



The Grob
Tea Company,
Limited

2015-16

**REPORT &
ACCOUNTS**

Registered 7th January, 1895

CORPORATE INFORMATION

Board of Directors:

Mr. P.K.Agarwal, Non-Executive Director
 Mr. M.K.Agarwal, Non-Executive Director
 Mr. H.Parekh, Independent Director
 Mr. P.J. Bhide, Independent Director
 Mrs. P Singhania, Independent Director
 Mr. I.B.Sharaf, Executive Director

Chief Financial Officer and Company Secretary :

Mr. B L Patawari

Auditors:

M/s. G.P.Agrawal & Co.
 Chartered Accountants

Bankers:

United Bank of India
 State Bank of India
 HDFC Bank

Stock Exchange:

The Calcutta Stock Exchange Ltd.
 7, Lyons Range,
 Kolkata – 700 001

Registered Office:

“HAUTE STREET” 9th Floor
 86A, Topsia Road,
 Kolkata – 700 046
 Phone: 033-40031325/26
 E-Mail : grobtea@rawalwasia.co.in
 CIN : L15494WB1895PLC000963

Tea Estates:

Dessoie Tea Estate
 P.O. Mariani, Assam

Doyang Tea Estate
 P.O. Oating, Assam

Kanu Tea Estate
 P.O. Sapekhati, Assam

Teen Ali Tea Estate
 P.O. Naharkatia, Assam

Pathemara Tea Estate
 P.O. Thaligram, Assam

Martycherra Tea Estate
 P.O. Kumbhirgram, Assam

Registrar & Share Transfer Agents

Niche Technologies Pvt. Ltd.
 D-511, Bagree Market, 5th Floor
 71, B R B Basu Road, Kolkata
 Phone No. 033 22357270/7271
 Fax No. 033 22156823
 E-Mail : nichetechpl@nichetechpl.com
 CIN:U74140WB1994PTC062636

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DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the annual report together with Audited Accounts of the Company for the year ended 31st March 2016.

FINANCIAL RESULTS

	2015-16 (₹ in Lacs)	2014-15 (₹ in Lacs)
Profit before Depreciation & Tax	1011.68	491.42
Less: Depreciation	392.46	345.66
Profit before taxation	619.22	145.76
Provision for Taxation		
– Current Tax	150.00	50.00
– Deferred Tax	—	—
Profit after Tax	469.22	95.76
Add : Profit brought forward	1781.05	1713.19
Balance available for appropriation	2250.27	1808.95
Proposed Dividend	23.25	23.25
Tax on proposed Dividend	4.73	4.65
Transferred to General Reserve	300.00	-
Balance carried forward	1922.29	1781.05

DIVIDEND

The Directors have recommended a dividend of ₹ 2 Per Equity Share of ₹ 10 each (Previous Year- ₹ 2 per Equity Share) for the year ended 31st March, 2016, subject to approval of the shareholders at the ensuing Annual General Meeting.

TRANSFER TO RESERVE

During the financial year ended 31st March, 2016 the Company has transferred ₹ 300 Lac to the General Reserve.

PERFORMANCE

During the year, the company achieved a production of 47.72 lacs kgs of Tea as compared to 38.81 lacs kgs in the previous year due to acquisition of Martycherra T E. w.e.f 01.01.2015. Adequate rain and favourable weather condition in later part of the year has also helped to achieve the highest crop in the Company.

The performance of the Company in the current financial year is much better than last year due to substantial increase in March 2016 crop and increase in price realization from sale of tea.

The average sale price realization for the company's tea for the current year was ₹ 172.87 per kg which was higher by ₹ 10/- per kg as compared to previous year. We have been able to improve the quality of tea produced consistently which helped us to improve the price realization.

The steep increase in the manpower cost due to industry wise revision of Wages and Salaries and other input cost has affected the margins of the Company.

PROSPECTS

The Prospects for the crop for the year 2016-17 is uncertain due to excessive rain in earlier part of the season. The Company has emphasized to improve the quality, so that the better realization can be achieved.

PUBLIC DEPOSIT

During the Financial Year 2015-16, the Company has not accepted any deposit within the meaning of Sec 73 and 74 of the Companies Act, 2013.

DIRECTORS' REPORT TO THE MEMBERS (Contd)

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company Mr. Sanjay Kumar Agarwal was appointed as an Additional Director (Independent) of the Company with effect from 25th May, 2016 subject to the approval of member in the ensuing Annual General Meeting confirming him as an Independent Director under Sec 149, 150 and 152 read with Schedule IV of the Act for a term of three consecutive years up to 31st March 2019 on non-rotational basis. The Company has received requisite notice in writing from a member proposing Mr. Sanjay Kumar Agarwal for appointment as an Independent Director.

Mr. M K Agarwal, Non-Executive Director, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment .The Board of Directors recommend his re-appointment.

Mr. I B Sharaf, Executive Director and Mr. B L Patawari, CFO & Company Secretary are the Key Managerial Personnel of the Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued there under as well as SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

NUMBER OF MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board business. The details of the number of Board meetings of the Company are set out in the Corporate Governance Report which forms part of this Report.

COMMITTEE OF THE BOARD

During the year, in accordance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, currently the Board has four Committees to focus on specific areas and make decision within the authority delegated to each of the Committees. All decision and recommendations of the Committees are placed before the Board either for information or approval. The detail of Committee of the Board is as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- CSR Committee

The composition, scope and powers of the aforementioned Committees together with details of meeting held during the year under review, forms part of the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE REPORT

In terms SEBI(LODR), Regulation, 2015 with Stock Exchange, Report on Management Discussion & Analysis Report and the Report on Corporate Governance along with the Certificate from the Practicing Company Secretary certifying the compliance of Corporate Governance have been attached and forms part of Annual Report marked as **Annexure "A" and "B"** respectively.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 are set out herewith as **Annexure "C"** to this Report.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;

DIRECTORS' REPORT TO THE MEMBERS (Contd)

- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2016 and of the profit /loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

AUDITORS AND AUDITOR'S REPORT

Auditors

M/s. G.P. Agarwal & Co., Chartered Accountants, Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Audit Committee and the Board of Directors have recommended their re-appointment. The Auditors' Report for the financial year 2015-16 does not contain any qualification, reservation or adverse remark.

Cost Auditor

In accordance to the provision of Section 148 of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014 the Company is not required to appoint Cost Auditor to audit the cost records of the Company.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed H M Choraria & Co, Practicing Company Secretary to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as **Annexure "D"** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The company has no employee who are covered under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, the information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in **Annexure "E"** to this Report.

LOANS GUARANTEE OR INVESTMENT

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

RELATED PARTY TRANSACTIONS

During the financial year 2015-16, the Company has entered into transactions with related parties which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013. Further, there were no transactions with related parties which qualify as material transactions under the SEBI (Listing obligations and Disclosure Requirements Regulation 2015). Thus, disclosure in Form AOC-2 is not required.

The details of the related party transactions as required under Accounting Standard - 18 are set out in Note 27.4 to the financial statements forming part of this Annual Report.

VIGIL MECHANISM

The Company is committed to ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the

DIRECTORS' REPORT TO THE MEMBERS (Contd)

Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. The detail of Whistle Blower Policy of the Company has been outlined in the Corporate Governance Report which forms part of this report.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance and other Non-independent Directors. The Board subsequently evaluated its own performance, the working of its Committees and Independent Directors.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out herewith as **Annexure "F"** to this Report.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Companies Act, 2013, the Company has formed a CSR Committee and approved the CSR Policy. The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company is available on the Company's website : www.grobtea.com. The initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure "G"**.

TRANSFER OF AMOUNT TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provision of section 124 of the Companies Act, 2013, the declared dividend which remain unpaid or unclaimed for a period of seven years has to be transferred to the Investor education and Protection Fund established by the Central Government. There is no amount due which is required to be transferred to Investor Education and Protection Fund as on 31st March 2016.

Company has uploaded the detail of unpaid and unclaimed dividend lying with the company as on 15th September, 2015 i.e. the date of last Annual General Meeting on the Companies website www.grobtea.com ,

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment was reported.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the devoted services rendered by all the employees of the Company and sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

Kolkata
Dated: 28th May, 2016

For and on behalf of the Board

M.K.Agarwal, Directors
(DIN NO. 00697746)

I.B.Sharaf, Executive Director
(DIN NO. 00047266)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**ANNEXURE – “A”**

(Forming part of Director's Report for the financial year ended 31st March, 2016)

Industry Structure and Developments : The world crop for the year 2015 has witnessed deficits as against the last year mainly due to deficit in crop of Kenya. The deficit of Indian crop was around 16 million due to fluctuation in weather condition throughout the year. However, the crop of your Company was higher as compared to last year due to healthy March 2016 crop. But the demand for CTC tea remains sluggish during the year.

During the year cost was higher on account of increase in wage, salaries and other input costs which also affected the margin of the Company.

Opportunity and Threat : The price difference between a quality tea and other category of tea is an opportunity to outperform the market by adhering to the policy of production of quality tea. Also, Government of India/Tea Board are continuously taking promotional efforts for better marketing and brand building initiative which are likely to benefit the industry in long run.

The unpredictable weather condition and cyclic nature of business always remains matter of concern. Increase in pest due to deforestation and climate change is an accompanying threat in as much as cost of production increases and crop loss also occurs.

Product –wise Performance : During the year under review, the production of Black Tea was higher as compared to last year mainly due addition of Martycherra T E & healthy March 2016 crop. The average realization price was also improved due to improvement in quality of tea produce. The details of performance is given below -

Year	Production (Lac Kgs)	Sales (Lac Kgs.)	Average Realisation (₹ Per Kg.)
2015-16	47.72	44.43	172.87
2014-15	38.81	37.32	162.59
Change (%)	22.95 %	19.05 %	6.32 %

Outlook : The current season has started with a record crop in March 2016 due to well distributed rainfall. However, in subsequent month of April and May unpredictable weather condition with heavy rainfall have dampen the crop prospects. But overall outlook seems to be better for the year 2016.

Risk and Concern : The Tea Industry is largely dependent on the vagaries of nature and weather plays an important part in the success or failure of the crop. The Industry is highly labour intensive and is subject to stringent labour laws. Further decrease in government subsidies, substantially increase in labour costs, high social costs, high infrastructure costs and increasing energy and other input costs remains the major cause of concern for the Tea Industry. Shortage of labour during peak season is also a problem for the industry.

Discussion on Financial Performance with respect to Operational Performance : The Company's emphasis on continual improvement on quality of tea produced along with prudent management of cost has resulted in better sale price realization and increase in operating profit of the Company as compared to last year.

Internal Control System and their Adequacy : The Company has an adequate system of internal financial control procedures which is commensurate with the size and nature of business. The Internal Control System of the Company is monitored and evaluated by the Internal Auditors appointed by the Company and their Audit Reports are periodically reviewed by the Audit Committee and the Board of Directors. Suggestions for improvement are considered and corrective actions are taken.

Information regarding Human Resources/Industrial Relation

Tea industry is highly labour intensive and the Company employs around 4174 employees on roll . And the Employee relations remained satisfactory and cordial during the period under review.

Cautionary Statement : *The forward-looking statements and view expressed in the Management Discussion and Analysis Report are based on certain assumptions. The actual results, performances or achievement may differ materially from those stated therein. The company would not be held liable, in any manner, if the future turns out to be quite different, even materially.*

REPORT ON CORPORATE GOVERNANCE**ANNEXURE-“B”**

(forming part of Director's Report for the financial Year ended 31st March, 2016)

CORPORATE GOVERNANCE PHILOSOPHY

The Company's philosophy of Corporate Governance is to ensure transparency in all dealings and the functioning of the Board and people working with it at all levels. The company being a labour intensive industry places great emphasis on values such as empowerment and integrity of its employees, safety of the workers, optimum utilization of natural resources and fair & ethical dealings with all, providing medical, educational and welfare facilities. The Securities and Exchange Board of India has notified SEBI (Listing Obligation and disclosure Requirements) Regulation, 2015 on September, 2015, replacing the earlier listing agreement (w.e.f. December 1, 2015) and is aimed to consolidate and streamline the provisions of earlier listing agreements for different segments of the capital market.

1. BOARD OF DIRECTORS**a) Composition**

We believe that our Board needs to have an appropriate mix of executive and independent directors to maintain its independence, and separate its functions of governance and management. The Board of Directors of the Company as on 31st March, 2016, consist of Six Directors as two non-executive promoter Director, one Executive Director and three independent non-executive Director having requisite qualifications and experience in business and industry, finance and management. The composition of the Board is in conformity with the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. The names of the Directors and the details of other chairmanship / directorship / committee membership of each Director as on 31st March 2016 is given below:

Name of Director	Category of Director	Number of Directorships in other companies	Number of Committee Memberships in other companies	
			Member of Board	Chairman
Mr. P K Agarwal	Promoter – Non Executive	10	-	-
Mr. M K Agarwal	Promoter – Non Executive	6	-	-
Mr. I B Sharaf	Executive	-	-	-
Mr. H Parekh	Independent	10	5	4
Mr. P J Bhide	Independent	13	4	-
Mrs. P Singhania	Independent	-		

Notes:

- Also includes directorship other than Public Limited Company.
- Audit Committee and Stakeholder Grievances Committee are considered.
- None of the Directors on the Board is a Member of more than 10 Committees or Chairman/Chairperson of more than 5 committee as specified SEBI (LODR) Regulation, 2015, across all the Companies in which he/she is a Director have made necessary disclosures regarding Committee positions held in other public limited companies.

b) Number & Dates of Board Meetings/Date of last AGM held

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

28th May 2015, 12th August 2015, 14th November 2015 and 10th February 2016.

The last Annual General Meeting of the Company was held on 15th September, 2015

c) Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM)

Sl. No	Name	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM
1.	Mr. P K Agarwal	4	3	Present
2.	Mr. M K Agarwal	4	4	Present
3.	Mr. I B Sharaf	4	4	Present
4.	Mr. H Parekh	4	4	Present
5.	Mr. P J Bhide	4	4	Absent
6.	Mrs. P Singhania	3	3	Absent

d) Information about Directors seeking appointment/ re-appointment.

A brief resume of Directors seeking appointment / re-appointment as required under Regulation 34(3) SEBI(Listing Obligation and Disclosure Requirements) Regulation 2015 is given in the Notice of Annual general Meeting dated 28th May, 2016.

2. AUDIT COMMITTEE

I. The audit committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company. The role and term of reference of the Audit Committee are as follows:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, fixation of audit fee and also approval of payment for any other services.
- c) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report
- d) Reviewing, with the management, the quarterly/ annual financial statements before submission to the board for approval.
- e) Reviewing with the management, performance of statutory and internal auditors, the adequacy of internal control systems.
- f) Approval or any subsequent modification of transactions of the company with related parties.
- g) Scrutiny of inter-corporate loans and investments.
- h) Reviewing the adequacy of internal audit function 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.
- i) Discussion with the Internal Auditors about any significant findings and follow up thereon.
- j) 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.
- k) Discussion with the 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.
- l) Looking into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- m) Reviewing the functioning of Whistle Blower mechanism on regular basis.
- n) Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.
- o) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

II. Composition

The Audit Committee of the Board as on 31st March 2016 comprised of two Non-Executive Independent Director and one Executive Director namely, Mr. P J Bhide, Mr. H Parekh, and Mr. I B Sharaf. Mr. P J Bhide a Non-Executive Independent Director, having adequate financial and accounting qualification and expertise, is the Chairman of the Audit Committee. The other member are also financial literate.

III. Meeting and attendance during the year

Name of the Director	Category	No. of Meetings Held during the year	Attended
Mr. P J Bhide, Chairman	Non-Executive & Independent	4	4
Mr. H Parekh	Non-Executive & Independent	4	4
Mr. I B Sharaf	Executive & Non Independent	4	4

Four Meetings of the Audit Committee were held during the financial year ended 31st March 2016. The dates on which the Audit Committee Meetings were held are as follows :

28th May, 2015, 12th August, 2015, 14th November, 2015 and 10th February, 2016

The necessary quorum was present at all the meetings.

3. NOMINATION AND REMUNERATION COMMITTEE**I. Brief description of terms of reference is for :**

- appointment of the directors, and key managerial personnel of the Company; and
- fixation of the remuneration package of the Executive Director and Non-Executive Director and sitting fees and other expense payable to the Director for attending meetings of the Board/or Committee.
- to approve, in the event of loss or inadequacy of profit an any year, the minimum remuneration payable to Executive Directors within the limit and subject to the parameter prescribed in Schedule to the Companies Act, 2013.

II. Composition

The Remuneration Committee of the Board as on 31st March 2016 comprised of Mr. H Parekh, a Non-Executive Independent Director, as the Chairman, Mr. P J Bhide a Non-Executive Independent Director and Mr. P K Agarwal Promoter non-Executive Director.

III. Attendance during the year

The committee had met once in the year 2015-2016 on 28th May, 2015.

Name of Director	Category	Attended
Mr. H Parekh	Non-Executive & Independent	1
Mr. P J Bhide	Non-Executive & Independent	1
Mr. P K Agarwal	Promoter Non Executive	1

IV. Remuneration of Directors**a. Pecuniary Relationship or transaction of the Non- Executive director –**

The company has no pecuniary relationship or transaction with its Non- Executive Directors other than payment of sittings fees to them for attending Board and Committee meetings.

b. Criteria of making payments to Non- executive Director –

Criteria of making payments to Non-executive Directors is disclosed in the Nomination and Remuneration Policy and same is available at the website of the Company www.grobtea.com .

c. Disclosure with respect to remuneration -

The Executive Directors are paid Salary, Bonus and allowances and perquisites as per their terms of appointment approved by the members of the Company. Non- Executive Directors and Independent Directors are paid sitting fees as determined by the Board from time to time.

The details of sitting fees/commission paid to the Non Executive Directors and Independent Directors and salary and perks paid to the Executive Directors of the Company during the year 2015-2016 are given below :-

Name of Director	Salary	Bonus and Allowances	Monetary value of Perquisites	Meeting Fees	Period of Appointment	Notice Period	No. of Shares Held
Mr. P K Agarwal	—	—	—	24,500	NA	NA	—
Mr. M K Agarwal	—	—	—	26,500	NA	NA	—
Mr. I B Sharaf	13.20	2.74	3.84	—	27.05.2013 to 26.05.2017	—	400
Mr. H Parekh	—	—	—	28,500	30.05.2014 to 31.03.2017	—	—
Mr. P J Bhide	—	—	—	28,500	30.05.2014 to 31.03.2017	—	—
Mrs. P Singhania				15,000	28.05.2015 to 31.03.2019	—	100

V. REMUNERATION POLICY:

The Company has formulated the remuneration policy. The details of this policy are available on the Company's website viz. www.grobtea.com.

4. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

In compliance of Clause 25(7), **SEBI (LODR)**, Regulation, 2015 the Company has laid down a familiarization program for the Independent Directors. The Familiarization Program aims at helping the Independent Director to understand the Company, its management, roles & responsibilities in the company, operation of the company etc. The detailed program has been uploaded on the website of the Company viz. www.grobtea.com.

5. INDEPENDENT DIRECTOR MEETING

During the year under review, the Independent Directors of the Company met on 10th Feb. 2016 inter alia, to:

- Evaluate and review the performance of non-independent directors and the Board as a whole;
- Evaluate and assess the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent directors of the Company were present at the meeting.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Mr. P K Agarwal, non-executive director was the Chairman of the committee. Mr. M K Agarwal and Mr. I B Sharaf are the other members of the committee.

The committee met regularly to approve share transfers, transmissions, issue of duplicate share certificates, rematerialisation of shares and all other issues pertaining to shares and also to redress investor grievances like non receipt of dividend warrants, non receipt of share certificates, etc.

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year.

7. RISK MANAGEMENT COMMITTEE

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The detail policy is disseminated in the website of the Company www.grobtea.com. However, the Risk Management Committee is not applicable to the Company as per the SEBI circular dated 17th April, 2014.

8. CSR Committee

The Board of Director has formed the CSR Committee comprising of one Independent and one Executive Director and one Non-Executive, Promoter Director as on 31st March, 2016 :

- Mr. P K Agarwal
- Mr. I B Sharaf
- Mrs. Priyanka Singhania

While aiming to generate maximum profit for our shareholders through the year, we also keep an eye on our social and environmental responsibilities, to fulfill the needs and expectations of the larger society that we are part of. The CSR Committee was set up to formulate and monitor the CSR Policy of the Company. The CSR committee adopted a policy that intends to strive for economic development that positively impacts the society at large. The CSR Policy of the Company are available on the website of the Company www.grobtea.com.

9. GENERAL BODY MEETING

The details of the Annual General Meetings held in the last three years are as follows:

Annual General Meetings of the Company:-

Financial Year Ended	Date	Time	Venue
31.03.2013	01st August ,2013	10 A.M.	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700017
31.03.2014	05th August, 2014	10 A.M.	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700017
31.03.2015	15th Sept. 2015	10.30 A.M.	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700017

No special resolutions has been passed in AGM/EGM in the last 3 years.

No special resolutions were required to be passed by the shareholders of the company through postal ballot during the year 2015-2016.

10. VIGIL MECHANISM

The Company has formulated a Policy of Vigil Mechanism with a view to provide a mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/ employees who avail of the mechanism. The company affirms that no personnel has been denied access to the audit committee. The purpose of this Policy is to encourage the Company's employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The detail policy is disseminated in the website of the Company www.grobtea.com.

11. DISCLOSURES

- a) There have been no materially significant related party transactions which may have potential conflict with the interests of the company at large. The necessary disclosures regarding the transactions are given in the notes to accounts.
The Company has also formulated a policy for determining the Material RPT and the details of such policies for dealing with RPT and the Related Party Transactions are disseminated in the website of the Company www.grobtea.com.
- b) The company has followed all Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 while preparing Financial Statements.
- c) No money was raised by the Company through any public issue, right issue, preferential issue etc. in the last financial year.
- d) Mandatory Requirement –
The Company has complied with all the applicable mandatory requirements stipulated under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- e) Non- Mandatory requirement –
 - a. The Internal Auditors reported to the Audit Committee about the audit objection & observations made by them and subsequently necessary steps were taken by the management to rectify the same.
 - b. There has been no adverse remarks or qualification in the Auditors Report for the Financial year 2015-16
- f) There have been no instances of non-compliance in general by the company on any matters related to the capital markets, nor have any penalty been imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

12. MEANS OF COMMUNICATIONS

The quarterly results of the company are published in leading newspapers The Echo of India (all India edition) and ArthikLipi (Bengali – local edition) and displayed on the website of the Company namely www.grobtea.com. Quarterly Results including summary of events are presently not being sent to the Shareholders of the Company. No presentations have been made to institutional investors or to analysts.

13. CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND THE SENIOR MANAGEMENT

The Company has a code of conduct for all its Board members and senior management personnel which is available on the website of the Company. It has received necessary declarations affirming compliance with it from all of them and a declaration to this effect duly signed by the Managing Director is attached to this report.

14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion And Analysis Report has been included as a part of Director's Report to the Shareholder's for the year ended 31st March, 2016.

15. GENERAL SHAREHOLDER INFORMATION**a) Annual General Meeting**

Date and time	13th September 2016 at 10.30 a.m.
Venue	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700017
Book Closure Date	07.09.2016 to 13.09.2016 (both days inclusive)
Financial Year	1st April, 2015 to 31st March, 2016

b) Financial Calendar 2016-2017 (tentative)

Financial Reporting for the Quarter Ending:	
June 30, 2016	By 14th August ,2016
September 30, 2016	By 15th November, 2016
December 31, 2016	By 15th February, 2017
Audited Result for the Year Ended 31st March, 2017	By 30th May, 2017

c) Particulars of Dividend for the year ended 31.03.2016

The Dividend, if approved at AGM will be paid within 30 Days of such approval.

d) Listing on Stock Exchange

The Company's Shares are listed at Calcutta Stock Exchange and the Annual Listing Fees for the Year 2015-2016 have been paid to the Stock Exchange.

e) Stock Code

Name of the Stock Exchange	Stock Code
Calcutta Stock Exchange (CSE)	10017201
ISIN Number for NSDL & CDSL	INE646C01018

f) Stock Market Price Data : No transaction takes place during the year.**g) Shareholding Pattern as on 31st March, 2016 :**

Sl. No.	Category	Number of Shareholders	No. of Shares Held	% of Share Holding
1.	Promoters & Promoters Group	4	8,70,358	74.88
2.	Financial Institutions, Banks & Mutual Funds	7	1,808	0.16
3.	Private Body Corporate	33	57,349	4.93
4.	NRI / OCB	21	5,053	0.43
5.	Individuals	1766	2,27,662	19.59
6.	Trust	1	100	.01
	Total	1832	11,62,330	100.00

h) Distribution of Shareholding as on 31st March 2016:

Number of Equity Shares held	Number of Share holders	Number of Shares	% of Capital
Upto 500	1772	1,51,347	13.02
501-1000	37	26,676	2.30
1001-2000	12	16,580	1.43
2001-3000	2	4200	0.36
3001-4000	1	3093	0.27
4001-5000	1	4076	0.35
5001-10000	-	-	-
10001 AND ABOVE	7	9,56,358	82.27
Total	1832	11,62,330	100.00

i) Registrar and Share Transfer Agents

Niche Technologies Pvt. Ltd., having its registered office at D-115, Bagree Market, 5th Floor, 71, Canning Street, Kolkata - 700001 are the Registrars for the demat segment and also the share transfer agents of the company, to whom communications regarding share transfer and dematerialization requests must be addressed. All matters connected with share transfer, transmission, dividend payment is handled by the share transfer agent.

j) Share Transfer System

The shares received for transfer in physical mode, if in order in all respects are registered and returned within 2 weeks from the date of lodgment.

k) Dematerialization of Shares and Liquidity

As on 31st March, 2016 87.17% of the Company's equity shares of ₹ 10/- each representing 10,13,260 shares were in dematerialized form and the balance 12.83% representing 1,49,070 shares were in physical form.

l) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments

The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments.

m) Plant Locations

As given on the first page of the Annual Report.

n) Address for Correspondence

To contact Registrars & Share Transfer Agents for matters relating to shares

M/s. Niche Technologies Pvt. Ltd.
D-511, Bagree Market, 5th Floor,
71, B R B Basu Road, Kolkata – 700 001
Phone No. : 033 22357270/7271
Fax : 033 22156823
E-mail : nichetechpl@nichetechpl.com

For any other general matters or in case of any difficulties / grievance

Mr. B L Patawari
CFO & Company Secretary
Phone No. : 033 40031325/26
E-mail : grobtea@rawalwasia.co.in

For & on behalf of the Board

M.K.AGARWAL Director
DIN NO. 00697746

I.B.SHARAF Executive Director
DIN NO. 00047266

Kolkata
Dated : 28th May 2016

DECLARATION REGARDING CODE OF CONDUCT

This is to confirm that the Company has adopted Codes of Conduct to be followed by the Members of the Board and Senior Management Personnel of the Company respectively in compliance with Regulation 26(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the Stock Exchanges. The said Code is available on the Company's website.

I hereby declare that all Board Members and Senior Management Personnel's have affirmed compliance with Code of Conduct of the Company during the financial year 2015-2016.

For The Grob Tea Company Limited
I B SHARAF
Executive Director
DIN No. 00047266

MD/CFO CERTIFICATE

**To,
The Board of Directors,
The Grob Tea Company Limited**

1. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept overall responsibility for establishing and maintaining internal control for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness, of internal control. The internal auditor works with all levels of management and statutory auditors and reports significant issues to the audit committee of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the auditors and to the audit committee:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company's internal control system and financial reporting. However, during the year there was no such instance.

For & on behalf of the Board

I.B.Sharaf Executive Director
DIN NO. 00047266

B. L. Patawari CFO & Company Secretary

Kolkata
Dated : 28th May 2016

CORPORATE GOVERNANCE CERTIFICATE

**To The Members of
The Grob Tea Company Limited**

We have examined the compliance of conditions of Corporate Governance by The Grob Tea Company Limited for the year ended March 31, 2016 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchange for the period from 01st April, 2015 to 30th November, 2015 and as per the relevant provisions of the SEBI (Listing obligations and disclosures Requirements) 2015 ("Listing Regulations") for the period from 1st December, 2015 to 31st March, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied in general with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement and Listing Regulations.

We state that in respect of Investors' grievances received during the financial year ended on 31st March' 2016, no Investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

We 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.

14/2 Old China Bazar Street,
Kolkata-700001
Dated: 28th May, 2016

For H M CHORARIA & CO.
Practising Company Secretaries
H M CHORARIA
Proprietor
F.C.S. No. 2398, C. P. No. 1499

Form No. MGT – 9

ANNEXURE – “C”

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

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L15494WB1895PLC000963
- ii) Registration Date : 7th January, 1895
- iii) Name of the Company : The Grob Tea Co. Ltd.
- iv) Category / Sub-Category of the Company : Public Company having Share Capital
- v) Address of the Registered office and contact details : 86A, Topsia Road, 9th Floor,
Kolkata - 700046
Phone No. 033- 40031325/26
Email: grobtea@rawalwasia.co.in,
Website: www.grobtea.com
- vi) Whether listed company : Yes. Listed on Calcutta Stock Exchange
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Niche Technologies (P) Ltd.
D-511, Bagree Market, 5th Floor,
71, Canning Street, Kolkata – 700 001
Phone No. 033-22357270/7271
Fax No. 033-22156823
Email – nichetechpl@nichetechpl.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	0902/4020	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
Not Applicable					

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter(s)									
(1) Indian									
a) Individual/ HUF	0	0	0	0	74280	0	74280	6.39	6.39
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Government	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	861180	9178	870358	74.88	786900	9178	796078	68.49	6.39
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)	861180	9178	870358	74.88	861180	9178	870358	74.88	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 Corporate	0	0	0	0	0	0	0	0	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)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	861180	9178	870358	74.88	861180	9178	870358	74.88	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FIs	250	1558	1808	0.16	250	1558	1808	0.16	0
c) State Governments	0	0	0	0	0	0	0	0	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
e) Insurance Companies	0	0	0	0	0	0	0	0	0
f) Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
g) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	250	1558	1808	0.16	250	1558	1808	0.16	0
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	54101	3448	57549	4.95	54101	3248	57349	4.93	0.017
ii) Overseas	0	0	0	0	0	0	0	0	0

THE GROB TEA COMPANY LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	59266	132296	191562	16.48	60759	130903	191662	16.48	0.01
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	36000	0	36000	3.10	3600	0	36000	3.10	0
c) Others(specify)	0	0	0	0	0	0	0	0	0
NRI's	0	4873	4873	0.41	870	4103	4973	.42	0.009
Trust	100	0	100	0.01	100	0	100	0.01	0
Overseas Corporate Bodies	0	80	80	0.01	0	80	80	0.01	0
Sub Total (B)(2)	149467	140697	290164	24.96	151830	138334	290164	24.964	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total(A+B+C)	1010897	151433	1162330	100.00	1013260	149070	1162300	100	0

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% 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.	Rawalwasia Industries Pvt Limited	478179	41.14	0	478179	41.14	0	0
2.	Strip Commodeal Pvt Limited	392179	33.74	0	317899	27.350	0	6.39
3.	Mukesh Kumar Agarwal	0	0	0	35920	3.09	0	3.09
4.	Pradeep Kumar Agarwal	0	0	0	38360	3.30	0	3.30

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Rawalwasia Industries Private Limited				
	At the beginning of the year	478179	41.14	0	0
	Increase / Decrease in Promoters Share holding during the year	No Change in Shareholding during the year			
	At the End of the year	0	0	478179	44.14
2.	Strip Commoddeal Private Limited				
	At the beginning of the year	392179	33.74	317899	27.35
	Increase / Decrease in Promoters Share holding during the year	Decrease in Shareholding by 6.39% i.e. 74280 Shares due to Transfer as on 03/04/2015			
	At the End of the year	0	0	317899	27.35
3.	Mukesh Kumar Agarwal				
	At the beginning of the year	0	0	35920	3.09
	Increase / Decrease in Promoters Share holding during the year	Increase in Shareholding by 3.09% i.e. 35920 Shares due to Transfer as on 03/04/2015			
	At the End of the year	0	0	35920	3.09
4.	Pradeep Kumar Agarwal				
	At the beginning of the year	0	0	38360	3.30
	Increase / Decrease in Promoters Share holding during the year	Increase in Shareholding by 3.30% i.e. 38360 Shares due to Transfer as on 03/04/2015			
	At the End of the year	0	0	38360	3.30

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dhanvantri Vanijya Ltd				
	a) At the Beginning of the Year	3093	0.27	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	3093	0.27
2.	Gyanendra Kumar Mehta				
	a) At the Beginning of the Year	0	0	0	0
	b) Changes during the year				
	Transferred as on 12/02/2016	1700	0.15	1700	0.15
	Transferred as on 11/03/2016	400	0.03	2100	0.18
	c) At the End of the Year	0	0	2100	0.18

THE GROB TEA COMPANY LIMITED

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	K. Sarla Singhi				
	a) At the Beginning of the Year	1750	0.15	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	1750	0.15
4.	Mahendra Girdharilal				
	a) At the Beginning of the Year	4076	0.35	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	4076	0.35
5.	Raj Kumar Nahata				
	a) At the Beginning of the Year	1700	0.15	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	1700	0.15
6.	Ramswarup Deotadin Tiwari				
	a) At the Beginning of the Year	1600	0.14	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	1600	0.14
7.	S. N. Sutodiya				
	a) At the Beginning of the Year	2100	0.18	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	2100	0.18
8.	Sanwar Mal Gupta				
	a) At the Beginning of the Year	20000	1.721	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	20000	1.721s
9.	Shree Balaji Commotrade Pvt. Ltd.				
	a) At the Beginning of the Year	50000	4.30	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	50000	4.30
10.	Sukumar Chatterjee				
	a) At the Beginning of the Year	1600	0.14	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	1600	0.14
11.	Vishnu Dass Mittal				
	a) At the Beginning of the Year	16000	1.37	0	0
	b) Changes during the year	No Changes During the Year			
	c) At the End of the Year	0	0	16000	1.37
	TOTAL	101919	8.77	104019	8.94

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Indu Bhusan Sharaf				
	At the beginning of the year	200	0	400	0.04
	Change during the year	Increase in the number of shares by 200			
	At the end of the year (or on the date of separation, if separated during the year)	0	0	400	0.04
2.	Mr. Bajrang Lal Patawari				
	At the beginning of the year	100	0	100	0.00
	Change during the year	No Changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	0	0	100	0
3.	Mrs Priyanka Singhania				
	At the beginning of the year	0	0	100	0.009
	Change during the year	No Changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	0	0	100	0.009

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	446.57	960.00	-	1406.57
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	446.57	960.00	-	1406.57
Change in Indebtedness during the financial year				
– Addition	318.05	-	-	318.05
– Reduction	14.33	960.00	-	974.33
Net Change	303.72	-960.00		-656.28
Indebtedness at the end of the financial year				
i) Principal Amount	750.29	-	-	750.29
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total (i+ii+iii)	750.29	-	-	750.29

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(₹ in Lacs.)

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

Sl. No.	Particulars of Remuneration	Name of Executive Director Sri Indu Bhusan Sharaf	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	16.90 0.22 —	16.90 0.22 —
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
5.	Others, please specify	-	-
	Total (A)	17.12	17.12
	Ceiling as per the Act	5% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013.	

B. Remuneration to other directors:

(₹ in Lacs.)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Sri. P.K. Agarwal	Sri. M K Agarwal	Sri. H M Parekh	Sri. P J Bhide	Smt Priyanka Singhania	
1.	Independent Directors- Fee for attending board, committee meetings	-	-	0.29	0.29	0.15	0.73
	Total (1)	-	-	0.29	0.29	0.15	0.73
2.	Other Non-Executive Director Fee for attending board committee meetings	0.25	0.27	-	-	-	0.52
	Total (2)	0.25	0.27	-	-	-	0.52
	Total (B)=(1+2)	0.25	0.27	0.29	0.29	0.15	1.25
	Total Managerial Remuneration (A+B)	-	-	-	-	-	18.37
	Overall Ceiling as per the Act	Overall Ceiling as per Companies Act, 2013 is 1 % of the profit of the Company for the year. The Company has not paid any remuneration to the non executive and independent directors.					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ in Lacs.)

Sl. No.	Particulars of Remuneration	CFO & Company Secretary	Total Amount
1.	Grosssalary (a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section17(3) Income- tax Act,1961	9.40 — —	9.40 — —
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	9.40	9.40

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	Appeals made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Form No. MR-3
SECRETARIAL AUDIT REPORT

ANNEXURE- "D"

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9
of the Companies (Appointment and Remuneration Personnel) Rules, 2015]

**The Members,
The Grob Tea Co. Limited
Haute Street, 9th Floor,
86A, Topsia Road,
Kolkata 700 046**

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by The Grob Tea Co. Limited for the financial year ended on 31st March, 2016 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'**):-
 - (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, 1992 and 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- (vi) We further report that after considering the compliance system prevailing in the Company, and after carrying out test checks of the relevant records and documents maintained by the Company, it has complied with the following laws that are applicable specifically to the Company :
- (a) The Tea Act, 1953,
 - (b) Assam Tea Plantation Labour Act, 1951
 - (c) Food Safety Standard Act, 2006 and
 - (d) Directions given by the Office of the Textile Commission and rules made thereunder

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India,
- (ii) The Listing Agreements entered into by the Company with CSE Limited,
- (iii) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

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

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings which were sent at least seven days in advance, agenda and detailed notes on agenda were sent 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.

Majority decisions is carried through at the Meetings of the Board and Committees and the dissenting members' views, if any, are captured and recorded as part of the minutes of respective meetings.

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

We further report that during the audit period no specific event has happened and / or no action has been taken by the Company having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place : Kolkata
Date : 28th May, 2016

H M CHORARIA & CO.
Practising Company Secretaries
(H M CHORARIA)
Proprietor
FCS No: 2398, C P No.: 1499

ANNEXURE TO THE DIRECTORS REPORT**ANNEXURE – “E”****PARTICULARS OF EMPLOYEES****Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- A. Ratio of remuneration of Director to the median remuneration of all the employees and percentage increase in the remuneration of Director and CFO & Company Secretary of the Company for the financial year 2015-16 is as follows:

Sl. No.	Name	Designation	Ratio/Times per Median of employee remuneration	Percentage increase in Remuneration
1.	I B Sharaf	Executive Director	10.99	7.62%
2.	B L Patawari	CFO & Company Secretary	-	7.52%

- B. Percentage increase in the median remuneration of all employees in the financial year 2015-16: About **27.89%**
- C. Number of permanent employees on the rolls of the Company: **4172** Employees as on 31st March, 2016.
- D. Explanation on the relationship between average increase in remuneration and Company Performance: The increase in remuneration of employees in partly based on Industry wide agreement applicable to the concerned employees and partly on the basis on the performance of the employees. During the year under review, the average increase in remuneration of all employees was 12.28% against increase in profit after tax by 390%.
- E. Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company The remuneration of KMPs is in accordance with the remuneration policy of the Company .Their remuneration is determined based on their individual performance. However, the overall increase of remuneration of KMP is 7.57% as against the increase of profit after tax by 390.00 %.
- F. Variation in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase/decrease in the market quotations of the shares of the Company in comparison to the rate which the Company came out with the last public offer : Since there is no movement in share quotation in stock exchange for more than last five years so no comparison of variation in market capitalization and price earning can be made. The company has not made any public issue or right issue of securities in last 20 years, hence no comparison has been made.
- G. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with that percentile increase in the managerial personnel and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :
Average salary increase of the employee was **12.28%** as against increase in KMP's salary of 7.57% which is not exceptional.
- H. Comparison of remuneration of each Key Managerial Personnel against the performance of the Company: Key Managerial Personnel's salary is based on his qualification, working experience, nature of job, industry benchmark and many other factors. Comparison of one against other is not feasible.
- I. Key parameters for the variable component of remuneration paid to the Directors:
The key parameters for the variable component of remuneration to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy.
- J. There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.
- K. Affirmation: Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of the Company.

ANNEXURE TO THE DIRECTORS REPORT**ANNEXURE – “F”**

Information as per Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rule, 2014

A. CONSERVATION OF ENERGY :

The Company is continuously focusing on energy conservation with in-depth monitoring of various workstations. Maintenance and overhauls of generators are strictly followed so as to enable a high unit per ltr delivery. Machinery up-gradation and replacement of low performing equipment is an on-going process with a view to conserve Fuel, Electrical Energy and other resources. The energy consumption for domestic purposes has been rationalized through creation of awareness and regular monitoring.

All the equipment and machinery are acquired with energy conservation in view, however the extent of Investment cannot be separately quantified.

B. TECHNOLOGY ABSORPTION

- i. **the efforts made towards technology absorption** - The Company undertakes modernization and up gradation of factories on a regular basis with improved technology. Further, the in-house seminars, discussion with the experts and interactive group discussions and training programme regularly held for innovative ideas and for updating the staffs in various aspects of the functioning of the company.
- ii. **the benefit derived like product improvement, cost reduction, product development or import substitution** - the adoption of improved technologies, regular up gradation, modernization of equipment helps in overall improvement in quality of product and labour productivity.
- iii. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)** – the Company did not imported any technology during the last three years.
- iv. **the expenditure incurred on Research and Development** – The Company is a member of Tea Research Association which is registered U/s 35(1)(ii) of the Incomes Tax Act, 1961. The Company benefits from the suggestions received from the Tea Research Association out of R & D activities. A contribution of ₹ 8,46,024 was made during the year towards subscription of the Company.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- | | |
|-----------------------------|------------|
| a) Foreign Exchange Earning | ₹ Nil |
| b) Foreign Exchange outgo | ₹ 5,07,150 |

Kolkata
Dated: 28th May, 2016

For and on behalf of the Board

M.K.Agarwal, Directors
(DIN NO. 00697746)

I.B.Sharaf, Executive Director
(DIN NO. 00047266)

ANNEXURE TO THE DIRECTORS REPORT**ANNEXURE - "G"****REPORT ON CSR ACTIVITIES/INITIATIVES**

[Pursuant to Section 135 of the Act read with Companies (CSR Policy) Rules, 2014]

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.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is http://www.grobtea.com
2.	The Composition of the CSR Committee.	i) P K Agarwal ii) I B Sharaf iii) Mrs. P Singhania
3.	Average net profit of the company for last three financial years.	₹ 3,91,05,880
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 7,82, 118
5.	Details of CSR activities/projects undertaken during the year : a) total amount to be spent for the financial year b) amount un-spent, if any c) manner in which the amount spent during financial year,	₹ 7,82,118 N.A. The manner in which the amount spent is detailed in the Annexure A below.

ANNEXURE - A

1.	2.	3.	4.	5.	6.	7.	8.
Sl. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1.Local area/ others- 2.specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise ₹	Amount spent on the project/ programme ₹	Cumulative spend upto to the reporting period ₹	Amount spent: Direct/ through implementing agency
1.	Literacy Project of running 21050 One Teacher Schools for informal education of Tribals Children	Promoting education among children, women, elderly and the differently abled and livelihood enhancement projects	Balijan, Bordoruh Chauva, Dikam Khowang, Naharkatia, Namrup, Nilambazar, Tingkhong, Tinsukia, State : Assam	7,82,118	20,00,000	20,00,000	Through Friends of Tribal Society

INDEPENDENT AUDITORS' REPORT

To the Members of **The GROB TEA COMPANY LIMITED**

Report on the financial statements

We have audited the accompanying financial statements of **The Grob Tea Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. 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.
 - iii. The Balance Sheet, the Statement of Profit and Loss and the Cash flow Statement dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - v. On the basis of the written representations received from the directors as at 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - vii. 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:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 27.1 to the financial statements.
 - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company.

7A, KIRAN SHANKAR RAY ROAD,
KOLKATA - 700 001
Dated : 28th May, 2016

For **G. P. AGRAWAL & CO.**
CHARTERED ACCOUNTANTS
(F.R No. 302082E)
(CA. SUNITA KEDIA)
Membership No. : 60162
Partner

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of **The Grob Tea Company Limited** on the financial statements for the year ended 31st March, 2016.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets of the Company have been physically verified at the end of the year by the management. To the best of our knowledge, no material discrepancy was noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for one leasehold land and development and one building property having aggregate gross block of Rs. 19,57,49,000/- and net block of Rs. 17,69,35,663/- for which title deed is not in the name of the Company:

Sl. No.	Particulars	Gross Block (₹)	Net Block (₹)
1.	Leasehold land (Martycherra Tea Estate)	6,50,00,000	6,50,00,000
2.	Building	13,07,49,000	11,19,35,663
	Total	19,57,49,000	17,69,35,663

- (ii) The inventories (excluding stocks lying with third parties) have been physically verified during the year by the management at the end of year and no material discrepancies were noticed on such physical verification. In respect of inventory lying with third parties, these have been verified with reference to subsequent sale.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a), (b) and (c) of paragraph 3 of the said order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Act in respect of loans granted and investments made during the year.
- (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where pursuant to the rules made by the Central Government, the maintenance of Cost records has been prescribed under section 148(1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We, however, as not required, have not made a detailed examination of such records.

ANNEXURE “A” TO INDEPENDENT AUDITORS' REPORT (Contd)

- (vii) (a) On the basis of our examination, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, with appropriate authorities.

According to the records, the following statutory dues were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable:

Name of the statute	Nature of dues	Amount (₹)	Period to which it pertains	Paid on
Employee State Insurance Act, 1948	ESI	1,09,439	2012-13 – 2015-16	29.04.2016

- (b) The disputed statutory dues aggregating to ₹ 149,01,496/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of the Statute	Nature of dues	Period to which pertain	Amount (Rs.)	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax	2008-09	15,47,530	Commissioner of Income Tax (Appeals)
2	Income Tax Act, 1961	Income Tax	2011-12	19,37,270	Commissioner of Income Tax (Appeals)
3	Income Tax Act, 1961	Income Tax	2012-13	1,05,91,520	Commissioner of Income Tax (Appeals)
4	Income Tax Act, 1961	Income Tax	2013-14	4,07,800	Commissioner of Income Tax (Appeals)
5	Finance Act, 1994	Service Tax and Penalty	2012-13	72,840	Central Excise & Services Tax Appellate Tribunal
6	Central Sales Tax (Assam) Rules, 1957	Central Sales Tax	2012-13	76,394	Superintendent of Taxes
7	Central Sales Tax (Assam) Rules, 1957	Central Sales Tax	2013-14	2,64,142	Superintendent of Taxes
8	Assam Value Added Tax, 2005	Penalty	2012-13	2,000	Superintendent of Taxes
9	Assam Value Added Tax, 2005	Penalty	2013-14	2,000	Superintendent of Taxes
	TOTAL			1,49,01,496	

- (viii) The Company has not defaulted in repayment of loans or borrowings to banks. The Company has not taken any loans and borrowings from financial institutions or Government and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor taken any term loans during the year.

ANNEXURE “A” TO INDEPENDENT AUDITORS' REPORT (Contd)

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give 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, the Company is not a Nidhi company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give 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. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

7A, KIRAN SHANKAR RAY ROAD,
KOLKATA - 700 001
Dated : 28th May, 2016

For **G. P. AGRAWAL & CO.**
CHARTERED ACCOUNTANTS
(F.R No. 302082E)
(CA. SUNITA KEDIA)
Membership No. : 60162
Partner

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF THE GROB TEA COMPANY LIMITED

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

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

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both 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 internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT (Contd)

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

7A, KIRAN SHANKAR RAY ROAD,
KOLKATA - 700 001
Dated : 28th May, 2016

For **G. P. AGRAWAL & CO.**
CHARTERED ACCOUNTANTS
(F.R No. 302082E)
(CA. SUNITA KEDIA)
Membership No. : 60162
Partner

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31st March, 2016		As at 31st March, 2015	
		₹	₹	₹	₹
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
a) Share capital	2	11,623,300		11,623,300	
b) Reserves and surplus	3	359,304,957	370,928,257	304,874,208	316,497,508
2 Non-Current Liabilities					
a) Long term borrowings	4	—		251,564	
b) Deferred tax liabilities (Net)	5	—		—	
c) Other long- term liabilities	6	60,000		—	
d) Long term provisions	7	23,648,669	23,708,669	31,127,795	31,379,359
3 Current Liabilities					
a) Short term borrowings	8	74,777,489		138,972,672	
b) Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 27.7)		—		—	
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		24,932,615		22,299,169	
c) Other current liabilities	9	69,820,378		55,586,253	
d) Short term provisions	10	14,084,626	183,615,108	6,294,914	223,153,008
TOTAL			578,252,034		571,029,875
II ASSETS					
1 Non-Current Assets					
a) Fixed Assets					
i) Tangible assets	11	416,150,202		446,136,331	
b) Non-current investments	12	2,181,543		2,181,543	
c) Long term loans and advances	13	18,186,418		8,191,728	
d) Other non-current assets	14	—	436,518,163	88,315	456,597,917
2 Current Assets					
a) Current investments	15	20,187,666		—	
b) Inventories	16	85,863,204		57,966,729	
c) Trade receivables	17	7,844,720		7,481,290	
d) Cash and bank balances	18	11,797,648		43,285,954	
e) Short term loans and advances	19	15,818,651		5,505,530	
f) Other current assets	20	221,982	141,733,871	192,455	114,431,958
TOTAL			578,252,034		571,029,875
Significant accounting policies	1				
Other Disclosures	27				

The accompanying notes 1 to 27 are an integral part of the financial statement.
As per our report of even date attached.

Place: 7A, Kiran Shankar Ray Road,
Kolkata – 700 001
Dated : 28th May, 2016

For **G. P. AGRAWAL & CO.**
Chartered Accountants
F.R No.302082E
(CA.SUNITA KEDIA)
Partner
Membership No. 60162

M K AGARWAL Director
I B SHARAF Executive Director
B L PATAWARI CFO and Company Secretary

Statement of Profit and Loss Account for the year ended 31st March, 2016

	Note No.	Year ended 31st March, 2016		Year ended 31st March, 2015	
		₹	₹	₹	₹
I Revenue from operations					
Sale of goods	21	768,036,596		606,710,743	
Other operating revenue		3,721,175		3,519,323	
Revenue from operations		771,757,771		610,230,066	
II Other income	22	5,506,967		14,458,315	
III Total Revenue (I + II)		777,264,738		624,688,381	
IV Expense:					
a) Cost of materials consumed - Green leaf		22,544,612		19,701,151	
b) Changes in inventories of finished goods	23	(28,401,121)		(8,995,419)	
c) Employee benefits expense	24	350,732,635		276,317,322	
d) Finance costs	25	9,085,312		8,334,663	
e) Depreciation and amortisation expense		39,246,496		34,565,834	
f) Other expenses	26	322,134,501		280,189,019	
Total Expenses		715,342,435		610,112,570	
V Profit Before tax (III - IV)		61,922,303		14,575,811	
VI Tax Expenses					
Current Tax		15,000,000		5,000,000	
VII Profit for the year (V -VI)		46,922,303		9,575,811	
VIII Earning per equity share (Face value ₹ 10/-):	27.3				
1) Basic		40.37		8.24	
2) Diluted		40.37		8.24	
Significant accounting policies	1				
Other Disclosures	27				

The accompanying notes 1 to 27 are an integral part of the financial statement.
As per our report of even date attached.

Place: 7A, Kiran Shankar Ray Road,
Kolkata – 700 001
Dated : 28th May, 2016

For **G. P. AGRAWAL & CO.**
Chartered Accountants
F.R No.302082E
(CA.SUNITA KEDIA)
Partner
Membership No. 60162

M K AGARWAL Director
I B SHARAF Executive Director
B L PATAWARI CFO and Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year ended 31st March, 2016 ₹	Year ended 31st March, 2015 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	61,922,303	14,575,811
Adjustment for :		
Depreciation	39,246,496	34,565,834
Finance costs	9,085,312	8,334,663
Interest Received	(1,039,395)	(1,998,088)
Dividend on Long Term Investments	(109,236)	(98,844)
Rent Received	(881,645)	(8,017,078)
Liabilities no longer required written back	(1,933,185)	(3,622,681)
Profit on disposal of Fixed Assets	(1,031,785)	(374,564)
Profit on Sale of Current Investments	(187,666)	—
Sundry Balances Written Off	3,318	1,202
Operating Profit before working capital changes	105,074,517	43,366,256
Adjustment for changes in:		
Increase/(Decrease) in Trade Payable	4,566,631	9,015,392
Increase/(Decrease) in Other Current Liabilities	15,283,685	6,390,105
Increase/(Decrease) in Provisions	(7,863,351)	10,780,981
(Increase)/Decrease in Trade Receivables	(366,748)	(4,576,911)
(Increase)/Decrease in Inventory	(27,896,475)	(20,507,069)
(Increase)/Decrease in Loans and Advances	(20,307,811)	442,342
(Increase)/Decrease in Other Current assets	7,866	5,087,884
Cash generated from operations before tax & extra ordinary item	68,498,314	49,998,980
Direct Taxes Paid	(6,834,526)	(3,346,030)
Net Cash Flow from Operating Activities (A)	61,663,788	46,652,950
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Fixed Assets	(9,592,554)	(149,041,104)
Sale of Fixed Assets	1,363,972	757,100
Investment Made	(30,000,000)	—
Sale of Investment	10,000,000	—
Dividend Received	109,236	98,844
Investment in Fixed deposits	(5,000,000)	(5,000,000)
Maturity of Fixed deposit	5,000,000	5,000,000
Subsidy received	—	341,711
Interest Received	1,090,318	1,974,362
Rent Received	881,645	8,017,078
Security Deposit repaid	—	(3,061,440)
Compensation received from Government	10,306,360	25,432,200
Net Cash used in Investing Activities (B)	(15,841,023)	(115,481,250)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(1,432,934)	(1,310,029)
Proceeds from/(Repayment of) Working capital Borrowings (Net)	(64,195,183)	118,068,268
Interest paid	(8,504,850)	(7,749,700)
Other borrowing costs	(580,462)	(584,963)
Dividend Paid (including tax thereon)	(2,789,452)	(2,719,736)
Net Cash generated from/(used in) Financing Activities (C)	(77,502,881)	105,703,839
Net Increase in Cash and Cash Equivalents (A+B+C)	(31,680,116)	36,875,539
Cash and Cash Equivalents (Note 19)		
Opening Balance	37,684,341	808,802
Closing Balance	6,004,225	37,684,341

- NOTES :**
- The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statement.
 - Cash and cash equivalents do not include any amount which is not available to the Company for its use.
 - Figure in brackets represent cash outflow from respective activities.
This is the Cash Flow Statement referred to in our report of even date.

For **G. P. AGRAWAL & CO.**
Chartered Accountants
F.R No.302082E

Place: 7A, Kiran Shankar Ray Road,
Kolkata – 700 001
Dated : 28th May, 2016

(CA.SUNITA KEDIA)
Partner
Membership No. 60162

M K AGARWAL Director
I B SHARAF Executive Director
B L PATAWARI CFO and Company Secretary

NOTES TO FINANCIAL STATEMENTS**Note No.1: Significant Accounting Policies****1.1 Basis of Preparation**

- a) The financial statements are prepared in accordance with the historical cost convention and on accrual basis of accounting.
- b) The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies Act, 2013 (to the extent notified).
- c) The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities including Contingent Liabilities as of the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.
- d) All Assets and Liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for growing and manufacturing tea and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1.2 Fixed Assets

- a) Fixed Assets are stated at cost less accumulated depreciation. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets.
- b) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 which reflects the management's estimate of the useful lives of the respective fixed assets.
- c) The cost of extension planting of cultivable land inclusive of cost of development is capitalized as and when incurred.
- d) Leasehold land and development are not depreciated with effect from 30th June, 1986 in view of long term nature of lease.
- e) Capital Work-in-Progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

1.3 Investments

Investment which are readily realizable and intended to be held not more than one year from the date on which such investments are made, are classified as current investments. All Other investments are classified as long-term investment. Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are stated at cost less provision for other than temporary diminution in value, to recognize a decline in the value of the investments.

1.4 Inventories

- a) Inventories (other than tea waste) are valued at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventory comprises of purchase price, cost of conversion and other cost incurred in bringing the Inventories to their respective present location and condition. The cost of Inventories is computed on weighted average basis.
- b) Tea wastes are valued at net realizable value.

1.5 Revenue Recognition

- a) Sale of goods is recognised at the point of dispatch of finished goods to customers.
- b) Gross turnover is net of sales tax/VAT and inclusive of excise duty.
- c) Dividend income is recognized when the Company's right to receive dividend is established.
- d) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- e) All other income is accounted for on accrual basis.

1.6 Expenses

All the expenses are accounted for on accrual basis.

1.7 Employee Benefits

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- b) Post employment and other long-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present

Notes to Financial Statements(Contd.)

value of the amount payable determined using actuarial valuations. Actuarial gains and losses in respect of post employment and other long-term employee benefits are recognized in the Statement of Profit and Loss.

1.8 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.9 Insurance Claims

Insurance claims are recognized when the amount thereof can be reasonably ascertained and the claim is likely to be received.

1.10 Grants and Subsidies

- a) Grants and subsidies from the Government are recognised when there is reasonable assurance that the Company would comply with the conditions attached with them and the grant/subsidy would be received.
- b) Grants and subsidies related to specific fixed assets are adjusted with the value of the fixed asset. If not related to a specific fixed asset, it is credited to Capital Reserve.
- c) Grants and subsidies related to revenue items are adjusted with the related expenditure. If not related to a specific expenditure, it is taken as income.

1.11 Foreign Currency Transactions

- a) Transactions in foreign currency are initially recorded at the exchange rate at which the transaction is carried out.
- b) Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the year-end are translated at the year-end exchange.
- c) Any income or expense on account of exchange difference either on settlement or on translation at the year end is recognized in the Statement of Profit and Loss.

1.12 Research & Development

Revenue expenditure is charged off in the year it is incurred and expenditure of capital nature is capitalized.

1.13 Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in or more subsequent periods. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

1.14 Impairment of Assets

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, the company subjects such assets to test of recoverability, based on discounted cash flows expected from use or disposal of such assets. If the assets are impaired, the Company recognizes an impairment loss as difference between the carrying value and recoverable value.

After impairment, depreciation or amortisation on assets is provided on the revised carrying amount of the respective asset over its remaining useful life.

1.15 Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the balance sheet date.
- b) Contingent liabilities are shown by way of Notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- c) Contingent assets are not recognized in the Accounts.

1.16 Earnings Per share

Basic earnings per share is computed by dividing the profit after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax (including the post tax effect of any extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

1.17 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes to Financial Statements (Contd.)

	As at 31st March 2016	As at 31st March 2015
	₹	₹
2. SHARE CAPITAL		
a) Authorised		
30,00,000 (Previous Year 30,00,000) Equity Shares of ₹ 10/- each	<u>30,000,000</u>	<u>30,000,000</u>
b) Issued, Subscribed and Paid Up		
11,62,330 (Previous Year 11,62,330) Equity Shares of ₹ 10/- each fully paid up	<u>11,623,300</u>	<u>11,623,300</u>

c) **Rights, preferences and restrictions attached to shares**

The company has only one class of equity shares having par value of ₹ 10/-. The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share. 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, in proportion to their shareholding.

d) **Shareholders holding more than 5 % of the equity shares in the Company :**

Name of the Shareholders	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	% held	No. of Shares	% held
M/s. Rawalwasia Industries Pvt. Ltd.	478,179	41.14	478,179	41.14
M/s. Strip Commodeal Pvt. Ltd.	317,899	27.35	392,179	33.74

	As at 31st March 2016		As at 31st March 2015	
	₹	₹	₹	₹
3. RESERVES AND SURPLUS				
Capital Reserve : As per last Account	28,838,707		3,406,507	
Add: Compensation received during the year for acquisition of Land (Note 27.10)	<u>10,306,360</u>	39,145,067	<u>25,432,200</u>	28,838,707
General Reserve				
General Reserve : As per last Account	80,000,000		80,000,000	
Add: Transfer from Surplus in the Statement of Profit and Loss	<u>30,000,000</u>	110,000,000	—	80,000,000
Securities Premium Account: As per last Account		17,929,690		17,929,690
Surplus in the Statement of Profit and Loss				
As per last Account	178,105,811		171,319,452	
Add : Profit for the year	<u>46,922,303</u>		<u>9,575,811</u>	
Amount available for appropriation	225,028,114		180,895,263	
Less : Appropriations				
Transferred to General Reserves	30,000,000		—	
Proposed Dividend on Equity Share	2,324,660		2,324,660	
Tax on Dividend	<u>473,254</u>	192,230,200	<u>464,792</u>	178,105,811
		<u>359,304,957</u>		<u>304,874,208</u>

- i) During the year ended 31st March, 2016, the Board of Directors has proposed a dividend of ₹ 2/- (Previous year ₹ 2/-) per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The total dividend appropriation for the year ended March 31, 2016 amounted to ₹ 2,797,914 /- (Previous year ₹ 2,789,452 /-) including corporate dividend tax of ₹ 4,73,254 /- (Previous year ₹ 464,792 /-).

Notes to Financial Statements (Contd.)	As at 31st March 2016 ₹	As at 31st March 2015 ₹
4. LONG TERM BORROWINGS		
a) Term Loans -Secured		
From HDFC Bank (Car Loan)	—	251,564
	<u>—</u>	<u>251,564</u>
b) Nature of securities		
i) Term loans from HDFC bank is secured by way of hypothecation of car purchased. The loan carries interest @ 9% p.a.		
c) Terms of repayments		
i) The outstanding amount of term loans from HDFC bank is repayable in 26 monthly installments, the last installment is due in the month of May, 2016. Out of the 26 monthly installments, 24 installments has been paid and the balance 2 monthly installments are payable within 31st March, 2017, therefore, the same has been included in "Current maturities of long term borrowings" under the line item "Other Current Liabilities" (Note No.9).		
5. DEFERRED TAX LIABILITIES		
a) Deferred tax liabilities :		
Fixed assets	19,109,839	3,508,734
b) Deferred tax assets		
Expenses allowable for tax purposes when paid	19,109,839	3,508,734
Net Deferred Tax Laibilities (a - b)	<u>—</u>	<u>—</u>
<p>Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws. On the basis of prudence, deferred tax assets have been recognised to the extent of deferred tax liability</p>		
6. OTHER LONG TERM LIABILITIES		
Security Deposit	60,000	—
	<u>60,000</u>	<u>—</u>
7. LONG TERM PROVISIONS		
Provision for employee benefits		
Leave Encashment	453,754	489,811
Gratuity	23,194,915	30,637,984
	<u>23,648,669</u>	<u>31,127,795</u>

Notes to Financial Statements (Contd.)	As at 31st March 2016 ₹	As at 31st March 2015 ₹
8. SHORT - TERM BORROWINGS		
a) Loans repayable on demand		
From banks -Secured		
Working capital borrowings		
United bank of India (UBI) - Cash Credit	71,460,406	42,972,672
HDFC Bank - Overdraft	3,317,083	—
Short term loan		
From a bank -Unsecured		
Working capital borrowings		
The Hongkong and Shanghai Banking Corporation Ltd. (HSBC)	—	40,000,000
Loans and advances from Related parties		
Inter Corporate Deposit - Unsecured (Refer Note No. 27.4)	—	56,000,000
	<u>74,777,489</u>	<u>138,972,672</u>
b) Nature of securities		
i) Cash Credit with UBI is secured by hypothecation of tea, prompts, receivables, other current assets and equitable mortgage of the company's Kanu, Teen Ali, Doyang and Dessoie Tea Estate and also secured against personal guarantee of two Directors of the Company.		
ii) Overdraft Facility with HDFC Bank is secured by pledged of Fixed Deposit of ₹ 50,00,000 with HDFC Bank .		
iii) Short Term Loan of ₹ 4,00,0000 with HSBC bank was secured by personal guarantee of two Directors of the Company. The loan carries interest @ 9.50% p.a.		
9. OTHER CURRENT LIABILITIES		
Current maturities of long-term borrowings@	251,564	1,432,934
Unpaid Dividend*	793,423	601,613
Other Payables		
Payable to suppliers of capital goods		
Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 27.7)	—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises	572,578	—
Advance from Customer	4,314,315	1,534,314
Statutory liabilities	5,179,979	3,114,591
Unpaid salaries and other payroll dues	53,438,453	43,401,717
Accrued expenses	5,086,663	3,302,737
Others	183,403	2,198,347
	<u>69,820,378</u>	<u>55,586,253</u>
@Refer Note No. 4 (b) & (c) for nature of securities and terms of repayment respectively.		
*There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.		
10. SHORT TERM PROVISIONS		
Provision For Employee benefit		
Leave encashment	554,638	938,863
Other provisions		
Provision for taxation (Net of advance tax)	10,732,074	2,566,599
Proposed dividend	2,324,660	2,324,660
Tax on proposed dividend	473,254	464,792
	<u>14,084,626</u>	<u>6,294,914</u>

Notes to Financial Statements (Contd.)												
11. FIXED ASSETS												
Particulars	G R O S S B L O C K						D E P R E C I A T I O N				N E T B L O C K	
	Cost as at 1st April 2015 ₹	Additions during the year ₹	Sold/ Discarded during the year ₹	Adjustment during the year (Note 2) ₹	Cost as at 31st March 2016 ₹	Depreciation upto 1st April 2015 ₹	Depreciation for the year ₹	Disposal/ Adjust-ment ₹	Depreciation upto 31st March 2016 ₹	Net Balance as at 31st March 2016 ₹	Net Balance as at 31st March 2015 ₹	
Leasehold Land and Development	151,183,068	1,849,934	--	--	153,033,002	8,013,161	--	--	8,013,161	145,019,841	143,169,907	
Building	265,068,483	514,000	--	--	265,582,483	71,518,184	9,634,649	--	81,152,833	184,429,650	193,550,299	
Machinery	134,248,069	815,350	2,262,798	--	132,800,621	79,472,244	14,331,462	2,111,667	91,692,039	41,108,582	54,775,824	
Motor Vehicle	41,045,190	1,192,698	1,314,236	--	40,923,652	26,151,573	5,118,058	1,133,180	30,136,451	10,787,201	14,893,617	
Electric Installations	21,840,544	--	--	--	21,840,544	17,256,565	1,370,831	--	18,627,396	3,213,148	4,583,979	
Water Supply Scheme	36,290,622	3,385,710	--	--	39,676,332	19,879,580	2,913,820	--	22,793,400	16,882,932	16,411,042	
Refrigerator	431,167	23,700	--	--	454,867	315,984	26,939	--	342,923	111,944	115,183	
Office Equipment	2,029,448	--	--	--	2,029,448	942,243	692,276	--	1,634,519	394,929	1,087,205	
Furniture	23,375,865	452,259	--	--	23,828,124	8,688,544	4,036,835	--	12,725,379	11,102,745	14,687,321	
Fencing	6,467,668	--	--	--	6,467,668	6,144,284	--	--	6,144,284	323,384	323,384	
Tubewell	1,226,030	--	--	--	1,226,030	1,095,106	41,523	--	1,136,629	89,401	130,924	
Air Conditioner	2,029,755	177,100	--	--	2,206,855	1,032,892	207,966	--	1,240,858	965,997	996,863	
Computer	6,324,258	1,181,803	--	--	7,506,061	4,913,476	872,137	--	5,785,613	1,720,449	1,410,783	
Total	691,560,167	9,592,554	3,577,034	--	697,575,687	245,423,836	39,246,496	3,244,847	281,425,485	416,150,202	446,136,331	
Previous Year	550,511,496	149,041,104	7,650,721	341,711	691,560,167	218,126,186	34,565,834	7,268,185	245,423,836	446,136,331	332,385,309	

Notes : 1) Leasehold Land & Development includes ₹ 6,50,00,000 on account of Maricherra Tea Estate in respect of which the deed of conveyance is pending and under process with appropriate authority.
 2) This represents capital subsidy of ₹ Nil (Previous Year ₹ 341,711/-) received in respect of assets capitalised in earlier years.
 3) Building include ₹ 13,07,49,000/- (Previous Year ₹ 13,07,49,000/-) in respect of which the deed of conveyance is yet to be executed.

Notes to Financial Statements (Contd.)**12 : NON CURRENT INVESTMENTS**

	Face value ₹	As at 31st March 2016		As at 31st March 2015		
		Units	₹	Units	₹	
Long Term (Valued at cost less provision for other than temporary diminution))						
Other than trade, fully paid up						
Quoted	In equity shares of companies:					
	The Methoni Tea Co. Ltd.	10	1,000	4,375	1,000	4,375
	Castrol India Ltd.	5	392	37,516	392	37,516
	Bata India Ltd.	5	8,800*	572,720	4,400	572,720
	Hindustan Unilever Ltd.	1	5,000	1,551,481	5,000	1,551,481
	Aggregate book value of quoted Investments (A)			<u>2,166,092</u>		<u>2,166,092</u>
Unquoted	In equity shares of companies:					
	The Orissa Tea Plantation Ltd.	10	100	1,000	100	1,000
	ABC Tea Workers Welfare Services	10	625	6,250	625	6,250
	Jadavpur Entrepreneurship Development Pvt.Ltd. (in Liquidation)	100	20	1	20	1
	In 5% Non-Redeemable Debenture Stock :					
	Woodlands Hospital & Medical Research Centre Ltd.		-	6,000	-	6,000
	5% Debenture Stock in Shillong Club Ltd.		-	2,200	-	2,200
	Aggregate book value of unquoted Investments (B)			<u>15,451</u>		<u>15,451</u>
	Total Non- Current Investment (A) + (B)			<u>2,181,543</u>		<u>2,181,543</u>
	Aggregate market value of Quoted Investments			8,982,481		9,379,161

*Shares converted into Face Value of ₹ 5/- each (Previous Year ₹ 10/- each)

13. LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Capital Advance	190,000	—
Security and other Deposits	17,948,127	8,191,728
Prepaid expenses	48,291	—
	<u>18,186,418</u>	<u>8,191,728</u>

14. OTHER NON-CURRENT ASSETS

Interest accrued but not due on deposits	—	88,315
	<u>—</u>	<u>88,315</u>

Notes to Financial Statements (Contd.)**15. CURRENT INVESTMENT :**

	Face value ₹	As at 31st March 2016		As at 31st March 2015	
		Units	₹	Units	₹
Current investment (At lower of cost and fair value)					
Investments in Units of Mutual Funds Unquoted, Fully Paid up:					
Franklin India Ultra Short Bond Fund - Super Institutional Buyer - Growth	10	503,927	10,036,175	—	—
Franklin India Low Duration Fund - Growth	10	302,484	5,000,000	—	—
Kotak Low Duration Fund Standard Growth	1000	2,877	5,151,491	—	—
Total Current Investment			20,187,666		
Aggregate amount of unquoted Investments			20,551,343		
Aggregate provision for diminution in value of investments			—		—

16. INVENTORIES

Stores and Spare Parts		34,382,571		34,887,218
Finished Goods -Tea		51,480,633		23,079,512
		<u>85,863,204</u>		<u>57,966,729</u>

17. TRADE RECEIVABLES

Outstanding for a period exceeding six months from due date		37,384		879,552
Others		7,807,336		6,601,738
		<u>7,844,720</u>		<u>7,481,290</u>

18. CASH AND BANK BALANCES**Cash and cash equivalents**

Balances with banks				
On Current Accounts		1,881,913		37,303,299
Cash - in - hand		4,122,312		381,042
Cash and cash equivalents		6,004,225		37,684,341

Other Bank Balances:

Unpaid dividend accounts (Earmarked balances)		793,423		601,613
Fixed deposit pledged as security against borrowings (Current portion of original maturity period of more than 12 months)		5,000,000		5,000,000
		<u>11,797,648</u>		<u>43,285,954</u>

19. SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good)

Other loans and advances				
Intercorporate deposits		10,000,000		—
Advance to suppliers and others		4,089,662		4,493,319
Balances with Excise Authority		530,767		169,531
Prepaid expenses		1,198,222		842,681
		<u>15,818,651</u>		<u>5,505,530</u>

Notes to Financial Statements (Contd.)

	As at 31st March 2016		As at 31st March 2015	
	₹		₹	
20. OTHER CURRENT ASSETS				
(Unsecured, considered good)				
Interest accrued and due on deposits	159,694		184,589	
Interest accrued but not due on deposits	62,288		—	
Other receivables	—		7,866	
	<u>221,982</u>		<u>192,455</u>	
	Year ended 31st March 2016		Year ended 31st March 2015	
	₹ ₹		₹ ₹	
21. REVENUE FROM OPERATIONS				
Sale of goods				
Finished goods- Tea	768,036,596		606,710,743	
Other operating revenues				
Replanting subsidy	2,076,410		1,679,850	
Sale of tea seeds	24,000		5,500	
Sale of green leaf	—		539,400	
Sale of tea waste	1,620,765		1,294,573	
	<u>3,721,175</u>		<u>3,519,323</u>	
	<u>771,757,771</u>		<u>610,230,066</u>	
22. OTHER INCOME				
Interest – On Deposits	825,696		1,514,800	
– On Advances	213,699		483,288	
Dividend income - Long Term Investments	109,236		98,844	
Profit on Sale of Current Investments	187,666		—	
Other non-operating income				
Profit on Sale of Fixed Assets	1,031,785		374,564	
Rent Received	881,645		8,017,078	
Liabilities no longer required Written Back	1,933,185		3,622,681	
Miscellaneous Receipts	324,055		347,060	
	<u>5,506,967</u>		<u>14,458,315</u>	
23. CHANGES IN INVENTORIES OF FINISHED GOODS				
Opening Stock of Finished Goods -Tea	23,079,512		14,084,093	
Less: Closing Stock of Finished Goods -Tea	51,480,633		23,079,512	
	<u>(28,401,121)</u>		<u>(8,995,419)</u>	
24. EMPLOYEE BENEFITS EXPENSE				
Salaries & Wages	307,944,400		234,832,909	
Contribution to Provident & Other Funds	30,778,122		32,940,889	
Staff Welfare	12,010,113		8,543,524	
	<u>350,732,635</u>		<u>276,317,322</u>	

Notes to Financial Statements (Contd.)

	Year ended 31st March 2016		Year ended 31st March 2015	
	₹	₹	₹	₹
25. FINANCE COSTS				
Interest on:				
– short term borrowings		8,504,850		7,678,840
– Others		—		70,860
Other borrowing Cost		580,462		584,963
		<u>9,085,312</u>		<u>8,334,663</u>
26. OTHER EXPENSES				
Power and Fuel		76,473,378		66,776,843
Consumption of Stores & Spare Parts		149,906,980		134,705,592
Packing Materials		4,878,945		4,388,926
Cess on Tea		2,323,117		1,942,040
Transport and Maintenance		4,970,669		3,194,587
Repairs – Building	8,160,972		6,349,981	
– Machinery	<u>3,804,637</u>	11,965,609	<u>2,998,559</u>	9,348,540
Rent		337,500		300,000
Donation		751,000		2,056,000
Corporate Social Responsibility expense (Refer Note No. 27.8)		2,000,000		—
Rates and Taxes		9,528,788		8,421,124
Miscellaneous expenses		12,814,476		10,788,416
Insurance		1,808,377		1,528,339
Travelling & Conveyance		4,408,253		4,580,801
Directors Fees		123,000		60,000
Auditors' Remuneration -				
Statutory Audit	250,000		250,000	
Tax Audit	40,000		40,000	
Reimbursement of Expenses	7,260		11,295	
Other services	75,000	372,260	120,000	421,295
Internal Auditors' Fees		<u>175,000</u>		<u>150,000</u>
Selling and Distribution Expenses		19,351,407		15,257,890
Freight Charges		19,942,424		16,267,424
Sundry Balances Written Off		3,318		1,202
		<u>322,134,501</u>		<u>280,189,019</u>

Notes to Financial Statements (Contd.)

	As at 31st March, 2016	As at 31st March, 2015
	₹	₹

27. OTHER DISCLOSURES**27.1 Contingent liabilities and commitments (to the extent not provided for)**

- a) Contingent liability not provided for in respect of :

Claims against the company not acknowledged as debts -

– Service Tax demand- under appeal	72,840	595,460
– Income Tax Demand - under appeal	14,484,120	34,84,800
– C.S.T / VAT Demand under Appeal	344,536	—

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursements in respect of the above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome of appeals.

- b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for

517,613 —

Advances paid against above

190,000 —

27.2 EMPLOYEE BENEFITS :

- a)
- Defined Contribution Plan:**

Employee benefits in the form of Provident Fund are considered as defined contribution plan.

The contributions to the funds are made in accordance with the relevant statute and are recognized as an expense when employees have rendered service entitling them to the contributions. The contribution to defined contribution plan, recognized as expense for the year is as under :

Defined Contribution Plan	Year ended 31st March, 2016 ₹	Year ended 31st March, 2015 ₹
Employers' Contribution to Provident Fund	22,243,591	17,140,111

- b)
- Defined Benefit Plan:**

Post employment and other long-term employee benefits in the form of gratuity and leave encashment is considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognized in the balance sheet represent the present value of the obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of plan assets.

Notes to Financial Statements (Contd.)

Details of Funded post-retirement

Plans are as follows :

	31st March, 2016		31st March, 2015	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	(Funded)	(Unfunded)	(Funded)	(Unfunded)
	₹	₹	₹	₹
I. Components of Employer Expenses				
Current service Cost	4,986,082	210,847	4,533,873	229,721
Past Service Cost	—	—	5,118,148	—
Interest Cost	7,943,443	112,151	6,644,611	102,905
Expected Return on Plan Asset	(5,954,842)	—	(5,653,001)	—
Acturial (gain)/loss recognized in the year	(7,445,066)	4,099	1,269,288	(38,288)
Net Expenses Recognised In Statement of Profit and Loss	(470,383)	327,097	11,912,919	294,338
II. Change in Present Value of Defined Benefit obligation				
Present Value of Defined Benefit Obligation	99,293,033	1,428,674	83,057,637	1,143,389
Interest Cost	7,943,443	112,151	6,644,611	102,905
Past Service Cost	—	—	5,118,148	—
Current Service Cost	4,986,082	210,847	3,935,112	229,721
Benefits Paid	(373,054)	(747,379)	(731,763)	(9,053)
Acturial (Gain)/Losses	(7,445,066)	4,099	1,269,288	(38,288)
Present Value of Obligation at the End of the Year	104,404,438	1,008,392	99,293,033	1,428,674
III Change in Fair Value Asset during the year end				
Plan Assets at the Beginning of the year	69,253,810	—	62,915,349	—
Expected Return on Plan Assets	5,954,842	—	5,653,001	—
Actual Company Contribution	6,373,925	747,379	1,417,223	9,053
Benefits Paid	(373,054)	(747,379)	(731,763)	(9,053)
Acturial Gain/(Losses)	—	—	—	—
Plan Assets at the End of the Year	81,209,523	—	69,253,810	—
IV Net Assets/(Liability) recognized as at the Balance sheet date				
Present Value of Defined Benefit Obligation	104,404,438	1,008,392	99,891,794	1,428,674
Fair Value of Plan Assets	81,209,523	-	69,253,810	-
Funded Status - Deficit	(23,194,915)	(1,008,392)	(30,637,984)	(1,428,674)
Net liability recognized in Balance Sheet	(23,194,915)	(1,008,392)	(30,637,984)	(1,428,674)
V Acturial Assumption				
Discounted Rate (Per Annum)	8%	7.79%	8%	7.85%
Expected Rate of return on Plan Assets (Per Annum)	Not available	N.A.	Not available	N.A.
Salary Increases	5%	5%	5%	5%
Retirement/Superannuation Age	58	58	58	58
Mortality	LIC 06-08	IALM 06-08	LIC 94-96	IALM 06-08
VI Expected Employer's Contribution for the next year				
Expected Employer's Contribution for the next year	Not available	N.A.	Not available	N.A.

Notes to Financial Statements (Contd.)**VI Basis of estimate of rate of escalation in salary**

The estimates of rate of escalation in salary, considered in actuarial valuation, take into inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

VIII Other Disclosure :

- a) The Gratuity Expenses have been recognized in "Contribution to Provident & other funds" and Leave Encashment in "Salaries & Wages" under note no. 24.

	Gratuity		Leave encashment	
	2015 - 2016	2014 - 2015	2014 - 2015	2013 - 2014
	₹	₹	₹	₹
b) Disclosure related to previous years				
Present value of Defined Benefit Obligation	104,404,438	1,008,392	99,891,794	1,428,674
Fair Value on Plan Assets	81,209,523	—	69,253,810	—
Funded Status (Surplus/(deficit))	(23,194,915)	(1,008,392)	(30,637,984)	(1,428,674)
Experience adjustments of plan assets Gain/(Loss)	—	—	—	—
Experience adjustments of Obligation (Gain)/Loss	—	—	—	—
	2013 - 2014		2012 - 2013	
	₹	₹	₹	₹
Present value of Defined Benefit Obligation	83,057,637	1,143,389	75,761,580	918,285
Fair Value on Plan Assets	62,915,349	-	56,456,946	-
Funded Status (Surplus/(deficit))	(20,142,288)	(1,143,389)	(19,304,634)	(918,285)
Experience adjustments of plan assets Gain/(Loss)	—	—	—	—
Experience adjustments of Obligation (Gain)/Loss	—	—	—	—
	2011 - 2012			
	₹	₹		
Present value of Defined Benefit Obligation	64,306,594	562,478		
Fair Value on Plan Assets	50,956,404	-		
Funded Status (Surplus/(deficit))	(13,350,190)	(562,478)		
Experience adjustments of plan assets Gain/(Loss)	—	—		
Experience adjustments of Obligation (Gain)/Loss	—	—		
c) Expected Employer's contribution for the next year, major category of plan assets and experience arising on Plan Liabilities and Plan Assets in respect of gratuity are not available and therefore, not disclosed.				

27.3 Earning Per Share - The numerators and denominators used to calculate Basic/Diluted Earnings Per Share :

	As at	As at
	31st March, 2016	31st March, 2015
	₹	₹
a) Amount used as the numerator (₹)		
Profit after Tax attributable to Shareholders	46,922,303	9,575,811
b) Basic/weighted average number of Equity Share used as the denominator (B)	1,162,330	1,162,330
c) Nominal Value of Equity Shares (₹)	10	10
d) Basic/Diluted Earnings Per Share - (A/B) (₹)	40.37	8.24

Notes to Financial Statements (Contd.)**27.4 Related party disclosures as per Accounting Standard - 18 are given below :****a) Name of the related parties and description of relationship :**

- i) Key Managerial Personnel (KMP) :
- Mr. P K Agarwal , Director
Mr. M K Agarwal, Director
Mr. I.B.Sharaf, Executive Director
- ii) Enterprises over which KMP and their relatives have significant influence :
- a) Shroff Chemicals Pvt. Ltd.
b) Banka Enterprises Pvt. Ltd.
c) Rawalwasia Manufacture Company Pvt. Ltd.
d) Transmission Projects Pvt. Ltd.
e) K L Mechanical Works Pvt. Ltd.
f) Teletronics Products Pvt. Ltd.
g) Strip Commodeal Pvt. Ltd.
h) SRTR Realtors Pvt. Ltd.
i) Rawalwasia Industries Pvt. Ltd.
j) Platinum Dealers Pvt. Ltd.
k) Altius Distributors Pvt. Ltd.
l) Altius Pharmachem

b) Transactions with Related parties :

Nature of Transaction	Enterprise over which KMP and their relatives have significant influence		Key Management Personnel	
	31st March 2016	31st March 2015	31st March 2016	31st March 2015
	₹	₹	₹	₹
Rent Received :-				
Shroff Chemicals Pvt. Ltd.	95,672	94,392	—	—
Banka Enterprises Pvt. Ltd.	95,672	94,392	—	—
Rawalwasia Manufacture Company Pvt. Ltd.	68,336	67,416	—	—
Transmission Projects Pvt. Ltd.	68,336	67,416	—	—
K L Mechanical Works Pvt. Ltd.	95,672	94,392	—	—
Teletronics Products Pvt. Ltd.	95,672	94,392	—	—
SRTR Realtors Pvt. Ltd.	95,672	94,392	—	—
Rawalwasia Industries Pvt. Ltd.	95,672	94,392	—	—
Platinum Dealers Pvt. Ltd.	95,672	94,392	—	—
Altius Distributors Pvt. Ltd.	71,627	94,392	—	—
Altius Pharmachem	—	62,928	—	—
Loan Outstanding at the beginning of the year				
Shroff Chemicals (P) Ltd.	35,000,000	—		
Banka Enetrprises (P) Ltd.	21,000,000	—		

Notes to Financial Statements (Contd.)**b) Transactions with Related parties :**

Nature of Transaction	Enterprise over which KMP and their relatives have significant influence		Key Management Personnel	
	31st March 2016	31st March 2015	31st March 2016	31st March 2015
	₹	₹	₹	₹
Loans Taken :				
Shroff Chemicals (P) Ltd.	35,000,000	35,000,000	—	—
Banka Enetrprises (P) Ltd.	—	31,000,000	—	—
Loans Repaid :				
Banka Enetrprises (P) Ltd.	21,000,000	10,000,000		
Shroff Chemicals (P) Ltd.	70,000,000			
Interest on Loan Taken :				
Shroff Chemicals (P) Ltd.	619,644	1,001,507	—	—
Banka Enetrprises (P) Ltd.	—	637,260	—	—
Loan Outstanding at the end of the year				
Shroff Chemicals (P) Ltd.	—	35,000,000	—	—
Banka Enetrprises (P) Ltd.	—	21,000,000	—	—
Receiving of Services				
Mr. I.B.Sharaf (Directors Remuneration)	-	-	1,977,356	1,836,893

- c) There is no provision for doubtful debt and no amount has been written off/ written back during the year in respect of amount due from or due to related parties.
- d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

27.5 Segment Reporting

The company is engaged in the business of integrated activities of manufacture and sale of Tea, predominantly in the domestic market, hence there is no reportable segment as per AS - 17 on "Segment Reporting" as notified pursuant to the Companies (Accounting Standards) Rules, 2006.

27.6 Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There are no transaction (other than transactions with related parties as given in para 4 above) which are required to be disclosed under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

27.7 The company has not received any memorandum as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006 for claiming their status as micro, small or medium enterprises. Therefore, there is no due outstanding to Micro and Small Enterprises (Previous year Nil).

27.8 Corporate Social Responsibility

As per Section 135 of Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% if its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

Notes to Financial Statements (Contd.)

- Gross amount required to be spent by the company during the year is ₹ 7,82,118
 — Amount spent during the year:

(Amount in ₹)

Particulars	In Cash	Yet to be paid	Total
On construction/ acquisition of any asset	—	—	—
On purpose other than above	2,000,000	—	2,000,000

27.9 Salaries and Wages excludes ₹ 1,77,169/- (Previous year ₹ 1,60,917/-) and Stores and Spares consumed excludes ₹ 3,29,211/- (Previous year ₹ 1,46,826/-) debited to other accounts.

27.10 Compensation received from Government of Assam for acquisition of certain part of Land of Kanu Tea Estate amounting to ₹ 1,03,06,360/- (Previous year ₹ 2,54,32,200/-) is credited to the Capital Reseve.

27.10 Consumption of spare parts and components *

	Year ended 31st March, 2016		Year ended 31st March, 2015	
	₹	%	₹	%
Imported	—	—	—	—
Indigenous	149,906,980	100	134,705,592	100
	149,906,980	100	134,705,592	100

* Spare parts includes store items also.

27.12 Earnings in Foreign Exchange Nil Nil

27.13 Expenditure incurred in Foreign Currency ₹ 5,07,150 ₹ 4,21,932

27.14 Details of Loan given, Investments made, guarantee given or security provided covered under section 186 (4) of the Companies Act, 2013

- (i) The particulars of loans given are stated under "Loans and advances" in Note No. 19. All these loans are repayable on demand and all the loans have been utilised for general corporate purpose by the recipients.
 (ii) The relevant details of investments are given in Note Nos. 12 and 15.
 (iii) The Company has not given any guarantee or provided any security.

27.15 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.

For **G. P. AGRAWAL & CO.**
Chartered Accountants
F.R No.302082E

Place: 7A, Kiran Shankar Ray Road,
Kolkata – 700 001
Dated : 28th May, 2016

(CA.SUNITA KEDIA)
Partner
Membership No. 60162

M K AGARWAL Director
I B SHARAF Executive Director
B L PATAWARI CFO and Company Secretary

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