LIABILITIES

| | As at 31st March 2019 | As at 1st April 2018 |
|--|--------------------------|-------------------------|
| Deferred Revenue- Subsidy (Deferred Govt. Grant) | 228.15 | 190.43 |
| | 228.15 | 190.43 |

22: TRADE PAYABLES

| | | |
|---|---------------|-----------------|
| For Goods & Services | | |
| -Total outstanding dues of micro enterprises & small enterprises (Refer Note - 46) | - | - |
| -Others | 997.88 | 1,061.68 |
| | 997.88 | 1,061.68 |

23: OTHER CURRENT FINANCIAL LIABILITIES

| | | |
|---------------------------|---------------|---------------|
| Employee Benefits Payable | 722.36 | 159.22 |
| | 722.36 | 159.22 |

24: CURRENT PROVISIONS

| | | |
|---------------------------------|-----------------|---------------|
| Provision for Employee Benefits | 1,509.90 | 979.22 |
| | 1,509.90 | 979.22 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

| 25: CURRENT TAX LIABILITIES (NET) | | |
|--|---|---|
| | As at 31st March 2019 | As at 1st April 2018 |
| Current Tax Liabilities | - | 9.23 |
| | - | 9.23 |
| 26: OTHER CURRENT LIABILITIES | | |
| Advance received from Customers | 10.20 | 5.64 |
| Statutory Dues | 175.66 | 129.28 |
| Deferred Revenue- Subsidy (Deferred Govt. Grant) | 15.31 | 13.49 |
| | 201.17 | 148.41 |
| 27: REVENUE FROM OPERATIONS | | |
| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Sale of finished goods | 14,269.06 | 11,462.62 |
| Other Operating Revenues | | |
| Sale of Tea Waste | 70.13 | 9.42 |
| Sale of Green Leaf | 5.39 | |
| Subsidies and Export Incentives | 103.90 | 133.63 |
| Miscellaneous Income | 19.92 | 4.61 |
| | 14,468.40 | 11,610.28 |
| 28: OTHER INCOME | | |
| Interest on Investments | 107.41 | 107.41 |
| Interest on Bank & Other Deposits | 50.46 | 9.31 |
| Profit on sale of Investment measured at FVTPL | 91.80 | (214.02) |
| Dividend Income from Investment | | |
| - Measured as FVTOCI | 6.79 | 17.58 |
| - Measured as FVTPL | 1.40 | 369.93 |
| Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through P/L | 122.66 | 152.01 |
| Change in Fair Value of Biological Assets | 11.90 | 9.20 |
| Other Non Operating Income | | |
| Profit/ (Loss) on Disposal of Fixed Assets (Net) | (0.18) | 0.55 |
| Liabilities no longer required written back | 17.33 | 26.20 |
| Net Gain on Foreign Currency Transactions and Translation | 19.12 | 10.82 |
| Miscellaneous Receipts | 0.42 | 10.76 |
| | 429.11 | 499.75 |



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

| 29: CHANGES IN INVENTORIES OF FINISHED GOODS | | |
|--|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Opening Stock | 301.38 | 308.53 |
| Less : Closing Stock | 313.99 | 301.38 |
| | (12.61) | 7.15 |
| 30: EMPLOYEE BENEFITS EXPENSE | | |
| Salaries and Wages | 7,650.89 | 6,046.68 |
| Contributions to Provident and Other Funds | 1,075.49 | 969.16 |
| Staff Welfare Expenses | 1,047.91 | 1,066.97 |
| | 9,774.29 | 8,082.81 |
| 31: DEPRECIATION AND AMORTISATION EXPENSE | | |
| Depreciation on Tangible Assets | 306.02 | 308.17 |
| Amortisation on Intangible Assets | 1.34 | 3.46 |
| | 307.36 | 311.63 |
| 32: OTHER EXPENSES | | |
| Consumption of Stores and Spare Parts including packing material | 1,286.15 | 1,192.18 |
| Power and Fuel | 1,072.59 | 973.62 |
| Rent | 126.09 | 173.25 |
| Rates and Taxes | 61.11 | 80.25 |
| Insurance | 33.01 | 39.27 |
| Repairs & Maintenance | | |
| -Repairs to Buildings | 31.43 | 39.52 |
| -Repairs to Plant & Machinery | 78.87 | 66.21 |
| -Repairs to Others Assets | 62.56 | 43.24 |
| Legal & Professional Consultancy charges | 338.04 | 345.75 |
| Auditors Remuneration | | |
| - Audit Fees | 10.00 | 10.00 |
| - Limited Review Fees | 10.00 | 10.00 |
| - Tax Audit Fees | 2.00 | 2.00 |
| - Fees for other services | 4.95 | 5.60 |
| - Re-imburement of Expenses and service tax | - | 0.35 |
| Director's Sitting Fees | 1.90 | 1.95 |
| Travelling & Conveyance Expenses | 121.60 | 111.77 |
| Freight, Delivery & Selling Expenses | 458.61 | 445.15 |
| Brokerage & Commission on Sales | 118.23 | 98.66 |
| Cess on Green Leaf & Made Tea | 133.68 | 112.16 |
| Sundry Balances written off | 24.87 | 9.53 |
| Provision for Doubtful Advances (net of write back) | (13.08) | (12.78) |
| Provision for Doubtful Debts | (3.06) | (1.38) |
| Corporate Social Responsibility Expenditure | 7.65 | 15.63 |
| Other Miscellaneous Expenses | 296.88 | 319.57 |
| | 4,264.08 | 4,081.50 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

33: EXCEPTIONAL ITEM

| | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|---|---------------------------------------|---------------------------------------|
| Surplus arising on acquisition of Agricultural Land | - | 25.01 |
| | - | 25.01 |

Exceptional Item represents aggregate compensation received during the year ended 31st March, 2018 for compulsory acquisition of land.

34: TAX EXPENSE

| | | |
|----------------------------|---------------|----------------|
| Current Tax | | |
| Current Tax for the Year | 85.00 | (62.00) |
| Total Current Tax Expense | 85.00 | (62.00) |
| Deferred Tax | | |
| Deferred Tax for the Year | 76.17 | (32.93) |
| Total Deferred Tax Expense | 76.17 | (32.93) |
| | 161.17 | (94.93) |

34.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of profit and loss

| | | |
|--|---------------|----------------|
| Profit before Taxes | 564.39 | (348.05) |
| Indian Statutory Income tax Rate | 27.82% | 33.06% |
| Estimated Income tax expenses | 157.01 | (115.07) |
| Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense : | | |
| Income exempt | (32.16) | (196.78) |
| Expenses that are not deductible in determining taxable profit | 2.13 | 13.36 |
| Additional Deduction under Income Tax Act, 1961 | (3.45) | (6.18) |
| Unrecognised Deferred Tax Asset on Tax Losses for the Year | - | 238.99 |
| Other | 37.64 | (29.25) |
| Income Tax expense in the Statement of Profit and Loss | 161.17 | (94.93) |

35. Contingent Liabilities

Claims/ Disputes/ Demands not acknowledged as debts:-

| Particulars | As at 31st March 2019 | As at 1st April, 2018 |
|---------------------------|--------------------------|--------------------------|
| i. Sales Tax Demand | 98.64 | 93.64 |
| ii. Income Tax Demand | - | 119.17 |
| iii. Miscellaneous Claims | 12.77 | 12.77 |

Note:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

36. Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for net of advances is Rs. Nil.

37. A CSR committee has been formed by the Parent Company as per provisions of Section 135 of the Companies Act, 2013. The areas of CSR activities areas are as prescribed under Schedule VII of the Companies Act, 2013.

Gross amount required to be spent by the Parent Company during the year was ₹7.96 (P.Y. ₹13.63).

Amount Spent during the year on:

| Particulars | 2018-19 | | | 2017-18 | | |
|--|-----------------|--------------------|-------|-----------------|--------------------|-------|
| | Amount Incurred | Yet to be Incurred | Total | Amount Incurred | Yet to be Incurred | Total |
| Construction/ acquisition of any asset | 20.00 | Nil | 20.00 | 12.12 | Nil | 12.12 |
| On purposes other than (i) above | 1.70 | Nil | 1.70 | 2.51 | Nil | 2.51 |

38. Interest in Other Entities

Interest in Joint Venture

Set out below is the Joint Venture of the Group as at 31st March, 2018, which has share capital consisting solely of equity shares and are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. The Consolidated Financial Statements also include the Group's interest in the following Joint Venture Company accounted for under equity method based on their financial statement.

| Name of the Entity | Place of business/ country of incorporation | Principal Activities | Accounting Method | Proportion of Ownership | | Carrying Amount | |
|--------------------------------------|---|----------------------|-------------------|-------------------------|------------------------|------------------------|------------------------|
| | | | | As at 31st March, 2019 | As at 31st March, 2018 | As at 31st March, 2019 | As at 31st March, 2018 |
| Mayfair Investment Holding Pte. Ltd. | Singapore | Investment holding | Equity Method | 48.99% | 48.99% | 1,112.74 | 1,115.18 |

39. Employee Benefits

I. Defined Contribution Plan :

- Provident Fund:** The Group maintains Provident Fund with Regional Provident Fund Commissioner. Contribution made by the Group to the Fund is based on the current salaries. In the provident fund scheme contributions are also made by the employees. The Annual Contribution (including charges) amount of ₹ 846.12 (P.Y. ₹717.90) has been charged to Statement of Profit and Loss in relation to the above defined contribution scheme.
- Employee State Insurance (ESI):** The Group contributes its ESI contribution with ESIC maintained by Government Agencies, Contributions made by the Group for ESI is based on the current salaries. The annual contribution amount of ₹0.26 (P.Y. ₹0.27) has been charged to the Statement of Profit and Loss in relation to the above defined contribution scheme.

II. Defined Benefit Plan:

- Gratuity:** The Group has a defined benefit gratuity plan. An employee is entitled for gratuity only after completion of five years in the service. The gratuity is calculated as per the calculations specified in the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

- b. **Super Annuation Fund:** The Group has a defined superannuation plan. An employee is entitled for superannuation only after completion of ten years in the service. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date
- c. **Pension:** The Group has a defined pension plan. An employee is entitled for pension only after completion of twenty years in the service. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.
- d. **Additional Retirement Benefit:** The Group has a defined additional retirement plan. An employee is entitled for additional retirement only after completion of fifteen years in the service subject to retirement from the Group. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.
- e. **Risk Exposure:**
- Defined Benefit Plans**
- Defined benefit plans expose the Company to actuarial risks such as: Interest Rate Risk, Salary Risk and Demographic Risk.
- a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- b) Salary risk : Higher than expected increases in salary will increase the defined benefit obligation.
- c) Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis, the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.
- f. **Funded Plans:**
- i. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation.

| Particulars | Gratuity | | Super Annuation | |
|--|----------|----------|-----------------|----------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Present Value of Obligation at the beginning of the year | 2,745.15 | 2,572.30 | 502.77 | 628.24 |
| Current Service Cost | 217.41 | 189.23 | 14.98 | 53.85 |
| Interest Cost | 200.89 | 185.47 | 36.40 | 45.36 |
| Past Service Cost | - | 2.55 | - | - |
| Actuarial (Gains)/Losses arising from | | | | |
| Changes in financial assumptions | (174.52) | 158.05 | - | - |
| Experience Adjustment | 405.23 | (163.62) | (29.05) | (177.75) |
| Benefits paid | (133.22) | (198.83) | (35.00) | (46.93) |
| Present Value of Obligation at the end of the year | 3,260.94 | 2,745.15 | 490.10 | 502.77 |



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

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

| Particulars | Gratuity | | Super Annuation | |
|--|----------|----------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Fair value of Plan Assets at the beginning of the year | 2,585.25 | 2,330.84 | 618.77 | 629.77 |
| Interest Income on Plan Assets | 193.89 | 174.82 | 46.41 | 50.38 |
| Return on plan assets greater/ (lesser) than discount rate | (141.39) | 36.97 | (3.50) | (14.45) |
| Contributions | 159.90 | 241.45 | - | - |
| Benefits paid | (133.22) | (198.83) | (35.00) | (46.93) |
| Fair value of Plan Assets at the end of the year | 2,664.43 | 2,585.25 | 626.68 | 618.77 |

iii. Net Asset/(Liability) recognised in Balance Sheet

| Particulars | Gratuity | | Super Annuation | |
|--|----------|----------|-----------------|----------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Present Value of the Obligation at the end of the year | 3,260.94 | 2,745.15 | 490.10 | 502.77 |
| Fair value of Plan Assets at the end of the year | 2,664.43 | 2,585.25 | 626.68 | 618.77 |
| (Asset)/Liabilities recognized in the Balance Sheet | 596.51 | 159.90 | (136.58) | (116.00) |

iv. Expenses recognized in the Profit and Loss.

| Particulars | Gratuity | | Super Annuation | |
|--|----------|---------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Current Service Cost | 217.41 | 189.23 | 14.98 | 53.85 |
| Pat Service Cost | - | 2.55 | - | - |
| Net Interest Expense | 7.00 | 10.65 | (10.01) | (5.03) |
| Total Expenses Recognized and Disclosed under Contributions to Provident and Other Funds and to Staff Welfare Expenses | 224.41 | 202.43 | 4.97 | 48.82 |

v. Remeasurements recognized in other comprehensive income.

| Particulars | Gratuity | | Super Annuation | |
|--|----------|----------|-----------------|----------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Return on plan assets, excluding amounts included in interest expense/(income) | 141.39 | (36.96) | 3.50 | 14.45 |
| Effect of experience adjustments | 405.23 | (163.62) | (29.04) | (177.75) |
| Effect of changes in financial assumptions | (174.52) | 158.05 | - | - |
| Total re-measurements included in OCI | 372.10 | (42.53) | (25.43) | (163.30) |

vi. Major categories of Plan Assets.

| Particulars | Gratuity | | Super Annuation | |
|----------------------------|----------|---------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Qualified Insurance Policy | 91.49% | 85.59% | 74.67% | 80.96% |
| Debt Instruments | 7.44% | 13.19% | 15.04% | 16.97% |
| Cash and Cash Equivalents | 1.07% | 1.22% | 10.29% | 2.07% |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

vii. Principal Actuarial Assumptions of funded Plans, as applicable

| Particulars | Gratuity | | Super Annuation | |
|--------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| | % | % | % | % |
| Discount Rate | 7.50 | 7.50 | 7.50 | 7.50 |
| Salary Escalation | 7.50 | 8.00 | 5.00 | 5.00 |
| Expected Return on Asset | 7.50 | 8.00 | 8.00 | 7.50 |
| Mortality Table | IALM (2006- 2008) Ultimate | IALM (2006- 2008) Ultimate | IALM (2009- 2008) Ultimate | IALM (2009- 2008) Ultimate |

viii. Sensitivity Analysis.

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| Particulars | Gratuity | | Super Annuation | |
|-----------------------------|----------|----------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Discount Rate + 0.5% | (165.82) | (161.80) | (40.47) | (6.41) |
| Discount Rate - 0.5% | 181.24 | 178.05 | 44.87 | 10.10 |
| Salary Increase Rate + 0.5% | 179.16 | 175.17 | 36.90 | 5.66 |
| Salary Increase Rate – 0.5% | (165.46) | (160.73) | (35.18) | (11.54) |

ix. Maturity profile of the defined benefit obligation.

| Particulars | Gratuity | | Super Annuation | |
|---------------|----------|----------|-----------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Within 1 year | 342.87 | 169.11 | 56.70 | 23.34 |
| 1-2 Year | 179.78 | 78.82 | 275.44 | 168.69 |
| 2-3 Year | 216.46 | 147.22 | 0 | 0 |
| 3-4 Year | 251.06 | 164.39 | 107.75 | 66.04 |
| 4-5 Year | 206.60 | 193.75 | 26.17 | 83.03 |
| Over 5 Years | 7,874.77 | 8,231.05 | 119.23 | 420.97 |

x. Asset-Liability Matching Strategy

The Group's investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Companies, the investment are being managed by these insurance companies and at the year end interest is being credited to the fund value. The Group has not changed the process used to manage its risk from previous periods. The Group's investments are fully secured and would be sufficient to cover its obligations.

xi. The Group expects to contribute ₹ 596.51 (₹159.90) to its Gratuity fund and Nil (Nil) to its Super Annuation fund in 2019-20..

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

g. Unfunded Plans:

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

| Particulars | Pension | | Additional Retirement Benefit | |
|--|----------|----------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Present Value of Obligation at the beginning of the year | 1,163.13 | 965.07 | 8.19 | 23.77 |
| Current Service Cost | 63.59 | 168.07 | 0.36 | 0.35 |
| Interest Cost | 85.79 | 71.14 | 0.61 | 1.46 |
| Actuarial (Gains)/Losses arising from | | | | |
| Changes in financial assumptions | - | 24.55 | - | - |
| Experience Adjustment | 166.45 | (32.72) | (0.06) | (8.91) |
| Benefits paid | (38.39) | (32.98) | - | (8.48) |
| Present Value of Obligation at the end of the year | 1,440.57 | 1,163.13 | 9.10 | 8.19 |

ii. Net Asset/(Liability) recognised in Balance Sheet.

| Particulars | Pension | | Additional Retirement Benefit | |
|--|----------|----------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Present Value of the Obligation at the end of the year | 1,440.57 | 1,163.13 | 9.10 | 8.19 |
| (Asset)/Liabilities recognized in the Balance Sheet | 1,440.57 | 1,163.13 | 9.10 | 8.19 |

iii. Expenses recognized in the Profit and Loss.

| Particulars | Pension | | Additional Retirement Benefit | |
|--|---------|---------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Current Service Cost | 63.59 | 168.07 | 0.36 | 0.35 |
| Net Interest Expense | 85.79 | 71.14 | 0.61 | 1.46 |
| Total Expenses Recognized and Disclosed under Contributions to Provident and Other Funds and to Staff Welfare Expenses | 149.38 | 239.21 | 0.97 | 1.81 |

iv. Remeasurements recognized in other comprehensive income.

| Particulars | Pension | | Additional Retirement Benefit | |
|--|---------|---------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | - |
| Effect of experience adjustments | 166.45 | (32.72) | (0.06) | (8.91) |
| Effect of changes in financial assumptions | - | 24.55 | - | - |
| Total re-measurements included in OCI | 166.45 | (8.17) | (0.06) | (8.91) |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

v. Principal Actuarial Assumptions of unfunded Plans, as applicable

| Particulars | Pension | | Additional Retirement Benefit | |
|-------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| | % | % | % | % |
| Discount Rate | 7.50 | 7.50 | 7.50 | 7.50 |
| Salary Escalation | 7.50 | 8.00 | 5.00 | 5.00 |
| Mortality Table | IALM (2009- 2008) Ultimate | IALM (2009- 2008) Ultimate | IALM (2006- 2008) Ultimate | IALM (2006- 2008) Ultimate |

vi. Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| Particulars | Pension | | Additional Retirement Benefit | |
|-----------------------------|---------|---------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Discount Rate + 0.5% | (45.09) | (29.36) | (0.22) | (0.20) |
| Discount Rate - 0.5% | 47.86 | 31.10 | 0.23 | 0.20 |
| Salary Increase Rate + 0.5% | 47.19 | 30.67 | 0.23 | 0.21 |
| Salary Increase Rate – 0.5% | (44.89) | (29.22) | (0.22) | (0.21) |

vii. Maturity profile of the defined benefit obligation.

| Particulars | Pension | | Additional Retirement Benefit | |
|---------------|----------|----------|-------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Within 1 year | 40.26 | 38.44 | 6.17 | 5.09 |
| 1-2 Year | 41.69 | 39.36 | 0.04 | 3.70 |
| 2-3 Year | 42.89 | 38.63 | 0.04 | 0.11 |
| 3-4 Year | 43.06 | 41.20 | 2.64 | 0.11 |
| 4-5 Year | 44.57 | 42.42 | 0.02 | 3.20 |
| Over 5 Years | 1,052.75 | 1,059.45 | 3.00 | 14.03 |

- h. The estimates of future salary increase considered in actuarial valuation, takes into account factors like inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The actuary certifies the above information. In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up to-date mortality tables.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

40. Segment Information

The Group operates mainly in one business segment viz., Cultivation, Manufacturing and selling of Tea, being primary segment and all other activities revolve around the main activity. The Group is operating in two geographical segments i.e., in India and Outside. The details required as per the standard for the secondary segment is as follows:

| Particulars | Within India | | Rest of World | | Total | |
|---------------------|--------------|-----------|---------------|---------|-----------|-----------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Segment Revenue | 14,097.82 | 11,070.79 | 370.58 | 539.49 | 14,468.40 | 11,610.28 |
| Segment Assets | 8,259.09 | 8,296.71 | - | - | 8,259.09 | 8,296.71 |
| Capital Expenditure | 365.98 | 693.53 | - | - | 365.98 | 693.53 |

41. Related Party Disclosures

a. List of Related Parties

► Joint Ventures

| Particulars | Country of Incorporation | Ownership Interest | |
|--|--------------------------|------------------------|-----------------------|
| | | As at 31st March, 2019 | As at 1st April, 2018 |
| Mayfair Investment Holding Pte. Ltd. (w.e.f. 11th October, 2016) | Singapore | 48.99% | 48.99% |

► Directors & Key Managerial Personnel (KMP)

| Sl. No. | Name of the Person | Relationship |
|---------|------------------------|-------------------------|
| a. | Anil Kumar Ruia | Chairman |
| b. | Akhil Kumar Ruia | Wholetime Director |
| c. | Sudeep Kumar Ahluwalia | Wholetime Director |
| d. | Arup Kumar Chowdhuri | Independent Director |
| e. | Abhiram Kastur Sheth | Independent Director |
| f. | Sucharita Basu De | Independent Director |
| g. | Vikram Saraogi | Chief Financial Officer |
| h. | Gyanendra Singh | Company Secretary |

► Companies over which Directors & KMP have significant influence

| Sl. No. | Name of the Person | Relationship |
|---------|--------------------------|---|
| a. | JW Properties Pvt. Ltd. | Companies over which the KMP are able to exercise a significant influence |
| b. | JWR Properties Pvt. Ltd. | |
| c. | AKR Properties Pvt. Ltd. | |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

b. Disclosure of Transactions between the company and related parties in the ordinary course of the business

| Sl. No. | Nature of Transaction | Directors & KMP | Companies over which the KMP are able to exercise a significant influence |
|---------|--------------------------------|--------------------|---|
| a. | Remuneration | | |
| | -Short-term Employee Benefits | 231.71 (221.20) | - - |
| | -Post-employment Benefits | 3.87 (3.49) | - - |
| | -Long-term Employee Benefits | - - | - - |
| b. | Sitting Fees | 1.90 (1.95) | - - |
| c. | Security Deposit Received Back | - - | 105.00 - |
| d. | Rent Paid | - - | 162.00 (163.00) |

c. Disclosure of Balance outstanding as on Balance Sheet date with related parties

| Sl. No. | Account Head | KMP | Companies over which the KMP are able to exercise a significant influence |
|---------|------------------|--------|---|
| a. | Security Deposit | - - | 900.00 (1,005.00) |

42. Leases

The Group's leasing agreements (as lessee) in respect of lease for office accommodation & guest house, which are on periodic renewal basis. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit & Loss amounts to ₹ 126.09 (P.Y. - ₹173.25)

43. Earnings Per Share

| Particulars | 2018-19 | 2017-18 |
|--|-----------|-------------|
| Profit/ (Loss) after tax as per Statement of Profit and Loss and available for Equity Shareholders (₹) (A) | 400.78 | (254.85) |
| Weighted average number of Equity Shares of ₹ 10/- each outstanding during the year (Numbers) (B) | 93,00,804 | 1,19,04,640 |
| Basic and Diluted Earnings per Share [(A) / (B)] (in ₹) | 4.31 | (2.14) |

44. Confirmations for the balances shown under long term and short term loans & advances, current liabilities, Trade payables, subsidy & Incentive Receivables and other current assets have been sought from the respective parties. Consequential adjustments shall be done on the receipt of the same. In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

45. Miscellaneous Expenditure under Note No.32 includes revenue expenditure on research and development ₹ 24.81 (P.Y- ₹ 24.91) incurred towards subscription to Tea Research Association.

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



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

| Sl. No | Particulars | 2018-19 | 2017-18 |
|--------|--|---------|---------|
| a. | The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year. | - | - |
| b. | The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| c. | The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| d. | The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| e. | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |

Note: The Group has circulated confirmation for the identification of suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006. On the basis of information available with the Group under the aforesaid Act, there are no such Enterprises to whom the Group owes dues which are outstanding during the year end. This has been relied upon by the Auditors

47. Additional information, as required under Schedule III of the Companies Act, 2013, of entities consolidated as Subsidiary/ Associates/ Joint Ventures:

| Name of the Entity in the Group | Net Assets i.e. Total Assets minus Total Liabilities | | Share of Profit or Loss | | Share in other comprehensive income (OCI) | | Share in total comprehensive income (TCI) | |
|--|--|------------|-------------------------------------|-----------------|---|--------|---|--------|
| | 2018-19 | | 2018-19 | | 2018-19 | | 2018-19 | |
| Joint Ventures (Investment as per Equity method) | As % of consolidated Net Assets | Net Assets | As % of consolidated Profit or Loss | Profit / (Loss) | As % of consolidated OCI | Amount | As % of TCI | Amount |
| Mayfair Investment Holding Pte. Ltd. | 9.80 | 1,112.74 | (0.61) | (2.44) | - | - | 4.38 | (2.44) |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

| Name of the Entity in the Group | Net Assets i.e. Total Assets minus Total Liabilities | | Share of Profit or Loss | | Share in other comprehensive income (OCI) | | Share in total comprehensive income (TCI) | |
|--|--|------------|-------------------------------------|-----------------|---|--------|---|--------|
| | 2017-18 | | 2017-18 | | 2017-18 | | 2017-18 | |
| | As % of consolidated Net Assets | Net Assets | As % of consolidated Profit or Loss | Profit / (Loss) | As % of consolidated OCI | Amount | As % of TCI | Amount |
| Joint Ventures (Investment as per Equity method) | | | | | | | | |
| Mayfair Investment Holding Pte. Ltd. | 9.77 | 1,115.18 | 0.68 | (1.73) | - | - | (0.70) | (1.73) |

48. Financial Instruments and Related Disclosures

a. Fair Value of Financial Assets and Financial Liabilities (Non-Current and Current):

| Particulars | As at 31st March, 2019 | | | As at 31st March, 2018 | | |
|------------------------------------|------------------------|---------------|-----------------|------------------------|---------------|-----------------|
| | FVTPL | FVOCI | Amortised Cost | FVTPL | FVOCI | Amortised Cost |
| Financial Assets | | | | | | |
| Investments | | | | | | |
| -Joint Ventures & Associates | - | - | 1,112.74 | - | - | 1,115.83 |
| -Equity Instruments | - | 621.87 | - | - | 110.32 | - |
| -Mutual Fund | 4,189.90 | - | - | 4,101.69 | - | - |
| -Bonds and Debentures | - | - | 2,353.97 | - | - | 1,373.31 |
| Security Deposits | - | - | 1,062.30 | - | - | 1,163.72 |
| Loans Given | - | - | 3.09 | - | - | 4.03 |
| Trade Receivables | - | - | 140.23 | - | - | 74.12 |
| Cash and Cash Equivalents | - | - | 109.78 | - | - | 237.99 |
| Deposits with Nabard | - | - | 0.01 | - | - | 0.01 |
| Interest Accrued on Deposits | - | - | 49.66 | - | - | 40.01 |
| Other Financial Assets | - | - | 0.28 | - | - | 0.28 |
| Total Financial Assets | 4,189.90 | 621.87 | 4,832.06 | 4,101.69 | 110.32 | 4,008.65 |
| Financial Liabilities | | | | | | |
| Trade Payables | - | - | 997.88 | - | - | 1,061.68 |
| Employee Benefits Payable | - | - | 722.36 | - | - | 159.22 |
| Total Financial Liabilities | - | - | 1,720.24 | - | - | 1,220.90 |

b. Financial risk management

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group continues to focus on a system-based approach to business risk management. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

I. Market risk

The Group's business primarily agricultural in nature, exposes it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse weather conditions and lack of future markets. The Group closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk.

i. Foreign currency risk

The Group undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Group's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, euro, etc.

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities, at the end of the reporting period are as follows:

| | USD | INR (₹) |
|-------------------------------|---------|---------|
| As at 31st March, 2019 | | |
| Financial Assets | | |
| Cash and Cash Equivalents | - | - |
| As at 31st March, 2018 | | |
| Financial Assets | | |
| Cash and Cash Equivalents | 122,348 | 79.58 |

Foreign currency sensitivity

The impact of sensitivity analysis arising on account of outstanding foreign currency denominated assets and liabilities is insignificant.

ii. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Group's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

The Group has no borrowings being availed during the current as well as in the previous year. Therefore, the Group have no interest rate risk.

Interest rate sensitivity

Since there is no borrowings being availed during the current year as well as in the previous year, hence no sensitivity analysis is done.

iii. Price risk

The Group invests its surplus funds primarily in equity shares and mutual funds measured at fair value. Aggregate value of such investments as at 31st March, 2019 is ₹4,811.77 (31st March, 2018 - ₹4,212,01).

Increase/decrease of 5% would result in an impact (increase/ decrease) by ₹240.59 and ₹210.60 on total profit for the year ended 31st March 2019 and 31st March 2018 respectively.

II. Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty including seasonality in meeting its obligations. The Group mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

| | Carrying Value | On Demand | Less than 1 year | Beyond 1 year | Total |
|-------------------------------|-----------------|-----------------|------------------|---------------|-----------------|
| As at 31st March, 2019 | | | | | |
| Trade Payables | 997.88 | 997.88 | - | - | 997.88 |
| Other Financial Liabilities | 722.36 | 722.36 | - | - | 722.36 |
| Total | 1,720.24 | 1,720.24 | - | - | 1,720.24 |
| As at 31st March, 2018 | | | | | |
| Trade Payables | 1,061.68 | 1,061.68 | - | - | 1,061.68 |
| Other Financial Liabilities | 159.22 | 159.22 | - | - | 159.22 |
| Total | 1,220.90 | 1,220.90 | - | - | 1,220.90 |

I. Credit risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss.

The Group has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's basis which, the terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals. The credit risk of the Group is low as the Group largely sells its teas through the auction system which is on cash and carry basis and through exports which are mostly backed by letter or credit or on advance basis.

The movement of the expected loss provision made by the Group are as under:

| Particulars | Expected Loss Provision | |
|------------------------|-------------------------|-----------------------|
| | As at 31st March, 2019 | As at 1st April, 2018 |
| Opening Balance | 3.06 | 4.44 |
| Add: Provisions Made | (3.06) | (1.38) |
| Closing Balance | - | 3.06 |

c. Capital Management

The Group aims at maintaining a strong capital base maximizing shareholders' wealth safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in lakhs)

d. Fair value hierarchy

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| Particulars | Fair Value Hierarchy (level) | Fair Value | |
|---|------------------------------|------------------------|-----------------------|
| | | As at 31st March, 2019 | As at 1st April, 2018 |
| Financial Assets | | | |
| Measured at Fair value through Profit or Loss | | | |
| -Mutual Fund (Quoted) | Level 1 | - | 818.82 |
| -Mutual Fund (Unquoted) | Level 2 | 4189.90 | 3,282.87 |
| Measured at Fair value through FVTOCI | | | |
| -Equity Instruments (Quoted) | Level 1 | 621.86 | 110.31 |
| -Equity Instruments (Unquoted) | Level 3 | 0.01 | 0.01 |

49. Fair value measurements for biological assets other than bearer plants:

The following table gives the information about how the fair value of the biological assets are determined:

| Biological Asset | As at 31st March, 2019 | As at 1st April, 2018 | Fair Value Hierarchy | Valuation techniques and key Inputs |
|------------------------|------------------------|-----------------------|----------------------|---|
| Unharvested tea leaves | 78.81 | 66.91 | Level 2 | Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various fields. |

50. Previous GAAP figures have been reclassified/ regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013

As per our Report of even date

For **B. Chhawchharia & Co.**

Chartered Accountants

Firm Registration No. 305123E

Sd/-

Sushil Kumar Chhawchharia

Partner

(Membership Number - 008482)

Kolkata, the 11th day of May, 2019

For and on behalf of the Board of Directors

Sd/-

Akhil Kumar Ruia

Wholetime Director

DIN : 03600526

Sd/-

Arup Kumar Chowdhuri

Independent Director

DIN : 00997826

Sd/-

Vikram Saraogi

Chief Financial Officer

Sd/-

Gyanendra Singh

Company Secretary



James Warren Tea Limited

CIN: L15491AS2009PLC009345

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

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

Dear Shareholders,

Subject: Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" allowing paperless compliances by Companies through electronic mode. The Companies Act, 2013 under the provisions of Section 20 read with rule 35 of the Companies (Incorporation) Rules, 2014 has also permitted to send various notices / documents to its shareholders through electronic mode to the registered email addresses of shareholders.

SEBI has also directed the listed companies to send the soft copies of full Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose.

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

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

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

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

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

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

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" allowing paperless compliances by Companies through electronic mode. The Companies Act, 2013 under the provisions of Section 20 read with rule 35 of the Companies (Incorporation) Rules, 2014 has also permitted to send various notices / documents to its shareholders through electronic mode to the registered email addresses of shareholders.

SEBI has also directed the listed companies to send the soft copies of full Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose.

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

This is also a golden opportunity for every shareholder to contribute to the Corporate Social Responsibility initiative of the Company. In view of this, the Company proposes to send all notices and documents like General

(Tear Here)

Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, Postal Ballot Papers etc. henceforth to the shareholders in the electronic mode, at the designated/registered e-mail addresses furnished by them.

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

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

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

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

Thanking you,

Yours faithfully,

For **James Warren Tea Limited**

Sd/-

Gyanendra Singh

Company Secretary

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

DP ID CLIENT ID FOLIO NO.

To,

The Company Secretary

James Warren Tea Limited

12 Pretoria Street

Kolkata - 700071

Dear Sir,

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

E-mail id Alternative email id

Thanking you,

Yours faithfully,

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

.....
Name

.....
Date

ECS FORM

M/s. Maheshwari Datamatics Pvt Ltd
Unit : **James Warren Tea Limited**
23, R. N. Mukherjee Road, 5th Floor,
Kolkata – 700 001

Re : Payments of Dividend Through NECS

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

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

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

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

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

d. Type of the account (Please tick) :

Savings Current Cash credit

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

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

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

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

Date : _____

Signature of the first holder

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

Bank's Stamp)

Date & Signature of the)

Authorized Official of the Bank)

Delete whichever is not applicable.

Note :

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

(Tear Here)

Form SH-13

NOMINATION FORM

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

To
JAMES WARREN TEA LIMITED
12, Pretoria Street, Kolkata – 700 071

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

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

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

2. **PARTICULARS OF NOMINEE/S**

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

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

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

Signature of Shareholder(s)

- | | |
|---------------------------|---------------------------|
| 1. Signature (1st holder) | 2. Signature (2nd holder) |
| Name : | Name : |
| Address : | Address : |
| Date : | Date : |

Signature of two witnesses

Name, Address and Signature with date

- 1.
- 2.

Instructions:

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

(Tear Here)



James Warren Tea Limited

CIN: L15491AS2009PLC009345

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

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

PROXY FORM

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

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

Name of the member (s) :

Registered Address :

E-mail Id :

Folio No/ Client Id :

DP ID :

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

1. Name :

Address :

E-mail Id :

Signature: _____, or failing him

2. Name :

Address :

E-mail Id :

Signature: _____, or failing him

3. Name :

Address :

E-mail Id :

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on **Saturday, the 7th day of September, 2019** at the Registered Office of the Company at 9.00 A.M. and at any adjournment thereof in respect of such resolutions

(Tear Here)

as are indicated below:

| Resolution No | Resolution Proposed | Please Tick (Optional) Refer note 3 | | |
|---------------|--|--|---------|---------|
| | | For | Against | Abstain |
| 1 | Adoption of Standalone and Consolidated Financial Statement of the Company including Audited Balance Sheet as at 31st March, 2019, Audited Profit & Loss Account and the Cash Flow Statement for the year ended on that date, together with the Report of Board of Directors' and Auditors' thereon. | | | |
| 2 | Appointment of a Director in place of Mr. Anil Kumar Ruia (DIN: 00236660), who retires by rotation and, being eligible, seeks re-appointment. | | | |
| 3 | Re-appointment of Mr. Sudeep Kumar Ahluwalia (DIN: 07797775) as a Whole-time Director of the Company for a period of 1 (one) year with effect from April 20, 2019. | | | |
| 4 | Re-appointment of Ms. Sucharita Basu De (DIN: 06921540) as an Independent Director. | | | |
| 5 | Approval for the appointment of Mr. Raghav Lall (DIN: 05121368) As An Independent Director Of The Company. | | | |
| 6 | Approval of Remuneration of Cost Auditors for the financial year 2019-20. | | | |

Signed this _____ day of _____, 2019

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

Signature of shareholder

Signature of Proxy holder(s)

Note:

1. *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
2. *For the full text of the aforesaid resolutions, statements and notes, please refer to the Notice including the explanatory statement, convening this Annual General Meeting of the Company.*



JAMES WARREN TEA LIMITED

CIN: L15491AS2009PLC009345

Dhoedaam Tea Estate, P.O. Borahapjan

Dist. Tinsukia, Assam 786150