



TERAI TEA COMPANY LIMITED

SINCE 1973

46th *Annual Report*
2018-19



Company's Tea Estate & Factories





Corporate Information

BOARD OF DIRECTORS

Mr. Ajit Kumar Agarwala

Managing Director

DIN No. : 00265775

Mrs. Shashikala Agarwala

Non-Independent Director

DIN No. : 00260171

Mr. Milan Krisna Sarkar

Independent Director

DIN No. : 05272885

Mr Jayantakumar Natwarlal Raja

Independent Director

DIN No. : 06884343

Mr. Rajendra Kanodia

Non-Independent Director & CFO

DIN No. : 00175574

Mr. Hemant Kumar Agarwal

Independent Director

DIN No. : 02308200

KEY MANAGERIAL PERSONNEL

Mr. Ajit Kumar Agarwala

Managing Director

Mr. Rajendra Kanodia

Chief Financial Officer

Mr. Roshan Dave

Company Secretary

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Roshan Dave

BOARD COMMITTEE :-

a) AUDIT COMMITTEE

Mr. Hemant Kumar Agarwal (*Chairman*)

Mr. Jayantakumar Natwarlal Raja

Mr. Milan Krisna Sarkar

b) NOMINATION & REMUNERATION COMMITTEE

Mr. Milan Krisna Sarkar (*Chairman*)

Mr. Jayantakumar Natwarlal Raja

Mr. Hemant Kumar Agarwal

c) STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Jayantakumar Natwarlal Raja (*Chairman*)

Mr. Milan Krisna Sarkar

Mr. Hemant Kumar Agarwal

AUDITOR

Saha & Majumder

Chartered Accountants.

Hill Cart Road,

Siliguri - 734001

Dist. Darjeeling

SECRETARIAL AUDITOR

MR & Associates

Company Secretaries

46, B. B. Ganguly Street

Kolkata - 700012

COST AUDITOR

Mr. Debabroto Banerjee

63, Radha Bazar Street

2nd Floor, Kolkata - 700001

BANKERS

Central Bank of India

Bank of India

Corporation Bank

Yes Bank

UCO Bank

REGISTERED OFFICE

10, Government Place (East),

1st Floor, Kolkata - 700069

Ph. : (033) 460-13789/39789/19789, 406-45789

Fax : (033) 2248-9182

Email : teraitea@gmail.com

Website : www.teragroup.com

CORPORATE OFFICE

“Agarwala House”

Sevoke Road, 2nd Mile

Siliguri - 734 001

Phone : (0353) 2543-857/8

Fax : (0353) 2542-656

E-mail : slg_teraitea@sancharnet.in

teraisiliguri@gmail.com

SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.

23, R.N. Mukherjee Road

5th Floor, Kolkata - 700001

Ph. : (033) 2248-2248, 2343-5029

Fax : (033) 2248-4787

E-mail : mdpldc@yahoo.com

SOLICITORS & LEGAL ADVISORS

Jhunjhunwala & Co.

Solicitors & Advocates

7C, K.S.Roy Road,

Kolkata - 700001

CIN :

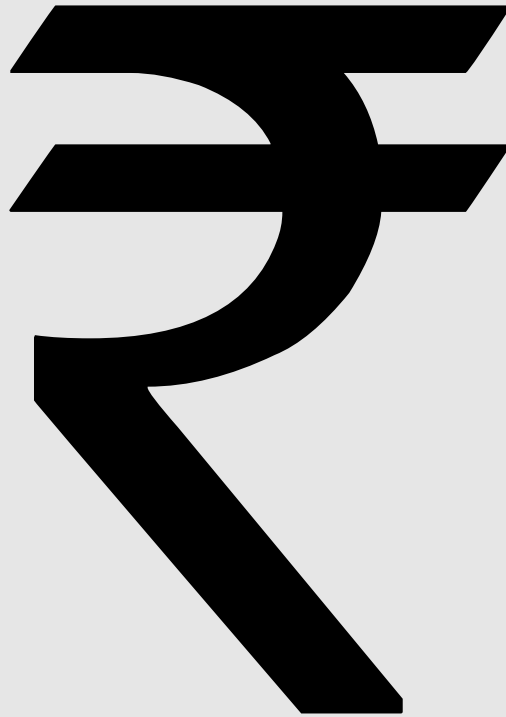
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GST :

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FINANCIAL INFORMATION



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TERAI TEA COMPANY LIMITED

REGD. OFFICE : EZRA MANSION, 10, GOVERNMENT PLACE (EAST), 1ST FLOOR, KOLKATA- 700069
Phone : (033) 460-13789 / 39789 • E-mail : teraitea@gmail.com • Website : www.teraignroup.com
CIN : L51226WB1973PLC029009 • GSTIN : 19AABCT0258P1ZW

Notice

NOTICE is hereby given that the 46th Annual General Meeting of the members of “**TERAI TEA COMPANY LIMITED**” will be held on **Monday, the 30th September, 2019 at 10.30 A.M.** at its **Registered Office - 10 Government Place (East), 1st Floor, Kolkata – 700069** to transact the following business:

ORDINARY BUSINESS :

1) To receive, consider and adopt :

- The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 with the reports of the Board of Directors' and Auditors thereon.
 - The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with report of the Auditors thereon.
- 2) To appoint a Director in place of Mrs. Shashi Kala Agarwala (DIN: 00260171), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS :

- 3) To consider and, if thought fit, to pass with the or without modifications, the following resolutions as an **Ordinary Resolutions**:

“**RESOLVE THAT**, in accordance with the provisions of Sections 196, 197, 198 and 203 and other applicable provisions, if any, and the Rules made there under of Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), subject to approval of the member of the Company be and is hereby accorded to the re-appointment of Mr. Ajit Kumar Agarwala (DIN: 00265775) as the Managing Director of the Company for a period of three years from 13th August 2019 to 12th August 2022 and will be liable to retire by rotation and concurrent termination of the earlier appointment for residual tenure due to expire on 12th August 2019, upon terms and conditions including remunerations as set out in the draft agreement to be entered into by the Company with Mr. Ajit Kumar Agarwala before the meeting duly initiated by the chairman for the purpose of identification and which draft is hereby specifically approved.

- 4) To consider and, if thought fit, to pass with the or without modifications, the following resolutions as a **Special Resolutions** :

“**RESOLVE THAT**, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this meeting hereby approves the re-appointment of Mr. Jayant Kumar Natwarlal Raja (Din:06884343) as an Independent Director of the Company for a Period of Five Years w.e.f. 26th July, 2019.

- 5) To consider and, if thought fit, to pass with the or without modifications, the following resolutions as a **Special Resolutions** :

“**RESOLVE THAT**, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this meeting hereby approves the re-appointment of Mr. Milan Krisna Sarkar (Din:05272885) as an Independent Director of the Company for a Period of Five Years w.e.f. 26th July, 2019.

- 6) To consider and, if thought fit, to pass with the or without modifications, the following resolutions as a **Special Resolutions**:

“**RESOLVE THAT**, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this meeting hereby approves the re-appointment of Mr. Hemant Kumar Agarwal (Din:02308200) as an Independent Director of the Company for a Period of Five Years w.e.f. 13th August, 2019.

- 7) To consider and, if thought fit, to pass with the or without modifications, the following resolutions as an **Ordinary Resolutions**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2019-20 be paid the remuneration as set out in the statement annexed hereto.”

By order of the Board
For Terai Tea Company Limited

Sd/-

ROSHAN DAVE

Company Secretary

ACS - 27185

Registered Office:

10, Government Place (East)

1st Floor, Kolkata – 700 069

Dated, 14th August, 2019



Notice (Contd.)

NOTES :

- 1) ***A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy forms should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the meeting.***

In terms of Rules 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint single person as proxy and such persons cannot act a proxy for any other person or shareholder.

- 2) A Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- 3) The Equity Share transfer Registers of the Company will remain closed from September 21st, 2019 to September 30th, 2019 (both days inclusive) for the purpose of Annual General Meeting.
- 4) Members desiring any information as regard accounts are requested to intimate the company at least 10 days before the meeting to enable the management to keep the information required readily available at the meeting.
- 5) The Company's shares are enlisted with NSDL and CDSL for participation into Electronic Depository System operated by them. Its shares are compulsorily to be traded in Electronic Form and the security bears Code ISIN INE 390D1011.
- 6) Members are requested to notify immediately any change of their address, if any, to the Company in case shares are held in physical form or to the DP's, where the account is maintained, if held in demat form.
- 7) Information about the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed separately.
- 8) Members are requested to update their e-mail address to teraitea@gmail.com or mdpl@cal.vsnl.net.in to do so to support the "Green Initiative" in the Corporate Governance.

- 9) To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records.
- 10) Members are requested to quote folio numbers in all their correspondence. Equity Share of the Company are under compulsory Demat trading by all investors. Considering the advantage of scriptss trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
- 11) Members/Proxies should bring the attendance slip duly filled in for attending the Meeting
- 12) Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 13) Electronic copies of the Annual Report are being sent to all the members whose e-mail id are registered with Company/ Depository Participant(s) for communication purpose unless any members has requested for a hard copy of the same, for members who have not registered their email address, physical copies of Annual Report is being sent in the permitted mode.
- 14) Electronic copy of the Notice of this Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose e-mail IDs are registered with the Company// Depository Participant(s) for communication purpose unless any members has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notices of the 46th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of this meeting and the Annual Report will also be available on Company's website www.teraigroup.com for their download.
- 15) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00am to 1.00pm) on all working days except Saturdays, up to the date of the Annual General Meeting of the Company.
- 16) Proxy holders are requested to carry valid ID proof such as PAN Card, Voter Card, Pass Port, Driving License, Aadhar Card etc. along with the printed attendance slip.



Notice (Contd.)

17) Voting through electronic means

e- voting to enable the shareholders to cast their vote electronically.

- I. Pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 46th Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). The Company has signed an agreement with CDSL for e-voting facility.

The instructions for e- voting are as under:

The voting period begins on 27th September, 2019 at 10.00 A.M and end on 29th September, 2019 at 5.00 P.M. During this period shareholders of the Company holding share either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members as on the “cut off date” i.e. 23rd September, 2019, attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.

In Case of members receiving e-mails:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “Terai Tea Co Ltd” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

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

(viii) After entering these details appropriately, click on “SUBMIT” tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Notice (Contd.)

- (xi) Click on the EVSN for the relevant "Terai Tea Co. Ltd". on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which the wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

- (B) The voting period begins on Friday, the 27th September, 2019 from 10.00A.M (IST) and ends on Sunday, 29th September, 2019 at 5.00 P.M (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

18. The shareholders shall have one vote per equity share held by them as on the cut-off date, i.e., 23rd September, 2019. The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.
19. Shri Mohan Ram Goenka, Practicing Company Secretary, (FCS-4515) of MR Associates, Company Secretaries, Kolkata has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner. The scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two(2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
20. The results shall be declared on or after the AGM, but not later than three days from the conclusion of the date of the AGM. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within and will be communicated to the Stock Exchange where the Company's Shares are listed.
21. In case of any queries/grievances relating to e-voting process, the Members may contact Mr, Agrhya Majumder, Central Depository Services Limited, 22, Camac Street, Block A, 1st Floor, Kolkata-16, at e-mail ID: helpdesk.evoting@cdslkindia.com, at Toll Free No. 1800-200-5533 who will address the grievances connected with the electronic voting. Members way also write to the Company Secretary at teraitea@gmail.com or Registered Office address.
22. **Updation of Members details :**
- The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company/Registrar and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is appended at the end of this Annual Report.

Notice (Contd.)

Members holding shares in physical form are requested to submit the filled in the form to the Company or RTA in physical mode or in electronic mode, as per instructions mentioned on the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

I. STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 3.

In the shareholders meeting held on 30th September 2016, the shareholders had re-appointed Mr. Ajit Kumar Agarwala as the Managing Director for a period of 3 years effective from 13th August, 2016 to 12th August, 2019. The tenure of his appointment expires on 12th August, 2019.

Keeping in view the vast experience of Mr. Ajit Kumar Agarwala, the Board in its meeting held on 29th day of May, 2019, subject to the approval of the members of the company in the Annual General Meeting has decided to re-appoint him as Managing Director of the company for a further period of three year w.e.f 12.08.2019 to 11.08.2022 on the remuneration and terms and conditions as set out herein. Accordingly this resolution is being proposed for the approval of the members.

TERMS & CONDITION

- A. **Salary:** Not exceeding ₹ 500,000/- per month with the authority granted to the Board of Directors (hereinafter referred to as "the Board" which terms shall include a Committee of Directors) to determine the salary and grant increases from time to time within the aforesaid limit.
- B. **Commission:** Not exceeding 0.50% of net profit in an accounting year as may be decided by the Board from time to time.
- C. **Allowance & Perquisites:** In addition to salary and commission, he will be entitled to allowance, perquisites, benefits, facilities and amenities (collectively "allowances and perquisites") such as Furnished residential accommodation or House Rent Allowance in lieu thereof, maintenance of such accommodation, Gas, Electricity & Power, Water, Furnishings, Utility Allowance, Medical Reimbursement, Foreign Travel, Leave Travel Assistance / Allowances, Membership fees for Clubs, Hospitalization and Accident Insurance, Security at residence and any other "Allowance and Perquisites" as per the policy / rules of the company in force and / or as may be approved by the Board from time to time provided that aggregate value of such allowances

& perquisites shall not exceed Rs. 12 lakhs per annum. "Allowances & Perquisites" to be valued as per the income Tax Rules, wherever applicable and at actual cost of the company in other cases.

In addition to the above, he will also be entitled to the following benefits as per policy/rules of the company in force or as may be approved by the Board from time to time.

(i) Company maintained car(s) with drivers(s); (ii) Telephone(s) and fax at residence; (iii) company's contribution to Provident Fund and Super – Annuation Fund; (iv) Payment of Gratuity and other retail benefit; (v) Encashment of Leave and (vi) Long Service Award; (vii) Key Man Insurance Premium. The Board is authorized to fix actual remuneration and revise it from time to time within the aforesaid ceilings.

- D. The total remuneration including allowances and perquisites shall not exceed the limits specified in Schedule V to the companies Act, 2013.
- E. **Minimum Remuneration:** Notwithstanding anything to the contrary herein where in any financial year, during the currency of the tenure of the appointees, the company has no profits or its profits are inadequate, the company will pay remuneration as above shall be paid to him as minimum remuneration subject to the limit as set out in section 196 and 197 and any other applicable provisions of companies Act, 2013 read with schedule V of the Companies Act, 2013, to the appointees by way of salary, perquisites, allowances and incentives remuneration as specified above.

OTHER TERMS:

Apart from the above term & conditions governing remuneration, the terms of appointment provide for the term of office, the reimbursement of expenses incurred for the business of the company, provisions of earlier determination of the appointment by either party by giving not less than three months notice in writing. The agreement also provides for variations in the terms of appointment/ agreement in accordance with the Companies Act 2013, in force from time to time.

The directors recommend the resolution set out in item No.3 in the notice.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala wife of Mr. Ajit Kumar Agarwala are concerned or interested in the said Resolution mentioned at item No.3 in the notice.

Notice (Contd.)

Information in terms of Schedule V of the Companies Act, 2013 for seeking approval of the shareholders are given here below:

I GENERAL INFORMATION:

1. Nature of Industry	Cultivation and Manufacturing of Tea
2. Date of Commencement of Commercial production	The Company is in manufacturing operations since the year 1973
3. In case of new companies, expected Date of Commencement of activitiesAs per project approval by financial Institutions appearing in prospectus	Not Applicable
4. Financial Performance based on	As per Audited Financial Results for the year ended

(` In Lacs)

Given Indicators	31.03.2019	31.03.2018	31.03.2017
Revenue from Operations (Net)	14,075.12	12,912.10	12,962.06
Profit before Interest, Depreciation & Tax	665.98	658.08	757.06
Interest (Net)	376.44	376.73	400.45
Profit before Depreciation & Tax (PBDT)	289.54	281.34	356.61
Profit before Tax	124.78	121.33	180.80
Profit after Tax (PAT)	131.29	88.65	141.23

5. Export Performance and net foreign exchange earning : **Not Applicable**
6. Foreign Investors or collaborators if any : **Not Applicable**

II. Information about the Appointee:

a) Mr. Ajit Kumar Agarwala:

1. Background details:

Mr. Ajit Kumar Agarwala is an Arts Graduate and has been honored with a honorary degree of Doctor of Philosophy in Business Management by the Burkes University, U.K. He is with the Company since 1987. He looks after the overall management of the

Company. He is Managing Trustee of Amit Agarwala Foundation, a Public Charitable Trust having multifarious charitable activities. Mr. Agarwala is Treasurer of "West Bengal Pradesh Congress Committee". He is an executive member of All India Marwari Federation and Executive Committee member of CII, North Bengal Chapter.

2. Past remuneration: (` in Lacs)

Given Indicators	31.03.2019	31.03.2018	31.03.2017
Salary	60.72	60.72	36.72
TOTAL	60.72	60.72	36.72

3. Recognition or Awards:

Mr. Ajit Kumar Agarwala has been granted "International Business Excellence" Award by International Business Council. "National Trade Excellence Award" was given to him for outstanding service, achievements and contributions. He has also been conferred with given "Rajiv Gandhi Sadbhavana" Award.

4. Job Profile and suitability:

Mr. Ajit Kumar Agarwala, the Managing Director is entrusted with the power and authority to manage the day to day affairs of the company on a day to day basis subject to superintendence, direction and control of the Board of Directors. He is an experienced planter and has extensive knowledge of tea industry. His experience at various levels has helped him to successfully manage the affairs of the Company for last several years.

5. Remuneration Proposed:

The proposed remuneration is within the limit set out in schedule V of the companies Act, 2013.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

The remuneration to Mr. Ajit Kumar Agarwala is purely based on merit and experience.

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

Mr. Ajit Kumar Agarwala has no pecuniary relationship with the company other than his remuneration as a Managing Director. He is related to Mrs. Shashikala Agarwala with the meaning of section 2 Clause 77 of Companies Act, 2013.

Notice (Contd.)

III Other Information:

1. Reason of Loss or Inadequate Profits:

Tea Industry is a seasonal industry and it is totally depended on the weather for crop, and auction for prices. There has been substantial increase in labour wages; garden operating expenses, statutory liabilities, and general inflation have considerably eroded profit margins. However, maintaining adequate and steady profitability on a regular basis may take time.

The profitability over the last 5 years is given below:

Year	Profit after Tax (` in Lacs)
2018-19	131.29
2017-18	88.65
2016-17	180.80
2015-16	108.33
2014-15	59.86

Steps taken or proposed to be taken for Improvement:

The Company is focusing on quality and this has attracted premium in the market. Efforts are made to cut down cost and increase yield at the gardens. There has been substantial capital expenditure in the land and factories to increase the efficiency, reduction in cost, rationalization of labor force etc. The company has also started trading in agricultural goods and achieved a substantial chunk of business during the year under review and your company is hopeful to achieve very good business in the forthcoming year.

2. Expected increase in productivity and profits in measurable terms:

The Company expects to obtain good per hectare yield in its Tea Estate and also better realization of the tea prices due to emphasis on the quality of tea to be manufactured.

IV Disclosures

1. Information to shareholders on the remuneration package of managerial personnel:

The Notice of the Annual General Meeting contains details of the Remuneration Package/ Revision in the Explanatory Statement.

2. Disclosure under Corporate Governance in the Board of Director's Report:

The remuneration package payable to Mr. Ajit Kumar Agarwala, along with relevant details has been mentioned in the reports of Corporate

Governance attached to Director's Report. There is no sitting fee, stock option etc. The period of appointment and remuneration shall be as per approval of Annual General Meeting resolution. The appointment may be terminated by giving to three months notice. Mr. Ajit Kumar Agarwala is holding 25,76,800 share of the Company.

Item No. 4

The Members of the Company on 27th September, 2014 approved the appointment of **Dr. Jayant Kumar Natwarlal Raja** as Independent Directors of the Company for a period of five years with effect from 26th July, 2014. **Dr. Jayant Kumar Natwarlal Raja** will complete his respective terms on 25th July, 2019.

The Board of Directors of the Company ('the Board') at the meeting held on **29th May, 2019**, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of **Dr. Jayant Kumar Natwarlal Raja** as Independent Directors of the Company with effect from 26th July, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to his respective re-appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of **Dr. Jayant Kumar Natwarlal Raja** and contribution to Board processes by him, his continued association would benefit the Company. Declarations have been received from **Dr. Jayant Kumar Natwarlal Raja** that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, **Dr. Jayant Kumar Natwarlal Raja** fulfill the conditions specified in the Act, the Rules there under and the Listing Regulations 2015 for re-appointment as Independent Directors and he is an Independent of the management of the Company. In addition to coverage under sitting fees for attending the meetings of the Board and its Committees.

Consent of the Members by way of Special Resolution is required for re-appointment **Dr. Jayant Kumar Natwarlal Raja** in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations 2015, consent of the Members by way of Special Resolution.

Requisite Notices under Section 160 of the Act proposing the re-appointment of **Dr. Jayant Kumar Natwarlal Raja** have been received by the Company, and consent has been filed by **Dr. Jayant Kumar Natwarlal Raja**.

Notice (Contd.)

None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Special Resolutions.

The Board recommends these Special Resolutions for your approval.

Item No. 5

The Members of the Company on 27th September, 2014 approved the appointment of **Mr. Milan Krisna Sarkar** as Independent Directors of the Company for a period of five years with effect from 26th July, 2014. **Mr. Milan Krisna Sarkar** will complete his respective terms on 25th July, 2019.

The Board of Directors of the Company ('the Board') at the meeting held on **29th May, 2019**, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of **Mr. Milan Krisna Sarkar**, as Independent Directors of the Company with effect from 26th July, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to their respective re-appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of **Mr. Milan Krisna Sarkar** and contribution to Board processes by them, he continued association would benefit the Company. Declarations has been received from **Mr. Milan Krisna Sarkar** that he meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, **Mr. Milan Krisna Sarkar** fulfill the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as Independent Directors and he is an Independent of the management of the Company. In addition to coverage under sitting fees for attending the meetings of the Board and its Committees.

Consent of the Members by way of Special Resolution is required for re-appointment of **Mr. Milan Krisna Sarkar**, in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations 2015, consent of the Members by way of Special Resolution.

Requisite Notices under Section 160 of the Act proposing the re-appointment of **Mr. Milan Krisna Sarkar** has been received by the Company, and consent has been filed by **Mr. Milan Krisna Sarkar**.

None of the other Directors and Key Managerial Personnel of the Company, or his relatives, is interested in these Special Resolutions.

The Board recommends these Special Resolutions for your approval.

Item No. 6

The Members of the Company on 27th September, 2014 approved the appointment of **Mr. Hemant Kumar Agarwal** as an Independent Directors of the Company for a period of five years with effect from **13th August, 2014**. **Mr. Hemant Kumar Agarwal** will complete his respective terms on 12th August, 2019.

The Board of Directors of the Company ('the Board') at the meeting held on 29th May, 2019, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of **Mr. Hemant Kumar Agarwal**, as Independent Directors of the Company with effect from 13th August, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to his respective re-appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of **Mr. Hemant Kumar Agarwal** and contribution to Board processes by them, their continued association would benefit the Company. Declarations has been received from **Mr. Hemant Kumar Agarwal** that he meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, **Mr. Hemant Kumar Agarwal** fulfill the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as Independent Directors and he is an Independent of the management of the Company. In addition to coverage under sitting fees for attending the meetings of the Board and its Committees.

Consent of the Members by way of Special Resolution is required for re-appointment of **Mr. Hemant Kumar Agarwal**, in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations 2015, consent of the Members by way of Special Resolution.

Requisite Notices under Section 160 of the Act proposing the re-appointment of **Mr. Hemant Kumar Agarwal** have been received by the Company, and consents has been filed by **Mr. Hemant Kumar Agarwal**.

None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Special Resolutions.

The Board recommends these Special Resolutions for your approval.

Notice (Contd.)

Item No. 7

In pursuance of section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a Cost Accountant in practice on the recommendations of the Audit Committee, which shall also recommended remuneration for such Cost Auditors. The Remunerations recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee and its meeting held on 29th day of May, 2019, the Board has considered

and approved appointment of **Mr. Debabroto Banerjee**, Cost Accountant, for conducting the Cost Audit of the Company at a remuneration of ₹ 15,000/- plus GST applicable and reimbursement of actual travel and out of pocket expenses for the financial year ended March 31, 2020.

The Resolution at Items No. 7 of the notice is set out as an Ordinary Resolution for approval and ratification by the members in term of section 148 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution mentioned at item No. 7 in the notice.

Registered Office:

10, Government Place (East)

1st Floor, Kolkata – 700 069

Dated, 14th August, 2019

By order of the Board
For Terai Tea Company Limited

Sd/-

ROSHAN DAVE

Company Secretary

ACS - 27185

DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT IN THE 46th ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015 & Secretarial Standard-2)



Name of The Director	Mrs. Shashi Kala Agarwala
DIN	00260171
Date of Birth/ Age	March 13, 1955
Date of First Appointment on the Board of the Company	January 28, 1987
Brief Resume of Director	She completed her Graduation in Arts. She has more than 40 years experience in Tea Plantation, Marketing Business and Financial Business.
Nature of Expertise in Specific Functional Areas	Women Director, Tea Marketing
The Remuneration Last Drawn, if applicable	NIL
List of Other Public Companies in which outside Directorship held (excluding in Foreign Companies)	<ol style="list-style-type: none"> 1. Terai Infrastructures Ltd. 2. East Indian Produce Ltd. 3. Terai Tea Resorts Ltd. 4. New Darjeeling Union Tea Co. Ltd 5. Sayedabad Tea Co. Ltd.
List of Other Listed Companies in which Directorship held	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Companies in which he is a Director (excluding in Foreign Companies)	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Listed Companies	NIL
Disclosure of Relationship between Directors inter-se and Key Managerial Personnel	Mrs. Shashikala Agarwala is related with Mr. Ajit Kumar Agarwala as his wife in terms of the Definition of "Relative" under the Companies Act, 2013
Details of Shareholding, if any in the Company	18,98,800 Equity Shares Held
The number of Meetings of the Board attended during the Financial Year	Mrs. Shashikala Agarwala attended 8 Board Meetings out of total 12 Board Meetings held during the Year.

DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT IN THE 46th ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015 & Secretarial Standard-2)



Name of The Director	Mr. Ajit Kumar Agarwala
DIN	00265775
Date of Birth/ Age	January 28, 1955
Date of First Appointment on the Board of the Company	January 29, 1987
Brief Resume of Director	He completed his Graduation in Arts & Doctorate of philosophy in Business Management from Burkes University, U.K. He has more than 40 years experience in Tea Plantation, Marketing Business and Financial Business.
Nature of Expertise in Specific Functional Areas	Overall Management
The Remuneration Last Drawn, if applicable	Basic Salary : ₹ 60.72 Lacs P.A.
List of Other Public Companies in which outside Directorship held (excluding in Foreign Companies)	<ol style="list-style-type: none"> 1. The Kharibari Tea Co. Ltd. 2. Terai Infrastructures Ltd. 3. East Indian Produce Ltd. 4. Terai Tea Resorts Ltd. 5. New Darjeeling Union Tea Co. Ltd 6. Sayedabad Tea Co. Ltd.
List of Other listed Companies in which Directorship held	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Companies in which he is a Director (excluding in Foreign Companies)	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Listed Companies	NIL
Disclosure of Relationship between Directors inter-se and Key Managerial Personnel	Mr. Ajit Kumar Agarwala is related with Mrs. Shashikala Agarwala, who is Wife of Mr. Ajit Kumar Agarwala in terms of the Definition of "Relative" under the Companies Act, 2013
Details of Shareholding, if any in the Company	25,76,800 Equity Shares Held
The number of Meetings of the Board attended during the Financial Year	Mr. Ajit Kumar Agarwala attended 10 Board Meetings out of total 12 Board Meetings held during the Year.

DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT IN THE 46th ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015 & Secretarial Standard-2)



Name of The Director	Dr. Jayant Kumar Natwarlal Raja
DIN	06884343
Date of Birth/ Age	July 04, 1955
Date of First Appointment on the Board of the Company	July 26, 2014
Brief Resume of Director	An Independent Director and chairman of Stakeholders Committee of the Company is an institution by himself having achieved all heights in Medical Science and who has devoted his life for care of the sick people.
Nature of Expertise in Specific Functional Areas	An Independent Director and chairman of Stakeholders Committee of the Company
The Remuneration Last Drawn, if applicable	NIL
List of Other Public Companies in which outside Directorship held (excluding in Foreign Companies)	NIL
List of Other listed Companies in which Directorship held	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Companies in which he is a Director (excluding in Foreign Companies)	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Listed Companies	NIL
Disclosure of Relationship between Directors inter-se and Key Managerial Personnel	Dr. Jayant Kumar Natwarlal Raja is not related with any Director or Key Managerial Personnel in terms of the Definition of "Relative" under the Companies Act, 2013
Details of Shareholding, if any in the Company	NIL
The number of Meetings of the Board attended during the Financial Year	Dr. Jayant Kumar Natwarlal Raja attended 5 Board Meetings out of total 12 Board Meetings held during the Year.

DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT IN THE 46th ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Secretarial Standard-2)



Name of The Director	Mr. Milan Krisna Sarkar
DIN	05272885
Date of Birth/ Age	January 15, 1951
Date of First Appointment on the Board of the Company	July 26, 2014
Brief Resume of Director	A very Senior Lawyer (LLB). We look forward to protect our properties and legal matters through his experience. He is a Chairman of nomination and Remuneration committee and member of Audit committee & Stakeholder relationship Committee.
Nature of Expertise in Specific Functional Areas	Legal Matters
The Remuneration Last Drawn, if applicable	NIL
List of Other Public Companies in which outside Directorship held (excluding in Foreign Companies)	NIL
List of Other listed Companies in which Directorship held	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Companies in which he is a Director (excluding in Foreign Companies)	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Listed Companies	NIL
Disclosure of Relationship between Directors inter-se and Key Managerial Personnel	Mr. Milan Krisna Sarkar is not related with any Director or Key Managerial Personel in terms of the Definition of "Relative" under the Companies Act, 2013.
Details of Shareholding, if any in the Company	NIL
The number of Meetings of the Board attended during the Financial Year	Mr. Milan Krisna Sarkar attended 5 Board Meetings out of total 12 Board Meetings held during the Year.

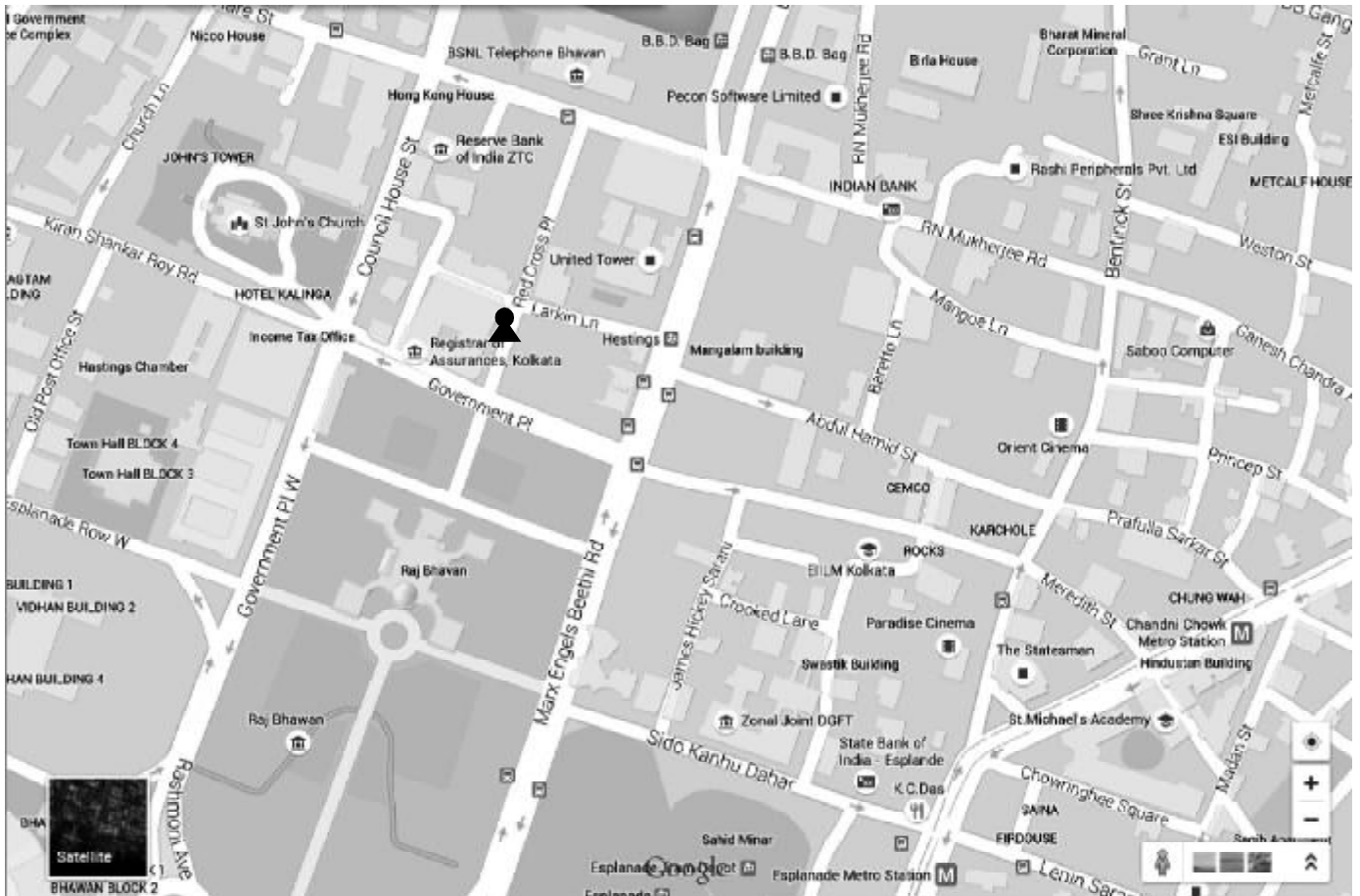
DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT IN THE 46th ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015 & Secretarial Standard-2)



Name of The Director	Mr. Hemant Kumar Agarwal
DIN	02308200
Date of Birth/ Age	January 04, 1980
Date of First Appointment on the Board of the Company	August 13, 2014
Brief Resume of Director	Independent Director and Chairman of Audit Committee of the Company is a businessman since very early young age and has very wide experience in dealings in food items etc. With his presence in the company, a new wave in turnover and profits is bound to come.
Nature of Expertise in Specific Functional Areas	Independent Director and Chairman of Audit Committee.
The Remuneration Last Drawn, if applicable	NIL
List of Other Public Companies in which outside Directorship held (excluding in Foreign Companies)	NIL
List of Other listed Companies in which Directorship held	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Companies in which he is a Director (excluding in Foreign Companies)	NIL
Chairman/ Member of the Committees of the Board of Directors of Other Listed Companies	NIL
Disclosure of Relationship between Directors inter-se and Key Managerial Personnel	Mr. Hemant Kumar Agarwal is not related with in terms of the Definition of "Relative" under the Companies Act, 2013
Details of Shareholding, if any in the Company	NIL
The number of Meetings of the Board attended during the Financial Year	Mr. Hemant Kumar Agarwal attended 12 Board Meetings out of total 12 Board Meetings held during the Year.

Road Map to the Venue of 46th AGM of “Terai Tea Co. Ltd.”




TERAI TEA COMPANY LTD.
10, Government Place (East)
1st Floor, Kolkata - 700 069

Directors' Report

For the year ended 31st March, 2019

Dear Shareholders,

The Board of Directors of your Company have pleasure in presenting their **46th Annual** Report on the business and operations of the company together with Audited financial statement for the year ended 31st March, 2019.

1. CORPORATE OVERVIEW

Terai Tea Company Ltd. (Your Company) is a leading Tea Manufacturing Company of West Bengal. The Group has its Corporate Head Quarter at "Agarwala House", Sevoke Road, 2nd Mile, Siliguri, West Bengal.

2. INDIAN SCENARIO

The Indian economy continues to be a bright spot in the world map. For one more year India has held on its position of the fastest, growing major economy in the world. According to CSO for 2018-19. India's GDP growth rate has been estimated to be 7.0 % down from 7.2% achieved in 2017-18. According to IMF, India's GDP growth rate is expected to pick up to 7.0% in 2019 and 7.5% in 2020.

3. FINANCIAL SUMMARY

(` In lacs)

Particulars	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operation	14075.13	12912.10	14075.13	12912.10
Other Income	94.35	128.41	94.35	128.41
Profit/(Loss)before Depreciation Financial Cost and Tax	665.98	658.08	665.98	658.08
Less: Financial Cost	376.44	376.73	376.44	376.73
Profit/(Loss) before Depreciation	289.54	281.35	289.54	281.35
Less: Depreciation	164.76	160.01	164.76	160.01
Profit/(Loss) Before Taxation	124.78	121.34	124.78	121.34
Less: Taxation				
a) Current Tax Expenses	9.44	22.52	9.44	22.52
b) Deferred Tax	(15.96)	10.16	(15.96)	10.16
Profit after Taxation	131.30	88.66	131.30	88.66
Add : Share of Profit in Associate Company	—	—	193.35	(96.50)
Add : Other Comprehensive Income Net of Tax	0.27	(7.08)	0.27	(7.08)
Profit for the Year	131.57	81.58	324.92	(103.58)
Basic and Diluted Earning Per Share	1.91	1.29	4.70	(0.11)
Paid up Share Capital	690.29	690.29	690.29	690.29
Net worth	6473.95	6342.40	12278.69	11953.77

4. PERFORMANCE REVIEW

All India black tea Production was approximately 1,339 million Kgs. During the calendar year 2018, as compared to 1,321 million kgs of 2017. The

excess crop of 18 million kgs has come mainly from small growers sector, which now produce almost 48% of all India Production.

Directors' Report (Contd.)

India is heading for higher tea production in calendar year 2019, going by the trend in the first quarter. For the first time in 2018, India produced a lower volume than in the previous year. And, until February 2019, the falling trend continued. Now, this falling trend has been reversed thanks to both North and South India reporting higher production in March. India's tea production rising to 74.59 million kg (mg) from 61.04 mkg in March 2018, an increase of 13.55 mkg or 22.20 per centas per Tea Board India.

From January to March, the cumulative production of tea in the country rose to 103.61 (mg) from 92.20 (mg) marking a gain of 11.41 (mg) or 12.38 per cent," North Indian teas, dormant from December 2018 due to the Tea Board's order to close operations in winter to get rid of sub-standard teas, have now begun to hit the market. Production from the North in Q1 rose to 64.13 (mg) from 53.86 (mg) in the same quarter last year, posting a gain of 10.27 (mg) or 19.07 per cent.

Operation Review

Your Company is engaged in the Manufacturing and Selling of Tea and Trading in Agri Merchandise. Your Company is having the following units under its fold

- a) **Bagdogra Tea Estate** : The tea garden is in Terai Region of North Bengal, about 15 kms. From Siliguri and adjacent to Bagdogra Airport. The total grant area is 687.17 acres and produces 25 lacs kgs. of made tea annually out of its own leaves and brought tea leaves. Total Tea Production during the year ended 13.86 Lacs Kg.
- b) **CTC Tea Factory (Terai Tea Factory Unit)** : The company has set up this unit in the month of November, 1997 with an objective to produce CTC tea from the green leaf purchased from different suppliers. Total Tea Production during the year ended 13.05 Lacs Kg.
- c) **Adhikari Tea Factory Unit** : This unit was commissioned on 17th February 2002. The present installed capacity of the unit 25 lacs kgs. of CTC tea per annum. Total Tea Production during the year ended 19.11 Lacs Kg.
- d) **Karjeepara Tea Factory Unit** : This unit was set up by the company to manufacture CTC teas out of bought leaves. The unit has stated commercial production from July 2003. The Installed Capacity of the unit is 25 lacs kgs of made tea per annum. Total Tea Production during the year ended 14.99 Lacs Kg.

The combined annual production capacity of Terai Tea Company is 9 Million Kgs.

During the year under review, the Company's total tea production was at 61.01 Lacs Kg. of Black Tea compared to 60.17 Lacs Kg. last year. The average

price realization was ` 110.46 per kg. against realization of ` 93.33 Per kg in previous year. Your Company continued to focus on making quality teas which is visible in our price realization value. Indian tea market expected to be buoyant for good quality teas as there is a shortage in this segment. However medium and ordinary teas are likely to struggle and could sell at lower realizations.

Tea gardens are facing a major challenge due to climate change resulting from uneven distribution of rainfall and extreme temperature patterns which is affecting quality and production. Droughts, floods and severe attack of pests have been commonplace and are adversely affecting production, quality and costs. The tea industry despite faces critical environmental challenges.

Low productivity is a major cause to affect the finances of the tea companies. The wage component constitutes over 60% of the total cost of production. Escalating input costs of electricity, fuel, pesticides and agro-chemicals and irrigation, etc has increased cost of production and also have very adverse effect in profitability of the sector.

Financial Review

The financial statement of your company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Indian Accounting Standards (IND AS) and the relevant provisions of the Companies Act, 2013 and rules made therein, as applicable and regulation 48 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accounting Policies have been consistently applied except where a newly issued accounting standards, if initially adopted or a revision to an existing accounting standard requires a change in the accounting Policy. Your Company discloses unaudited financial results on quarterly basis, which are subjected to limited review, and audited financial results on an annual basis.

Standalone Financial Performance:

Some of the Key Highlights of your Company's performance during the year under review are:

- Your Company's turnover is to ` 14,075.13 lacs as against ` 12,912.10 lacs in the previous year.
- The Company has achieved profit before tax during the current financial year of ` 124.78 lakh as against ` 121.34 lakh in the previous year.
- Net profit after taxation is ` 131.30 lakh as against ` 88.66 Lakh in the previous year.
- Earning per Share is ` 1.91 as against ` 1.29 in the previous year.

Directors' Report (Contd.)

Consolidated Financial Performance : Performance of Associates Companies

East Indian Produce Ltd :

The Company is engaged in the manufacturing and selling of Tea. This company owns one tea garden namely Lohagarh Tea Estate. The Tea Estate is situated in the foothills of Himalayan range of mountains having plantation areas of 814.37 acres and produces about 5.5 lacs kgs. of tea.

Some of the Key Highlights during the year

under review are :			
			(` in Lacs)
Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	908.94	836.47
2	Profit before Taxation	20.69	(40.23)
3	Net Profit after Taxation	84.72	(41.88)
4	Earning Per Share	58.55	(28.94)

New Darjeeling Union Tea Co. Ltd. :

The Company is engaged in the manufacturing and selling of Tea. This company is the owner of Kiranchandra Tea Estate near to Bagogra Airport, in the District of Darjeeling having an area of 878.41 acres and produces 7 lacs kgs. of CTC made tea annually. The Company is owing a Green Tea bought leaf factory within the premises of Kiran Chandra Tea Estate having on annual installed capacity of 7 Lacs kgs. of Green Tea.

Some of the Key Highlights during the year

under review are :			
			(` in Lacs)
Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	1,919.25	1,181.38
2	Profit before Taxation	20.37	(115.65)
3	Net Profit after Taxation	3.98	(87.09)
4	Earning Per Share	11.34	(247.71)

Sayedabad Tea Co. Ltd. :

The Company is engaged in the manufacturing and selling of Tea. This company owns Sayedabad Tea Estate having 900 acres of tea plantation and produces 10 lacs kgs. of tea annually. The Company is also owning a bought leaf factory within the premises of Sayedabad Tea Estate which produce 15 Lacs Kg. CTC Tea.

Some of the Key Highlights during the year

under review are :			
			(` in Lacs)
Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	2,561.65	2,432.54
2	Profit before Taxation	25.44	(10.93)
3	Net Profit after Taxation	62.20	(29.10)

4 Earning Per Share **114.39** (53.53)

Jaldacca Tea Plantations Pvt. Ltd. :

The Company is engaged in the manufacturing and selling of Tea. This company is the owner of Jaldacca Altadanga Tea Estate having gross grant area of 1001 acres and produces 4 lacs kgs. of Green Tea. The Company is engaged in the manufacturing and selling of Tea.

Some of the Key Highlights during the year

under review are :			
			(` in Lacs)
Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	617.36	743.29
2	Profit before Taxation	6.72	(16.64)
3	Net Profit after Taxation	12.88	(15.73)
4	Earning Per Share	187.50	(839.01)

Abhijit Tea Company Private Ltd. :

The Company is engaged in the manufacturing and selling of Tea and real estate business. This company is owning Raja Tea Estate in the heart of Mal Bazar town in the District of Jalpaiguri having an area of 1482.83 acres and produces 15 lacs kgs. of made tea annually out of its own tea garden leaf and brought tea leaves. The company has various real estate projects in the town of Siliguri and Falakata.

Some of the Key Highlights during the year

under review are :			
			(` in Lacs)
Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	1,348.23	1,001.52
2	Profit before Taxation	75.44	(112.79)
3	Net Profit after Taxation	97.65	(113.41)
4	Earning Per Share	612.71	(711.62)

The Kharibari Tea Company Ltd. :

The Company is engaged in the manufacturing and selling of Tea. The Company owns tea garden namely Sachindra Chandra Tea Estate having an area of 882.09 acres with production capacity of 5 lacs kgs. of made tea per annum. The Company is engaged in the manufacturing and selling of Tea.

Some of the Key Highlights during the year

under review are :			
			(` in Lacs)
Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	929.21	922.78
2	Profit before Taxation	63.94	(3.74)
3	Net Profit after Taxation	65.14	(3.42)

Directors' Report (Contd.)

4 Earning Per Share 33 (1.71)

Amit Paridhan Pvt. Ltd. :

The Company is engaged in the Processing and Bleaching of Hosiery Clothes. It is located in Bira, North 24 Paraganas. It started its Commercial Production on 29th June, 2012. It processes approx 1500 M.T of Fabrics annually. The Company uses state of Art machineries for manufacturing its Product. The Company produces quality product and is supplying to the leading Manufacturers of the country.

Some of the Key Highlights during the year under review are :

Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	1,311.42	947.99
2	Profit before Taxation	21.49	7.34
3	Net Profit after Taxation	23.2	6.08
4	Earning Per Share	4.78	1.25

Terai Doors Tea Company Pvt. Ltd. :

The company has been floated by the Group to set up a bought leaf tea factory to manufacture Black Tea. The installed capacity at present is 15 lacs kgs. CTC Tea per annum. The Company is engaged in the manufacturing and selling of Tea.

Some of the Key Highlights during the year under review are :

Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	1,359.02	1,168.63
2	Profit before Taxation	22.28	11.23
3	Net Profit after Taxation	15.99	10.86
4	Earning Per Share	2.91	1.97

Terai Infrastructures Ltd. :

The Company's main objective is to deal in real estate business.

Some of the Key Highlights during the year under review are :

Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	5.81	8.42
2	Profit before Taxation	1.50	(12.35)
3	Net Profit after Taxation	1.50	(12.44)
4	Earning Per Share	0.03	(0.22)

Terai Ispat & Trading Pvt. Ltd. :

The Company is engaged in the trading of various merchandise.

Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	21,418.17	23,960.03
2	Profit before Taxation	46.18	29.77
3	Net Profit after Taxation	27.15	22.83
4	Earning Per Share	1.80	1.60

Terai Overseas Pvt. Ltd. :

The Company is engaged in the Import, Export and trading of various merchandise.

Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	24,914.55	21126.11
2	Profit before Taxation	69.60	66.12
3	Net Profit after Taxation	54.03	45.32
4	Earning Per Share	6.77	6.85

Terai Financial Services Pvt. Ltd. :

This Company is the financial arm of the group engaged in providing financial and investment services.

Sl.	Particulars	2018-19	2017-18
1	Total Gross Revenue	—	(0.18)
2	Profit before Taxation	(3.32)	(24.57)
3	Net Profit after Taxation	(3.32)	(24.57)
4	Earning Per Share	(7.0)	(53.00)

Other Reviews

The matter against compensation for requisition of land by Defence Department in the year 1962 is pending before Hon'ble Calcutta High Court Circuit Bench at Jalpaiguri by way of an appeal filed by the Company against an award passed by the Arbitrator which is approximately to the tune of ` 40 Crores. The Company is hopeful of favourable outcome in the current financial year by way of receipt of the awarded amount and its enhancement in the appeal.

In two other matters of Land Acquisition the Company has obtained orders on the State Government from High Court Calcutta to determine and disburse the compensation of Land under Right to Fair compensation and Transparency in Land Acquisition, Rehabilitation and Transparency Act, 2013, for the Land acquired on behalf of Airport Authority of India and also for Defence of India (Air Force). Your

Directors' Report (Contd.)

Company is to get substantial compensation in this regard.

5. DHARANIPUR TEA ESTATE

The Company had purchased Dharanipur Tea Estate from its erstwhile owner Sri Dharendra Nath Bhowmick and others in the year 1991 and also took the possession of tea estate. However the deed of conveyance was cancelled by Hon'ble Supreme Court of India and the matter was reverted back to Hon'ble Calcutta High Court for adjudication at the instance of a person and a Company who claimed title of Dharanipur Tea Estate. The legal heirs of Late Dharendra Nath Bhowmick have now won in their suit as against the said person and the Company. Our Company who obtained title of Dharanipur Tea Estate by way of sale deed from Mr. Dharendra Nath Bhowmick is now hopeful of revival of its said sale deed immediately, upon order to be passed by the Hon'ble Supreme Court in the matter / or upon obtaining decree in its specific performance suit. In the mean time the company has also written to the State Government of West Bengal for issuing the lease deed for Dharanipur Tea Estate in favour of the Company and the same is pending before the Govt. of West Bengal. The Company is hopeful to get the possession of the Dharnipur Tea Estate very shortly.

6. TEA TOURISM PROJECT

In terms of policy of the State Government, the Company has submitted its proposal for establishing a Resort in 5 acres of vacant land at Bagdogra Tea Estate. The State Government has sanctioned the proposal of the Company in its screening committee meeting held on 5th July, 2016. However, your Company is still waiting for the sanction letter which should be available in current financial year.

7. LAND AT BANGALORE

The Company acquired certain interest in a plot of land at Bangalore for which registration in the name of the Company has not been done. All expenses of litigation in respect of the said land are considered as deemed cost of land.

8. DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATES COMPANIES

The Statement in Form AOC-1 containing the salient features of the financial statement of your company's associates pursuant to first proviso to section 129 (3) of the Companies Act, 2013 (Act) read with rule 5 of the Companies (Accounts) Rules, 2014, forms part of the Annual Report as an Annexure-E". Further, in line with section 129 (3) of the Act read with the aforesaid Rules, SEBI Listing Regulations, 2015 and in accordance with (Indian Accounting Standards) Rules, 2015 (IND AS rules) of the schedule III of the Compa-

nies Act, 2013, Consolidated Financial Statements prepared by your company includes the financial in formations of its associates companies.

9. SHARE CAPITAL

The paid up Equity Share Capital of the Company as at 31st March, 2019 was ` 6,90,29,250 divided into 68,79,300 Equity Shares of ` 10 each and including ` 2,36,250 received on account of forfeited shares. There has not been any changes in the Equity Share Capital of the Company during the Financial Year ended 31st March, 2019. During the year under review, the Company has neither issued shares with differential voting rights nor issued sweat equity or granted stock options or sweat equity.

10. DIRECTORS

Since the last Report there has been no change in the Board of Directors. In accordance with the provisions of the Articles of Association of the Company read with section 152 of Companies Act, 2013, Mrs. Shashikala Agarwala (DIN : 00260171) will retire by rotation at forthcoming Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her re-appointment.

Shri Jayanta Kumar Natwarlal Raja , Milan Krisha Sarkar and Hemant Kumar Agarwal have been appointed Independent Directors of the Company for a period of five consecutive years from 26th July, 2014 and 13th August, 2014 respectively And their terms of office as Independent Directors will cease on 25th July, 2019 and 12th August, 2019 respectively. The Board of Directors on the recommendation of the Nomination and Remuneration Committee, have recommended the re-appointment of Shri Jayanta Kumar Natwarlal Raja, Milan Krisha Sarkar and Hemant Kumar Agarwal as Independent Director for a further period of five consecutive years from 25th July 2019 and 13th August, 2019 respectively. The Board of Director are also of the opinion that Shri Jayanta Kumar Natwarlal Raja , Milan Krisha Sarkar and Hemant Kumar Agarwal fulfill all the criteria specified in the Companies Act, 2013 and rules thereon and all the requirements of Listing Regulations, 2015 making them eligible to be appointed as Independent Directors of the Company for a further term Shri Jayanta Kumar Natwarlal Raja, Milan Krisha Sarkar and Hemant Kumar Agarwal do not hold any shares in the Company. Additional information is mentioned in the Notice convening the ensuing Annual General Meeting of the Company.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of section 164 of the Companies Act, 2013.

Directors' Report (Contd.)

11. DECLARATION BY INDEPENDENT DIRECTORS

Shri Jayantakumar Natwarlal Raja (DIN. 06884343), Shri Milan Krisna Sarkar (DIN. 05272885) and Shri Hemant Kumar Agarwal (DIN. 02308200) are Independent Directors on the Board of the Company. The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criterias as stipulated in section 149(6) Companies Act, 2013.

12. KEY MANAGERIAL PERSONNEL

During the year, the Company had three Key Managerial Personnel, being Mr. Ajit Kumar Agarwala, Managing Director and Mr. Rajendra Kanodia, CFO & Mr. Roshan Dave, Company Secretary of the Company, as per provisions of Section 203 under Companies Act, 2013. No appointment/ resignation of KMPs were made during the year.

13. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

Pursuant to provisions of Section 178 of Companies Act, 2013 and pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy.

The criteria for identification of the Board Member including that for determining the qualification, positive attributes, independence etc. are summarily given hereunder

- a) The Board Members shall possess appropriate skills, qualification, characteristics and experience. The objective is to have a Board with diverse background and experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other area as may be considered relevant or desirable to conduct the Company's business in a holistic manner.
- b) Independent directors shall be persons of integrity and possess expertise and experience and/or someone who the Committee/Board believes could contribute to the growth/philosophy/strategy of the Company.
- c) In evaluating the suitability of Individual Board Members, the Committee takes into account many factors, including General Understanding of the Company's business dynamics, Global business, Social Perspective, Educational and Professional Background and Personal Achievements.
- d) Directors should possess high level of personal and professional ethics, integrity and values.

Each should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituent.

- e) Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- f) The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieve its objectives.

14. EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the financial year ended on March 31, 2019 in Form MGT-9 as required under section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management & Administration) rules 2014, is set out as an "Annexure B" to the Directors' Report.

15. DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as **Annexure – D** which is annexed hereto and forms part of the Directors' Report.

16. DIVIDEND

Considering the financial requirements towards the funding of the ongoing expansion plan, which we believe will enhance the shareholder's value in the long term, no dividend is recommended by the Directors of your company for the year ended 31st March, 2019.

17. TRANSFER TO RESERVE

No amount is proposed to be transferred to General Reserve.

18. DEPOSITS

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

19. AUDITORS

STATUTORY AUDITORS

M/s. Saha & Majumder, Chartered Accountants, were appointed as the statutory Auditor of the Company in the last Annual General Meeting held on 23rd September, 2018 in terms of Section 139 of

Directors' Report (Contd.)

the Companies Act, 2013 till the conclusion of Annual General Meeting to be held in 2022.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Mohan Ram Goenka a partner of **M/s. MR & Associates**, 46, B. B. Ganguly Street, Kolkata-700012, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Auditor has submitted an un-qualified Secretarial Audit Report for the Financial year 2018-19. The Report of the Secretarial Audit is annexed herewith as "**Annexure C**".

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014 the Board of Directors on the recommendation of the Audit Committee appointed **Shri Debabroto Banerjee**, Cost Accountant, Kolkata, as the Cost Auditor of the Company for the year under review relating to manufacturing activities by the Company. The remuneration proposed to be paid to the Cost Auditor requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to the Cost Auditor is being sought at the ensuing Annual General Meeting.

Shri Debabroto Banerjee has confirmed that his appointment is within the limits of Section 139 of the Companies Act, 2013 and has certified that he is free from any disqualifications specified under Section 148(5) and all other applicable provisions of the Companies Act, 2013.

The Audit Committee has also received a Certificate from the Cost Auditor certifying his independence and arm's length relationship with the Company.

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

20. AUDITORS' OBSERVATIONS, AUDITOR'S REPORT

The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments. The Statutory Auditor Messrs Saha & Majumdar, Chartered Accountants has submitted an Un-qualified Audit Report for the financial year 2018-19. The cases filed by ROC, West bengal in 1995 has no material effect and has met its natural death.

21. FINANCE

The present bankers of the Company are Central Bank of India, Bank of India, Corporation Bank, UCO Bank

and Yes Bank providing credit facilities to the Company. The Directors express their appreciation for the assistance and co-operation provided by them.

22. CREDIT RATING

The Company continues to have the domestic credit rating of BBB -/stable from CRISIL which means sufficient safety with regard to timely payment of financial obligations which is valid upto March 31, 2020.

23. DIRECTORS RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013 your Directors state that

- a) In the preparation of the Annual Accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- b) The Accounting Policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2018-19 and of the profit for the year ended 31st March, 2019;
- c) Proper and sufficient care has been taken 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 annual accounts for the year ended 31st March, 2019, have been prepared on a going concern basis.
- e) That proper internal financial control was in place and that the financial controls were adequate and were operating effectively.
- f) That system to ensure compliance with the provisions of all applicable laws was in place and were adequate and operating effectively.

24. INSURANCE

Adequate insurance cover has been taken for properties of the Company including Buildings, Plant and Machineries and Stocks against fire, and other risks as considered necessary.

25. INTERNAL CONTROL SYSTEMS AND AUDIT

Responsibility for the Internal Control system lies with the Board of Directors as a whole, which establishes policies and periodically verifies its adequacy and effective functioning. The internal control system is first of all a "management" tool, in that it is useful and

Directors' Report (Contd.)

necessary for the Board of Directors, Executive Directors and managers in general for correctly and effectively performing the tasks assigned them. The internal control system permits monitoring of compliance with the rules and procedures governing performance of all the Company's business activities.

Your Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. The Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.

Your Company has appointed an Internal Auditor as Independent Auditor who directly reports to Audit Committee of the Board. An Internal Auditor constantly evaluates the risk management and Internal Control system and also suggests the ways to improve the same. The Report of the Internal Auditor facilitates to take corrective action in respective areas and thereby strengthens the controls.

26. PARTICULARS OF EMPLOYEES

The prescribed particulars of remuneration of employees pursuant to Section 134(3)(q) and Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out as **Annexure 'D'** to the Directors' Report.

27. ENVIRONMENT

The Company is conscious of clean environment and safety operations. It ensures safety of all concerned, compliance with environmental regulations and preservation of natural resources.

28. DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGES AND OUTGO

The particulars as prescribed under sub-section (3) of the Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are given at "**Annexure A**" to the Directors' Report.

29. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The details of the number of meetings of the Board held during the financial year 2018-19 forms part of the Corporate Governance Report.

30. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS/TRIBUNALS

No significant and material order passed by the regulators, courts, tribunal impacting the going concern status and company's operations in future.

31. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of various Committees. The Independent Directors also carried out the evaluation of the Chairman and the Non-Independent Directors, the details of which are covered in the Corporate Governance Report.

32. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has framed a Vigil Mechanism/Whistle Blower Policy to deal with unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company www.teraigroup.com

33. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your company has put in place a "Policy on Prevention of Sexual Harassment" as per the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is available on your Company's website www.teraigroup.com and a link to the said policy has been provided. No cases have been filed under the act as the company is keeping the working environment healthy.

34. POLICY ON MATERIALITY OF AND DEALING WITH THE RELATED TRANSACTIONS

The Company's Policy on Materiality of and Dealing with Related Party Transactions' was reviewed and revised on 29th May, 2019 to bring it in conformity with the Listing Regulations. The said policy may be referred to at the Company's website at : www.teraigroup.com

35. OTHER POLICIES

Pursuant to the requirement of Listing Regulations, the Board of Directors has adopted a Policy for Preservation of Documents, Archival Policy and Policy for determining Materiality of Events/ Information. The

Directors' Report (Contd.)

said policy may be referred to at the Company's website at www.teraigroup.com

36. COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

37. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

During the year the company has not come under the purview to form Corporate Social Responsibility Committee pursuant to section 134 of the Companies Act and Companies (Corporate Social Responsibility) Rules 2014, but Your Company has continued to pay its role as a responsible corporate, adding value to society, and addressing the contemporary societal needs and challenges. The Company continues to support the "**Amit Agarwala Foundation**", a Public Charitable Trust with a vision of creating permanent institutes for use by the needy masses in the field of education, medical facilities, and other public utilities and to provide quality services in all such institutes in affordable cost. The following projects are running successfully :-

- a) "**Shree Shree Mahamaya Kalibari Naat Mandir, Desbandhu Para**" opposite Amit Agarwala Bang Bhawan. This was inaugurated on 13th Sept.2016.
- b) Constructed first "school for blinds" in North Kolkata, i.e "**Amit Agarwala School for Blind**" to provide the sphere of education and other activities to blind boys and girls free of cost. This was inaugurated by the then Governor of West Bengal, Shri M.K.Narayanan on 27th day of January, 2013.
- c) "**Amit Agarwala Smrity Bhawan**" a multipurpose facility which provides various facilities for attendants of patients admitted at North Bengal Medical College & Hospital. The same provides accommodation and food to attendants of such patients at a reasonable cost on per day basis.
- d) "**Amit Agarwala Bang Bhawan**" having constructed area 17000 sq. ft. approx. The Bhawan has multifarious facilities for the residents of the under privileged society of Siliguri. It is located in the heart of Siliguri Town. This was

inaugurated by Shri Pranab Mukherjee, Former Finance Minister of India and Ex-President of India on 13th September, 2011.

- e) "**Amit Agarwala Old Age Recreation Centre**" which provided facilities to the weaker and under privileged citizens of the city of Siliguri and entire North Bengal. There is a library and a reading room basically to provide a meeting Place for elderly persons, who meet, enjoy company of each other reading news paper and books etc. There are other charitable units namely "**Amit Agarwala Tennis Academy**" also in the said centre apart from vocational training.
- f) A "**Vedic Educational Institute**" at Bagdogra on the banks of Changa river is being setup for giving Vedic education and allied research of the highest standards for the welfare of the society.

38. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

The Board of Directors and the designated employees have confirmed compliance with the Code. The policy on Prevention of Insider Trading as approved by the Board is uploaded on the Company's website www.teraigroup.com

39. RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your Directors draw attention of the members to Note 36 to the Notes on Accounts to the Financial Statement which sets out related party disclosures.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted along with a statement giving

Directors' Report (Contd.)

details of all related party transactions is placed before the Audit Committee.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.teraigroup.com.

40. RISK MANAGEMENT

The Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures, which shall be responsible for framing, implementing and monitoring the risk management plan of the company.

41. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investment covered under the provision of section 186 of the Companies Act, 2013 is given in the Financial Statement forming part of the Annual Report.

42. REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 34 (3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a Report on Corporate Governance together with Practising Chartered Accountant Certificate regarding Compliance of Conditions of Corporate Governance are attached as "**Annexure- F**", forming parts of this report.

43. MANAGEMENT DISCUSSION & ANALYSIS REPORT

In accordance with Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 a Management Discussion and Analysis Report is attached as "**Annexure-G**" forming part of this report.

Registered Office :

10, Government Place (East)
Kolkata – 700 069

Dated, 14th day of August, 2019

44. BUSINESS RESPONSIBILITY REPORT

In terms of SEBI (LODR) Regulations 2015, Top 500 listed entities are required to submit as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, Social and Corporate perspective. Your Company does not fall under this Category. However, BR Report on environment, human resources and principle wise performance in short forms part of the Management discussion and analysis report.

45. DIVIDEND DISTRIBUTION POLICY :

In accordance with the Regulation 43A of the Listing Regulations the Company does not fall under this category.

46. SEPARATE MEETING OF INDEPENDENT DIRECTOR:

In terms of requirement of Schedule IV of the Companies Act, 2013, the Independent Director had a separate meeting on 13th February, 2019, without attendance of Non-Independent Director and Members of Management Majority of Independent Director were present at the separate meeting.

47. APPRECIATION

The Board of Directors take this opportunity to express their sincere appreciation for the excellent support and co-ordination received from Banks and Tea Board authorities for continued enthusiasm, total commitment, dedication and efforts of the executives and employees of the Company at all levels, who contributed to the efficient operation and management of the Company. We are also deeply grateful for the continued confidence and faith reposed on us by the shareholders.

By order of the Board
For Terai Tea Company Limited

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Annexure "A" to the Directors' Report

The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, in the manner as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014 (Chapter IX)

A. CONSERVATION OF ENERGY

a) Energy Conservation Measures Taken:

- Stove tubes of the Coal Fired Heaters are cleaned on regular basis.
- Nozzles and Fuels Injectors are cleaned regularly.
- Bearings and Machines are checked and greased regularly.
- Fuel Filters and Mobil Filters are replaced regularly.

B. TECHNOLOGY ABSORPTION

Trials were carried out on pruning cycles, growth regulators, optimal fertilizer use etc. The Company is adopting the general expert advices published by TRA.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (` in Lacs)

Sales (FOB Value) : **NIL** (NIL)
Expenditure (Others) : **NIL** (NIL)

With respect to Conservation of Energy are given in Form-A as attached.

Form-A

Form for Disclosure of Particulars with respect to Conservation of Energy :

		CURRENT YEAR 31st March, 2019	PREVIOUS YEAR 31st March, 2018
(I)	POWER & FUEL CONSUMPTION		
	1 ELECTRICITY		
	Purchased (units KWH)	60,15,029	62,09,505
	Total Amount (` in Lacs)	572.66	596.49
	Rates/ Unit (` / KWH)	9.52	9.61
	Own Generation (Unit KWH)	NA	N.A
	2 COAL		
	Quantity (Tonnes)	5,069	5,000
	Total Amount (` in Lacs)	566.19	476.85
	Average Rate (` / Tonne)	11,169.55	9,536.30
	3 FURNACE OIL/H.S.D.		
	Quantity (Ltrs)	67,326	72,440
	Total Amount (` in Lacs)	47.12	40.76
	Average Rate (` / Ltr)	69.99	56.27
(II)	CONSUMPTION PER UNIT OF PRODUCTION		
	Product Tea (Qtls.)	61,008.27	60,171.41
	Electricity (KWH/Qtls.)	98.59	103.20
	Coal (Qtls./ Qtls.)	0.83	0.83
	Furnace Oil/ H.S.D. (Ltr./ Qtls.)	1.10	1.20

By order of the Board
For Terai Tea Company Limited

Registered Office :

10, Government Place (East)
Kolkata – 700 069
Dated, 14th day of August, 2019

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Annexure “B” To Directors’ Report

Form No. MGT 9

EXTRACT OF ANNUAL RETURN FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2017]

I. REGISTRATION AND OTHER DETAILS :

i) CIN	L51226WB1973PLC029009
ii) Registration Date	25/09/1973
iii) Name of the Company	TERAI TEA COMPANY LTD
iv.) Category/ Sub-Category of the Company	Company Limited By Shares/ Indian Non-Government Company
v) Address of the Registered office and contact details	10, Government Place (East), 1st Floor, Kolkata (W.B) - 700069
vi) Whether listed Company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata- 700001 Tel : (033) 2248-2248 / 2343-5021 Fax : (033) 2248-4787 E-mail : mdplds@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cultivation, Manufacturing and sale of Tea	01271, 10791	48.72
2	Wholesale Trading Business	6022	51.28

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	East Indian Produce Ltd. 10, Government Place (East), 1st Floor, Kolkata - 700069	U52226WB1976PLC030490	ASSOCIATE	43.80%	2(6)
2	Jaldacca Tea Plantations Pvt. Ltd. 10, Government Place (East), 1st Floor, Kolkata - 700069	U15491WB1987PTC041815	ASSOCIATE	45.33%	2(6)
3	Abhijit Tea Co Pvt. Ltd. 10, Government Place (East), Kolkata - 700069	U01132WB1978PTC031590	ASSOCIATE	46.04%	2(6)
4	Terai Infrastructures Ltd. 10, Government Place (East) , 1st Floor, Kolkata - 700069	U45309WB2005PLC106062	ASSOCIATE	45.95%	2(6)
5	Terai Dooars Tea Co. Pvt. Ltd. 10, Government Place (East), 1st Floor, Kolkata - 700069	U01132WB2003PTC096894	ASSOCIATE	47.73%	2(6)
6	Sayedabad Tea Co. Ltd. 10, Government Place (East), 1st Floor, Kolkata - 700069	U01132WB1919PLC003439	ASSOCIATE	27.71%	2(6)
7	The Kharibari Tea Co. Ltd. 10, Government Place (East), 1st Floor, Kolkata - 700069	U01132WB1916PLC002716	ASSOCIATE	48.47%	2(6)
8	Terai Overseas Pvt. Ltd. 10, Government Place (East), 1st Floor, Kolkata - 700069	U51909WB1993PLC060946	ASSOCIATE	47.74%	2(6)

Annexure “B” To Directors’ Report (Contd.)

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
9	Amit Paridhan Pvt. Ltd. 10, Government Place (East), 1st Floor, Kolkata - 700069	U18109WB2009PTC138216	ASSOCIATE	36.08%	2(6)
10	New Darjeeling Union Tea Co. Ltd. 10, Government Place(East), Kolkata-700069	U15491WB1923PLC004753	ASSOCIATE	48.59%	2(6)
11	Terai Financial Services Pvt. Ltd 10, Government Place (East), Kolkata-700069	U65999WB1995PTC067437	ASSOCIATE	49.00%	2(6)
12	Terai Ispat & Trading Pvt. Ltd 10, Government Place (East), Kolkata-700069	U27201WB1989PLC047681	ASSOCIATE	49.00%	2(6)

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

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-04-2018]				No of Shares held at the end of the year [As on 31-03-2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	44,75,600	–	44,75,600	65.06	44,75,600	–	44,75,600	65.06	–
b) Central Govt.	–	–	–	–	–	–	–	–	–
c) State Govt. (s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	6,27,500	–	6,27,500	9.12	6,27,500	–	6,27,500	9.12	–
e) Banks/Fi	–	–	–	–	–	–	–	–	–
f) Any other	–	–	–	–	–	–	–	–	–
Sub-Total (A)(1)	51,03,100	–	51,03,100	74.18	51,03,100	–	51,03,100	74.18	–
(2) Foreign									
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other - Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any other	–	–	–	–	–	–	–	–	–
Sub-Total (A)(2)	–	–	–	–	–	–	–	–	–
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	51,03,100	–	51,03,100	74.18	51,03,100	–	51,03,100	74.18	–
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks/FI	–	–	–	–	–	–	–	–	–
c) Central Govt.	–	–	–	–	–	–	–	–	–
d) State Govt. (s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Alternate Investment Funds	–	–	–	–	–	–	–	–	–
Foreign Portfolio Investors	–	–	–	–	–	–	–	–	–
Provident Funds / Pension Funds	–	–	–	–	–	–	–	–	–
Qualified Foreign Investor	–	–	–	–	–	–	–	–	–
Sub-Total(B)(1):-	–	–	–	–	–	–	–	–	–

Annexure “B” To Directors’ Report (Contd.)

i) Category-wise Share Holding (Contd.)

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-04-2018]				No of Shares held at the end of the year [As on 31-03-2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	11,72,371	89,000	12,61,371	18.34	11,46,265	89,000	12,35,265	17.96	(0.38)
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lakh	2,85,407	66,978	3,52,385	5.12	2,82,087	61,966	3,44,053	5.00	(0.12)
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	1,58,224	–	1,58,224	2.30	1,95,667	–	1,95,667	2.84	0.54
c) Others (Specify)	–	–	–	–	–	–	–	–	–
Non Resident Indians	345	–	345	–	351	–	351	–	–
Qualified Foreign Investor	–	–	–	–	–	–	–	–	–
Custodian of Enemy Property	–	–	–	–	–	–	–	–	–
Foreign Nationals	–	–	–	–	–	–	–	–	–
Clearing Members	3,875	–	3,875	0.06	864	–	864	0.01	(0.04)
Trusts	–	–	–	–	–	–	–	–	–
Foreign Bodies-D R	–	–	–	–	–	–	–	–	–
Foreign Portfolio Investors	–	–	–	–	–	–	–	–	–
NBFCs registered with RBI	–	–	–	–	–	–	–	–	–
Employee Trusts	–	–	–	–	–	–	–	–	–
Domestic Corporate Unclaimed Shares Account	–	–	–	–	–	–	–	–	–
Investor Education and Protection Fund Authority	–	–	–	–	–	–	–	–	–
Sub-Total(B)(2):-	16,20,222	1,55,978	17,76,200	25.82	16,25,234	1,50,966	17,76,200	25.82	–
Total Public Shareholding (B)=(B)(1)+ (B)(2)	16,20,222	1,55,978	17,76,200	25.82	16,25,234	1,50,966	17,76,200	25.82	–
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	67,23,322	1,55,978	68,79,300	100.00	67,28,334	1,50,966	68,79,300	100.00	–

ii) Shareholding of Promoters & Promoters Group

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01-04-2018]			Shareholding at the end of the year [As on 31-03-2019]			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Ajit Kumar Agarwala	25,76,800	37.46	—	25,76,800	37.46	—	—
2	Shashikala Agarwala	18,98,800	27.60	—	18,98,800	27.60	—	—
3	Abhijit Tea Co. (P) Ltd.	4,70,000	6.83	—	4,70,000	6.83	—	—
4	Terai Financial Services (P) Ltd.	1,27,500	1.85	—	1,27,500	1.85	—	—
5	Jaladacca Tea Plantations (P) Ltd.	30,000	0.44	—	30,000	0.44	—	—
	TOTAL	51,03,100	74.18	—	51,03,100	74.18	—	—

Annexure “B” To Directors’ Report (Contd.)

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

Sl	Shareholder's Name	Shareholding at the beginning of the year [As on 01-04-2018]			Shareholding at the end of the year [As on 31-03-2019]	
		Date	No. of Shares	% of Total Shares of Company	No. of Shares	% of Total Shares of Company
5	Ajit Kumar Agarwala	01/04/2018 31/03/2019	25,76,800 25,76,800	37.46 37.46	25,76,800	37.46
4	Shashikala Agarwala	01/04/2018 31/03/2019	18,98,800 18,98,800	27.60 27.60	18,98,800	27.60
3	Abhijit Tea Co. (P) Ltd.	01/04/2018 31/03/2019	4,70,000 4,70,000	6.83 6.83	4,70,000	6.83
1	Jaldacca Tea Plantations (P) Ltd.	01/04/2018 31/03/2019	30,000 30,000	0.44 0.44	30,000	0.44
2	Terai Financial Services (P) Ltd.	01/04/2018 31/03/2019	1,27,500 1,27,500	1.85 1.85	1,27,500	1.85

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.19)	
		No. of Shares at the beginning (01.04.18)/end of the year (31.03.19)	% of total shares of the company				No. of shares	% of total shares of the company
1	EXCEL POLISH COMPANY PVT LTD #	18,130	0.2635	01/04/2018				
				06/04/2018	(7,105)	Transfer	11,025	0.1603
				13/04/2018	(11,025)	Transfer	—	—
				31/03/2019		—	—	—
2	FLEXCO SUPPLIERS PRIVATE LTD	2,90,624	4.2246	01/04/2018				
				31/03/2019			2,90,624	4.2246
3	NIRMAL BANG SECURITIES PVT LTD	10756	0.1564	01/04/2018				
				27/04/2018	(10,750)	Transfer	6	0.0001
				20/07/2018	2,400	Transfer	2,406	0.0350
				27/07/2018	3,136	Transfer	5,542	0.0806
				03/08/2018	5,876	Transfer	11,418	0.1660
				10/08/2018	10	Transfer	11,428	0.1661
				17/08/2018	(10)	Transfer	11,418	0.1660
				18/01/2019	1	Transfer	11,419	0.1660
				25/01/2019	(1)	Transfer	11,418	0.1660
				08/02/2019	(6)	Transfer	11,412	0.1659
				31/03/2019			11,412	0.1659
4	EVERSAFE DISTRIBUTORS (P) LTD	3,12,702	4.5455	01/04/2018				
				31/03/2019			3,12,702	4.5455
5	GANGOTRI VYAPAR PRIVATE LIMITED	2,45,385	3.5670	01/04/2018				
				31/03/2019			2,45,385	3.5670

Annexure “B” To Directors’ Report (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.19)	
		No. of Shares at the beginning (01.04.18)/end of the year (31.03.19)	% of total shares of the company				No. of shares	% of total shares of the company
6	PRABHAKAR RAMCHANDRA JAWKAR	250	0.0036	01/04/2018				
			0.1563	27/04/2018	10750	Transfer	11,000	0.1599
			0.0378	27/07/2018	(2602)	Transfer	8,398	0.1221
			0.0854	03/08/2018	(5876)	Transfer	2,522	0.0367
				31/03/2019			2,522	0.0367
7	ADBHUT SUPPLIERS PVT LTD	2,78,015	4.0413	01/04/2018				
				31/03/2019			2,78,015	4.0413
8	TANVI JIGNESH MEHTA	90,597	1.3170	01/04/2018				
			0.0025	03/08/2018	(175)	Transfer	90,422	1.3144
			0.0000	10/08/2018	(2)	Transfer	90,420	1.3144
			0.0025	07/09/2018	175	Transfer	90,595	1.3169
			0.0029	21/09/2018	200	Transfer	90,795	1.3198
			0.0080	28/09/2018	550	Transfer	91,345	1.3278
			0.0001	19/10/2018	10	Transfer	91,355	1.3280
			0.0265	26/10/2018	1825	Transfer	93,180	1.3545
			1.4385	09/11/2018	(93180)	Transfer	0	0.0000
			1.3752	11/01/2019	94605	Transfer	94,605	1.3752
			0.0002	08/03/2019	14	Transfer	94,619	1.3754
			0.0051	15/03/2019	350	Transfer	94,969	1.3805
				31/03/2019			94,969	1.3805
9	LALITA JALAN	12,927	0.1879	01/04/2018				
			0.0744	27/04/2018	5117	Transfer	18,044	0.2623
			0.0215	21/09/2018	1478	Transfer	19,522	0.2838
				31/03/2019			19,522	0.2838
10	BHUPENDRA P SHAH - HUF *	9,635	0.1401	01/04/2018				
			0.0765	11/05/2018	5262	Transfer	14,897	0.2165
			0.0084	25/05/2018	579	Transfer	15,476	0.2250
				31/03/2019			15,476	0.2250
11	SHILPAM DEALCOM PVT LTD	87,200	1.2676	01/04/2018				
				31/03/2019			87,200	1.2676
12	SHREYANS JASWANTLAL SHAH	40,000	0.5815	01/04/2018				
				31/03/2019			40,000	0.5815
13	PRADEEP MAHADEO TILLU	6,888	0.1001	01/04/2018				
			0.0057	06/04/2018	395	Transfer	7,283	0.1059
			0.0017	08/06/2018	117	Transfer	7,400	0.1076

Annexure “B” To Directors’ Report (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.19)	
		No. of Shares at the beginning (01.04.18)/end of the year (31.03.19)	% of total shares of the company				No. of shares	% of total shares of the company
			0.0026	31/08/2018	179	Transfer	7,579	0.1102
			0.0018	21/09/2018	121	Transfer	7,700	0.1119
			0.0005	09/11/2018	30	Transfer	7,730	0.1193
			0.0010	25/01/2019	70	Transfer	7,800	0.1134
			0.0007	15/03/2019	50	Transfer	7,850	0.1141
			0.0022	29/03/2019	150	Transfer	8,000	0.1163
				31/03/2019			8,000	0.1163
14	MUKESH HIMATLAL SHAH	10,000	0.1454	01/04/2018				
			0.0108	27/04/2018	746	Transfer	10,746	0.1562
			0.0000	04/05/2018	1	Transfer	10,747	0.1562
			0.0001	11/05/2018	6	Transfer	10,753	0.1563
			0.0036	01/06/2018	247	Transfer	11,000	0.1599
				31/03/2019			11,000	0.1599
15	MANILAL P SHAH	5,776	0.0840	01/04/2018				
				32/03/2019			5,776	0.0840
16	RAJENDRA KANODIA	14,700	0.2137	01/04/2018				
				31/03/2019			14,700	0.2137

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

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

v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl No	Name	Date shares	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]	
			No. of shares of the company	% of total shares	No. of shares of the company	% of total shares
1	SHASHIKALA AGARWALA	01/04/2018 31/03/2019	18,98,800 18,98,800	27.60 27.60	18,98,800	27.60
2	AJIT KUMAR AGARWALA	01/04/2018 31/03/2019	25,76,800 25,76,800	37.46 37.46	25,76,800	37.46
3	RAJENDRA KANODIA	01/04/2018 31/03/2019	14,700 14,700	0.02 0.02	14,700 14,700	0.02 0.02
4	MILAN KRISHNA SARKAR	01/04/2018 31/03/2019	--- ---	--- ---	---	---
5	JAYANTA KUMAR NATWARLAL	01/04/2018 31/03/2019	--- ---	--- ---	---	---
6	HEMANT KUMAR AGARWAL	01/04/2018 31/03/2019	--- ---	--- ---	---	---
7	ROSHAN DAVE	01/04/2018 31/03/2019	--- ---	--- ---	---	---

Annexure “B” To Directors’ Report (Contd.)

V. INDEBTNESS

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

(` in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtedness at the beginning of the financial year	3,559.51	--	--	3,559.51
i) Principal Amount as on 31.03.2018	5.45	--	--	5.45
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due as on 31.03.2018	--	--	--	--
Total (I + ii + iii)	3,564.96	--	--	3,564.96
Change in Indebtedness during the financial year				
— ADDITION	--	--	--	--
— REDUCTION	226.77	--	--	--
— Exchange Difference	--	--	--	--
Net Change	(226.77)	--	--	(226.77)
Indebtedness at the end of the financial year				
i) Principal Amount as on 31.03.2019	3,337.96	--	--	3,337.96
ii) Interest due but not paid	0.23	--	--	0.23
iii) Interest accrued but not due as on 31.03.2019	--	--	--	--
Total (I + ii + iii)	3,338.19	--	--	3,338.19

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole – Time Directors and / or Manager

Sl. No.	Particulars of Remuneration	Mr. Ajit Kumar Agarwala (Managing Director)	Total Amount (` In Lacs)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.72	60.72
	(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	--	--
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission- as % of profit- Others, specify...	--	--
5.	Others, please specify	--	--
6.	Total (A)	60.72	60.72
	Ceiling as per the Act	The Remuneration is well within the limits prescribed under the Companies Act, 2013	

Annexure “B” To Directors’ Report (Contd.)

B. Remuneration to other Directors :

Sl. No.	Particulars of Remuneration	Name of Directors			Amount in `
		Mr. Jayanta Kumar Natwarlal Raja	Mr. Milan Krisna Sarkar	Mr. Hemant Kr. Agarwal	
1.	Independent Directors				
	• Fee for attending board/ Committee meetings	20,000	20,000	20,000	60,000
	• Commission	---	---	---	---
	• others	---	---	---	---
	Total (1)	20,000	20,000	20,000	60,000
2.	Other Non-Executive Directors				
	• Fee for attending board/ Committee meetings	---	---	---	---
	• Commission	---	---	---	---
	• others	---	---	---	---
	Total (2)	---	---	---	---
	Total (B)=(1+2)	---	---	---	---
	Total Managerial Remuneration (B1 + B2)	20,000	20,000	20,000	60,000
	Overall Ceiling as per the Act	The remuneration is well within the limit prescribed under the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel Other than MD/ Manager / WTD :

Sl.	Particulars of Remuneration	Key Managerial Personnel			
		(CEO)	Rajendra Kanodia CFO	Roshan Dave (Company Secretary)	Total Amount (` In Lacs)
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 Sec. 17(3) Income-tax Act, 1961	<i>NOT APPLICABLE</i>	15.00	6.00	21.00
2.	Stock Option		---	---	---
3.	Sweat Equity		---	---	---
4.	Commission- as % of profit		---	---	---
	- Others, specify...		---	---	---
5.	Others, please specify		---	---	---
6.	Total		15.00	6.00	21.00

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

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

Annexure "C" to the Directors' Report

Form No. MR - 3

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

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

To,
The Members,
TERAI TEA CO.LTD
10 GOVERNMENT PLACE (EAST)
KOLKATA- 700069

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TERAI TEA CO. LTD** (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 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) 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, 2015;

- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time to the extent applicable.

I further report that, there were no actions/ events in pursuance of;

- (a) 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;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

We further report that after considering the compliance system prevailing in the Company and on the basis of the relevant records and documents as maintained and having relied upon the representation made by the Management, the following laws are specifically applicable to the Company;

- a) Food Safety And Standard Act, 2006
- b) Essential Commodities Act, 1955
- c) Agricultural Produce (Grading and Marking) Act, 1937
- d) Plantations Labour Act, 1951
- e) Tea Act, 1953

- f) Tea Waste (Control) Order, 1959
- g) Weight and Measurement Act, 1976

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, to the extent amended and notified from time to time.
- (ii) The Listing Agreements entered into by the Company with BSE Limited, Calcutta Stock Exchange Limited, Ahmadabad Stock Exchange Limited and Jaipur Stock Exchange Limited.

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

- a) The Company has a pending case under Section 629A, 211(7), 211(8) and 209(5) or 209(7) of the Companies Act 1956 filed in 1995 and the matter is subjudice. There is no progress in the matter since 1995, when the case was filed;
- b) The annual audited standalone and consolidated financial results for the financial year ended 31.03.2018, submitted to Stock Exchange with a delay of one day.
- c) The Company had made delay intimation to Stock Exchange regarding newspapers publication of Unaudited financial results for the quarter ended June 30, 2018 due to illness of compliance officer within that period as stated by the management.

Place : Kolkata
Date : 14.08.2019

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. There has been no change in the composition of Board of directors during the period under review and the composition of Board of directors of the Company is in conformity with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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, the Company had obtained approval of shareholders by way of Special Resolution at the Annual General Meeting of the Company held on 29.09.2018 with regard to recommendation for revision of remuneration payable to Mr. Ajit Kumar Agarwala, Managing Director of the Company.

This report is to be read with our letter of even date which is annexed as "**Annexure A**" and forms an Integral Part of this report.

For M R & ASSOCIATES
Company Secretaries
sd/-

[Mohan Ram Goenka]
Partner
FCS No. 4515
C P No. 2551

Annexure “C” to the Directors’ Report (Contd.)

Annexure “A”

To Secretarial Audit Report for the financial year ended 31st March, 2019

To,
The Members,
M/s. TERA TEA CO. LTD
10, Government Place (East)
Kolkata- 700069

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M R & ASSOCIATES
Company Secretaries
sd/-

[Mohan Ram Goenka]
Partner
FCS No. 4515
C P No. 2551

Place : Kolkata
Date : 14.08.2019

Annexure “D” To Directors’ Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019.

The names of the Top 10 Employees in terms of the remuneration drawn :

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel(KMP) against the performance of the Company are as under :

Name of the Employee	Designation of the Employee	Remuneration (` In Lakhs)	Nature of Employment, whether contractual or otherwise	Qualification and Experience of the Employee	Date of commencement of employment	% of equity shares held by the Employee	Whether any such Employee is a relative of any director or manager, if so, name of such director or manager
Ajit Kumar Agarwala	Managing Director	60.72	Otherwise	Graduate	28/01/1987	37.46	--
Rajendra Kanodia	Director, CFO	21.00	Otherwise	Graduate	28/01/1987	0.21	--
Roshan Dave	Company Secretary	6.00	Otherwise	B.Com.(H), C.S. M.Com	01/03/2011	--	--
Ankit Kumar Bihani	Executive	5.21	Otherwise	Graduate	01/04/2018	--	--
Pampa Roy	Manager	6.90	Otherwise	Graduate	01/04/2018	--	--
Suman Roy	Manager	6.90	Otherwise	Graduate	01/04/2018	--	--
Dhan Prakash Kori	Manager	4.06	Otherwise	Graduate	01/04/2018	--	--
Suman Sharma	Dy. Manager	3.39	Otherwise	Graduate	15/12/2016	--	--
Mahendra Kumar Sharma	Manager	3.76	Otherwise	Graduate	15/12/2016	--	--
Biswajit Sen	Tea Taster	4.30	Otherwise	Graduate	01/04/2016	--	--
Sudip Banerjee	Astt. Manager	3.10	Otherwise	Graduate	01/04/2016	--	--
Morris Naveen Joseph	Manager	2.66	Otherwise	Graduate	07/04/2014	--	--
Pushpa Rani Mondal	Asst. Manager	2.10	Otherwise	Graduate	07/04/2014	--	--
Sambhu Ghosh	Manager	1.25	Otherwise	Graduate	23/06/2003	--	--
Sekhar Paul	Dy. Manager	4.06	Otherwise	Graduate	01/04/2018	--	--

- ii. The median remuneration of employees of the Company during the financial year was ` 52,104.00
 iii. In the financial year, there is of increase 10.18% in the median remuneration of employees.
 iv. There were 325 permanent employees on the rolls of the Company as on March 31, 2019.
 v. Relationship between average increase in remuneration and company performance: The Profit after Tax for the financial year ended March 31, 2019. Increased to 32.48%.
 vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors

Registered Office :

10, Government Place (East)
 Kolkata – 700 069
 Dated : 14th day of August, 2019

Sd/-
Ajit Kumar Agarwala
Managing Director
 DIN : 00265775

Sd/-
Rajendra Kanodia
Director & CFO
 DIN : 00175574

Sd/-
Roshan Dave
Company Secretary
 ACS 27185

Annexure “E” To Directors’ Report

Form AOC-I

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

Statement Containing Salient Features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Sl. No.
2. Name of the Subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company’s reporting period
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.
5. Share Capital
6. Reserves & Surplus
7. Total Assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before Taxation
12. Provision for Taxation
13. Profit after Taxation
14. Proposed Dividend
15. % of Shareholding

Not Applicable

Notes : The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

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

Sl.	Name of Associates/Joint Ventures	Abhijit Tea Company Pvt. Ltd.	Jaldacca Tea Plantations Pvt. Ltd.	The Kharibari Tea Co. Ltd.
1.	Latest Audited Balance Sheet Date	31/03/2019	31/03/2019	31/03/2019
2.	Shares of Associate/Joint Ventures held by the Company on the year end :-			
	- No.	7,338	850	96,937
	- Amount of Investment in Associates/ Joint Venture	3,32,40,230	43,12,500	44,22,000
	- Extent of Holding %	46.04%	45.33%	48.47%
3.	Description of how there is significant influence	Associate	Associate	Associate
4.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (As per IND AS)	26,29,44,142	(15,24,726)	85,92,639
6.	Profit / Loss for the year			
	i. – Considered in Consolidation	97,64,727	12,88,425	65,13,749
	ii. – Not Considered in Consolidation	N.A.	N.A.	N.A.

Notes:

1. Names of Associates or Joint Ventures which are yet to commence operations : NIL
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

Annexure “E” To Directors’ Report (Contd.)

Part “B”: Associates and Joint Ventures (Contd.)

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

Sl.	Name of Associates/Joint Ventures	Terai Dooars Tea Co. Pvt. Ltd.	East Indian Produce Limited	Terai Infrastructures Ltd.
1.	Latest Audited Balance Sheet Date	31/03/2019	31/03/2019	31/03/2019
2.	Shares of Associate/Joint Ventures held by the Company on the year end			
	- No.	2,62,500	63,380	26,09,500
	- Amount of Investment in Associates/Joint Venture	24,22,500	44,21,863	21,45,000
	- Extent of Holding %	47.73%	43.80%	45.95%
3.	Description of how there is significant influence	Associate	Associate	Associate
4.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (As per IND AS)	1,06,37,303	8,69,59,616	7,15,63,636
6.	Profit / Loss for the year			
	– Considered in Consolidation	15,99,078	84,72,111	1,50,526
	– Not Considered in Consolidation	N.A.	N.A.	N.A.

- Notes :** 1. Names of Associates or Joint Ventures which are yet to commence operations : NIL
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

Sl.	Name of Associates/Joint Ventures	Sayedabad Tea Co. Ltd.	Terai Overseas Pvt. Ltd.	Amit Paridhan Pvt. Ltd.
1.	Latest Audited Balance Sheet Date	31/03/2019	31/03/2019	31/03/2019
2.	Shares of Associate/Joint Ventures held by the Company on the year end			
	- No.	15,070	3,17,460	1,75,000
	- Amount of Investment in Associates/Joint Venture	1,50,700	28,70,460	3,10,000
	- Extent of Holding %	27.71%	47.74%	36.08%
3.	Description of how there is significant influence	Associate	Associate	Associate
4.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (As per IND AS)	66,32,594	3,99,16,663	1,71,60,895
6.	Profit / Loss for the year			
	– Considered in Consolidation	62,20,607	54,14,206	23,19,945
	– Not Considered in Consolidation	N.A.	N.A.	N.A.

- Notes :** 1. Names of Associates or Joint Ventures which are yet to commence operations : NIL
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

Annexure “E” To Directors’ Report (Contd.)

Part “B”: Associates and Joint Ventures (Contd.)

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

Sl.	Name of Associates/Joint Ventures	Terai Financials Services Pvt. Ltd.	New Darjeeling Union Tea Co. Ltd	Terai Ispat & Trading Pvt. Ltd
1.	Latest Audited Balance Sheet Date	31/03/2019	31/03/2019	31/03/2019
2.	Shares of Associate/Joint Ventures held by the company on the year end			
	- No.	22,554	17,085	7,01,273
	- Amount of Investment in Associates/Joint Venture	22,554	1,24,76,190	22,82,730
	- Extent of Holding %	49.00%	48.59%	49.00%
3.	Description of how there is significant influence	Associate	Associate	Associate
4.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (As per IND AS)	36,74,914	3,59,13,251	11,11,50,571
6.	Profit / Loss for the year			
	– Considered in Consolidation	(3,31,660)	3,98,641	27,15,127
	– Not Considered in Consolidation	N.A.	N.A.	N.A.

Notes : 1. Names of Associates or Joint Ventures which are yet to commence operations : NIL
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

For and on behalf of the Board of Directors
For Terai Tea Company Limited

Registered Office :

10, Government Place (East)
Kolkata – 700 069
Dated : 14th day of August, 2019

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Sd/-
Rajendra Kanodia
Director & CFO
DIN : 00175574

Sd/-
Roshan Dave
Company Secretary
ACS 27185



Annexure "F" to the Directors' Report

Report on Corporate Governance

Pursuant to part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 "Listing Regulation."

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of highest level of transparency, accountability and equality, in the functioning of the Company and its relationship with employee, shareholders, creditors, consumers, dealers, lenders and ensuring high degree of regulatory compliance.

The Company is committed to following best Corporate Governance Practices in all its pursuits and is constantly striving to better them and adopt emerging best practices. The Board understands and respects its fiduciary role and responsibility to shareholders and strives hard to meet their expectations. The Board also believes that best board practices, transparent disclosures and shareholder empowerment are necessary for

creating shareholder value. Thus at Terai Tea Company Limited, we always endeavour to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term shareholder value creation and enhancement while, at the same time, respecting the rights of all stakeholders of the Company and the society at large.

The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming the most admired and trusted global Tea producer, while upholding the core values of entrepreneurship, disclosure and transparency, equity, responsibility, sustainability and ethical behavior which are fundamental to the Terai family.

II. BOARD OF DIRECTORS

a) Composition of Category of Directors

The composition of the Board of Directors and also the number of other Board of Directors or Board Committees of Which he/she is a member/Chairperson are as under :

Name of the Director	DIN	Category	No. of other Directorship Excluding Pvt. Foreign Companies	No. of Membership/ Chairpersonship of other Committee
Shri Ajit Kumar Agarwala	00265775	Promoter, Executive	6	NIL
Smt. Shashikala Agarwala	00260171	Promoter, Non-Executive, Non- Independent	5	NIL
Shri Rajendra Kanodia	00175574	Executive, Non- Independent	6	NIL
Shri Hemant Kumar Agarwal	02308200	Non-Executive, Independent	NIL	NIL
Shri Milan Krisna Sarkar	05272885	Non-Executive, Independent	NIL	NIL
Dr. Jayant kumar Natwarlal Raja	06884343	Non-Executive, Independent	NIL	NIL

None of the independent Directors of the Company serve as an independent Director in more than seven listed Companies and where any Independent Director is serving as whole time director in more than three listed companies.

None of the Directors is a member of more than ten Committees or Chairman of more than five Committees across all Companies.

Annexure “F” to the Directors’ Report (Contd.)

Details of Directorship in Listed Companies as on 31st March, 2019

Name of the Director	Name of Listed Company	Category
Shri Ajit Kumar Agarwala	Terai Tea Co Ltd.	Promoter, Executive
Smt. Shashikala Agarwala	Terai Tea Co Ltd.	Promoter, Executive, Non-Independent
Shri Rajendra Kanodia	Terai Tea Co Ltd.	Executive, Non-Independent
Shri Hemant Kumar Agarwal	Terai Tea Co Ltd.	Non-Executive, independent
Shri Milan Krisna Sarkar	Terai Tea Co Ltd.	Non-Executive, independent
Dr. Jayantkumar Natwarlal Raja	Terai Tea Co Ltd.	Non-Executive, independent

Separate Meeting of Independent Directors

Independent Directors meeting was held on 13th February, 2019 without the presence of the Managing Director and other Non-Executive Non-Independent Director. The meeting was attended by all the Independent Directors and enabled them to:

- Review the performance of Non-Independent Directors and the Board as a whole
- Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The composition and the attendance of Directors at these meetings are under:

NAME	No. of Meetings Attended
Mr. Hemant Kumar Agarwal *	1
Mr. Jayantkumar Natwarlal Raja	1
Mr. Milan Krisna Sarkar	1

*Mr. Hemant Kumar Agarwal was unanimously elected as the Chairman of the Meeting.

Familiarizations Programme for IDs

The Company has conducted the Familiarization Programme for Directors including Independent Directors to familiarize them with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various initiatives. The details of such familiarization programs have been placed on the website of the Company and may be accessed at the www.teraigroup.com.

Performance Evaluation

The Nomination & Remuneration Committee of your Company has formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors) pursuant to provision of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 and (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Based on these criteria, the performance of the Board, various Board Committees viz. Audit Committee, Stakeholder’s Relationship Committee, Nomination and Remuneration Committee, and Individual Directors (including Independent Directors) were evaluated.

During the year under review, the Independent Directors of your Company reviewed the performance of Non-Independent Directors and Managing Director of your Company, taking into account the views of Executive Directors and Non-Executive Directors.

The Board as a whole is an integrated, balanced and cohesive unit where diverse views are expressed and dialogued when required, with each Director bringing professional domain knowledge to the table. All Directors are participative, interactive and communicative.

The information flow between your Company’s Management and the Board is complete, timely with good quality and sufficient quantity.

Code of Conduct for Independent Directors

The Company has adopted additional Code of Conduct for the Independent Directors of the Board, which is as follows:

- (1) Uphold ethical standards of integrity and probity;
- (2) Act objectively and constructively while exercising duties;
- (3) Exercise their responsibilities in a bona fide manner in the interest of the company;
- (4) Devote sufficient time and attention to professional obligations for informed and balanced decision making;
- (5) Not allow any extraneous considerations that would vitiate their interests of the company as a whole, while concurring in or dissenting from the collective judgments of the Board in its decision making;
- (6) Not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage for any associated person;
- (7) Refrain from any action that would lead to loss of their independence;
- (8) Where circumstances arise which make an independent director lose the independence, the independent director must immediately inform the Board accordingly;
- (9) Assist the company in implementing the best corporate governance practices.

Annexure “F” to the Directors’ Report (Contd.)

MEETINGS

The table below gives the details of Directors’ attendance at the Board Meetings and at the last Annual General Meeting. Attendance of each Director at the Board Meeting and the last Annual General Meetings (AGM)

NAME OF DIRECTORS	NO. OF BOARD MEETINGS HELD	NO. OF BOARD MEETINGS ATTENDED	ATTENDANCE OF LAST AGM
Shri Ajit Kumar Agarwala	12	10	No
Smt. Shashikala Agarwala	12	8	No
Shri Rajendra Kanodia	12	12	Present
Shri Hemant Kumar Agarwal	12	12	Present
Shri Jayanta Kumar Natwarlal Raja	12	5	Present
Shri Milan Krisna Sarkar	12	5	No

a) During the year under review, 12 (Twelve) Board Meetings were held. The maximum time-gap between any two meetings did not exceed four months. The dates on which meetings were held are given below:

April 09, 2018	May 30, 2018	August 14, 2018	August 21, 2018
September 14, 2018	November 3, 2018	November 14, 2018	December 31, 2019
January 30, 2019	February 13, 2019	March 16, 2019	March 31, 2019

b) **Skill/expertise/competence of the Board of Directors:**

Executive Directors:

Shri Ajit Kumar Agarwala: He completed his Graduation in Arts & Doctor of philosophy in Business Management from Burkes University, U.K. He has more than 40 years experience in Tea Plantation, Marketing Business and Financial Business.

Non-Independent, Non-Executive:

Smt. Shashikala Agarwala: She completed her Graduation in Arts. She has more than 40 years experience in Tea Plantation, Marketing Business and Financial Business.

Non-Independent, Executive:

Shri Rajendra Kanodia : He completed his Graduation in Commerce. He has more than 40 years experience in Tea Plantation, Marketing Business and Financial Business.

Independent, Non-Executive:

Shri Hemant Kumar Agarwal: Independent Director and Chairman of Audit Committee of the Company is

a businessman since very early young age and have very wide experience in dealings in food items etc. With their presence in the company, a new wave in turnover and profits is bound to come.

Shri Jayantakumar Natwarlal Raja: An Independent Director and chairman of Stakeholders Committee of the Company is an institution by himself having achieved all heights in medical science and who has devoted his life for care of the sick people.

Shri Milan Krisna Sarkar: A very senior Lawyer (LLB) we look forward to protect our properties and legal matters through his experience. He is a Chairman of nomination and Remuneration committee and member of Audit committee & Stakeholder relationship Committee.

c) **Disclosure of relationship between Directors:**

No Director is related to any other Directors on the Board in term of definition of relatives given under the Companies Act, 2013, except Smt. Shashikala Agarwala who is the wife of Shri Ajit Kumar Agarwala.

d) **Number of Shares held by Non Executive Directors**

NAME OF DIRECTORS	CATEGORY	No. of Share Held
Smt. Shashikala Agarwala	Non-Executive, Non-Independent Director and Promoter (Women Director)	18,98,800
Shri Hemant Kumar Agarwal	Non-Executive and Independent Director	—
Shri Jayanta Kumar Natwarlal Raja	Non-Executive and Independent Director	—
Shri Milan Krisna Sarkar	Non-Executive and Independent Director	—

Annexure "F" to the Directors' Report (Contd.)

The Company has adopted a Code of Conduct specifically for the members of the Board of Directors and/or members of the Senior Management of the Company, which sets out as follows:

1. **Conflict of Interest**

- Ø To conduct them ethically and honestly and act in the interests of the Company
- Ø To avoid situations that might lead to a conflict between his personal interests and the interests of the Company.

Although it is difficult to describe all situations, which could create a conflict of interest, the following are some examples:

1. Working for a competitor/ supplier/ client while working for the Company.
2. To serve as a Director/Employee in Top Executive Management of any Company that competes with the Company.
3. One may accept Directorship or Employment of a Company / Supplier or Business Partner only after obtaining approval from the Company's Legal Department.
4. Accepting gifts/ receiving discounts from competitors
5. Personally taking a business opportunity that arises due to a Senior Manager's position
6. Receiving a loan or a guarantee or an obligation arising due to his position.

2. **Confidential Information**

- Ø Each Director & Senior Manager is expected to protect the Company's confidential proprietary business information.
- Ø Each Director & Senior Manager's commitment is evidenced by a confidentiality agreement.
- Ø Being a Director / Senior Member, one is expected to keep certain information confidential which have been discussed in the Senior Management Meetings.
- Ø Re-enforcing the confidentiality agreement as stated in the appointment terms and conditions as well as in the service rule of the Organization.
- Ø Only authorized Company spokesperson may communicate with the press on behalf of the Company.

3. **Public Disclosures**

The Company is committed to all of its public disclosures and reports being full, fair, accurate, timely and understandable.

4. **Legal Compliance**

The Company recognizes to conduct its business with honesty, integrity and in full compliance with all applicable laws, rules and regulations. All Directors

& Senior Managers are required to abide by the statutory requirements.

5. **Share Transactions**

All Board Members & Senior Managers should report their holding in the Company. There should exist a block period of two weeks (before the quarterly results etc.) when one cannot trade in the Company's securities.

In accordance with the SEBI Guidelines, one is expected to refrain from "Insider trading" by misusing any unpublished price-sensitive information.

6. **Fair Business Practices**

Each Director / Senior Manager of the Organization is committed to conduct business fairly without engaging in corrupt practices and unfair competition. Therefore, manipulation, concealment, abuse of privileged information, misrepresentation of facts is not considered as fair business practice.

7. **Supporting Loyalty & Respect**

Each Director & Senior Manager will abide by and promote Company's environment of mutual trust and loyalty. If any Director / Senior Member breach this trust, then he/ she will be subject to appropriate corrective action including dismissal or removal from office.

8. **Open Communication**

Each Senior Manager is encouraged to discuss concerns raised by anyone in the Company, or report any suspected breach to CMD. The Company will not tolerate any form of retaliation for reports or concerns that were made in good faith.

9. **Corporate Policy Awareness**

All Senior Managers must be aware of all the corporate policies governing the Code of Conduct of employees and the Company's Management System.

10. **Company Branding**

All Director & Senior Managers are expected to give responsible views about the Company and its performance.

11. **Black out Period**

All Directors & Senior Managers are expected to adhere to black out policy during which trading window is closed for them.

12. **Amendment of the Code**

The Company recognizes that only the Managing Director of the Company may amend this Code as and when required.

13. **Violation of the Code of Conduct**

If there is a violation of the above-mentioned Code of Conduct by any of the Senior Managers, depending on the seriousness/ severity of the issue will be taken

Annexure “F” to the Directors’ Report (Contd.)

up by a Committee, headed by the MD of the Company for appropriate action as deemed fit.

B. AUDIT COMMITTEE

The constitution of Audit Committee is as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013.

Composition Meeting and Attendance During the Year

The terms of reference, role and scope of Audit Committee are in line with the provisions of Section 177 of the Companies Act, 2013 and Regulations 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

The Audit Committee is constituted by three Non-Executive Independent Directors (NEID), all of whom are financial literate and they have accounting or related financial management expertise. Mr. Hemant Kumar Agarwal, Chairman of the Committee is among the Non-Executive Independent Directors. The Company Secretary acts as the Secretary of the Audit Committee. During the year, 4 (Four) meetings of the Audit Committee were held on May 30, 2018, August 14, 2018, November 14, 2018 and February 13, 2019. The maximum time gap between any two consecutive meetings did not exceed 4 (Four months). Moreover, the quorum of minimum 2 (Two) Independent Directors, as required by the Listing Regulations, was present in all the meetings of the Audit Committee held during the year. The constitution of the Committee, number of meetings held and attendance of the members are given below:

Names of the Directors	Position Held	Category	No. of Meetings	
			Held	Attended
Mr. Hemant Kumar Agarwal	Chairman	Independent, Non-Executive	4	4
Dr. Jayanta Kumar Natwarlal Raja	Member	Independent, Non-Executive	4	4
Mr. Milan Krisna Sarkar	Member	Independent, Non-Executive	4	4

The Audit Committee functions as a bridge between the administration of the Company and its Board in all financial and accounting matters including budget. The terms of reference for Audit Committee include:

- (i) The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- (iii) Examination of the financial statement and the auditors’ report thereon;
- (iv) Approval or any subsequent modification of transactions of the company with related parties;
- (v) Scrutiny of inter-corporate loans and investments;
- (vi) Valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) Evaluation of internal financial controls;
- (viii) Monitoring the end use of funds raised through public offers and related matters.

Statutory Audit Observations

While reviewing the financial records for the year under report, the Audit Committee took note that there were no observations of the Statutory Auditors.

C) STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition & terms of reference

The Stakeholders Relationship Committee is constituted as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 (5) of the Companies Act, 2013. Stakeholders Relationship Committee comprises of three (3) Directors namely Mr. Jayantakumar Natwarlal Raja (Non-Executive Independent Director) who is the Chairman of the Committee, Mr. Milan Krisna Sarkar (Non-Executive Independent Director) and Mr. Hemant Kumar Agarwal (Non- Executive Independent Director, Mr. Roshan Dave, Company Secretary acts as the Secretary to the Stakeholders Relationship Committee. This Committee additionally monitors the relationship with Stakeholders including Shareholders, Employees, Customers, Vendors, Government and Society. Such meetings are held on quarterly basis and the Shareholders’ complaints and grievances are reviewed in detail by the Committee and prompt and effective directions are given to the Registrars for proper disposal. During the Financial Year 2018-19 the Company has not received any complaint from the Shareholders / Investors of the Company and no queries are pending to be resolved as on date.

Annexure “F” to the Directors’ Report (Contd.)

Status of Investors’ Complaints :	
Number of complaints received during the year	Nil
Number of complaints resolved up to 31st March, 2019	Nil
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of complaints pending as on 31st March, 2019	Nil

Meeting and Attendance during the year

During the financial year Six (6) meetings of the Stakeholders Relationship Committee were held on April 26, 2018, August 30, 2018, October 1, 2018, November 5, 2018, December 13, 2018 and March 30, 2019 for the year ended March 31st, 2019 and attendance of the members are given below :

MEMBERS	MEETING HELD	MEETINGS ATTENDED
Mr. Hemant Kumar Agarwal	6	6
Dr. Jayantakumar Natwarlal Raja	6	6
Mr. Milan Krisna Sarkar	6	6

D) NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 (1) of the Companies Act, 2013.

Composition:

The Nomination & Remuneration Committee of the Company comprises of three (3) Non-Executive Independent Directors, Mr. Milan Krisna Sarkar is the Chairman of the Committee Mr. Jayantakumar Natwarlal Raja (Non- Executive Independent Director), Mr. Hemant

Kumar Agarwal (Non- Executive Independent Director and the Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

Terms of reference:

This Committee recommends and reviews the Compensation packages, commission payable to Directors/ Executives and Managing Director of the company, thereof within the limit approved by the shareholders from time to time. During the financial year one (1) meeting of Nomination and Remuneration Committee was held on April 26, 2018.

The Composition and Attendance of the Director’s Remuneration Committee Meeting:

Names of the Directors	Position Held	Category	No. of Meetings	
			Held	Attended
Mr. Milan Krisna Sarkar	Chairman	Independent, Non-Executive	1	1
Dr. Jayantkumar Natwarlal Raja	Member	Independent, Non-Executive	1	1
Mr. Hemant Kumar Agarwal	Member	Independent, Non-Executive	1	1

Remuneration Policy

Remuneration policy of Terai Tea Co. Ltd comprising members of the Board of Directors (“Board”), Key Managerial Personnel and the Senior Management Personnel of the Company.

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified indus-

try professionals for the Board of Management and other executive level in order to achieve the Company strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long term strategy. The policy is designed to encourage behavior that is focused on long-term value creation, while adopting the highest standards of good Corporate Governance.

Remuneration paid to the Managing Directors

Name of the Director	Gross Salary (` in Lacs)	Value of Perquisites (` In Lacs)	Total Salary (` in Lacs)
Mr. Ajit Kumar Agarwala	60.72	—	60.72

Annexure “F” to the Directors’ Report (Contd.)

Criteria of making payments to Non-Executive Directors

With changes in the Corporate Governance norms brought by the Company’s Act, 2013 as well as the Listing Regulations, the role of Non-Executive Directors particularly the Independent Directors and the degree and quality of their engagement with the Board and the Company has undergone significant changes. The Company is being hugely benefited from their expertise, advice and inputs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give valuable advice, suggestions and guidance to the management of the Company from time to time.

The Company believes that remuneration paid to its Non-Executive Independent Directors should be reflective of the size of the Company and complexity of the Sector/ Industry/Company’s operations and should be consistent

with recognized best practices. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperative.

Contribution of the Non-Executive Directors in Board and Committee Meetings, time devoted by them, participation in strategic decision making, timely guidance to the Board on important policy matters of the Company, performance of the Company and industry practices and benchmarks forms the main criteria for determining payments to Non-Executive Directors.

Sitting fees

Non-Executive Directors are paid a sitting fees of ` 20,000/- for during the financial year 2018-19.

These fees have been decided taking into consideration the extend of business transacted at various meetings.

VII. GENERAL BODY MEETINGS

i) Annual General Meeting :

Annual General Meeting of the Company during the preceding three(3) years were held at the Registered Office of the Company at 10, Government Place (East) Kolkata - 700 069.

Date and Time of Annual General Meetings held during the preceding Three (3) years are as follows:

LOCATION	DATE	TIME
10, Government Place (East) , Kolkata – 700 069	September 29, 2018	10.30 A.M.
10, Government Place (East) , Kolkata – 700 069	September 23, 2017	10.30 A.M.
10, Government Place (East) , Kolkata – 700 069	September 30, 2016	10.30 A.M.

ii) Special Resolution passed in the last three AGM:

- In the AGM on 29th Sept. 2018 : One Special Resolution was transacted to provisions of section 196,197,203 and other applicable provision if any, of the Companies Act, 2013.
- All the resolutions set out in the respective notices were passed by the shareholders.
- No Resolution was put through postal ballot during the year 2017-18.

Subsidiary Companies

During the year under review the company has no subsidiary company.

OTHER DISCLOSURES :

Disclosure on Materially Significant Related Party Transactions :

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and under Listing Regulation, during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially

significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standards (AS18) have been made in the Note No. 36 to the Financial Statements.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company’s website and may be accessed at the link www.teraigroup.com.

Disclosure on Accounting Treatment:

In the preparation of the Financial Statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

Details of Non-Compliance by the Company, Penalties, Strictures Imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matter related to Capital Markets:

The Company has complied with all the requirements of the Listing Regulations, with the Stock Exchanges as well as regulations and guidelines of SEBI. Except one day

Annexure “F” to the Directors’ Report (Contd.)

delay to submit Financial Result for the financial year ended 31.03.2018. No penalties or strictures were imposed by SEBI, Stock Exchanges or any authority on matters relating to Capital Markets during the last three years.

Risk Management:

The Company has laid a comprehensive Risk Assessment and Minimization Procedure which was presented to the Audit Committee and reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

Vigil Mechanism/Whistle Blower Policy:

In compliance with provisions of Section 177(9) of the Companies Act, 2013, the Company has framed a Vigil Mechanism/Whistle Blower Policy and the same has also been placed in the website of the Company. None of the employees of the Company has been denied access to the Audit Committee.

Policy on Materiality of and Dealing with Related Party Transactions

Related Party Transactions can present a potential or actual conflict of interest which may be against the best interest of the Company and its shareholders. Considering the requirements for the approval of related party transactions as prescribed under the Companies Act, 2013 and Regulations 23 of the Listing Regulations, the Company has formulated a ‘Policy on Materiality of and Dealing with Related Party Transactions’ for identification of related parties, setting out the materiality threshold and the proper conduct and documentation of all laws and regulations. The Policy on Materiality of the Dealing

with Related Party Transactions’ has been put up on the website of the Company at: <http://www.teraigroup.com>

Details of Compliance with Mandatory Requirements and adoption of Non-Mandatory Requirements :

The Company has complied with all the applicable mandatory requirements. The Company has not adopted the non-mandatory requirements of the Listing Agreement.

PREVENTION OF INSIDER TRADING

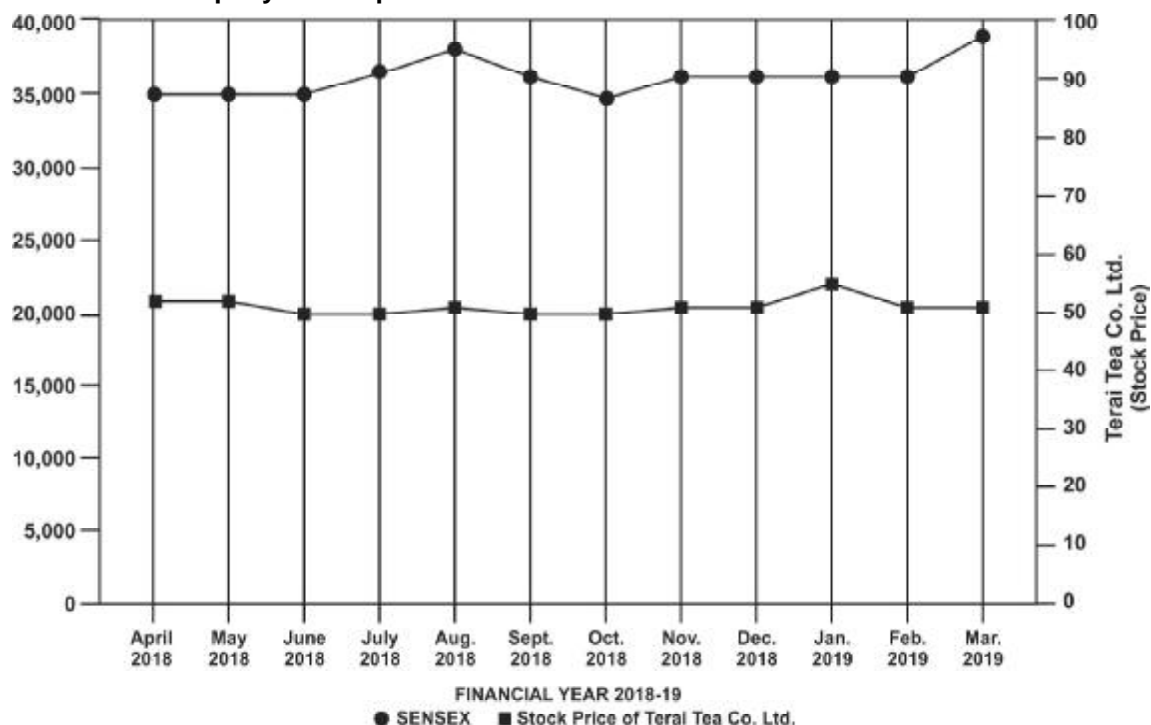
The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation of the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

MD / CFO CERTIFICATION :

The Managing Director and Chief Financial Officer of the Company have issued necessary certificate pursuant to the provisions of Regulations 17 (8) of the Listing Regulations certifying that the financial statement do not contain any materially untrue statement and these statements represent a true and fair view of the Company’s affairs..The same is attached and forms part of the Annual Report.

Performance of the Company in Comparison to Sensex



Annexure “F” to the Directors’ Report (Contd.)

COMPLIANCE CERTIFICATE

Certificate from the Independent Auditor Messrs Saha & Majumder, Chartered Accountants, Siliguri, Membership No. 010767, confirming compliance with conditions of Corporate Governance as stipulated of the Listing Regulations is attached and forms part of Annual Report.

MEANS OF COMMUNICATION:

Quarterly / Half-yearly report	The Result of the Company are published in the News-Paper and uploaded on the Website of the Company
Any website, where displayed	Yes, at www.teraigroup.com
Whether, it also displays official news releases	No
The presentations made to institutional investors the analysts	No
Newspapers in which results are normally	“Eco of India” in English and published in “Arthik Lipi in Bengali.
Whether Management Discussion & Analysis Report is a part of Annual Report or not	Yes

SHAREHOLDER INFORMATION:

a) Annual General Meeting

Date	September 30, 2019
Time	10.30 A.M.
Venue	Terai Tea Co. Ltd.”Ezra Mansion”, 1st Floor, 10, Government Place (East), Kolkata – 700 069

b) Financial Calendar (Tentative and subject to change)

Particulars	Date of Board meeting for approval
Annual Accounts for 2018-19	4th week of May, 2019
Financial results for First Quarter	2nd week of August, 2019
Financial results for Second Quarter	2nd week of November, 2019
Financial results for Third Quarter	2nd week of February, 2020
Financial Result for the year ended	Last Week of May, 2020

c) Book Closure

Books shall remained closed from September 21st, 2019 to September 30th, 2019 (both days inclusive)

d) Listing in Stock Exchange

i) The shares of the company are listed as detailed below:

The Stock Exchange	Stock Code
Bombay Stock Exchange Limited Phiroza Jeejeebhoy Tower, 25 th Floor, Dalal Street, Mumbai-400001	530533
Calcutta Stock Exchange Association Limited 7, Lyons Range, Kolkata-700001	30105
Ahemdabad Stock Exchange Limited Kamdhenu Complex, Ahmedabad-380015	60857
Jaipur Stock Exchange Limited Indra Place, J.L.N. Marg, Jaipur-302019	596
ISIN Number for NSDL/CDSL	INE 390D1011
CIN No	L51226WB1973PLC029009
The Company has paid Annual Listing fees to Bombay Stock Exchange for the year 2019-20.	
ii) Depositories :	
National Securities Depository Ltd. Senapati Bapat Marg Lower Parel, Mumbai-400001	Trade World, 4 th Floor, Kamala Mills Compound,
Central Depository Services Ltd. Mumbai-400001	Phiroza Jeejeebhoy Tower, 28 th Floor, Dalal Street,

(e) Demat ISIN Numbers:

NSDL	ISIN INE 390D1011
CDSL	ISIN INE 390D1011

(f) Registrar and Share Transfer Agents

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001
Tel. (033) 2248-2248, 2343-5029
E-mail : mdpldc@yahoo.com

Annexure "F" to the Directors' Report (Contd.)

g) Share Transfer System

The request for the transfer of shares held in physical mode should be lodged at the Company's Registrar Share Transfer Agents, Maheshwari Datamatics Pvt. Ltd. The Board of Directors has unanimously delegated the powers of share transfer, transmission, sub-division and consolidation to a Share Transfer Committee in order to expedite transfer, transmission, etc in the physical form. The Committee meets once in every fortnight for approving share transfer and for other related activities. Share transfers are registered and returned in normal course within an average period of 15 days, if the transfer documents are found technically in order and complete in all respects

h) Market Price Data

High/low (based on the closing prices) during each month in the financial year 2018-19 on the Bombay Stock Exchange

Month	BSE SENSEX CLOSE	BSE		
		High Price	Low Price	Close Price
April, 2018	35,160.36	46.00	35.85	45.20
May, 2018	35,322.38	46.30	38.00	40.00
June, 2018	35,423.48	43.95	38.00	38.00
July, 2018	37,606.58	43.00	36.10	42.00
August, 2018	38,645.07	45.00	36.25	41.95
September, 2018	36,227.14	42.75	32.95	34.35
October, 2018	34,442.05	38.20	32.05	35.80
November, 2018	36,194.30	40.50	35.00	36.00
December, 2018	36,068.33	38.00	33.30	37.00
January, 2019	36,256.69	46.00	36.10	40.85
February, 2019	35,867.44	40.70	33.00	33.00
March, 2019	38,672.91	40.90	33.00	38.10

High & Low Market Price

Particulars	Terai Tea Co. Ltd. V/S BSE Sensex	
	Terai Tea Co. Ltd. Share Price	BSE Sensex
On 2nd April, 2018	40.00	33,255.36
On 29th March, 2019	38.10	38,672.91

j) Distribution of Shareholding As On 31st March, 2019

No. of Shares Held	No. of Holders	% of Holders	No. of Shares	% of Capital
Upto 500	1,262	89.19	1,40,002	2.03
501-1000	75	5.30	60,778	0.88
1001-2000	33	2.33	50,991	0.74
2001-3000	14	0.98	36,035	0.52
3001-4000	7	0.44	24,995	0.36
4001-5000	4	0.28	18,981	0.28
5001-10000	3	0.21	23,413	0.34
10001 and above	17	1.20	65,24,105	94.84
Total	1,415	100.00	68,79,300	100.00

k) Shareholding Pattern as on 31st March, 2019

Name of the Shareholders	No. of Shares Held	% Holding
Promoter & Promoter Group	51,03,100	74.18
Non-Promoters Holding		
- Financials Institutions	Nil	Nil
- Bodies Corporate	12,35,265	17.96
- NRI/Foreign Company	351	0.01
- Clearing Member	864	0.01
Indian Public	5,39,720	7.84
Total	68,79,300	100

Annexure "F" to the Directors' Report (Contd.)

I) Dematerialization of Shares and Liquidity as on 31st March, 2019

Particulars of Shares	Equity Shares of ₹ 10 Each	
	Number	% of Total
Dematerialized Form		
a) NSDL	63,24,096	91.93
b) CDSL	4,04,238	5.88
Sub Total	67,28,344	97.81
Physical Form	1,50,966	2.19
Total	68,79,300	100.00

m) Outstanding GDRs/ ADRS/Warrants or any Convertible Instruments:

No GDRS/ADRS/Warrants or Convertible Instruments are issued during the year.

n) Details of public funding obtained in last three years:

No capital has been raised by way of public funding in past three years

o) Plant Locations:

Bagdogra Tea Estate,	P.O. Bagdogra, Dist. Darjeeling, West Bengal
Terai Tea Factory unit	P.O. Kharibari, Dist. Darjeeling, West Bengal
Karjeepara Tea Factory,	P.O. Das Darga, Dist-Jalpaiguri, west Bengal
Adhikari Tea Factory ,	P.O. Adhikari, Dist. Darjeeling, West Bengal

p) Address for correspondence:

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

1. The Company's Registered Office :	TERAI TEA COMPANY LIMITED 10, Government Place (East), 1 st Floor, Kolkata- 700 069. Tele: (033) 460-13789 / 39789, Fax: (033) 2248-9182, Email: teraitea@gmail.com , Website: www.terai group.com
2. Registrar and Share Transfer Agent :	Maheshwari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001 Tel. (033) 2248-2248, 2343-5029 E-mail : mdpldc@yahoo.com
3. Compliance Officer :	Mr. Roshan Dave TERAI TEA COMPANY LIMITED 10, Government Place (East), 1 st Floor, Kolkata- 700 069. Tele: (033) 460-13789 / 39789, Fax: (033) 2248-9182, Email: teraitea@gmail.com , Website: www.terai group.com

For and on behalf of the Board

Place: Kolkata

Dated : 14th day of August, 2019

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Annexure "F" to the Directors' Report (Contd.)

Independant Auditor Certificate Regarding Compliance of Corporate Governance.

To
The Board of Directors
Terai Tea Company Limited
10, Government Place (East)
1st floor, Kolkata
West Bengal - 700069

To the Members of Terai Tea Company Limited

Independent Auditor's certificate on Compliance of Corporate Governance Report

Terai Tea Company Limited ('the Company') requires Independent Auditor's Certificate on Corporate Governance as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1 April 2018 to 31 March 2019.

Management Responsibility

The preparation of the Corporate Governance Report is the responsibility of the management of the Company along with the maintenance of all its relevant supporting records and documents. The Management is responsible for ensuring that the Company complies with the requirements as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Listing Regulations for the period 1 April 2018 to 31 March 2019. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the report and applying an appropriate basis of preparation and presentation of the report and applying an appropriate basis of preparation.

Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance as to whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the period 1 April 2018 to 31 March 2019.

We have examined the compliance of conditions of Corporate Governance by the Company for the period 1 April 2018 to 31 March 2019 as per Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("the ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate.

The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of information and according to the explanations given to us and representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable. We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

This certificate is issued solely for the purpose of complying with Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the period 1 April 2018 to 31 March 2019 and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place : Kolkata
Date : 14th day of August, 2019

For SAHA & MAJUMDER
Chartered Accountants
FRN : 303087E
Sd/-
S.N. Bhattacharjee
Partner
Membership No. 010767

Annexure “F” to the Directors’ Report (Contd.)

Declaration Regarding Code of Conduct:

To Whom It May Concern

The Company has framed a specific Code of Conduct to be followed by the members of the Board of Directors and the Senior Management Personnel of the Company. We have incorporated in the conduct duties of the Independent Directors as laid down in schedule IV of the Companies Act, 2013 The said “Code” has been circulated to the members of the Board and Senior Management Personnel of the Company, who have confirmed compliance of the same for the year ended 31st March, 2019. The Said “Code” is also been posted on www.teraignroup.com the website of the Company. Based on the above, it is hereby declared that the code has been complied with by all.

For Terai Tea Co. Limited

Sd/-

Place : Kolkata
Date : 14th day of August, 2019

Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Annexure "F" to the Directors' Report (Contd.)

MD/CFO CERTIFICATION

To
The Board of Directors
Terai Tea Co. Ltd.
10, Government Place (East)
Kolkata-700069

- a) We, Ajit Kumar Agarwala, Managing Director and Rajendra Kanodia, CFO of Terai Tea Co. Ltd. on have review Financial Statements and the Cash Flow Statement for the year 2018-19 duly audited by **Saha & Majumder**, Chartered Accountant, Siliguri and that to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year 2018-19 which are fraudulent, illegal or violative of the Company's code of conduct;
- c) We do accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that -
- There has not been any significant changes in internal control over the financial reporting during the year under review;
 - There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - There were no Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

For Terai Tea Company Limited

Place : Kolkata
Dated : 14th day of August, 2019

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Sd/-
Rajendra Kanodia
Director & CFO
DIN : 00175574



Annexure "G" to the Directors' Report

Management Discussion and Analysis Report

OVERVIEW OF THE ECONOMY

INDIAN ECONOMIC OVERVIEW

The Indian economy continues to be a bright spot in the world map. For one more year India has held on its position of the fastest, growing major economy in the world. According to CSO for 2018-19, India's GDP growth rate has been estimated to be 7.0 % down from 7.2% achieved in 2017-18. According to IMF, India's GDP growth rate is expected to pick up to 7.0% in 2019 and 7.5% in 2020.

OUTLOOK

World Bank projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20. Strong private consumption and services are expected to continue to support economic activity.

Segment Analysis and Review

The Company is engaged in the Manufacturing of Tea, and Trading of Sugar, Raw Jute and others Merchandise.

RISK & CONCERN

Factors Affecting the Tea Industry

A number of different factors were highlighted that have the potential to significantly impact the future of the tea industry. There are ten major challenges that we believe are the most significant in terms of their implications for the tea industry:

- Demographic changes
- Resource constraints
- Climate change
- Competition for land and productivity
- Availability of labour and increase in mechanisation

- Balance of power across the supply chain
- Emergence of new business models
- Sustainability leadership in emerging economies
- Improvement in wages and labour welfare in the supply chain
- Consumer attitudes to food value

An evaluation of the future of tea indicates that there is a great deal of uncertainty about what the tea sector could look like by 2030. And this uncertainty is compounded by difficulties in predicting how these different factors might interact with one another.

FUTURE PROSPECTS

Tea 2030

The numerous sustainability challenges faced by many industries, including the tea industry, are too big for any one company to address alone; rather they need the co-operation of all parts of the value chain working together.

For the first time in history, some of the key players in the tea sector have come together to explore the future for tea in a collaborative project called Tea 2030. They are working jointly to identify the key challenges, forecasting the issues that need to be addressed and combining their knowledge and expertise to deliver new solutions that will overcome the issues facing the sector – creating a shared vision for what the global tea industry can do together to ensure it has a prosperous and sustainable future. They are fully committed to implement this initiative in compliance with all applicable laws.

Led and facilitated by Forum for the Future, the leading global sustainability non-profit, this report presents the

Annexure “G” to the Director’s Report (Contd.)

challenges and opportunities the tea sector will face in the future, including 4 possible future scenarios for the tea industry. The report marks the end of phase II of Tea 2030 which set out to explore the future for tea and the beginning of the implementation phase of Tea 2030.

Financial Review & Analysis

The Company’s financial position is strong enough which has helped Company to pass through in turbulent times. The development work in garden is always given top priority for improvement in quality as well as quantity. The surplus fund of the Company is deployed in such a way that reasonable returns are derived.

Internal Control System And Their Adequacy

The company has established suitable internal control system and has laid down policies, guidelines and procedures which form part of its internal control system. The company’s internal control systems are periodically tested and supplemented by an extensive programme of internal audit by independent firms of Chartered Accountants. Audits are finalized and conducted based on internal risk assessment. Reports of the internal auditor are reviewed by senior management and also placed before the audit committee which provides reasonable assurance with regard to safeguarding the Company’s assets, operational efficiency and ensuring compliances with legal and regulatory framework.

Registered Office :

10, Government Place (East)

Kolkata – 700 069

Dated, 14th day of August, 2019

Material Development In Human Resources And Industrial Relations

Tea Industry is highly labour intensive and human resources form the core of the operations. Human resources are valuable assets of your Company and attention is continuously paid to their development and well being. Industrial relations at all the Estates remain satisfactory, In spite of having a sizable strength. Employee–Management relations remained cordial throughout the year. Continuing education and training of employees at all levels of the Company, particularly at its plantations, contribute to development of human resource. Various welfare measures continue to be carried out, particularly at the Company’s Tea Estates .During the year under review, Welfare Week Programmes have been carried out at all the Estates of your Company.

Cautionary Statement

The statements in the report of the Board of Directors and the Management’s Discussion and Analysis report describing the company’s projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the company’s operations are influenced by many external and internal factors beyond the control of the company. Further Tea Industry depends upon the vagaries of nature and any adverse favorable situation can reverse the whole situation.

By order of the Board
For Terai Tea Company Limited

Sd/-
AJIT KUMAR AGARWALA
Managing Director
DIN : 00265775

Financial Highlights : Standalone Balance Sheet

(For Four Years)

(` in Lakh)

	2018-19	2017-18	2016-17	2015-16
ASSETS				
Non-Current Assets				
Property Plant and Equipment	5,216.47	5,355.29	5,328.58	5,480.91
Capital Work-in-Progress	159.47	6.41	46.07	1.92
Financial Assets				
(a) Investments	717.06	773.60	771.98	882.49
(b) Loans	10.51	0.51	8.90	8.90
(c) Other financial assets	125.64	125.26	116.26	116.91
Other Non-current Assets	327.38	328.92	331.86	328.56
Total Non-Current Assets	6,556.53	6,593.93	6,603.65	6,819.69
Current Assets				
Inventories	574.95	620.57	848.09	705.28
Biological Assets other than bearer plants				
Financial Assets				
(a) Investments	486.01	791.20	749.59	591.77
(b) Trade Receivables	2,064.82	1,057.78	1,302.83	3,682.36
(c) Cash and Cash Equivalents	59.74	123.90	49.48	60.34
(d) Loans		2.07	3.20	3.92
(e) Other Financial Assets	57.36	795.85	770.31	499.88
Other Current Assets	1997.7	1,510.95	1,559.35	2,269.36
Total Current Assets	5,240.58	4,902.32	5,282.85	7,812.91
Total Assets	11,797.11	11,502.31	11,886.50	14,632.60
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	690.29	690.29	690.29	690.29
Other Equity	5,783.66	5,652.10	5,570.52	5,443.96
TOTAL EQUITY	6,473.95	6,342.39	6,260.81	6,134.25
Laibilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	2,521.07	1,140.00	2,214.37	2,340.17
Provisions	83.47	106.88	96.77	81.69
Deffered Tax Liabilities (Net)	22.16	38.12	31.13	15.80
Other Non-current Liabilities	149.03	136.69	192.80	244.95
Total Non-Current Liabilities	2,775.73	1,421.69	2,535.07	2,682.61
Current Liabilities				
Financial Liabilities				
(a) Borrowings	775.83	2,332.00	1,567.25	1,633.45
(b) Trade Payables	1,548.43	1,101.26	557.50	3,463.90
(c) Other Financial Liabilities	41.31	93.08	147.33	163.82
Other Current Liabilities	162.01	179.05	803.20	527.96
Provisions	4.79	17.88	6.84	8.88
Current Tax Liabilities (Net)	15.05	14.95	8.50	17.73
Total Current Liabilities	2,547.42	3,738.23	3,090.62	5,815.74
Total Liabilities	5,323.15	5,159.82	5,625.69	8,498.35
Total Equity and Liabilities	11,797.11	11,502.31	11,886.50	14,632.60
Net Worth per Equity Shares of ` 10/- each (in `)				
Earnings per Equity Share:				
(1) Basic	1.91	1.29	2.05	1.57
(2) Diluted	1.29	2.05	2.05	1.57

Financial Highlights : Standalone Profit & Loss A/c

(For Four Years)

(` in Lakh)

	2018-19	2017-18	2016-17	2015-16
A. Income				
1. Revenue from Operations	14,075.13	12,912.10	12,962.06	8,954.82
2. Other Income	94.35	128.41	161.09	71.85
Total Income	14,169.48	13,040.51	13,123.15	9,026.67
B. Expenditure				
1. Change in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	76.41	233.23	(167.57)	162.53
2. Purchase of Stock-in-trade	7,024.15	6,971.04		4,191.75
3. Cost of Material Consumed	3,706.99	2,610.46	10,117.59	1,931.61
4. Employee benefits expenses	602.97	600.69	527.42	494.32
5. Consumption of Stores & Spare Parts	244.37	229.37	271.48	210.39
6. Excise Duty	-	4.97	30.71	
7. Power & Fuel	1,163.23	1,159.34	1,031.62	861.45
8. Manufacturing & Other Miscellaneous Exp.	47.61	34.30	35.96	145.54
9. Selling & Distribution Expenses	175.31	134.31	146.15	128.09
10. Depreciation and Amortisation expenses	164.76	160.01	175.81	184.84
11. Interest (Net)	376.44	376.73	400.45	398.40
12. Other Expenses	462.46	404.72	372.73	228.81
Total Expenditure	14,044.70	12,919.17	12,942.35	8,937.73
C. Profit/ (loss) before Taxation (A-B)	124.78	121.34	180.80	88.93
D. Tax Expenses				
Provision for Taxation-Current Tax	9.44	28.24	23.98	25
MAT Credit Entitlement	--	--	--	--
Tax Adjustment for earlier years	--	(5.72)	--	--
Provision for Taxation-Deferred Tax	15.96	10.16	15.59	(44.40)
Total Tax Expenses	(6.52)	32.68	39.57	(19.40)
E. Profit/(loss) after Taxation (C-D)	131.29	88.65	141.23	108.33
F. Other Comprehensive Income	0.27	(7.08)	(0.59)	--
G. Total Comprehensive Income (net of tax) (E-F)	131.56	81.57	140.64	--

Independent Auditor's Report

To
The Members of
Terai Tea Company Limited
10, Govt. Place (East)
Kolkata - 700 069

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of **Terai Tea Company Limited** ("the Company") which comprise the Standalone Balance Sheet as at 31 March 2019, the standalone Statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2019 and its Profit and Other Comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Estimation of Useful Life of Bearer Plants

See note 3(a) to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
Useful life of Bearer Plants requires the management to exercise significant judgement in relation to the estimate thereof. Nature, timing and likelihood of changes to the natural factors may affect the useful life expectancy of the assets and therefore could have a material impact on the depreciation expense for the year. As per the Ind AS 16 – "Property, Plant and Equipment", the management reviews the estimated useful life and	ü Assessed the management's estimates of the useful life of Bearer Plants with reference to: (a) the consistency with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (b) the comparison to the useful life estimates adopted by the comparable tea producers; and (3) consideration of the Company's historical experience.

Independent Auditor's Report (contd.)

<p>the residual value of Bearer Plants annually and adjust for changes, where appropriate. Accordingly, the matter has been identified as key audit matter.</p>	<ul style="list-style-type: none"> ü Evaluated the assumptions and critical judgements used by the management through testing of underlying documents / details.
<p>The written down value of such Bearer Plants as on March 31, 2019 is ₹ 1,449.63 lakhs.</p>	<ul style="list-style-type: none"> ü Assessed the related disclosures included in the standalone financial statements in this regard.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon. The information included in the annual report is expected to be made available to us after the date of the auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the Standalone Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any significant pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv) With respect to the matter to be included in the auditors' report under Section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place : Kolkata
Date : May 29, 2019

For **SAHA & MAJUMDER**
Chartered Accountants
FRN : 303087E
Sd/-
S.N. Bhattacharjee
Partner
Membership No. 010767

Independent Auditor's Report (Contd.)

Annexure - "A" to the Independent Auditors' Report

With reference to the Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the Members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year. No material discrepancies were observed on such verification.
- (c) In our opinion and 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 included in property, plant and equipment are held in the name of the Company.
- (ii) The inventories except stocks lying at warehouse or consignment agents have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material and have been appropriately dealt with in the books of accounts. For stocks lying at warehouse or consignment agents at the year-end has been verified on the basis of subsequent sales.
- (iii) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and security given.
- (v) The Company has not accepted any deposits from the public. Hence, paragraph 3 (v) of the order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Goods and Services tax, Duty of customs, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee State Insurance, Income-tax, Goods and Services tax, Duty of customs, cess and any other material statutory dues were in arrears, as at 31 March 2019, for a period of more than six months from the date they became payable except sum of ₹ 6,96,092/- outstanding against Agricultural Income Tax which has been paid in the month of April 2019.
- (b) According to the information and explanations given to us, there are no dues which have not been deposited by the Company on account of disputes, except for the following :

Independent Auditor's Report (contd.)

Name of statute	Nature of dues	Amount (`)	Period for which it relates	Forum where dispute pending
Income Tax Act, 1961	Income Tax	2,27,730	AY: 2013-2014	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	2,30,169	AY: 2014-2015	Commissioner (Appeals)
West Bengal Sales Tax Act, 1994	Sales Tax / Value Added Tax	27,24,449*	FY: 2004-2005	Appellate and Revisional Board (High Court)
West Bengal Sales Tax Act, 1994	Sales Tax / Value Added Tax	55,34,200*	FY: 2006-2007, 2009-2010 and 2011-2012	Appellate and Revisional Board
West Bengal Sales Tax Act, 1994	Sales Tax / Value Added Tax	12,61,694*	FY: 2007-2008 and 2008-2009	Commissioner (Appeals)
Central Sales Tax Act, 1956	Sales Tax / Value Added Tax	13,10,610*	FY: 2004-2005	Appellate and Revisional Board (High Court)
Central Sales Tax Act, 1956	Sales Tax / Value Added Tax	35,38,934*	FY: 2005-2006, 2006-2007 and 2011-2012	Appellate and Revisional Board (High Court)
Central Sales Tax Act, 1956	Sales Tax / Value Added Tax	10,95,010*	FY: 2007-2008 and 2008-2009	Commissioner (Appeals)

*Demand stayed by High Court.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the financial institution and bank. The Company does not have any outstanding loans or borrowings from the debenture holder during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Thus, the paragraph 3 (ix) of the Order is not applicable to the Company.
- (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 given to us and based on examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of all transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made 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 him.
- (xvi) According to the information and explanation given to us and in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place : Kolkata
Date : May 29, 2019

For **SAHA & MAJUMDER**
Chartered Accountants
FRN : 303087E
Sd/-
S.N. Bhattacharjee
Partner
Membership No. 010767

Independent Auditor's Report (contd.)

Annexure B to the Independent Auditor's Report of even date on the financial statements of Terai 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 with reference to the financial statements of **Terai Tea Company Limited** ("the Company") as of 31 March 2019 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 with reference to the financial statements 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 ('Guidance Note') 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, 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 with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the financial statements

A company's internal financial control with reference to the financial statements 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 with reference to the financial statements includes those policies and procedures that:

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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
- (iii) 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.

Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with reference to the financial statements

Because of the inherent limitations of internal financial controls with reference to the financial statements, 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 with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements 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 with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31 March 2019, based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Place : Kolkata
Date : May 29, 2019

For **SAHA & MAJUMDER**
Chartered Accountants
FRN : 303087E
Sd/-
S.N. Bhattacharjee
Partner
Membership No. 010767

BALANCE SHEET as at 31st March, 2019

(` in Lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
I ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	5,216.47	5,355.29
(b) Capital Work-in-Progress	4	159.47	6.41
(c) Financial Assets			
(i) Investments	5	717.06	773.60
(ii) Loans Receivable	6	10.51	10.51
(ii) Other Financial Assets	7	125.64	125.26
(d) Other Non-Current Assets	8	327.38	328.92
(A) Total Non-Current Assets (a+b+c+d)		6,556.53	6,599.99
(2) Current Assets			
(a) Inventories	9	574.95	620.57
(b) Financial Assets			
(i) Investments	10	486.01	791.20
(i) Trade Receivables	11	2,064.82	1,057.78
(ii) Cash and Cash Equivalents	12	59.74	123.90
(iv) Loans Receivable	13	-	2.07
(v) Other Financial Assets	14	57.36	795.85
(c) Other Current Assets	15	1,997.70	1,510.95
(B) Total Current Assets (a+b+c)		5,240.58	4,902.32
Total Assets (A + B)		11,797.11	11,502.31
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	690.29	690.29
(b) Other Equity	17	5,783.66	5,652.11
(C) Total Equity		6,473.95	6,342.40
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	2,521.07	1,140.00
(b) Provisions	19	83.47	106.88
(c) Deferred Tax Liability (Net)	32	22.16	38.12
(d) Other Non-Current Liabilities	20	149.03	136.69
(D) Total Non-Current Liabilities (a+b+c+d)		2,775.73	1,421.69
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	775.83	2,332.00
(ii) Trade Payables	22		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		9.18	—
- Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		1,539.25	1,101.26
(iii) Other Financial Liabilities	23	41.31	93.08
(b) Other Current Liabilities	24	162.01	179.05
(c) Provisions	25	4.79	17.88
(d) Current Tax Liabilities, (Net)	32	15.05	14.95
(E) Total Current Liabilities (a+b+c+d)		2,547.42	3,738.23
Total Liabilities (D + E)		5,323.15	5,159.92
Total Equity and Liabilities (C+D+E)		11,797.11	11,502.31
Significant Accounting Policies	3		
The Notes Forming Part of the Financial Statement	1-43		

The Accompanying Notes form an integral part of these Financial Statements.

For and on behalf of the Board of Directors

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

Place : Kolkata

Dated : 29th May, 2019

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Roshan Dave

Company Secretary

ACS 27185

STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2019

(` in Lakhs)

INCOME	Note No.	For the Year ending on 31st March, 2019	For the Year ending on 31st March, 2018
I REVENUE FROM OPERATIONS			
Sale of Goods	26	14,075.13	12,912.10
		14,075.13	12,912.10
II Other Income	27	94.35	128.41
III Total Income(I+II)		14,169.48	13,040.51
IV EXPENSES			
Cost of Material Consumed		3,706.99	2,610.46
Excise Duty		-	4.97
Purchase of Stock-in-Trade		7,024.15	6,971.04
Change in Inventories of Finished Goods and Stock-in-Trade	28	76.41	233.23
Employee Benefits Expense	29	602.97	600.69
Finance Costs	30	376.44	376.73
Depreciation and Amortisation Expenses	4	164.76	160.01
Other Expenses	31	2,092.98	1,962.04
Total Expenses		14,044.70	12,919.17
V Profit Before Tax (III-IV)		124.78	121.33
VI Tax Expense :			
(1) Current Tax	32	9.44	28.24
(2) Deferred Tax		(15.96)	10.16
(3) Tax Expense for Earlier Year		-	(5.72)
		(6.52)	32.68
VII Profit for the Year (V-VI)		131.29	88.65
VIII Other Comprehensive Income			
(i) Items that will not be Reclassified Subsequently to Statement of Profit or Loss		--	--
(ii) Remeasurements of the Net Defined Benefit Liability / Asset		0.27	(10.25)
(iii) Income-Tax Relating to Items not to be Reclassified Subsequently to Statement of Profit or Loss		-	3.17
Other Comprehensive Income, Net of Tax		0.27	(7.08)
IX Total Comprehensive Income for the Period (VII+VIII)		131.56	81.57
Earnings Per Share (Nominal Value of ` 10 each)			
(i) Basic [in `]	34	1.91	1.29
(ii) Diluted [in `]	34	1.91	1.29
Weighted Average Number of Equity Shares Used in Computing Earnings Per Share			
- Basic	33	68,79,300	68,79,300
- Diluted	33	68,79,300	68,79,300
Significant Accounting Policies	3		

The Accompanying Notes form an integral part of these Financial Statements.

For and on behalf of the Board of Directors

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

Place : Kolkata

Dated : 29th May, 2019

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Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Roshan Dave

Company Secretary

ACS 27185

CASH FLOW STATEMENT for the year ended 31st March, 2019

(` in Lakhs)

	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	124.78	121.33
Adjustments for :		
Depreciation	164.76	160.01
Dividend Income	(0.07)	(0.05)
Provision for Doubtful Debts	90.63	33.12
Net gain on Financial Asset Measured at fair value through statement of profit and loss	(31.76)	(43.10)
Interest Income	(3.42)	(5.39)
Interest Expense	376.44	376.73
Provision No Longer Required, Written Back	(6.42)	-
	714.94	642.65
Changes in :		
Trade receivables	(1,097.66)	211.92
Inventories	45.62	227.52
Loans, other financial assets and other assets	254.98	16.32
Liabilities and provisions	360.87	(179.85)
Cash Generated From Operations	278.74	918.57
Income Tax paid, net of refund	(9.33)	(16.06)
Net Cash From Operating Activities	269.41	902.51
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(179.00)	(147.06)
Purchase / (Sale) of Investments, Net	380.14	(3.58)
Profit on Sale of Investments	13.35	3.46
Dividend Received	0.07	0.05
Interest Received	3.42	5.39
Net Cash provided used in investing activities	217.98	(141.74)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(175.10)	(309.62)
Interest paid	(376.44)	(376.73)
Net Cash Used in Financing Activities	(551.55)	(686.35)
D. NET CHANGE IN CASH AND CASH EQUIVALENTS	(64.16)	74.42
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	123.90	49.48
F. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	59.74	123.90
Significant Accounting Policies (Refer Note 3)		

The Accompanying Notes form an integral part of these Financial Statements.

For and on behalf of the Board of Directors

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

Place : Kolkata

Dated : 29th May, 2019

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Roshan Dave

Company Secretary

ACS 27185

Notes to Financial Statements (Contd.)

(₹ in Lakhs)

Statement of Changes in Equity and Other Equity for the year Ended 31st March, 2018

Particulars	Equity Share Capital	Other Equity				Other Comprehensive Income Other Items of OCI	Total Equity Attributable to Equity Holders of the Company
		Reserves and Surplus					
		Securities premium	Retained earnings	General Reserve	Share forfeiture		
Balance as at 1 April 2017	690.29	764.56	4,748.76	49.88	9.45	(2.12)	6,260.82
Remeasurement of the net defined benefit liability/asset, net of tax effect	—	—	—	—	—	(7.08)	(7.08)
Profit for the year	—	—	88.65	—	—	—	88.65
Balance as at 31st March 2018	690.29	764.56	4,837.41	49.88	9.45	(9.20)	6,342.39

Statement of Changes in Equity and Other Equity for the year Ended 31st March, 2019

Particulars	Equity Share Capital	Other Equity				Other Comprehensive Income Other items of OCI	Total Equity Attributable to Equity Holders of the Company
		Reserves and Surplus					
		Securities premium	Retained earnings	General Reserve	Share forfeiture		
Balance as at 1 April 2018	690.29	764.56	4,837.41	49.88	9.45	(9.20)	6,342.39
Remeasurement of the net defined benefit liability/asset, net of tax effect	—	—	—	—	—	0.27	0.27
Profit for the year	—	—	131.29	—	—	—	131.29
Balance as at 31 March 2019	690.29	764.56	4,968.71	49.88	9.45	(8.93)	6,473.95

The Accompanying Notes form an integral part of these Financial Statements.

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**
Chartered Accountants
FRN 303087E
Sd/-
S.N. Bhattacharjee
Partner
Membership No 010767
Place : Kolkata
Dated : 29th May, 2019

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Sd/-
Rajendra Kanodia
Director & CFO
DIN : 00175574

Sd/-
Roshan Dave
Company Secretary
ACS 27185

Notes to Financial Statements

NOTE - 1 : REPORTING ENTITY

Terai Tea Company Limited (the 'Company') is a Public Limited Company domiciled in India, with its registered office situated at 10, Government Place (East), 1st Floor, Kolkata, West Bengal - 700069. The Company has been incorporated under the provisions of Indian Companies Act and its Equity Shares are listed on the Bombay Stock Exchange (BSE), Calcutta Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Jaipur Stock Exchange Limited in India. The Company is primarily engaged in production, distribution and trading of tea and other agricultural merchandise.

NOTE - 2 : BASIS OF PREPARATION

A. Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Standalone Financial Statements were authorised for issue by the Company's Board of Directors on 29 May 2019.

Details of the Company's Accounting Policies are Included in Note 3.

B. Functional & Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees (Rs.), which is also the Company's Functional Currency. All amounts have been rounded-off to two decimal places to the nearest lakhs, unless otherwise indicated.

C. Basis of Measurement

The Standalone Financial Statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of Estimates and Judgments

In preparing these Standalone Financial Statements, management has made judgements, estimates and assumptions that affect the application of Accounting Policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying Accounting Policies that have the most significant effects on the amounts recognised in the standalone Financial Statements.

Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2019 is included in the following notes:

Note 32 - Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 38 - Measurement of defined benefit obligations: key actuarial assumptions;

Note 33 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 4 - Useful life of Property, Plant and Equipment

Notes - 11 - Impairment of Financial Assets.

E. Measurement of Fair Values

Certain Accounting Policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Notes to Financial Statements (Contd.)

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the Note XX - Financial Instruments.

NOTE - 3 : SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant and Equipment

i. Recognition and Measurement

Items of property, plant and equipment, are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

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

The cost of a self-constructed item of Property, Plant and Equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Bearer Plants which is used in the production or supply of agriculture produce and expected to bear produce and expected to bear produce for more than a period of twelve months are capitalized as a part of Property, Plant and Equipment. The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is the systematic allocation of the depreciable amount of Property, Plant and equipment over its useful life and is provided on a written down value basis over the useful lives as prescribed under Schedule II to the Companies Act, 2013. Land is not depreciated.

Depreciable amount for property, plant and equipment is the cost of property, plant and equipment less its estimated residual value. The useful life of property, plant and equipment is the period over which property, plant and equipment is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction /disposal.

Notes to Financial Statements (Contd.)

The Company recognises Tea Bushes and Shade Trees as bearer plant, bearer plants with further classification as mature bearer plants and immature bearer plants. Mature bearer plants are those that have attained harvestable stage.

Bearer Assets are carried at historical cost of acquisition less accumulated depreciation and impairment loss, if any. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost incurred for new plantations and immature areas are capitalised. The cost of immature areas coming into bearing is transferred to mature plantations and depreciated over their estimated useful life.

Tea is designated as agricultural produce at the point of harvest and is measured at their fair value less cost to sell as at each reporting date. Any changes in fair value are recognised in the statement of profit and loss in the year in which they arise.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

iv. Capital Work-in-Progress

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

(b) Assets Held for Sale and Disposal

Non-Current Assets, or disposals group comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposals groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, Intangible Assets, Property, Plant and Equipment and Investment Properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

(c) Impairment

(i) Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

(ii) Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Notes to Financial Statements (Contd.)

(d) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee, Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary.

Lease Income from operating leases, where the Company is a lessor, is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

(d) Borrowings

Borrowings are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as Current Liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(e) Inventories

Raw materials, traded goods and finished goods are stated at the lower of cost and net realisable value.

Stores and spares are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

Cost is determined on weighted average method for all categories of inventories other than for stores and spares and auction/privately bought teas in which case, cost is determined on FIFO basis and cost is considered as actual cost for each lot respectively. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity. Provision is made for obsolescence and other anticipated losses wherever considered necessary.

(f) Financial Instruments

i. Recognition and Initial Measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Notes to Financial Statements (Contd.)

ii. Classification and Subsequent Measurement

Financial Assets

Financial Assets Carried at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through other Comprehensive Income.

A Financial Asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Profit or Loss.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Liabilities

Financial Liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investments representing equity interest in associates are carried at cost in the financial statements.

iii. Derecognition

Financial Assets

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby the transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

(g) Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the Statement of Profit and Loss.

(h) Foreign Currencies

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at

Notes to Financial Statements (Contd.)

the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined

(i) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

(j) Revenue Recognition

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018. However, the application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes including goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

Sale of Products

Revenue from sale of goods is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income from debt instruments is recognised using the effective interest rate method.

(k) Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Notes to Financial Statements (Contd.)

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for: - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction. - temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred Tax Assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. Deferred tax assets recognised or unrecognized are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(l) Provisions and Contingent Liabilities

i. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii. Contingent Liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii. Onerous Contracts

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(m) Employee Benefits

i. Short-Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences

Notes to Financial Statements (Contd.)

and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

ii. Post-Employment Benefits

Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee renders the related service. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. The Company also provides for post-employment defined benefit in the form of gratuity and medical benefits. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Remeasurement of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income. The effect of any plan amendments are recognized in the statement of profit and loss.

iii. Other Long-Term Employee Benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date.

(n) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet

(o) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company. As per Ind AS 108 if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Indian Accounting Standard as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly the company has presented segment only for consolidated financial statements.

(p) Earnings Per Share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(q) Cash Flow Statement

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

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

Notes to Financial Statements (Contd.)

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

Ind AS 12 – Income Taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Long-Term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

Notes to Financial Statements for the Year ended 31st March, 2019 (Contd.)

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR 2018-19

(` In Lakhs)

Reconciliation of Carrying Amount

Description	Gross Carrying Amount			Accumulated Depreciation			Carrying Amounts (Net) As at 31st March 2019	
	As at 1st April 2018	Additions	Disposals/ Adjustment	As at 31st March 2019	As at 1st April 2018	Additions		Disposals
Freehold Land	2,581.86	-	-	2,581.86	-	-	-	2,581.86
Buildings	784.20	-	-	784.20	99.60	77.27	-	176.87
Plant and Machinery	631.68	17.67	-	649.36	151.41	41.97	-	455.98
Furniture and Fixtures	157.25	-	-	157.25	17.09	38.27	-	101.89
Motor Vehicles	21.12	7.04	-	28.16	9.84	1.83	-	16.49
Office Equipment	3.57	0.55	-	4.11	1.47	2.35	-	3.83
Computer and Data Processing Units	5.02	0.68	-	5.70	2.22	0.47	-	3.00
Bearer Plants	1,506.40	-	-	1,506.40	54.18	2.60	-	1,449.63
Total	5,691.10	25.94	-	5,717.04	335.82	164.76	-	5,216.47
Capital work in progress	6.41	181.47	28.41	159.47	-	-	-	159.47

PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR 2017-18

Description	Gross Carrying Amount			Accumulated Depreciation			Carrying Amounts (Net) As at 31st March 2018	
	As at 1st April 2017	Additions / Adjustments	Disposals	As at 31st March 2018	As at 1st April 2017	Additions		Disposals
Freehold Land	2,581.86	-	-	2,581.86	-	-	-	2,581.86
Buildings	775.02	9.18	-	784.20	51.47	48.13	-	684.60
Plant and Machinery	584.07	47.62	-	631.68	81.17	70.24	-	480.27
Furniture and Fixtures	41.27	115.98	-	157.25	8.24	8.85	-	140.16
Motor Vehicles	21.12	-	-	21.12	5.92	3.92	-	11.28
Office Equipment	3.13	0.44	-	3.57	0.77	0.70	-	2.09
Computer and Data Processing Units	3.94	1.07	-	5.02	1.14	1.08	-	2.79
Bearer Plants	1,493.98	12.43	-	1,506.40	27.09	27.09	-	1,452.23
Total	5,504.38	186.72	-	5,691.10	175.81	160.01	-	5,355.29
Capital Work in Progress	46.07	6.41	46.07	6.41	-	-	-	6.41

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE - 5 : FINANCIAL ASSETS : NON CURRENT INVESTMENTS

Non-Current Investments (valued at lower of cost and fair value, unless stated otherwise)

Particulars	Face value per share/ unit	Units/Nos.		Amount	
		As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
At cost					
<u>Unquoted</u>					
Investment in Equity Instruments (Fully Paid)					
A. Investment in Associates					
Abhijit Tea Company Private Limited	100	7,338	7,338	332.40	332.40
Amit Paridhan Private Limited	10	1,75,000	1,75,000	3.10	3.10
East Indian Produce Limited	10	63,380	63,380	44.22	44.22
Jaldacca Tea Plantations Private Limited	1000	850	850	43.13	43.13
New Darjeeling Union Tea Company Limited	25	11,085	11,085	124.76	124.76
Sayedabad Tea Company Limited	10	15,070	15,070	1.51	1.51
Terai Tea Resorts Limited	10	20,000	20,000	0.91	0.91
Terai Doors Tea Company Private Limited	10	2,62,500	2,62,500	24.23	24.23
Terai Financial Services Private Limited	10	22,554	22,554	0.23	0.23
Terai Infrastructures Limited	10	26,09,500	26,09,500	21.45	21.45
Terai Ispat & Trading Private Limited	10	7,01,273	7,01,273	22.83	22.83
Terai Overseas Private Limited	10	3,17,460	3,17,460	28.70	28.70
The Kharibari Tea Company Limited	10	96,937	96,937	44.22	44.22
Sub-Total (A)				691.67	691.67
B. Others					
Techno Steel India Private Limited		2,500	2,500	1.25	1.25
Deccan Trade Link Private Limited		-	1,35,000	-	13.50
Elecom Commercial Private Limited		-	90,000	-	9.00
Shilpam Dealcom Private Limited	10	2,25,000	-	22.50	-
Sub-Total (B)				23.75	23.75
At Fair Value Through Profit and Loss					
<u>Unquoted</u>					
C. Investment in mutual Funds					
BOI AXA Capital Protection Oriented Fund		-	4,99,990	-	54.85
Sub-Total (C)				-	54.85
<u>Quoted</u>					
D. Investment in Equity Instruments (Fully Paid)					
Bajaj Hindustan Sugar Limited	1	4,000	4,000	0.35	0.35
Central Bank Of India	10	2,388	2,388	1.00	1.73
IFCI Limited	10	2,000	2,000	0.28	0.39
Jayshree Tea and Industries Limited	5	—	1,000	—	0.86
Sub-Total (D)				1.63	3.33
Total Non-Current Investment (A + B + C + D)				717.06	773.60
Aggregate Amount of Unquoted Non-Current Investment				715.42	770.27
Aggregate Mkt. Value of Quoted Non-Current Investment				1.63	3.33

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE - 6 : FINANCIAL ASSETS - LOANS

Particulars	As at 31st March, 2019	As at 31st March, 2018
<u>Unsecured</u>		
Considered Good :		
Security Deposits	10.51	10.51
	10.51	10.51

NOTE 7 - OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
<u>Unsecured</u>		
Considered Good :		
Grants Receivable	67.15	67.15
Fixed Deposits with Banks	46.05	43.05
Other Receivables	12.45	14.95
Deferred Revenue Expenditure	-	0.12
	125.64	125.26

NOTE 8 - OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
<u>Unsecured</u>		
Considered Good :		
Capital Advance :		
– Advance Against Land	59.60	59.60
– Advances Against Supply of Goods and Services	5.57	7.57
– Gold and Silver	144.50	144.04
– Assets Held for Investment	14.45	14.45
– Assets Held for Sale	103.26	103.26
	327.38	328.92

NOTE 9 - INVENTORIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Finished Goods	447.75	524.17
Stores and Spare Parts	127.19	96.40
	574.95	620.57

NOTE 10 - FINANCIAL ASSETS : CURRENT INVESTMENTS

Particulars	Face value per share/ unit	Units/Nos.		Amount	
		As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
At Fair Value Through Profit and Loss					
A. <u>Quoted</u>					
Investment in Equity Instruments (Fully Paid)					
Bharat Heavy Electricals Limited	2	2,500	2,500	2.03	2.03
GOL Offshore Limited	10	5,000	5,000	4.32	4.32
Hotel Leela Venture Limited	2	5,000	5,000	0.56	0.86
UCO Bank	10	5,000	5,000	0.99	0.99
United Bank of India	10	70,000	70,000	8.12	8.86
Varun Shipping Company Limited	10	5,000	5,000	0.34	0.34
Sub-Total (a)				16.36	17.40

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 10 - FINANCIAL ASSETS : CURRENT INVESTMENTS (Contd.)

Particulars	Units/Nos.		Amount	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
B. Unquoted				
Investment in mutual Funds				
Kotak Income Opportunity Fund-Regular Plan-Growth	-	283,992	-	54.27
DSP Black Rock Income Opportunities Fund-Regular Plan- Growth	189,421	189,421	53.28	54.17
Reliance Regular Saving Fund Debt Plan-Growth Plan-Growth Option	-	901,608	-	218.19
SBI Corporate Bond Fund -Regular Plan-Growth	-	194,848	-	54.42
Baroda Pioneer Credit Opportunities Fund Plan A- Growth	410,129	410,129	58.48	55.24
UTI Income Opportunities Fund Growth	-	343,704	-	54.48
ICICI Prudential Monthly Income Plan-25 Growth	143,736	143,736	61.23	56.60
SBI Magnum Monthly Income Plan- Regular Plan- Growth	107,273	107,273	42.45	40.85
HDFC Mip -Long Term Plan (G)	89,231	89,231	41.08	38.56
ICICI Prudential Equity Income Fund-Regular	248,997	248,997	34.31	31.90
Reliance Regular Saving Fund-Balanced Option	49,240	49,240	27.14	26.26
ICICI Prudential Mip-25 Direct Plan (G)	216,670	216,670	92.30	88.86
Kotak Balanced Advantage Fund (G)	571,998	-	59.37	-
Sub-Total (B)			469.65	773.80
Total Non-Current Investment (a + b)			486.01	791.20
Aggregate amount of unquoted current investment			469.65	773.80
Aggregate market value of quoted current investment			16.36	17.40

NOTE 11 - TRADE RECEIVABLES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered Good*	2,064.82	1,057.78
Considered Doubtful	90.63	33.12
	2,155.45	1,090.91
Less: Allowance for Doubtful Debts	(90.63)	(33.12)
	2,064.82	1,057.78
The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in note 38.		
NOTE 12 - CASH AND BANK BALANCES		
Cash and Cash Equivalents		
--- Cash on Hand	32.43	20.83
--- Current Accounts	27.32	103.07
--- Fixed Deposits	--	--
	59.74	123.90
NOTE 13 - LOANS RECEIVABLE (CURRENT)		
Unsecured		
Considerd Good	--	--
Others	--	2.07
	--	2.07
NOTE 14 - OTHER FINANCIAL ASSETS		
Unsecured		
Considerd Good		
Grants Receivable	53.97	5.97
Interest Accrued but not due	3.39	3.01
Others *	--	786.87
	57.36	795.85

* Others includes insurance claim and other receivables

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 15 - OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considerd Good		
Advances for Supply of Goods and Services	1,981.57	1,492.86
Prepayments	8.04	6.88
Balances with Statutory Authorities	8.09	11.21
	1,997.70	1,510.95

NOTE 16 - EQUITY SHARE CAPITAL

Authorised

[1,00,00,000 Equity Shares of ` 10 each
(31 March 2018: 1,00,00,000 Equity Shares of ` 10 each)]

Issued and Subscribed Capital

[68,79,300 Equity Shares of ` 10 each
(31 March 2018: 68,79,300 Equity Shares of ` 10 each)]

Paid-up Capital

[68,79,300 Equity Shares of ` 10 each
(31 March 2018: 68,79,300 Equity Shares of ` 10 each)]

Add : Shares Forfeited

	1,000.00	1,000.00
	1,000.00	1,000.00
	687.93	687.93
	687.93	687.93
	2.36	2.36
	690.29	690.29

Rights, Preferences and Restrictions Attached to Equity Shares :

The Company has only one class of Equity Shares having a par value of ` 10 per share. Each holder of Equity Shares is 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, except in case of interim dividend. 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes :

a) Details of Shareholders Holding More Than 5% of the Aggregate Shares in the Company :

	31 March 2019		31 March 2018	
	No of Shares	% Holding	No of Shares	% Holding
Ajit Kumar Agarwala	2,576,800	37.46%	2,576,800	37.46%
Shashikala Agarwala	1,898,800	27.60%	1,898,800	27.60%
Abhijit Tea Company Pvt. Ltd.	470,000	6.83%	470,000	6.83%

b) Reconciliation of Number of Equity Shares Outstanding at the Beginning and at the end of the Reporting year :

	31 March 2019		31 March 2018	
	No of Shares	Amount	No of Shares	Amount
Opening Balance at the beginning of the reporting year	68,79,300	687.93	68,79,300	687.93
Movement during the reporting year	---	---	---	---
Closing Balance at the End of the Reporting Year	68,79,300	687.93	68,79,300	687.93

c) The Company has not allotted any fully paid up equity shares by of bonus shares during the period of five years immediately preceding the Balance Sheet date nor has issued shares for consideration other than cash.

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 17 - OTHER EQUITY

Particulars	As at 31st March, 2019	As at 31st March, 2018
Refer Statement of Changes in Equity for Detailed Movement in Equity Balance.		
A. Summary of Other Equity Balance.		
Securities Premium	764.56	764.56
Retained Earnings	4,968.71	4,837.42
General Reserve	49.88	49.88
Share Forfeiture	9.45	9.45
Items of Other Comprehensive Income	(8.94)	(9.20)
	5,783.66	5,652.11

B. Nature and Purpose of Reserves.

Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Items of Other Comprehensive Income

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

NOTE 18 - NON-CURRENT BORROWINGS

Secured

Term Loans from Banks (Refer note below)	2,521.07	1,140.00
	2,521.07	1,140.00

Note :

Facility Category	Security Details	Amount as at 31 March 2019
Term Loan	i) Equitable mortgage on property belonging to Abhijit Tea Company Private Limited. valued at ` 11.26 million ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala. iii) Letter of comfort from Abhijit Tea Company Private Limited	1,100.00
Term Loan	i) The Loan is secured by collateral security of landed property worth ` 12.22 crores belonging to M/s Terai Ispat and Trading Private Limited. ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala.	1,200.00
Term Loan	i) Equitable mortgage on Company's Property, Plant and Equipment ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala.	216.87
Term Loan	i) Secured against equitable mortgage of Company's immovable land and building of one unit and hypothecation of current assets of the same unit ranking pari passu with working capital.	40.23
Vehicle Loan	Secured by Vehicle	5.28
	Total	2,562.38

The rate of interest on the above loans are in the range of 8.95% to 9.15% p.a.

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 18 - NON-CURRENT BORROWINGS (Contd.)

Repayment schedule as at 31 March 2019

Facility Category	Total Carrying value	< 1 year	> 1 year	Terms and conditions of Term loan from banks
Term Loan	1,100.00	--	1,100.00	Repayment at the end of the tenure with monthly interest repayment.
Term Loan	1,200.00	-	1,200.00	By Bullet payment after First Disbursement.
Term Loan	216.87	-	216.87	Repayable in 20 equal quarterly installments.
Term Loan	40.23	40.23	--	Repayable in 4 equal quarterly installments of ` 10 lakhs each. The final repayment is in 2019-2020.
Vehicle Loan	5.28	1.08	4.20	Repayable in 60 equal installments.
Total	2,562.38	41.31	2,521.07	

NOTE 19 - PROVISIONS (NON-CURRENT)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits (Refer Note 37)		
- Gratuity	83.47	106.88
	83.47	106.88

NOTE 20 - OTHER NON-CURRENT LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Income	149.03	136.69
	149.03	136.69

NOTE 21 - CURRENT-BORROWINGS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
Working Capital Loan from Bank (Refer note below)	775.83	2,332.00
	775.83	2,332.00

Working Capital Borrowings from Banks are secured by first charge by way of hypothecation over Stocks and Book Debts of the Respective Units / Tea Estate of the Company.

Rate of Interest on Working Capital Loans Ranges from 8.95% to 9.10%.

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 22 - TRADE PAYABLES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total outstanding dues of Micro and Small Enterprises (Refer Note Below)	9.18	---
Total outstanding dues of other than micro and small enterprises*	1,539.25	1,101.26
	1,548.43	1,101.26
Note :		
There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2019. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.		
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year :		
--- Principal	9.18	---
--- Interest	---	---
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	---	---
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	---	---
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	---	---
The amount of interest accrued and remaining unpaid at the end of each accounting year.		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	---	---
The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 40.		
NOTE 23 - OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term Debts (Refer Note 18)	41.31	93.08
	41.31	93.08
NOTE 24 - OTHER CURRENT LIABILITIES		
Statutory Dues Payable	4.83	26.90
Liability for Expenses and Goods	120.26	151.36
Advance from Customers	36.93	0.79
	162.01	179.05
NOTE 25 - PROVISIONS		
Provision for Employee Benefits (Refer Note 37)		
- Gratuity	4.79	17.88
	4.79	17.88

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 26 - REVENUE FROM OPERATIONS

	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Sale of Products	6,857.57	5,615.53
Sale of Traded Goods	7,217.56	7,296.57
	14,075.13	12,912.10
NOTE 27 - OTHER INCOME		
Interest Income from Financial Assets carried at amortised cost	3.42	5.39
Dividend Income	0.07	0.05
Net Gain on Financial Asset measured at Fair Value Through Statement of Profit and Loss	31.75	43.10
Rental Income	10.30	10.31
Government Grant	36.58	51.44
Liabilities no Longer Required, Written Back	6.42	-
Miscellaneous Income	5.82	18.12
	94.35	128.41
NOTE 28 - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Inventories at the Beginning of the Year :		
- Finished Goods	524.17	757.39
Inventories at the End of the Year :		
- Finished Goods	447.75	524.17
	76.41	233.23
(Increase) / Decrease in Inventory		
NOTE 29 - EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	565.73	572.11
Contribution to Provident and Other Funds (Refer Note 38)	23.63	21.65
Staff Welfare Expenses	13.60	6.93
	602.97	600.69
NOTE 30 - FINANCE COSTS		
Interest Expense on Financial Liability Measured at Amortised Cost	365.15	366.45
Others	11.30	10.28
	376.44	376.73
NOTE 31 - OTHER EXPENSES		
Consumption of Stores and Spares	244.87	229.37
Allowances for Doubtful Receivables	57.00	20.40
Power and Fuel	1,163.23	1,159.34
Freight and Transport Charges	35.70	19.45
Rent	0.26	-
Rates and Taxes	4.51	5.40
Insurance	5.37	8.26
Travelling and Conveyance	37.86	54.83
Repairs and Maintenance :		
- Building	17.67	24.01
- Plant and Machinery	201.44	45.10
- Others	50.19	189.80
Professional Fees (Refer Note 35)	38.65	30.49
Miscellaneous	47.61	34.30
Communication Expense	3.10	-
Selling Expenses	175.31	134.31
Printing and Stationery	3.39	2.62
Subscription and Donation	6.83	4.36
	2,092.98	1,962.04

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 32- INCOME-TAX

For the Period Ended	31-03-2019	31-03-2018
(a) Amounts Recognised in Statement of Profit and Loss		
Current Tax	9.44	28.24
Tax Expense for Earlier Year	—	(5.72)
Attributable to Origination and Reversal of Temporary Differences	(15.96)	10.16
	(6.52)	32.68

(b) Amounts Recognised in Other Comprehensive Income

For the Period Ended	31-03-2019			31-03-2018		
	Before Tax	Tax (expense) Benefit	Net of Tax	Before Tax	Tax (Expense) Benefit	Net of Tax
Items that will not be Reclassified to Statement of Profit and Loss						
Remeasurements of the Defined Benefit Plans	0.27	—	0.27	(10.25)	3.17	(7.08)
	0.27	—	0.27	(10.25)	3.17	(7.08)

(c) Reconciliation of Effective Tax Rate

For the Period Ended	31-03-2019		31-03-2018	
Profit Before Tax	—	124.78	—	121.33
Tax using the Company's Domestic Tax Rate :	26.00%	32.44	31.20%	37.85
Tax Effect of :				
Tax Exempt Income	(23.80%)	(29.69)	(0.04%)	(0.05)
Impact on Account of Tax Reversal of Earlier Years	—	—	(4.71%)	(5.72)
Others	(7.43%)	(9.27)	0.49%	0.59
	(5.22%)	(6.52)	26.93%	32.67

(d) Recognised Deferred Tax Assets and Liabilities

Deferred Tax Assets and Liabilities are Attributable to the Following :

	Deferred Tax Assets		Deferred Tax Liabilities		Deferred Tax (Liabilities)/Asset, Net	
	31-03-2019	31-03-2018	31-03-2019	31-03-2018	31-03-2019	31-03-2018
Property, Plant and Equipment	—	--	35.47	68.31	(35.47)	(68.31)
Investment at Fair Value through Profit and loss	—	4.19	—	4.19	—	—
Other items	13.31	26.00	—	--	13.31	26.00
	13.31	30.19	35.47	68.31	(22.16)	(38.12)

(e) Movement in Temporary Differences

	Recognised in Statement of profit and Loss		Recognised in OCI	Recognised Directly in Equity	Others	31-03-2019
	01-04-2018					
Property, Plant and Equipment	(68.31)	(32.84)	--	--	—	(35.47)
Investment at Fair Value Through Profit and Loss	4.19	4.19	—	—	—	—
Other Items	26.00	12.69	—	—	—	13.31
	(38.12)	(15.96)	—	—	—	(22.16)
	01-04-2018	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised Directly in Equity	Others	31-03-2019
Property, Plant and Equipment	(64.38)	3.93	--	(68.31)	--	--
Investment at Fair Value Through Profit and Loss	8.95	4.76	--	--	--	4.19
Other Items	24.30	(1.70)	3.17	--	--	26.00
	(31.13)	6.99	3.17	—	—	(38.12)

The Following Table Provides the Details of Income Tax Assets and Income Tax Liabilities as of 31 March 2018, 31 March 2017, 1 April 2016.

As at	31-03-2019	31-03-2018
Income Tax Assets (Net)	—	—
Current Tax Liabilities (Net)	15.05	14.95
Net Current Income Tax Asset / (liability) as at 31 March	(15.05)	(14.95)

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 33 - CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities

- (a) Claims against the Company not acknowledged as debt in respect to Income Tax, Sales Tax and Other Matters amounted to ` 159.23 Lakhs; (31 March 2018 : ` 183.43 Lakhs)
- Demand for Agricultural Income Tax Aggregating ` Nil (31 March 2018 : ` 6.96 Lakhs), paid subsequent to the date of Balance Sheet, in terms of scheme of Government of West Bengal, excluding the interest portion of ` 21.82 Lakhs which has been waived off since the demand was paid within April, 2019.
 - VAT and Sales Tax Demand on Assessment aggregating ` 154.65 lakhs (31 March 2018 : ` 154.65 Lakhs) being disputed.
- (b) Bank Guarantees outstanding as at 31 March 2019 : ` 136.46 Lakhs (31 March 2018 : ` 142.00 Lakhs)

Note : Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.

(ii) Commitments:

- (a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for ` Nil Lakhs (31 March 2018 : ` Nil)
- (b) The Company has extended Corporate Guarantees and equitable mortgage on Company's Immovable Properties Created to Secure the Loans Limits Sanctioned in Favour of the Following Companies :

Name of the Company	Name of the Bank	Limit sanctioned		Outstanding as at	
		31-03-2019	31-03-2018	31-03-2019	31-03-2018
Abhijit Tea Company Pvt. Ltd.	Bank of India	930.00	846.00	348.45	560.00
Terai Overseas Pvt. Ltd.	Bank of India	5,343.00	5,343.00	3419.27	2,661.00

Regarding items (i) and (ii) (b) above, it is not practicable to disclose information in respect of the estimate of the financial effect, an indication of the uncertainties relating to outflow and the possibility of any reimbursement as it is determinable only on occurrence of uncertain future events / receipt of judgements pending at various forums.

NOTE 34 - EARNINGS PER SHARE

A. Computation of earnings per share is as follows:

For the period	31-03-2019	31-03-2018
Net Profit Attributable to the Equity Shareholders	131.29	88.65
Nominal Value of Equity Shares	10	10
Number of Weighted Average Shares Considered for Calculation of Basic and Diluted Earnings Per Share	68,79,300	68,79,300

For the period	31-03-2019	31-03-2018
Earnings per share:		
- Basic	1.91	1.29
- Diluted	1.91	1.29

NOTE 35 - AUDITOR'S REMUNERATION (INCLUDED IN LEGAL AND PROFESSIONAL FEES, EXCLUDING APPLICABLE TAXES)

For the Period	31-03-2019	31-03-2018
Statutory Audit Fees	2.00	2.00
Tax Audit fees	0.50	0.50
Total Fee	2.50	2.50

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 36 - RELATED PARTIES

1. Relationships	
Associate Companies	Abhijit Tea Company Private Limited Amit Paridhan Private Limited East Indian Produce Limited Jaldacca Tea Plantations Private Limited New Darjeeling Union Tea Company Limited Sayedabad Tea Company Limited Terai Dooars Tea Company Private Limited Terai Financial Services Private Limited Terai Infrastructures Limited Terai Ispat & Trading Private Limited Terai Overseas Private Limited The Kharibari Tea Company Limited
2. Key Management Personnel (KMP):	
Managing Director	Shri Ajit Kumar Agarwala
Chief Financial Officer	Shri Rajendra Kanodia
Company Secretary	Shri Roshan Dave
3. Entities where key management personnel and their relatives are able to exercise significant influence	Ajit Kumar Agarwala and Others (HUF) Kanchanview Resorts Private Limited Bagdogra Tea Company Private Limited

4. The Following are Significant Transactions with Related Parties by the Company.

Particulars	Relation	31-03-2019	31-03-2018
Sale of Products	Associates	5.60	251.53
Purchase of Goods	Associates	44.53	20.25
Purchase of Goods	Significant influence	---	5.40
Short-Term Employee Benefits	KMP	75.72	74.72

4. The Balance Receivable from and Payable to Related Parties are as Follows :

Particulars	Relation	31-03-2019	31-03-2018
Trade Receivables			
Sayedabad Tea Company Limited	Associate	---	0.49
East Indian Produce Limited	Associate	---	40.52
Loans and Advances			
Kanchanview Resorts Private Limited	Significant Influence	---	0.20
Bagdogra Tea Company Private Limited	Significant Influence	---	(0.20)

Note: The Sales and Purchases from related parties are made on the terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year end are unsecured and interest free and settlement occurs in cash. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 37 - EMPLOYEE BENEFITS

(a) Defined Contribution Plans

The Company has recognised an amount of ` 23.63 lakhs (31 March 2018 : ` 21.65 lakhs) as expenses under the defined contribution plans in the statement of profit and loss for the year:

(b) Defined benefit plans

1. Reconciliation of Net Defined Benefit Asset / (Liability)	31-03-2019	31-03-2018
(i) Reconciliation of Present Value of Defined Benefit Obligation		
Obligations as at 1 April	124.76	103.62
Current Service Cost	(36.93)	7.61
Past Service Cost	-	-
Interest Cost	9.10	7.85
Benefits Settled	(8.95)	(4.57)
Acturial (Gain) / Loss Due to Financial Assumptions	0.27	(2.13)
Acturial (Gain) / Loss Due to Experience Adjustments	-	12.38
Obligations at the Year End 31 March	88.26	124.76
(ii) Reconciliation of Present Value of Plan Asset:		
Plan Assets as at 1 April	-	-
Expected Return on Plan Assets	-	-
Return on Assets Excluding Interest Income	-	-
Contributions	8.95	4.57
Benefits Settled	(8.95)	(4.57)
Plan Assets at 31 March at Fair Value	-	-
(iii) Reconciliation of Net Defined Benefit Asset / (Liability)		
Present Value of Obligation as at 31 March	88.26	124.76
Plan Assets at 31 March at Fair Value	-	-
Amount Recognised in Balance Sheet Asset / (Liability)	(88.26)	(124.76)
Non-Current	83.47	106.88
Current	4.79	17.88
2. Expenses Recognised in the Statement of Profit and Loss Under		
Employee Benefit Expense:		
Current Service Cost	(36.93)	7.61
Past Service Cost*	-	-
Interest Cost	9.10	7.85
Net Cost	(27.83)	15.46
3. Remeasurements Recognised in Statement of Other Comprehensive Income		
Changes in Financial Assumptions	0.27	(2.13)
Experience Adjustments	-	12.38
Net Loss / (Gain) Recognised in Statement of Other Comprehensive Income	0.27	10.25
4. Principal Acturial Assumptions		
Discount Factor [Refer Note (i) below]	7.70%	7.75%
Salary Escalation Rate [Refer Note (iii) below]	6.00%	6.00%
Retirement Age (in Years)	60	60

Notes : (i) The Discount rate is based on the prevailing market yield on Government Securities as at the Balance Sheet date for the Estimated Term of Obligations.

(iii) The Estimate of Future Salary Increases Considered in Actuarial Valuation takes into Account Inflation, Seniority, Promotion and Other Relevant Factors such as Supply and Demand in the Employment Market.

Sensitivity Analysis

The Sensitivity Analysis of Significant Actuarial Assumption as of end of Reporting Period is Shown Below.

	31-03-2019	31-03-2018
A. Discount Rate		
Discount Rate -1%	96.21	126.01
Discount Rate +1%	81.32	123.51
B. Salary Escalation Rate		
Salary Rate -1%	80.78	123.51
Salary Rate +1%	96.69	126.01

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 38 - FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities as at 31 March 2019, Including their Levels in the Fair Value Hierarchy.

Particulars	Note	FVTPL	Carrying Amount				Fair Value			
			FVOCI	Other Financial Assets Amortised Cost	Other Financial Liabilities	Total Carrying Amount	Level-1	Level-2	Level-3	Total
Financial Assets Measured at Fair Value										
Investment in Mutual Funds	5, 10	469.65	—	—	—	469.65	469.65	—	—	469.65
Investment in Equity Shares	5, 10	41.74	—	—	—	41.74	41.74	—	—	41.74
		511.39	—	—	—	511.39				
Financial Assets Not Measured at Fair Value										
Loans		6	—	—	10.51	—	10.51			
Other Financial Assets	7, 14	—	—	183.00	—	183.00				
Trade Receivables	11	—	—	2,064.82	—	2,064.82				
Cash and Cash Equivalents	12	—	—	59.74	—	59.74				
				2,318.07	—	2,318.07				
Financial Liabilities Not Measured at Fair Value										
Borrowings	18, 21	—	—	—	3,296.90	3,296.90				
Trade Payables	22	—	—	—	1,548.43	1,548.43				
Other Financial Liabilities	23	—	—	—	41.31	41.31				
		—	—	—	4,886.64	4,886.64				

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities as at 31 March 2018, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	Carrying Amount				Fair Value			
			FVOCI	Other Financial Assets Amortised Cost	Other Financial Liabilities	Total Carrying Amount	Level-1	Level-2	Level-3	Total
Financial Assets Measured at Fair Value										
Investment in Mutual Funds	5, 10	828.65	—	—	—	828.65	828.65	—	—	828.65
Investment in Equity Shares	5, 10	44.47	—	—	—	44.47	44.47	—	—	44.47
		873.13	—	—	—	873.13				
Financial Assets Not Measured at Fair Value										
Loans		6	—	—	12.58	—	12.58			
Other Financial Assets	7, 14	—	—	921.11	—	921.11				
Trade Receivables	11	—	—	1,057.78	—	1,057.78				
Cash and Cash Equivalents	12	—	—	123.90	—	123.90				
		—	—	2,115.37	—	2,115.37				
Financial Liabilities Not Measured at Fair Value										
Borrowings	18, 21	—	—	—	3,472.00	3,472.00				
Trade Payables	22	—	—	—	1,101.26	1,101.26				
Other Financial Liabilities	23	—	—	—	93.08	93.08				
		—	—	—	4,666.35	4,666.35				

Notes to Financial Statements (Contd.) (` in Lacs)

The fair value of Cash and Cash Equivalents, Trade Receivables, Loans, Trade Payables and Other Financial Assets and Liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value. Investments in equity shares in Associates is not appearing as Financial Asset in the table above being investment in associates accounted under Ind AS 27, Seperate Financial Statements is scoped out under Ind AS 109, Financial Instruments.

Investments in liquid and short- term mutual funds which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Investments in equity shares which are classified as FVTPL are measured using market price of share at the reporting date multiplied by the quantity held.

Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Board. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Financial Assets that are not Credit Impaired

The Company has financial assets which are in the nature of cash and cash equivalents, other bank balances, loans, security deposits, interest accrued on fixed deposits and other receivables which are not credit impaired. These are contractually agreed where the probability of default is negligible.

Financial Assets That are Credit Impaired

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the type of each customer. In monitoring customer credit risk, customers are grouped according to their credit characteristics, industry, trading history with the Company and existence of previous financial difficulties.

The Company has calculated the impairment loss arising on account of past trends in the default rate for time bucket.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Out of the total trade receivables of ` 2,064.82 Lakhs (31 March 2017 : ` 1,057.78 Lakhs), the exposure considered for expected credit loss is ` 90.63 Lakhs (31 March 2017 : ` 37.99 Lakhs).

Movement in the Allowance for Impairment in Trade Receivables	31-03-2019	31-03-2018
Opening balance	33.12	33.12
Amount Provided for	57.50	—
Net Remeasurement of Loss Allowance	90.63	33.12

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant Financial Liabilities as at 31 March 2019.

Particulars	As at 31 March 2019		
	Less than 1 year	1-2 years	2 years and above
Non-Derivative Financial Liabilities			
Trade Payables	1,548.43	—	—
Other Financial Liabilities	41.31	—	—
Borrowings	775.83	41.31	2,479.76
	2,365.57	41.31	2,479.76

Notes to Financial Statements (Contd.)

(` in Lacs)

Particulars	As at 31 March 2019		
	Less than 1 year	1-2 years	2 years and above
Non-Derivative Financial Liabilities			
Trade Payables	1,101.26	--	--
Other Financial Liabilities	93.08	--	--
Borrowings	2,332.00	93.08	1,046.92
	3,526.35	93.08	1,046.92

Market Risk

Market Risk is the risk that changes in market prices – such as interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Particulars	31-03-2019	31-03-2018
Variable Rate Borrowings	3,338.21	3,565.08
Fixed Rate Borrowings	--	--
Total	3,338.21	3,565.08

Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

	Profit or Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2019				
Movement by 50 Basis Points	16.69	(16.69)	12.35	(12.35)
	16.69	(16.69)	12.35	(12.35)

	Profit or Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2018				
Movement by 50 Basis Points	17.83	(17.83)	13.19	(13.19)
	17.83	(17.83)	13.19	(13.19)

Agricultural risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

Notes to Financial Statements (Contd.)

(` in Lacs)

NOTE 39 - CAPITAL MANAGEMENT

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

The Company monitors capital on the basis of the following gearing ratio.

Particulars	31-03-2019	31-03-2018
Total Debt	3,338	3,565
Total Equity	6,474	6,342
Debt to Equity Ratio	51.56%	56.21%

NOTE 40

The Company acquired by way of purchase Dharnipur Tea Estate as a "Going Concern" from its owner Sri Dharendra Nath Bhowmick (since deceased) and Dharnipur Tea Industries (P) Ltd. as confirming party and the Deed of conveyance was duly executed and registered in the name of the Company. The said Deed of Conveyance was cancelled in view of certain pending disputes between the seller and another party. However the agreement for purchase of the said Tea Estate subsists and is subject matter of a specific performance suit pending before Hon'ble Kolkata High Court. The Company is not in possession of the said Tea estate and has accordingly not accounted for the profit and loss on account of the operation or ownership of the said Tea Estate. The value of Dharnipur Tea estate represents the costs paid at the time of purchase and the legal expenses incurred thereafter on behalf of Bhowmicks and/or legal heirs for contesting their suit which was pending. All advocate fees at High Court and at Supreme Court were paid by this Company and capitalized. On the basis of Hon'ble Supreme Court order dated 1.10.91, if Bhowmick's title is confirmed in their pending suit then the rights of this company remains intact. The title of Bhowmicks/legal heirs was confirmed by Hon'ble Calcutta High Court. A SLP for declaration and title in favour is pending.

NOTE 41

The Company acquired certain interest in a plot of land at Bangalore for which registration in the name of the Company has not been done. All expenses of litigation in respect of the said land are considered as deemed cost of land and the same has been accounted as advance given for land.

NOTE 42

In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Company and no separate disclosure on segment information is given in these standalone financial statements.

NOTE 43

Previous year figures have been reclassified / regrouped / rearranged wherever necessary.

The Accompanying Notes form an integral part of these Financial Statements.

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

Place : Kolkata

Dated : 29th May, 2019

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Roshan Dave

Company Secretary

ACS 27185

Independent Auditor's Report on Consolidated Financial Statements

To
The Members of
Terai Tea Company Limited
10, Govt. Place (East)
Kolkata - 700 069

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Terai Tea Company Limited ("the Company") and its associates (Company and its associates together referred to as "the Group") which comprise the consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion, and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such associates were audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31 March 2019 and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Estimation of Useful Life of Bearer Plants

See note 3(a) to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Useful life of Bearer Plants requires the management to exercise significant judgement in relation to the estimate thereof. Nature, timing and likelihood of changes to the natural factors may affect the useful life expectancy of the assets and therefore could have a material impact on the depreciation expense for the year.	ü Assessed the management's estimates of the useful life of Bearer Plants with reference to: (a) the consistency with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (b) the comparison to the useful life estimates adopted by the comparable tea producers;

Independent Auditor's Report (contd.)

<p>As per the Ind AS 16 – “Property, Plant and Equipment”, the management reviews the estimated useful life and the residual value of Bearer Plants annually and adjust for changes, where appropriate. Accordingly, the matter has been identified as key audit matter.</p> <p>The written down value of such Bearer Plants as on March 31, 2019 is ₹ 1,449.63 lakhs.</p>	<p>and (3) consideration of the Company's historical experience.</p> <ul style="list-style-type: none"> ü Evaluated the assumptions and critical judgements used by the management through testing of underlying documents / details. ü Assessed the related disclosures included in the consolidated financial statements in this regard.
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Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The information included in the annual report is expected to be made available to us after the date of the auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the respective management and Board of Directors of the Company and its associates are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors is also responsible for overseeing the financial reporting process of each Company.

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

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

Independent Auditor's Report (contd.)

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Company and its associates to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

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

Other Matters

The consolidated financial statements include the share of net profit of ₹ 193.35 lakhs for the year ended 31 March 2019, in respect of twelve associates, whose financial statements have not been audited by us. These financial statements of twelve associates and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's report have been furnished to us by the Management. Our opinion on the consolidated

Independent Auditor's Report (contd.)

financial statement, in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on the report of the other auditors. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such associates as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on 31 March 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the Company and its associate companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company, its associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the associates, as noted in the 'Other Matters' paragraph:

- i) The Company and its associates do not have any significant pending litigations which would impact its financial position.
- ii) The Company and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) With respect to the matter to be included in the auditors' report under Section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company and its associates to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place : Kolkata
Date : May 29, 2019

For **SAHA & MAJUMDER**
Chartered Accountants
FRN : 303087E
Sd/-
S.N. Bhattacharjee
Partner
Membership No. 010767

Annexure “A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of Terai 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”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Terai Tea Company Limited (hereinafter referred to as “the Company”) and such companies incorporated in India under the Companies Act, 2013 which are its associate companies, as of that date. In our opinion, the Company and such companies incorporated in India which are its associate companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The respective Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 (hereinafter referred to as “the Act”).

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant associate companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to the consolidated financial statements

A company’s internal financial control with reference to the financial statements 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 with reference to the financial statements includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

Independent Auditor's Report (Contd.)

- (ii) 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
- (iii) 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 with reference to the financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place : Kolkata
Date : May 29, 2019

For **SAHA & MAJUMDER**
Chartered Accountants
FRN : 303087E
Sd/-
S.N. Bhattacharjee
Partner
Membership No. 010767

CONSOLIDATED BALANCE SHEET as at 31st March, 2019 (in Lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	5,216.47	5,355.29
(b) Capital Work-in-Progress	4	159.47	6.41
(b) Financial Assets			
(i) Investments	5	6,521.79	6,384.98
(ii) Loans Receivable	6	10.51	10.51
(ii) Other Financial Assets	7	125.64	125.26
(e) Other Non-current Assets	8	327.38	328.92
(A) Total Non-Current Assets (a+b+c+d)		12,361.26	12,211.37
(2) Current Assets			
(a) Inventories	9	574.95	620.57
(b) Financial Assets			
(i) Investments	10	486.01	791.20
(i) Trade Receivables	11	2,064.82	1,057.78
(ii) Cash and Cash Equivalents	12	59.74	123.90
(iv) Loans Receivable	13	-	2.07
(v) Other Financial Assets	14	57.36	795.85
(c) Other Current Assets	15	1,997.70	1,510.95
(B) Total Current Assets (a+b+c)		5,240.58	4,902.32
Total Assets (A + B)		17,601.84	17,113.68
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	690.29	690.29
(b) Other Equity	17	11,573.55	11,263.48
(C) Total Equity		12,263.84	11,953.77
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	2,521.07	1,140.00
(b) Provisions	19	83.47	106.88
(c) Deferred Tax Liability (Net)	32	22.16	38.12
(d) Other Non-current Liabilities	20	149.03	136.69
(D) Total Non-Current Liabilities (a+b+c+d)		2,775.73	1,421.69
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	775.83	2,332.00
(ii) Trade Payables	22	-	-
- total outstanding dues of micro enterprises and small enterprises		9.18	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,539.25	1,101.26
(iii) Other Financial Liabilities	23	41.32	93.08
(b) Other Current Liabilities	24	162.01	179.05
(c) Provisions	25	4.79	17.88
(d) Current tax Liabilities (Net)	32	29.89	14.95
(E) Total Current Liabilities (a+b+c+d)		2,562.27	3,738.23
Total Liabilities (D + E)		5,338.00	5,159.92
Total Equity and Liabilities (C+D+E)		17,601.84	17,113.69
Significant Accounting Policies	3		

See Accompanying Notes to Consolidated Financial Statements

For and on behalf of the Board of Directors

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

Place : Kolkata

Dated : 29th day of May, 2019

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Roshan Dave

Company Secretary

ACS 27185

CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2019

(` in Lakhs)

	Note No.	For the Period ending on 31st March, 2019	For the Period ending on 31st March, 2018
I Revenue from Operations			
Sale of Goods	26	14,075.13	12,912.10
		14,075.13	12,912.10
II Other Income	27	94.36	128.42
III Total Income(I+II)		14,169.49	13,040.52
IV Expenses			
Cost of Material Consumed		3,706.99	2,610.46
Excise Duty		-	4.97
Purchase of Stock-in-Trade		7,024.15	6,971.04
Change in Inventories of Finished Goods and Stock-in-Trade	28	76.42	233.23
Employee Benefits Expense	29	602.97	600.69
Finance Costs	30	376.44	376.73
Depreciation Expense	4	164.76	160.01
Other Expenses	31	2,092.98	1,962.04
Total Expenses		14,044.71	12,919.17
V Profit Before Share of Profits of Associates (III-IV)		124.78	121.34
VI Tax Expense:			
(1) Current Tax	32	24.28	28.24
(2) Deferred Tax		(15.96)	10.16
(3) Tax Expense for Earlier Year		-	(5.72)
		8.32	32.68
VII Profit for the Year (V-VI)		116.45	88.66
VIII Share of Profit / (Loss) of Associates		193.35	(96.50)
IX Profit / (Loss) for the Period After Tax, Share of Profit / (Loss) in Associates		309.80	(7.84)
X Other Comprehensive Income			
<i>Items that will not be reclassified subsequently to statement of profit or loss</i>			
Remeasurements of the net defined benefit liability / asset		0.27	(10.25)
Income-tax relating to items not to be reclassified subsequently to statement of profit or loss		-	3.17
Other Comprehensive Income, Net of Tax		0.27	(7.08)
XI Total Comprehensive Income for the Year (IX+X)		310.07	(14.92)
Profit Attributable to:			
Owners of the Company		309.80	(7.84)
Non Controlling Interest		-	-
Profit for the Year		309.80	(7.84)
Other Comprehensive Income Attributable to:			
Owners of the Company		0.27	(7.08)
Non Controlling Interest		-	-
Other Comprehensive Income for the Year		0.27	(7.08)
Total Comprehensive Income Attributable to:			
Owners of the Company		310.07	(14.92)
Non Controlling Interest		-	-
Total Comprehensive Income for the Period		310.07	(14.92)
Earnings per Share (Nominal Value of ` 10 each)			
Basic [in `]	34	1.69	1.29
Diluted [in `]	34	1.69	1.29
Weighted Average Number of Equity Shares Used in Computing Earnings Per Share			
- Basic	33	68,79,300	68,79,300
- Diluted	33	68,79,300	68,79,300
Significant Accounting Policies	3		

See Accompanying Notes to Consolidated Financial Statements

For and on behalf of the Board of Directors

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

Place : Kolkata

Dated : 29th day of May, 2019

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Roshan Dave

Company Secretary

ACS 27185

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in Lakhs)

	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	124.78	121.34
<u>Adjustments for:</u>		
Depreciation	164.76	160.01
Dividend Income	(0.07)	(0.05)
Provision for Doubtful Debts	90.63	33.12
Net Gain on Financial Asset Measured at Fair Value Through Statement of Profit and Loss	(31.76)	(43.10)
Interest Income	(3.42)	(5.39)
Interest Expense	376.44	376.73
Provision no Longer Required, Written Back	(6.42)	-
	714.94	642.66
<u>Changes in:</u>		
Trade Receivables	(1,097.67)	211.92
Inventories	45.62	227.52
Loans, Other Financial Assets and Other Assets	254.98	16.31
Liabilities and Provisions	360.87	(179.85)
Cash Generated from Operations	278.74	918.57
Income Tax paid, Net of Refund	(9.33)	(16.06)
Net Cash from Operating Activities	269.41	902.51
Cash Flow from Investing Activities		
Acquisition of Property, plant and Equipment	(179.00)	(147.06)
Purchase / (Sale) of Investments, Net	380.14	(3.58)
Profit on Sale of Investments	13.35	3.46
Dividend Received	0.07	0.05
Interest Received	3.42	5.39
Net Cash Provided Used in Investing Activities	217.98	(141.74)
Cash Flow from Financing Activities		
Repayment of Borrowings	(175.10)	(309.62)
Interest Paid	(376.45)	(376.73)
Net Cash Used in Financing Activities	(551.55)	(686.35)
Net Change in Cash and Cash Equivalents	(64.16)	74.42
Cash and Cash Equivalents at the Beginning of the Year	123.90	49.48
Cash and Cash Equivalents at the End of the Year	59.74	123.90
Significant Accounting Policies (Refer Note 3)		

See Accompanying Notes to Consolidated Financial Statements

For and on behalf of the Board of Directors

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

Place : Kolkata

Dated : 29th day of May, 2019

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Roshan Dave

Company Secretary

ACS 27185

Consolidated Notes to Financial Statements (Contd.) (₹ in Lakhs)

Statement of Changes in Equity and Other Equity for the year Ended 31st March, 2018

Particulars	Equity Share Capital	Other Equity				Other Comprehensive Income Other Items of OCI	Total Equity Attributable to Equity Holders of the Company
		Reserves and Surplus					
		Securities Premium	Retained Earnings	General Reserve	Share Forfeiture		
Balance as at 1 April 2017	690.29	764.56	10,456.63	49.88	9.45	(2.12)	11,968.69
Remeasurement of the net defined benefit liability/asset, net of tax effect	—	—	—	—	—	(7.08)	(7.08)
Profit for the year	—	—	(7.84)	—	—	—	(7.84)
Balance as at 31 March 2018	690.29	764.56	10,448.79	49.88	9.45	(9.20)	11,953.77

Statement of Changes in Equity and Other Equity for the year Ended 31st March, 2019

Particulars	Equity Share Capital	Other Equity				Other Comprehensive Income Other Items of OCI	Total Equity Attributable to Equity Holders of the Company
		Reserves and Surplus					
		Securities Premium	Retained Earnings	General Reserve	Share Forfeiture		
Balance as at 1 April 2018	690.29	764.56	10,448.79	49.88	9.45	(9.20)	11,953.77
Remeasurement of the net defined benefit liability/asset, net of tax effect	—	—	—	—	—	0.27	0.27
Profit for the year	—	—	309.80	—	—	—	309.80
Balance as at 31 March 2019	690.29	764.56	10,758.59	49.88	9.45	(8.93)	12,263.84

See accompanying notes to consolidated financial statements, As per our report of even date attached.

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**
Chartered Accountants
FRN 303087E
Sd/-
S.N. Bhattacharjee
Partner
Membership No 010767
Place : Kolkata
Dated : 29th May, 2019

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Sd/-
Rajendra Kanodia
Director & CFO
DIN : 00175574

Sd/-
Roshan Dave
Company Secretary
ACS 27185

Consolidated Notes to Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(` in crores)

1 Reporting Entity

Terai Tea Company Limited (the 'Company') is a Public Limited Group domiciled in India, with its registered office situated at 10, Government Place (East), 1st Floor, Kolkata, West Bengal - 700069. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange (BSE), Calcutta Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Jaipur Stock Exchange Limited in India. The Group is primarily engaged in production, distribution and trading of tea and other agricultural merchandise.

2 Basis of Preparation

A. Statement of Compliance

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Group's Board of Directors on 29th May 2019.

Details of the Group's accounting policies are included in Note 3.

B. Functional & Presentation Currency

These consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Group's functional currency. All amounts have been rounded-off to two decimal places to the nearest lakhs, unless otherwise indicated.

C. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of Estimates and Judgments

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements.

Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2019 is included in the following notes:

Note 32 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 38 - measurement of defined benefit obligations: key actuarial assumptions;

Note 33 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 4 - useful life of property, plant and equipment

Notes 11 - impairment of financial assets.

E. Measurement of Fair Values

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non financial assets and liabilities.

Consolidated Notes to Financial Statements (Contd.)

The Group has an established control framework with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the Note 38 - financial instruments.

3. Significant Accounting Policies

(a) Property, Plant and Equipment

i. Recognition and Measurement

Items of property, plant and equipment, are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

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

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Bearer Plants which is used in the production or supply of agriculture produce and expected to bear produce and expected to bear produce for more than a period of twelve months are capitalized as a part of Property, Plant and Equipment. The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is the systematic allocation of the depreciable amount of property, plant and equipment over its useful life and is provided on a written down value basis over the useful lives as prescribed under Schedule II to the Companies Act, 2013. Land is not depreciated.

Depreciable amount for property, plant and equipment is the cost of property, plant and equipment less its estimated residual value. The useful life of property, plant and equipment is the period over which property, plant and equipment is expected to be available for use by the Group, or the number of production or similar units expected to be obtained from the asset by the Group.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction /disposal.

Consolidated Notes to Financial Statements (Contd.)

The Group recognises Tea bushes and shade trees as bearer plant, bearer plants with further classification as mature bearer plants and immature bearer plants. Mature bearer plants are those that have attained harvestable stage.

Bearer assets are carried at historical cost of acquisition less accumulated depreciation and impairment loss, if any. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Cost incurred for new plantations and immature areas are capitalised. The cost of immature areas coming into bearing is transferred to mature plantations and depreciated over their estimated useful life.

Tea is designated as agricultural produce at the point of harvest and is measured at their fair value less cost to sell as at each reporting date. Any changes in fair value are recognised in the statement of profit and loss in the year in which they arise.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

iv. Capital Work-in-Progress

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

(b) Assets Held for Sale and Disposal

Non - Current assets, or disposals group comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposals groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity- accounted investee is no longer equity accounted.

(c) Impairment

(i) Financial Assets

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

(ii) Non-Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Consolidated Notes to Financial Statements (Contd.)

(d) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary.

Lease income from operating leases, where the Group is a lessor, is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

(d) Borrowings

Borrowings are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(e) Inventories

Raw materials, traded goods and finished goods are stated at the lower of cost and net realisable value.

Stores and spares are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

Cost is determined on weighted average method for all categories of inventories other than for stores and spares and auction/private bought teas in which case, cost is determined on FIFO basis and cost is considered as actual cost for each lot respectively. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity. Provision is made for obsolescence and other anticipated losses wherever considered necessary

(f) Financial Instruments

i. Recognition and Initial Measurement

The Group initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Consolidated Notes to Financial Statements (Contd.)

ii. **Classification and Subsequent Measurement**

Financial Assets

Financial Assets Carried at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value Through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value Through Profit or Loss

A Financial Asset which is not classified in any of the above categories are subsequently fair valued through Profit or Loss.

Financial Liabilities

Financial Liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investments representing equity interest in associates are carried at cost in the financial statements.

iii. **Derecognition**

Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby the transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iv. **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

(g) **Borrowing Costs**

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the Statement of Profit and Loss.

(h) **Foreign Currencies**

Transactions in foreign currencies are initially recorded by the Group at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of

Consolidated Notes to Financial Statements (Contd.)

monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined

(i) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

(j) Revenue Recognition

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at 1 April 2018. However, the application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes including goods and service tax. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made.

Sale of Products

Revenue from sale of goods is recognized when the Group transfers the control of goods to the customer as per the terms of contract. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

Dividend Income

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income from debt instruments is recognised using the effective interest rate method.

(k) Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax

Consolidated Notes to Financial Statements (Contd.)

reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for: - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction. - temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. Deferred tax assets recognised or unrecognized are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Group offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(l) Provisions and Contingent Liabilities

i. General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii. Contingent Liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii. Onerous Contracts

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(m) Employee Benefits

i. Short-Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Consolidated Notes to Financial Statements (Contd.)

ii. Post-Employment Benefits

Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee renders the related service. In respect of contributions made to government administered Provident Fund, the Group has no further obligations beyond its monthly contributions. The Group also provides for post-employment defined benefit in the form of gratuity and medical benefits. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Remeasurement of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income. The effect of any plan amendments are recognized in the statement of profit and loss.

iii. Other Long-Term Employee Benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date.

(n) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet

(o) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Group. As per Ind AS 108 if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Indian Accounting Standard as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly the Group has presented segment only for consolidated financial statements.

(p) Earnings Per Share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(q) Cash Flow Statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a

Consolidated Notes to Financial Statements (Contd.)

single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Group will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Group will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Group will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Group will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Group will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Group is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its financial statements

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not currently have any long-term interests in associates and joint ventures.

Notes to Consolidated Financial Statements for the year ended 31st March, 2019 (Contd.)

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR 2018-19

(In Lakhs)

Reconciliation of carrying amount

Description	Gross Carrying Amount			Accumulated Depreciation			Carrying Amounts (Net) As at 31st March 2019
	As at 1st April 2018	Additions	Disposals	As at 1st April 2018	Additions	Disposals	
Freehold land	2,581.86	-	-	-	-	-	2,581.86
Buildings	784.20	-	-	99.60	77.27	-	607.33
Plant and machinery	631.68	17.67	-	151.41	41.97	-	455.98
Furniture and fixtures	157.25	-	-	17.09	38.27	-	101.89
Motor vehicles	21.12	7.04	-	9.84	1.83	-	16.49
Office equipment	3.57	0.55	-	1.47	2.35	-	0.29
Computer and data processing units	5.02	0.68	-	2.22	0.47	-	3.00
Bearer plants	1,506.40	-	-	54.18	2.60	-	1,449.63
Total	5,691.10	25.94	-	335.82	164.76	-	5,216.47
Capital work in progress	6.41	181.47	28.41	-	-	-	159.47

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR 2017-18

(In Lakhs)

Description	Gross Carrying Amount			Accumulated Depreciation			Carrying Amounts (Net) As at 31st March 2018
	As at 1st April 2017	Additions	Disposals	As at 1st April 2017	Additions	Disposals	
Freehold land	2,581.86	-	-	-	-	-	2,581.86
Buildings	775.02	9.18	-	51.47	48.13	-	684.60
Plant and machinery	584.07	47.62	-	81.17	70.24	-	480.27
Furniture and fixtures	41.27	115.98	-	8.24	8.85	-	140.16
Motor vehicles	21.12	-	-	5.92	3.92	-	11.28
Office equipment	3.13	0.44	-	0.77	0.70	-	2.09
Computer and data processing units	3.94	1.07	-	1.14	1.08	-	2.79
Bearer plants	1,493.98	12.43	-	27.09	27.09	-	1,452.23
Total	5,504.38	186.72	-	175.81	160.01	-	5,355.29
Capital work in progress	46.07	6.41	46.07	-	-	-	6.41

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

NOTE - 5 : NON CURRENT INVESTMENTS

Non-Current Investments (valued at lower of cost and fair value, unless stated otherwise)

Particulars	Face value per share/ unit	Units/Nos.		Amount	
		As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
At cost					
<u>Unquoted</u>					
Investment in Equity Instruments (Fully Paid)					
Associates					
Abhijit Tea Company Private Limited	100	7,338	7,338	332.40	332.40
Amit Paridhan Private Limited	10	175,000	175,000	3.10	3.10
East Indian Produce Limited	10	63,380	63,380	44.22	44.22
Jaldacca Tea Plantations Private Limited	1000	850	850	43.13	43.13
New Darjeeling Union Tea Company Limited	25	11,085	11,085	124.76	124.76
Sayedabad Tea Company Limited	10	15,070	15,070	1.51	1.51
Terai Tea Resorts Limited	10	20,000	20,000	0.91	0.91
Terai Dooras Tea Company Private Limited	10	2,62,500	2,62,500	24.23	24.23
Terai Financial Services Private Limited	10	22,554	22,554	0.23	0.23
Terai Infrastructures Limited	10	26,09,500	26,09,500	21.45	21.45
Terai Ispat and Trading Private Limited	10	7,01,273	7,01,273	22.83	22.83
Terai Overseas Private Limited	10	3,17,460	3,17,460	28.70	28.70
The Kharibari Tea Company Limited	10	96,937	96,937	44.22	44.22
Add: Share of profit in associates				5,804.71	5,611.38
Sub-Total (a)				6,496.40	6,303.05
Others					
Techno Steel India Private Limited		2,500	2,500	1.25	1.25
Deccan Trade Link Private Limited		-	135,000	-	13.50
Elecom Commercial Private Limited		-	90,000	-	9.00
Shilpam Dealcom Private Limited	10	225,000	-	22.50	-
Sub-Total (b)				23.75	23.75
At Fair Value Through Profit and Loss					
<u>Unquoted</u>					
Investment in Mutual Funds					
BOI AXA Capital Protection Oriented Fund		-	499,990	-	54.85
Sub-Total (c)				-	54.85
<u>Quoted</u>					
Investment in Equity Instruments (Fully Paid)					
Bajaj Hindustan Sugar Limited	1	4,000	4,000	0.35	0.35
Central Bank Of India	10	2,388	2,388	1.00	1.73
IFCI Limited	10	2,000	2,000	0.28	0.39
Jayshree Tea and Industries Limited	5	1,000	1,000	-	0.86
Sub-Total (d)				1.63	3.33
Total Non-Current Investment (a + b + c + d)				6,521.79	6,384.98
Aggregate Amount of Unquoted Non-Current Investment				6,520.15	6,381.65
Aggregate Market Value of Quoted Non-Current Investment				1.63	3.33

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

NOTE - 6 : FINANCIAL ASSETS - LOANS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered Good :		
Security Deposits	10.51	10.51
	10.51	10.51

NOTE 7 - OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered Good :		
Grants Receivable	67.14	67.14
Fixed Deposits with Banks	46.05	43.05
Other Receivables	12.45	14.95
Deferred Revenue Expenditure	-	0.12
	125.64	125.26

NOTE 8 - OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered Good :		
Capital Advance :		
– Advance Against Land	59.60	59.60
– Advances Against Supply of Goods and Services	5.57	7.57
– Gold and Silver	144.50	144.04
– Assets Held for Investment	14.45	14.45
– Assets Held for Sale	103.26	103.26
	327.38	328.92

NOTE 9 - INVENTORIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Finished Goods	447.76	524.17
Stores and Spare Parts	127.19	96.40
	574.95	620.57

NOTE 10 - FINANCIAL ASSETS : CURRENT INVESTMENTS

Particulars	Face value per share/ unit	Units/Nos.		Amount	
		As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
At Fair Value Through Profit and Loss					
A. <u>Quoted</u>					
Investment in Equity Instruments (Fully Paid)					
Bharat Heavy Electricals Limited	2	2,500	2,500	2.03	2.03
GOL Offshore Limited	10	5,000	5,000	4.32	4.32
Hotel Leela Venture Limited	2	5,000	5,000	0.56	0.86
UCO Bank	10	5,000	5,000	0.99	0.99
United Bank of India	10	70,000	70,000	8.12	8.86
Varun Shipping Company Limited	10	5,000	5,000	0.34	0.34
Sub-Total (a)				16.36	17.40

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

NOTE 10 - FINANCIAL ASSETS : CURRENT INVESTMENTS (Contd.)

Particulars	Units/Nos.		Amount	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
B. Unquoted				
Investment in mutual Funds				
Kotak Income Opportunity Fund-Regular Plan-Growth	-	283,992	-	54.27
DSP Black Rock Income Opportunities Fund-Regular Plan- Growth	189,421	189,421	53.28	54.17
Reliance Regular Saving Fund Debt Plan-Growth Plan-Growth Option	-	901,608	-	218.19
SBI Corporate Bond Fund -Regular Plan-Growth	-	194,848	-	54.42
Baroda Pioneer Credit Opportunities Fund Plan A- Growth	410,129	410,129	58.48	55.24
UTI Income Opportunities Fund Growth	-	343,704	-	54.48
ICICI Prudential Monthly Income Plan-25 Growth	143,736	143,736	61.23	56.60
SBI Magnum Monthly Income Plan- Regular Plan- Growth	107,273	107,273	42.45	40.85
HDFC Mip -Long Term Plan (G)	89,231	89,231	41.08	38.56
ICICI Prudential Equity Income Fund-Regular	248,997	248,997	34.31	31.90
Reliance Regular Saving Fund-Balanced Option	49,240	49,240	27.14	26.26
ICICI Prudential Mip-25 Direct Plan (G)	216,670	216,670	92.30	88.86
Kotak Balanced Advantage Fund (G)	571,998	-	59.37	-
Sub-Total (B)			469.65	773.80
Total Non-Current Investment (a + b)			486.01	791.20
Aggregate amount of unquoted current investment			469.65	773.80
Aggregate market value of quoted current investment			16.36	17.40

NOTE 11 - TRADE RECEIVABLES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered Good*	2,064.82	1,057.78
Considered Doubtful	90.63	33.12
	2,155.45	1,090.91
Less: Allowance for Doubtful Debts	(90.63)	(33.12)
	2,064.82	1,057.78
The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in note 38.		
NOTE 12 - CASH AND BANK BALANCES		
Cash and Cash Equivalents		
--- Cash on Hand	32.43	20.83
--- Current Accounts	27.32	103.07
--- Fixed Deposits	--	--
	59.74	123.90
NOTE 13 - LOANS RECEIVABLE (CURRENT)		
Unsecured		
Considerd good	--	--
Others	--	2.07
	--	2.07
NOTE 14 - OTHER FINANCIAL ASSETS		
Unsecured		
Considerd Good		
Grants Receivable	53.97	5.97
Interest Accrued but not due	3.39	3.01
Others *	--	786.87
	57.36	795.85

* Others includes insurance claim and other receivables

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 15 - OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considerd Good		
Advances for Supply of Goods and Services	1,981.57	1,492.86
Prepayments	8.04	6.88
Balances with Statutory Authorities	8.09	11.21
	1,997.70	1,510.95

NOTE 16 - EQUITY SHARE CAPITAL

Authorised

[1,00,00,000 Equity Shares of ₹ 10 each
(31 March 2018: 1,00,00,000 Equity Shares of ₹ 10 each)]

Issued and Subscribed Capital

[68,79,300 Equity Shares of ₹ 10 each
(31 March 2018: 68,79,300 Equity Shares of ₹ 10 each)]

Paid-up Capital

[68,79,300 Equity Shares of ₹ 10 each
(31 March 2018: 68,79,300 Equity Shares of ₹ 10 each)]

Add : Shares Forfeited

1,000.00	1,000.00
1,000.00	1,000.00
687.93	687.93
687.93	687.93
2.36	2.36
690.29	690.29

Rights, Preferences and Restrictions Attached to Equity Shares :

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of Equity Shares is 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, except in case of interim dividend. 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes :

a) Details of Shareholders Holding More Than 5% of the Aggregate Shares in the Company :

	31 March 2019		31 March 2018	
	No of Shares	% Holding	No of Shares	% Holding
Ajit Kumar Agarwala	2,576,800	37.46%	2,576,800	37.46%
Shashikala Agarwala	1,898,800	27.60%	1,898,800	27.60%
Abhijit Tea Company Pvt. Ltd.	470,000	6.83%	470,000	6.83%

b) Reconciliation of Number of Equity Shares Outstanding at the Beginning and at the end of the Reporting year :

	31 March 2019		31 March 2018	
	No of Shares	Amount	No of Shares	Amount
Opening Balance at the beginning of the reporting year	68,79,300	687.93	68,79,300	687.93
Movement during the reporting year	---	---	---	---
Closing Balance at the End of the Reporting Year	68,79,300	687.93	68,79,300	687.93

c) The Company has not allotted any fully paid up equity shares by of bonus shares during the period of five years immediately preceding the Balance Sheet date nor has issued shares for consideration other than cash.

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

NOTE 17 - OTHER EQUITY

Particulars	As at 31st March, 2019	As at 31st March, 2018
Refer Statement of Changes in Equity for Detailed Movement in Equity Balance.		
A. Summary of Other Equity Balance.		
Securities Premium	764.56	764.56
Retained Earnings	4,968.71	4,837.42
General Reserve	49.88	49.88
Share Forfeiture	9.45	9.45
Items of Other Comprehensive Income	(8.94)	(9.20)
	5,783.66	5,652.11

B. Nature and Purpose of Reserves.

Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Items of Other Comprehensive Income

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

NOTE 18 - NON-CURRENT BORROWINGS

Secured

	<u>31-03-2019</u>	<u>31-03-2018</u>
Term Loans from Banks (Refer note below)	2,521.07	1,140.00
	2,521.07	1,140.00

Note :

Facility Category	Security Details	Amount as at 31 March 2019
Term Loan	i) Equitable mortgage on property belonging to Abhijit Tea Company Private Limited. valued at ` 11.26 million ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala. iii) Letter of comfort from Abhijit Tea Company Private Limited	1,100.00
Term Loan	i) The Loan is secured by collateral security of landed property worth ` 12.22 crores belonging to M/s Terai Ispat and Trading Private Limited. ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala.	1,200.00
Term Loan	i) Equitable mortgage on Company's Property, Plant and Equipment ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala.	216.87
Term Loan	i) Secured against equitable mortgage of Company's immovable land and building of one unit and hypothecation of current assets of the same unit ranking pari passu with working capital.	40.23
Vehicle Loan	Secured by Vehicle	5.28
	Total	2,562.38

The rate of interest on the above loans are in the range of 8.95% to 9.15% p.a.

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 18 - NON-CURRENT BORROWINGS (Contd.)

Repayment schedule as at 31 March 2019

Facility Category	Total Carrying value	< 1 year	> 1 year	Terms and conditions of Term loan from banks
Term Loan	1,100.00	--	1,100.00	Repayment at the end of the tenure with monthly interest repayment.
Term Loan	1,200.00	-	1,200.00	By Bullet payment after First Disbursement.
Term Loan	216.87	-	216.87	Repayable in 20 equal quarterly installments.
Term Loan	40.23	40.23	--	Repayable in 4 equal quarterly installments of ₹ 10 lakhs each. The final repayment is in 2019-2020.
Vehicle Loan	5.28	1.08	4.20	Repayable in 60 equal installments.
Total	2,562.38	41.31	2,521.07	

NOTE 19 - PROVISIONS (NON-CURRENT)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits (Refer Note 37)		
– Gratuity	83.47	106.88
	83.47	106.88

NOTE 20 - OTHER NON-CURRENT LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Income	149.03	136.69
	149.03	136.69

NOTE 21 - CURRENT-BORROWINGS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
Working Capital Loan from Bank (Refer note below)	775.83	2,332.00
	775.83	2,332.00

Working Capital Borrowings from Banks are secured by first charge by way of hypothecation over stocks and book debts of the respective units/ tea estate of the Company.

Rate of interest on working capital loans ranges from 8.95% to 9.10%.

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 22 - TRADE PAYABLES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total Outstanding Dues of Micro and Small Enterprises (Refer Note Below)	9.18	--
Total Outstanding Dues of Other Than Micro and Small Enterprises*	1,539.25	1,101.26
	1,548.43	1,101.26
Note :		
There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2019. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.		
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year :		
--- Principal	9.18	--
--- Interest	--	--
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	--	--
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	--	--
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	--	--
The amount of interest accrued and remaining unpaid at the end of each accounting year.		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	--	--
The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 40.		
NOTE 23 - OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term Debts (Refer Note 18)	41.31	93.08
	41.31	93.08
NOTE 24 - OTHER CURRENT LIABILITIES		
Statutory Dues Payable	4.83	26.90
Liability for Expenses and Goods	120.26	151.36
Advance from Customers	36.93	0.79
	162.02	179.05
NOTE 25 - PROVISIONS		
Provision for Employee Benefits (Refer Note 37)		
- Gratuity	4.79	17.88
	4.79	17.88

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

NOTE 26 - REVENUE FROM OPERATIONS

	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Sale of Products	6,857.57	5,615.53
Sale of Traded Goods	7,217.56	7,296.57
	14,075.13	12,912.10
NOTE 27 - OTHER INCOME		
Interest Income from Financial Assets carried at amortised cost	3.42	5.39
Dividend income	0.07	0.05
Net gain on Financial Asset measured at Fair Value Through Statement of Profit and Loss	31.75	43.10
Rental Income	10.30	10.31
Government Grant	36.58	51.44
Liabilities no Longer Required, Written Back	6.42	-
Miscellaneous Income	5.81	18.12
	94.35	128.41
NOTE 28 - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Inventories at the Beginning of the Year :		
– Finished Goods	524.17	757.39
Inventories at the End of the Year :		
– Finished Goods	447.75	524.17
	76.42	233.23
(Increase) / Decrease in Inventory		
NOTE 29 - EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	565.73	572.11
Contribution to Provident and Other Funds (Refer Note 38)	23.63	21.65
Staff Welfare Expenses	13.61	6.93
	602.97	600.69
NOTE 30 - FINANCE COSTS		
Interest Expense on Financial Liability Measured at Amortised Cost	365.14	366.45
Others	11.30	10.28
	376.44	376.73
NOTE 31 - OTHER EXPENSES		
Consumption of Stores and Spares	244.87	229.37
Allowances for Doubtful Receivables	57.00	20.40
Power and Fuel	1,163.23	1,159.34
Freight and Transport Charges	35.70	19.45
Rent	0.26	-
Rates and Taxes	4.51	5.40
Insurance	5.37	8.26
Travelling and Conveyance	37.86	54.83
Repairs and Maintenance :		
– Building	17.67	24.01
– Plant and Machinery	201.44	45.10
– Others	50.19	189.80
Professional Fees (Refer Note 35)	38.65	30.49
Miscellaneous	47.61	34.30
Communication Expense	3.10	-
Selling Expenses	175.31	134.31
Printing and Stationery	3.38	2.62
Subscription and Donation	6.83	4.36
	2,092.98	1,962.04

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

NOTE 32- INCOME-TAX

For the Period Ended	31-03-2019	31-03-2018
(a) Amounts Recognised in Statement of Profit and Loss		
Current Tax	9.44	28.24
Tax Expense for Earlier Year	—	(5.72)
Attributable to Origination and Reversal of Temporary Differences	(15.96)	10.16
	(6.52)	32.68

(b) Amounts Recognised in Other Comprehensive Income

For the Period Ended	31-03-2019			31-03-2018		
	Before Tax	Tax (expense) Benefit	Net of Tax	Before Tax	Tax (Expense) Benefit	Net of Tax
Items that will not be Reclassified to Statement of Profit and Loss						
Remeasurements of the Defined Benefit Plans	0.27	—	0.27	(10.25)	3.17	(7.08)
	0.27	—	0.27	(10.25)	3.17	(7.08)

(c) Reconciliation of Effective Tax Rate

For the Period Ended	31-03-2019		31-03-2018	
Profit Before Tax	—	124.78	—	121.33
Tax using the Company's Domestic Tax Rate :	26.00%	32.44	31.20%	37.85
Tax Effect of :				
Tax Exempt Income	(23.80%)	(29.69)	(0.04%)	(0.05)
Impact on Account of Tax Reversal of Earlier Years	—	—	(4.71%)	(5.72)
Others	(7.43%)	(9.27)	0.49%	0.59
	(5.22%)	(6.52)	26.93%	32.67

(d) Recognised Deferred Tax Assets and Liabilities

Deferred Tax Assets and Liabilities are Attributable to the Following :

	Deferred Tax Assets		Deferred Tax Liabilities		Deferred Tax (Liabilities)/Asset, Net	
	31-03-2019	31-03-2018	31-03-2019	31-03-2018	31-03-2019	31-03-2018
Property, Plant and Equipment	—	—	35.47	68.31	(35.47)	(68.31)
Investment at Fair Value through Profit and loss	—	4.19	—	4.19	—	—
Other items	13.31	26.00	—	—	13.31	26.00
	13.31	30.19	35.47	68.31	(22.16)	(38.12)

(e) Movement in Temporary Differences

	Recognised in Statement of profit and Loss		Recognised in OCI	Recognised Directly in Equity	Others	31-03-2019
	01-04-2018	31-03-2018				
Property, Plant and Equipment	(68.31)	(32.84)	—	—	—	(35.47)
Investment at Fair Value Through Profit and Loss	4.19	4.19	—	—	—	—
Other Items	26.00	12.69	—	—	—	13.31
	(38.12)	(15.96)	—	—	—	(22.16)
	01-04-2018	31-03-2018	Recognised in OCI	Recognised Directly in Equity	Others	31-03-2019
Property, Plant and Equipment	(64.38)	3.93	—	(68.31)	—	—
Investment at Fair Value Through Profit and Loss	8.95	4.76	—	—	—	4.19
Other Items	24.30	(1.70)	3.17	—	—	26.00
	(31.13)	6.99	3.17	—	—	(38.12)

The Following Table Provides the Details of Income Tax Assets and Income Tax Liabilities as of 31 March 2018, 31 March 2017, 1 April 2016.

As at	31-03-2019	31-03-2018
Income Tax Assets (Net)	—	—
Current Tax Liabilities (Net)	15.05	14.95
Net Current Income Tax Asset / (liability) as at 31 March	(15.05)	(14.95)

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

NOTE 33 - CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities

- (a) Claims against the Company not acknowledged as debt in respect to Income Tax, Sales Tax and Other Matters amounted to ` 159.23 Lakhs; (31 March 2018 : ` 183.43 Lakhs)
- Demand for Agricultural Income Tax Aggregating ` Nil (31 March 2018 : ` 6.96 Lakhs), paid subsequent to the date of Balance Sheet, in terms of scheme of Government of West Bengal, excluding the interest portion of ` 21.82 Lakhs which has been waived off since the demand was paid within April, 2019.
 - VAT and Sales Tax Demand on Assessment aggregating ` 154.65 lakhs (31 March 2018 : ` 154.65 Lakhs) being disputed.
- (b) Bank Guarantees outstanding as at 31 March 2019 : ` 136.46 Lakhs (31 March 2018 : ` 142.00 Lakhs)

Note : Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.

(ii) Commitments:

- (a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for ` Nil Lakhs (31 March 2018 : ` Nil)
- (b) The Company has extended Corporate Guarantees and equitable mortgage on Company's Immovable Properties Created to Secure the Loans Limits Sanctioned in Favour of the Following Companies :

Name of the Company	Name of the Bank	Limit sanctioned		Outstanding as at	
		31-03-2019	31-03-2018	31-03-2019	31-03-2018
Abhijit Tea Company Pvt. Ltd.	Bank of India	930.00	846.00	348.45	560.00
Terai Overseas Pvt. Ltd.	Bank of India	5,343.00	5,343.00	3419.27	2,661.00

Regarding items (i) and (ii) (b) above, it is not practicable to disclose information in respect of the estimate of the financial effect, an indication of the uncertainties relating to outflow and the possibility of any reimbursement as it is determinable only on occurrence of uncertain future events / receipt of judgements pending at various forums.

NOTE 34 - EARNINGS PER SHARE

A. Computation of earnings per share is as follows:

For the period	31-03-2019	31-03-2018
Net Profit Attributable to the Equity Shareholders	131.29	88.65
Nominal Value of Equity Shares	10	10
Number of Weighted Average Shares Considered for Calculation of Basic and Diluted Earnings Per Share	68,79,300	68,79,300

For the period	31-03-2019	31-03-2018
Earnings per share:		
– Basic	1.91	1.29
– Diluted	1.91	1.29

NOTE 35 - AUDITOR'S REMUNERATION (INCLUDED IN LEGAL AND PROFESSIONAL FEES, EXCLUDING APPLICABLE TAXES)

For the Period	31-03-2019	31-03-2018
Statutory Audit Fees	2.00	2.00
Tax Audit fees	0.50	0.50
Total Fee	2.50	2.50

Notes to Consolidated Financial Statements (Contd.)

(` in Lacs)

NOTE 36 - RELATED PARTIES

1. Relationships	
Associate Companies	Abhijit Tea Company Private Limited Amit Paridhan Private Limited East Indian Produce Limited Jaldacca Tea Plantations Private Limited New Darjeeling Union Tea Company Limited Sayedabad Tea Company Limited Terai Dooars Tea Company Private Limited Terai Financial Services Private Limited Terai Infrastructures Limited Terai Ispat & Trading Private Limited Terai Overseas Private Limited The Kharibari Tea Company Limited
2. Key Management Personnel (KMP):	
Managing Director	Shri Ajit Kumar Agarwala
Chief Financial Officer	Shri Rajendra Kanodia
Company Secretary	Shri Roshan Dave
3. Entities where key management personnel and their relatives are able to exercise significant influence	Ajit Kumar Agarwala and Others (HUF) Kanchanview Resorts Private Limited Bagdogra Tea Company Private Limited

4. The Following are Significant Transactions with Related Parties by the Company.

Particulars	Relation	31-03-2019	31-03-2018
Sale of Products	Associates	5.60	251.53
Purchase of Goods	Associates	44.53	20.25
Purchase of Goods	Significant influence	---	5.40
Short-Term Employee Benefits	KMP	75.72	74.72

4. The Balance Receivable from and Payable to Related Parties are as Follows :

Particulars	Relation	31-03-2019	31-03-2018
Trade Receivables			
Sayedabad Tea Company Limited	Associate	---	0.49
East Indian Produce Limited	Associate	---	40.52
Loans and Advances			
Kanchanview Resorts Private Limited	Significant Influence	---	0.20
Bagdogra Tea Company Private Limited	Significant Influence	---	(0.20)

Note: The Sales and Purchases from related parties are made on the terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year end are unsecured and interest free and settlement occurs in cash. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Consolidated Financial Statements (Contd.)

(` in Lacs)

NOTE 37 - EMPLOYEE BENEFITS

(a) Defined Contribution Plans

The Company has recognised an amount of ` 23.63 lakhs (31 March 2018 : ` 21.65 lakhs) as expenses under the defined contribution plans in the statement of profit and loss for the year:

(b) Defined benefit plans

1. Reconciliation of Net Defined Benefit Asset / (Liability)	31-03-2019	31-03-2018
(i) Reconciliation of Present Value of Defined Benefit Obligation		
Obligations as at 1 April	124.76	103.62
Current Service Cost	(36.93)	7.61
Past Service Cost	-	-
Interest Cost	9.10	7.85
Benefits Settled	(8.95)	(4.57)
Acturial (Gain) / Loss Due to Financial Assumptions	0.27	(2.13)
Acturial (Gain) / Loss Due to Experience Adjustments	-	12.38
Obligations at the Year End 31 March	88.26	124.76
(ii) Reconciliation of Present Value of Plan Asset:		
Plan Assets as at 1 April	-	-
Expected Return on Plan Assets	-	-
Return on Assets Excluding Interest Income	-	-
Contributions	8.95	4.57
Benefits Settled	(8.95)	(4.57)
Plan Assets at 31 March at Fair Value	-	-
(iii) Reconciliation of Net Defined Benefit Asset / (Liability)		
Present Value of Obligation as at 31 March	88.26	124.76
Plan Assets at 31 March at Fair Value	-	-
Amount Recognised in Balance Sheet Asset / (Liability)	(88.26)	(124.76)
Non-Current	83.47	106.88
Current	4.79	17.88
2. Expenses Recognised in the Statement of Profit and Loss Under		
Employee Benefit Expense:		
Current Service Cost	(36.93)	7.61
Past Service Cost*	-	-
Interest Cost	9.10	7.85
Net Cost	(27.83)	15.46
3. Remeasurements Recognised in Statement of Other Comprehensive Income		
Changes in Financial Assumptions	0.27	(2.13)
Experience Adjustments	-	12.38
Net Loss / (Gain) Recognised in Statement of Other Comprehensive Income	0.27	10.25
4. Principal Acturial Assumptions		
Discount Factor [Refer Note (i) below]	7.70%	7.75%
Salary Escalation Rate [Refer Note (iii) below]	6.00%	6.00%
Retirement Age (in Years)	60	60

Notes : (i) The Discount rate is based on the prevailing market yield on Government Securities as at the Balance Sheet date for the Estimated Term of Obligations.

(iii) The Estimate of Future Salary Increases Considered in Actuarial Valuation takes into Account Inflation, Seniority, Promotion and Other Relevant Factors such as Supply and Demand in the Employment Market.

Sensitivity Analysis

The Sensitivity Analysis of Significant Actuarial Assumption as of end of Reporting Period is Shown Below.

	31-03-2019	31-03-2018
A. Discount Rate		
Discount Rate -1%	96.21	126.01
Discount Rate +1%	81.32	123.51
B. Salary Escalation Rate		
Salary Rate -1%	80.78	123.51
Salary Rate +1%	96.69	126.01

Notes to Consolidated Financial Statements (Contd.)

(` in Lacs)

NOTE 38 - FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities as at 31 March 2019, Including their Levels in the Fair Value Hierarchy.

Particulars	Note	FVTPL	Carrying Amount				Fair Value			
			FVOCI	Other Financial Assets Amortised Cost	Other Financial Liabilities	Total Carrying Amount	Level-1	Level-2	Level-3	Total
Financial Assets Measured at Fair Value										
Investment in Mutual Funds	5, 10	469.65	—	—	—	469.65	469.65	—	—	469.65
Investment in Equity Shares	5, 10	41.74	—	—	—	41.74	41.74	—	—	41.74
		511.39	—	—	—	511.39				
Financial Assets Not Measured at Fair Value										
Loans		6	—	—	10.51	—	10.51			
Other Financial Assets	7, 14	—	—	183.00	—	183.00				
Trade Receivables	11	—	—	2,064.82	—	2,064.82				
Cash and Cash Equivalents	12	—	—	59.74	—	59.74				
				2,318.07	—	2,318.07				
Financial Liabilities Not Measured at Fair Value										
Borrowings	18, 21	—	—	—	3,296.90	3,296.90				
Trade Payables	22	—	—	—	1,548.43	1,548.43				
Other Financial Liabilities	23	—	—	—	41.31	41.31				
		—	—	—	4,886.64	4,886.64				

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities as at 31 March 2018, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	Carrying Amount				Fair Value			
			FVOCI	Other Financial Assets Amortised Cost	Other Financial Liabilities	Total Carrying Amount	Level-1	Level-2	Level-3	Total
Financial Assets Measured at Fair Value										
Investment in Mutual Funds	5, 10	828.65	—	—	—	828.65	828.65	—	—	828.65
Investment in Equity Shares	5, 10	44.47	—	—	—	44.47	44.47	—	—	44.47
		873.13	—	—	—	873.13				
Financial Assets Not Measured at Fair Value										
Loans		6	—	—	12.58	—	12.58			
Other Financial Assets	7, 14	—	—	921.11	—	921.11				
Trade Receivables	11	—	—	1,057.78	—	1,057.78				
Cash and Cash Equivalents	12	—	—	123.90	—	123.90				
		—	—	2,115.37	—	2,115.37				
Financial Liabilities Not Measured at Fair Value										
Borrowings	18, 21	—	—	—	3,472.00	3,472.00				
Trade Payables	22	—	—	—	1,101.26	1,101.26				
Other Financial Liabilities	23	—	—	—	93.08	93.08				
		—	—	—	4,666.35	4,666.35				

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

The fair value of cash and cash equivalents, trade receivables, loans, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value. Investments in equity shares in associates is not appearing as financial asset in the table above being investment in associates accounted under Ind AS 27, Separate Financial Statements is scoped out under Ind AS 109, Financial Instruments.

Investments in liquid and short- term mutual funds which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Investments in equity shares which are classified as FVTPL are measured using market price of share at the reporting date multiplied by the quantity held.

Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Board. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Financial Assets that are not Credit Impaired

The Company has financial assets which are in the nature of cash and cash equivalents, other bank balances, loans, security deposits, interest accrued on fixed deposits and other receivables which are not credit impaired. These are contractually agreed where the probability of default is negligible.

Financial Assets that are Credit Impaired

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the type of each customer. In monitoring customer credit risk, customers are grouped according to their credit characteristics, industry, trading history with the Company and existence of previous financial difficulties.

The Company has calculated the impairment loss arising on account of past trends in the default rate for time bucket.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Out of the total trade receivables of ` 2,064.82 Lakhs (31 March 2017: ` 1,057.78 Lakhs), the exposure considered for expected credit loss is ` 90.63 Lakhs (31 March 2017: ` 37.99 Lakhs).

Movement in the Allowance for Impairment in Trade Receivables	31-03-2019	31-03-2018
Opening balance	33.12	33.12
Amount provided for	57.50	0.00
Net remeasurement of loss allowance	90.63	33.12

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2019.

Particulars	As at 31 March 2019		
	Less than 1 year	1-2 years	2 years and above
Non-Derivative Financial Liabilities			
Trade Payables	---	---	---
Other Financial Liabilities	---	---	---
Borrowings	775.83	41.31	2,479.76

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

Particulars	As at 31 March 2018		
	Less than 1 year	1-2 years	2 years and above
Non-Derivative Financial Liabilities			
Trade Payables	1,101.27	---	---
Other Financial Liabilities	93.08	---	---
Borrowings	2,332.00	93.08	1,046.92
	3,526.35	93.08	1,046.92

Market Risk

Market risk is the risk that changes in market prices – such as interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Particulars	31-03-2019	31-03-2018
Variable Rate Borrowings	3,338.21	3,565.08
Fixed Rate Borrowings	---	---
Total	3,338.21	3,565.08

Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

31 March 2019	Profit or Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
Movement by 50 Basis Points	16.69	(16.69)	12.35	(12.35)
	16.69	(16.69)	12.35	(12.35)

31 March 2019	Profit or Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
Movement by 50 Basis Points	17.83	(17.83)	13.19	(13.19)
	17.83	(17.83)	13.19	(13.19)

Agricultural Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

NOTE 39 - CAPITAL MANAGEMENT

The Group's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

The Group monitors capital on the basis of the following gearing ratio.

Particulars	31-03-2019	31-03-2018
Total Debt	3,338	3,565
Total Equity	12,264	11,954
Debt to Equity Ratio	27.22%	29.82%

Notes to Consolidated Financial Statements (Contd.) (` in Lacs)

NOTE 40 : The Company acquired by way of purchase Dharnipur Tea Estate as a “Going Concern” from its owner Sri Dharendra Nath Bhowmick (since deceased) and Dharnipur Tea Industries (P) Ltd. as confirming party and the Deed of conveyance was duly executed and registered in the name of the Company. The said Deed of Conveyance was cancelled in view of certain pending disputes between the seller and another party. However the agreement for purchase of the said Tea Estate subsists and is subject matter of a specific performance suit pending before Hon’ble Calcutta High Court. The Company is not in possession of the said Tea estate and has accordingly not accounted for the profit and loss on account of the operation or ownership of the said Tea Estate. The value of Dharnipur Tea estate represents the costs paid at the time of purchase and the legal expenses incurred thereafter on behalf of Bhowmicks and/or legal heirs for contesting their suit which was pending. All advocate fees at High Court and at Supreme Court were paid by this Company and capitalized. On the basis of Hon’ble Supreme Court order dated 1.10.91, if Bhowmick’s title is confirmed in their pending suit then the rights of this company remains intact. The title of Bhowmicks/legal heirs was confirmed by Hon’ble Calcutta High Court. A SLP for declaration and title in favour of the Company is pending.

NOTE 41 : The Company acquired certain interest in a plot of land at Bangalore for which registration in the name of the Company has not been done. All expenses of litigation in respect of the said land are considered as deemed cost of land and the same has been accounted as advance given for land.

NOTE 42 : Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the “management approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Segment revenue, results, assets and liabilities figures include the respective amounts identifiable to each of the segments. Other unallocable income net off unallocable expenditure are towards common services to the segments which are not directly identifiable to the individual segments as well as those at a corporate level which relate to the Company as a whole.

The following summary describes the products included in each of the Company’s reportable segment:

Reportable segments	Products / Services
Tea Garden & Manufacturing	Sale of Tea
Trading	Trading of agricultural produce

Particulars	31 March 2019	31 March 2018
Segment Revenue		
a) Tea Garden & Manufacturing	6,857.57	5,610.56
b) Trading	7,217.56	7,296.57
Total	14,075.13	12,907.13
Less: Inter Segment Revenue	—	—
Net Sales/Income From Operations	14,075.13	12,907.13
Segment Result		
a) Tea Garden & Manufacturing	69.99	44.13
b) Trading	336.88	325.53
Total	406.87	369.66
Less: Interest (net of Interest Income)	376.44	376.73
Less: Unallocable income	57.58	128.41
Total Profit before tax	124.78	121.34
Capital Employed (Segment Assets- Segment Liabilities)	6,473.95	6,346.65

NOTE 43 : Previous year figures have been reclassified / regrouped / rearranged wherever necessary.

As per our report of even date attached.

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

Place : Kolkata

Dated : 29th May, 2019

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Roshan Dave

Company Secretary

ACS 27185

TERAI TEA COMPANY LIMITED

Regd. Office : "Ezra Mansion", 10, Government Place (East), 1st Floor, Kolkata- 700 069, Ph: (033) 460-13789 / 39789 Fax : (033) 2248-9182,
Website: www.teraigroup.com, E-mail: teraitea@gmail.com CIN: L51226WB1973PLC029009

ATTENDANCE SLIP

Name of the Members(S) :
Registered Address :

Folio No. / Client ID No. & DP ID
No. of Share(s) held

I/We here by record my/our presence at the 46th Annual General Meeting held on Monday, September 30, 2019 at 10.30 AM. at, Ezra Mansion, 10 Government Place (East), 1st Floor, Kolkata 700 069.

Member's /Proxy Name in Block Letters

Signature of Member's / Proxy

(Please cut here and bring the attendance slip duly signed, to the meeting and hand it over at the entrance. Duplicate Slip will not be issued at the venue of the meeting.)

TERAI TEA COMPANY LIMITED

Regd. Office : "Ezra Mansion", 10, Government Place (East), 1st Floor, Kolkata- 700 069, Ph: (033) 460-13789 / 39789 Fax : (033) 2248-9182,
Website: www.teraigroup.com, E-mail: teraitea@gmail.com CIN: L51226WB1973PLC029009

PROXY FORM - MGT 11

(Pursuant of section 105(6) of the Companies Act 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2019)
46th Annual General Meeting to held on Monday, September 30, 2019 at 10.30 AM. at, Ezra Mansion, 10 Government Place (East), 1st Floor, Kolkata 700 069.

Name of the Members(S) :
Registered Address :

E-mail ID :
Folio No. / Client ID No. & DP ID

I/We, being the member(s) holding shares of the above named company, hereby appoint

1. Name
Address
E-mail ID Signature : _____ or failing him;
2. Name
Address
E-mail ID Signature : _____ or failing him;
3. Name
Address
E-mail ID Signature : _____ or failing him;

as my/our proxy to attend and vote (on poll) for me /us and on my / our behalf at the 46th Annual General Meeting of the Company to be held at Ezra Mansion, 10, Govt. Place (East), Kolkata-69 on Monday, September 30, 2019 at 10.30 AM and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolution	Optional* For Against	
Ordinary Business			
1	To receive, consider and adopt : a) The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 with the reports of the Board of Directors' and Auditors thereon and b) The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with report of the Auditors thereon.		
2	Appoint a Director in place of Smt. Shashikala Agarwala (DIN : 00260171) who Retires by Rotation and being eligible, offers herself for re-appointment.		
Special Business			
3	Re-appointment of Mr. Ajit Kumar Agarwala as a Managing Director of the Company.		
4	Re-appointment of Mr. Jayant Kumar Natwarlal Raja as an Independent Director.		
5	Re-appointment of Mr. Milan Krisna Sarkar as an Independent Director.		
6	Re-appointment of Mr. Hemant Kumar Agarwal as an Independent Director.		
7	Approval of the remuneration of the Cost Auditor for Financial Year 2019-20.		

Signed this.....day of, 2019

Signature of the Share Holder

Signature of the Proxy Holder

Affix
Revenue
Stamp

Notes : (1) This form of Proxy in order to be effective should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting. (2) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 46th Annual General Meeting. (3) It is optional to put a 'X' in the appropriate column against the Resolutions indicated to the Box. If you leave the 'For' or 'Against' column blank against any or all 'Resolution' your proxy will be entitled to vote in the manner as he/ she thinks appropriate.

Corporate Social Responsibilities.



Amit Agarwala Smriti Bhawan



Blind School



Old Age Home



Vocational Training



Vocational Training



Mahamaya Kali Mandir



Table Tennis



Bango Bhawan