



# **Rossell** India Limited

Annual **Report** | 2014-2015

# Corporate Information

## BOARD OF DIRECTORS

H. M. Gupta, *Executive Chairman* (KMP - Chief Executive Officer)

Dr. S. S. Baijal, *Director*

H. M. Parekh, *Director*

V. P. Agarwal, *Director*

C. S. Bedi, *Managing Director* (KMP)

N. Palchoudhuri, *Director*

## CHIEF FINANCIAL OFFICER-CUM-COMPANY SECRETARY (KMP)

N. K. Khurana

## AUDITORS

S. S. Kothari & Co.,  
*Chartered Accountants*

## BANKERS

Commonwealth Bank of Australia

HDFC Bank Limited

Kotak Mahindra Bank Limited

The Federal Bank Limited

## REGISTRARS & SHARE TRANSFER AGENTS

CB Management Services Private Limited,

P-22, Bondel Road, Kolkata-700 019

Tel: (033) 40116700 / 40116711 / 40116718 / 40116720

Fax: (033) 2287-0263, E-mail: rta@cbmsl.com

## REGISTERED OFFICE

Jindal Towers, Block 'B', 4th Floor,

21/1A/3, Darga Road,

Kolkata - 700017

Tel: (033) 2287-4794/2290-3035

Fax: (033) 2287-5269, E-mail: rossell@rossellindia.com

Website: www.rossellindia.com

## CIN

L01132WB1994PLC063513

(KMP - Key Managerial Personnel)

## Across the Pages

Report of the Board of Directors **2** Independent Auditors' Report **48** Balance Sheet **52** Profit and Loss Statement **53**

Cash Flow Statement **54** Notes to the Balance Sheet **56** Notes to the Profit and Loss Statement **63** Notes **66**

Independent Auditors' Report on Consolidated Financial Statements **74** Consolidated Balance Sheet **78**

Consolidated Profit and Loss Statement **79** Consolidated Cash Flow Statement **80** Notes to the Consolidated Balance Sheet **82**

Notes to the Consolidated Profit and Loss Statement **89** Consolidated Notes **92**



## Report of the Board of Directors

for the year ended 31st March, 2015

*Dear Shareholders,*

Your Directors have pleasure in presenting their Twenty First Annual Report together with the Audited Accounts for the year ended 31st March, 2015.

### FINANCIAL SUMMARY HIGHLIGHTS

₹ in Lakhs

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
<b>Profit before Finance Cost and Depreciation</b>	<b>2,255.81</b>	<b>4,173.74</b>
Less : Finance Cost	724.45	884.55
<b>Profit before Depreciation</b>	<b>1,531.36</b>	<b>3,289.19</b>
Less : Depreciation	956.41	416.00
<b>Profit before Exceptional Items</b>	<b>574.95</b>	<b>2,873.19</b>
Exceptional Items	—	—
<b>Profit before Taxation</b>	<b>574.95</b>	<b>2,873.19</b>
Less : Provision for current Taxation	170.00	650.00
Deferred Taxation adjustment	4.48	183.00
<b>Profit After Taxation</b>	<b>400.47</b>	<b>2,040.19</b>
Add : Balance brought forward	370.06	344.53
<b>Profit available for appropriation</b>	<b>770.53</b>	<b>2,384.72</b>
Appropriated as under :		
General Reserve	100.00	1,800.00
Dividend on Equity Shares – Proposed @ 25 % (2014-25%)	183.48	183.48
Tax on Dividend	36.69	31.18
Balance carried forward	450.36	370.06
	<b>770.53</b>	<b>2,384.72</b>

### SHARE CAPITAL

During the year under review:

- No Equity shares have been issued with differential voting rights. Hence, no disclosure is required in terms of Rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014.
- No issue of Sweat Equity Share has been made. Hence, no disclosure is required in terms of Rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014.
- There was no issue of Employee Stock Option. Hence, no disclosure is required in terms of Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.
- There was no provision made by the Company for any money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence, no disclosure is required in terms of Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.
- The issued, subscribed and paid up share capital of the Company as on 1st April, 2014 at ₹ 733.93 lakhs divided into 3,66,96,475 of ₹ 2 each remained unchanged as on 31st March, 2015.

### APPROPRIATION OF PROFIT AFTER TAX FOR TRANSFER TO RESERVES

Your Directors proposed to transfer a sum of ₹ 100 lakhs to General Reserve before declaration of any dividend in terms of first proviso to Sec. 123(1) of the Companies Act, 2013.

## Report of the Board of Directors

### DIVIDEND

Your Directors are pleased to recommend to the Members, for their approval, a dividend of ₹ 0.50 per Equity Share of ₹ 2 each in the Company for the year ended 31st March, 2015.

### THE STATE OF COMPANY'S AFFAIRS

#### REVENUE

The gross revenue from operations of your Company including sale of Tea, avionics equipment, receipts from technical and support services and sale of food and beverages by Kebab Xpress declined marginally to ₹ 14,049.96 lakhs for the year under review as against ₹ 14,142.72 lakhs in the previous year.

#### PERFORMANCE

##### Rossell Tea

During the year 2014-15, your company continued to lay emphasis on a quality crop. However, the year was one of the most difficult years experienced. The year began with an acute drought going into May 2014 and then deficit rainfall every alternate month thereafter. From early October 2014 to almost end-March 2015 there was very poor precipitation. Crop intakes therefore were poorer than expected. However, on the quality front Rossell continued to hold its pole position as a producer of top quality teas. The Division's average sales realization in the year under review was ₹223.83 per kg. as against ₹ 220.70 per kg in the year 2013-14 and ₹210.22 per kg in the year 2012-13. Whilst the overall increase is not significant, it is nonetheless a fine performance, given the difficult market conditions that prevailed. This average sales realization reflects consistent quality.

The drought at the start of the year continued into April and May, recording in effect, the lowest rainfall, on some Estates in 80 years. The tea bushes weakened by the drought struggled through the year. Further due to continuing degradation of forests more and more pests are seen in the tea areas resulting in additional expenditure on pest control.

The orthodox market started season 2014-15 on a depressed note with Iran, a major market, being in an overbought situation. This resulted in nearly 25% less orthodox being produced in the year and the industry average for orthodox teas also being lower at ₹198.31 per kg., than that of the previous year by ₹5.49 per kg. It is pertinent to mention that our all in average for orthodox teas was ₹249.20 per kg. i.e. +₹2.13 over the previous year and ₹50.89 per kg. over the Assam average.

The CTC market was buoyant through the year till November, 2014 due to the decline in the Assam production by almost 6%. Significantly the best quality levels continued to witness new price benchmarks. The CTC average for Assam settled at year end at ₹151.66 per kg. as against ₹144.44 per kg. in the year 2013-14. Again significantly Rossell's CTC average was ₹196.79 i.e. + ₹10.62 per kg. over the previous year and ₹44.13 per kg. over the Assam district average. Your Directors view this as good performance, despite many odds and difficult market conditions. The outperforming of the market yet again represents Rossell's resolve to excel.

The season 2014-15 saw a robust performance on the export front. Exports registered an increase of 17.93%, reaching 15.12 lakh kgs. i.e. 30.93% of our production. This increase took place in spite of our crop for the season being 12% lower, as a consequence of the severe drought. The export turnover is ₹41.31 crores against ₹36.27 crores in the previous year. The continual and aggressive thrust on exports has been the highlight of the Division's performance, notwithstanding the uncertain market situations, especially in Iran.

Your Directors have been for the last few years reporting on 'climate change' as aberrations in climate are now increasingly impacting production. Whilst climatically the year 2013-14 was excellent in every sense, the year 2014-15 was the opposite, with deficit and ill distributed rainfall, causing crop losses hitherto not seen in the group. This naturally has had an impact on profitability, due to higher costs. Norms on depreciation in the new Companies Act, 2013 further exacerbated the situation. Wage increase of ₹21 per man day i.e. + 22% along with its attendant statutory outgoes, with effect from 1st January 2015 has also impacted the bottom-line.

Combating climate has become a major challenge to the Tea Planters. During the year, cultural and other agricultural operations were strengthened to mitigate the ill effects of global warming. Irrigation facilities were further strengthened and expanded at Dikom, Namsang, Kharikatia and Nagrijuli Tea Estates. This has helped us combat a nearly five months' dry period between October 2014 and end-February 2015.

The Division continued to strengthen its assets, through modernization and upgradation on all Estates. All Estates received their FSSC 22000 certification during the year, a notable achievement in the area of 'food safety standards'. We also continued our uprooting and replanting programme insuring improvement in the bush health and potential in keeping with our sustainability policies of a robust future. Our targets in this area were fully met for the year under review.

The Division continued with its judicious product mix of orthodox and CTC Teas this year. This has helped us as in previous years to exploit, to the hilt the core competence of each Estate.



## Report of the Board of Directors

Our crop for the year under review was 48.42 lakh kgs. as against 54.82 lakh kgs. in the year 2013-14 and 43.54 lakh kgs. in 2012-13 including bought leaf, the total production in 2014-15 was 48.89 lakh kgs. as against 55.59 lakh kgs. in the year 2013-14.

### AVIATION PRODUCTS AND SERVICES

Aerotech Services continues to provide product support services for Original Equipment Manufacturers (OEMs) on their equipment fitted on aircrafts, helicopters, ships and other platforms operating in India. During the year under review, the Division was approached by another OEM for technical product support and has signed a long term Agreement with them for seven and half years. The Division continues to achieve very high customer and OEM satisfaction levels.

Rossell Techsys Division's resources were utilized to the maximum extent to gain foreign, export oriented business. Domestic business was pursued only for skill building, thus leading to gaining more foreign OEM business. The financial performance has been very close to plan. The Division grew by over 200% in terms of revenue and about 150% in terms of order book value. The Division acquired four more contracts from foreign OEMs and has established itself as an Indian supplier with excellent quality, people, process and infrastructure credentials. It has achieved the GOLD rating with its premier, US based, aerospace and defense customer. The Division has adopted a two pronged strategy for certifications, at the division level and individual level. The division is certified to AS9100, IS9001, ISO14001 and ISO27001. The division is also CEMILAC approved. The OHSAS 18001 certification is in progress. The division was also awarded the best SME in the aerospace and defense sector for the year 2015, just prior to the Aero India 2015.



1)



2)



4)

- 1) Nominated by Boeing for the Best Global Supplier of the year in the "Pathfinder" Category.
- 2) Nominated by the Karnataka Small and Medium Business Owners Association for the "Business Achievement and Excellence Award".
- 3) **Winner of the Best A&D SME 2015.**
- 4) Mr. Rishab Mohan Gupta, Executive Vice President, Rossell India Limited, receiving the Best SME Award 2015.



3)

### ROSSELL HOSPITALITY

During the year under review, the Division continues to expand and opened three more outlets of Kebab Xpress in NCR and closed down one at M Block, Connaught Place, Delhi. This makes a total of 9 operating outlets as on 31st March, 2015. Consistency in quality, excellent service, conducive ambience and high level of hygiene at the outlets are well appreciated by the customers.

### PROSPECTS

#### Rossell Tea

World crops in 2015 reflect an initial shortfall in Kenyan crops by 31 million kgs. On the back of two record years, Malawi is currently behind by 3.30 million kgs. Sri Lanka is ahead by 5.30 million kgs compared to 2014 for the same period.

Indian crops have, however, despite an initial drought in 2015, rebounded, especially in Assam and Dooars (West Bengal). Given reasonably good weather we expect the crops to revert to their 2013 levels. This is more plausible as the monsoon is hopefully likely to be normal in NE India as per the latest meteorological forecasts.

The current tea market in India has strong fundamentals with production looking strong, the consumption showing a growth at 3.50% levels on an annual basis and the quality segmentation which is occurring, augurs well for quality producers like your Company.

## Report of the Board of Directors

Prospects for quality CTC produce are good and there are clear signals to this effect. Orthodox levels should move up with the onset of the 2nd flush and enquiry from our traditional markets on the Continent, Iran as also Russia should be forthcoming. As of now, your Company continues to perform to its core competency. Our CTC Estates are maximizing production of this category and getting attractive prices. Similarly, the Orthodox category continues to rule strong on our Orthodox producing Estates. Finally, Exports will continue to be a key area and we are optimistic that 15.12 lakh kgs exported in 2014-15 should be exceeded both in quantitative and value terms.

With the options open to us, whether CTC or Orthodox, the Company is confident of outperforming the market and retaining its status of being one of the most profitable companies, in the Assam Tea Industry.

### Aviation Products and Services

Aerotech Services is currently executing 4 technical product support contracts. Another long term contract for 5 years is being signed, which will become effective from 1st June 2015.

The new Government at the center has given tremendous impetus to 'Make in India', particularly, for the defense and aerospace sector. As recently reported, for the first time a contract is being awarded to a private Indian MNC for manufacturing aircrafts in India. Against several tenders, equal opportunity is now being accorded to private sector industry for manufacturing in India. The Government is also reviewing the Defense Procurement Policy (DPP) and simplifying the same.

With the government opening the Defense sector for private companies, Aerotech Services Division foresees greater opportunities for business growth in providing technical product support.

Rossell Techsys Division has created bright prospects for itself by virtue of its quality credentials in executing orders to time and quality to foreign OEMs. Interest levels from more foreign OEMs is on the rise and there is a good chance that the Division may see a geographic spread of customers from US, Europe as well as Israel. The number of RFPs being received from foreign OEMs is at the rate of one per month and with a success rate of over 75%. For domestic business, repeat order traction has just begun and the financial year 2015-2016 should see a marked improvement over the last few years.

The growth prospects have prompted the Division to add additional space, to the extent of approximately 25,000 square feet more. The total space with the division is now 59,000 square feet.

### Rossell Hospitality

The Division intends operating a total of 25 outlets in NCR in the financial year 2015-16. The relevant Agreements for 9 additional outlets have already been signed. Once the possession is given by the builders, after obtaining necessary clearances, our outlets will become operational there. This should be in phases during the course of the year. Further, 7 outlets would also be identified soon to make them operational as soon as possible. The outlets are coming up in High Streets and Malls.

The Division will be commencing Kebab Xpress operations outside NCR too. Initial target is to open with a new commissary and 5 outlets by March, 2016.

We expect store level sales to enhance in the medium term and then our objective is to target towards breakeven point at outlet level.

### CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in any business and all the Divisions of the Company continue to concentrate on their own business with growth plans in short to medium terms.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Ms. Nayantara Palchoudhuri was inducted to the Board as an Additional Director in the category of Non-Independent Woman Director on and from 6th August, 2014, pursuant to Section 161 read with the second proviso of Section 149 of the Companies Act, 2013 and sub clause II.A of clause 49 of the Listing Agreement.

In terms of Section 161 of the Companies Act 2013, Ms. Palchoudhuri shall hold office up to the date of the ensuing Annual General meeting. The Company has received notice in writing along with the requisite deposit pursuant to Section 160 of Companies Act, 2013, proposing her appointment as Director of the Company. Your Board, based on the recommendation of the Nomination and Remuneration Committee of the Board has recommended the appointment of Ms. Nayantara Palchoudhuri as a Non-independent Director of the Company liable to retire by rotation in terms of Section 152 (6) of the Companies Act, 2013.

The tenure of office of Mr. H.M. Gupta, Executive Chairman expired on 30th April 2015. The Board, on recommendation of the Nomination and Remuneration Committee, at its meeting held on 30th March, 2015 has re-appointed Mr. H. M. Gupta as Managing Director (designated as Executive Chairman) for a further period of 2 years 11 months w.e.f. 1st May, 2015 till 31st March, 2018



## Report of the Board of Directors

subject to approval by the Members at the ensuing Annual General Meeting in terms of Section 188, 196, 197 read with Sec II, Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

Mr. H. M. Gupta is also subject to re-appointment as Director in the ensuing Annual General Meeting, consequent upon his retirement as a Director by rotation in terms of Section 152(6) of the Companies Act, 2013.

Pursuant to Section 203 of the Companies Act, 2013 the Company has appointed following Key Managerial Personnel with effect from 1st April, 2014:

Mr. H. M. Gupta - Chief Executive Officer (CEO)

Mr. C.S. Bedi - Managing Director, and

Mr. N. K. Khurana - Chief Financial Officer-cum- Company Secretary

### STATEMENT ON DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

The Declarations required under Section 149(7) of the Companies Act, 2013 from the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as under Clause 49.II.B of the Listing Agreement with the Stock Exchanges, were duly received by the Company.

### CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013 and as stipulated in the Clause 49 (Revised) under the listing agreement with the stock exchanges.

A separate report on Corporate Governance under the listing agreement, along with certificate from the Practicing Company Secretary confirming the compliance, is annexed as Annexure-1.

### DETAILS OF BOARD MEETINGS

The Board of Directors met 6 (six) times during the financial year 2014-2015 on various dates as given here-in-below:

Sl No.	Date of the meeting	No. of Directors attended the meeting
1.	1st April, 2014	6
2.	16th May, 2014	6
3.	6th August, 2014	6
4.	14th November, 2014	6
5.	4th February, 2015	3
6.	30th March, 2015	6

Further details on Board of Directors are provided in the Corporate Governance Report.

### COMMITTEES OF THE BOARD

#### a. Audit Committee

The Board has constituted the Audit Committee which comprises of the following Directors:

Sl No.	Name	Category of Director	Chairman/ Members
1.	Dr. S.S. Baijal	Non-Executive-Independent	Chairman
2.	Mr. H. M. Parekh	Non-Executive-Independent	Member
3.	Mr. V. P. Agarwal	Non-Executive-Independent	Member
4.	Ms. Nayantara Palchoudhuri	Non-Executive Non-Independent Director*	Member

#### \*Appointed as Additional Director by the Board on 06.08.2014.

The Board has accepted all the recommendations made by the Audit Committee during the year.

Further details on the functioning of the Audit Committee are given in the Corporate Governance Report.

## Report of the Board of Directors

### b. Nomination & Remuneration Committee

SI No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Dr. S.S. Baijal	Non-Executive-Independent	Member
3.	Mr. V. P Agarwal	Non-Executive-Independent	Member

Further details of Nomination and Remuneration Committee are given in the Corporate Governance Report.

### c. Corporate Social Responsibility Committee

SI No.	Name	Chairman/ Members
1.	Dr. S. S. Baijal	Chairman
2.	Mr. V. P Agarwal	Member
3.	Mr. C. S. Bedi	Member

Further details of Corporate Social Responsibility Committee are available in the Report on Corporate Governance.

The Committee had approved the CSR policy and the Budget for the financial year 2014-2015 prepared in accordance with the provisions of Section 135 (5) of the Companies Act, 2013. The amount so budgeted was fully spent on or before 31st March, 2015.

The CSR policy is uploaded on Company's website at [www.rossellindia.com](http://www.rossellindia.com) and the Report on CSR Activities/ Initiatives is enclosed as Annexure-2.

### d. Stakeholders Relationship Committee

SI No.	Name	Chairman/ Members
1.	Mr. H. M. Parekh	Chairman
2.	Mr. V. P Agarwal	Member
3.	Mr. C. S. Bedi	Member

Further details of Stakeholders Relationship Committee are available in the Report on Corporate Governance.

### e. Risk Management Committee

Your Board at its meeting dated 14th November, 2014, has constituted Risk Management Committee of the Board in terms of Clause VI.C of Revised Clause 49 of the Listing Agreement.

SI No.	Name	Chairman/ Members
1.	Mr. H. M. Parekh	Chairman
2.	Ms. Nayantara Palchoudhuri	Member
3.	Mr. C. S. Bedi	Member

Further details of Risk Management Committee are available in the Report on Corporate Governance.

## ANNUAL PERFORMANCE EVALUATION

In terms of the relevant provisions of the Companies Act, 2013 and Revised Clause 49.II.B.6 of the Listing Agreement, the Board had carried out an annual evaluation of its own performance and that of its Committees as well as individual Directors.

A structured questionnaire was prepared after taking into consideration different views received from the Directors, covering various aspects of the Board's functioning such as adequacy of the Board's composition and structure, Board's culture, execution and performance of specific duties, obligations and governance, effectiveness of Board processes etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.





## Report of the Board of Directors

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings like attendance in the meeting, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role by the Independent Directors.

The Independent Directors also carried out the Performance Evaluation in terms of Clause VII (3) (c) of Schedule IV to the Companies Act, 2013 in their separate Meeting held on 30th March, 2015.

### EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is given as Annexure-3.

### VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) read with Rule 7 (Meeting of Board and its Power) Rules, 2014 and Clause 49. II. F of the Listing Agreement, your Company has duly established Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of company's code of conducts or ethics policy. Audit Committee of the Board monitors and oversee the vigil mechanism.

The detailed policy related to this vigil mechanism is available in the Company's website at [www.rossellindia.com](http://www.rossellindia.com) and the same is given as Annexure-4.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2015, and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

M/s. S. S. Kothari & Co., Chartered Accountants, Auditors of the Company will retire at the forthcoming Annual General Meeting. In terms of third proviso to Sec. 139 (2) of the Companies Act, 2013, they are eligible to be re-appointed and accordingly, they offer themselves for re-appointment. The Audit Committee has recommended their appointment as Auditors of the Company to hold office till the conclusion of the next Annual General Meeting.

The report of the Auditors does not contain any qualification, reservation or adverse remark or disclaimer, which requires any further comments or explanations in this report. The Notes to the Financial Statements are also self-explanatory and do not call for any further comments.

### COST AUDIT

In terms of Section 148(3) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, M/s. Shome & Banerjee, Cost Accountants has been re-appointed as the Cost Auditor of the Company for the financial year 2015-2016 based on the recommendations of the Audit Committee, by the Board of Directors in its meeting held on 29th May, 2015. Their remuneration is required to be ratified by the Members in the ensuing Annual General Meeting.

### SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. A.K. Labh & Co., Practicing Company Secretaries have been appointed Secretarial Auditors of the Company for

## Report of the Board of Directors

the financial year ended 31st March, 2015. The report of the Secretarial Auditors is enclosed as Annexure-5 to this report. The Report does not contain any qualification, reservation or adverse remark or disclaimer, which requires any further comments or explanations in this report.

### RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and listing agreement. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. All related party transactions are presented to the Audit Committee and the Board, if required for approval. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the web link: <http://www.rossellindia.com/financial-result/Policy%20on%20Related%20Party%20Transactions.pdf>

Necessary disclosure of related party transactions in terms of clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in Form AOC-2 as Annexure-6 to this report.

### LOANS, GUARANTEES OR INVESTMENTS

Your Company has not provided any Guarantee for any party. An interest free Loan of Rs. 4.50 lakhs was paid to wholly owned subsidiary, CAE Rossell India Ltd. in earlier years and the same remain outstanding as on 31st March, 2015. (Note No. L) Particulars of investments under section 186 of the Companies Act, 2013, as required to be disclosed in terms of Section 134(1)(g) of the Act, has been provided in the accompanying financial statement (Note No. K).

### HUMAN RESOURCES

Your Company treats its "human resources" as one of the most important assets. The Management of the Company lays continuous focus on human resources, who are trained from time to time to attain the required standards. The correct recruitment practices are in place to attract the best technical manpower to ensure that the Company maintains its competitive position with respect to execution. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis.

Industrial relations at all the units remain satisfactory; your Company employed 6,195 personnel on its roll as on 31st March, 2015.

During the year under review, the Company did not have any employee on its payroll, who:

- a. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;
- b. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;
- c. if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

The total remuneration drawn by the Managing Directors and Key Managerial Personnel forms part of Extracts from the Annual Return in Form MGT 9. Mr. H. M. Gupta, Executive Chairman in his capacity as the Chairman and Managing Director of BMG Enterprises Ltd., the Holding Company drew a remuneration of Rs. 6.50 lakhs as consolidated salary pursuant to Section 197 (14) of the Companies Act, 2013.

### STATEMENTS OF SUBSIDIARIES / JOINT VENTURES

The wholly owned subsidiary, CAE Rossell India Limited, did not carry out any activity during the year under review.

Your Company has a Joint venture entity named R.V. Enterprizes Pte. Ltd., Singapore, in which the Company holds 26% Equity Shares.

Accompanying Consolidated Financial Statement contains details financials of the Subsidiary / Joint Venture.

### RISK MANAGEMENT POLICY

In terms of the requirement of the Companies Act, 2013 and Clause 49.VI of the Listing Agreement, the Company has developed and implemented the Risk Management Policy. The Risk Management Committee of the Board reviews the same periodically.

The major risks and concerns being faced by various business segments of the Company are discussed in report on Management Discussion and Analysis forming part of this Report.



## Report of the Board of Directors

In the opinion of the Board, there is no such element of risk which may threaten the present existence of the Company.

### REMUNERATION POLICY

The Company follows a policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. Further details on the same have been given in the Report on Corporate Governance

The required disclosure 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 given as Annexure-7 to this report.

### AWARDS AND RECOGNITION

Your Directors are pleased to advise that in the Gold Medal Tea Competition held during the 5th North American Tea Conference in September, 2014, in Niagara, Canada, the **Tea produced by Dikom Tea Estate** of the Rossell Tea Division of the Company was placed "2nd" in the worldwide category for black teas. This is the Second time in three years that this estate has won this honour.



World Category Award for  
Black Tea

Further, Rossell Techsys Division of the Company has been awarded the "Top Indian SME for Aerospace & Defense for the year 2015." The award is instituted by International Aerospace Magazine (SAP Media).



The Best SME award in the Aerospace and Defense

## Report of the Board of Directors

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There is no significant or material order passed by any Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

### INTERNAL FINANCIAL CONTROL

Your Company has adequate Internal Financial Control System at all levels of Management and they are reviewed from time to time. The Internal Audit is carried out in house as well as by a firm of Chartered Accountants. The Audit Committee of the Board looks into Auditor's review which is deliberated upon and corrective action taken, where ever required.

### TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years till 31st March 2015. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.

### DEPOSITS

Your Company has not accepted any deposits from public in terms of provisions contained in Chapter V of the Companies Act, 2013, or in terms of corresponding provisions of the Companies Act, 1956.

### MANAGEMENT DISCUSSION AND ANALYSIS

A report on the Management Discussion and Analysis concerning all the business segments of the Company is given as Annexure-8 to this report.

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

#### (a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	<p>In the various Tea Factories of Rossell Tea Division, replacement of old and outdated equipment, wherever required with energy efficient equipment giving higher output with less energy consumption is an ongoing practice. Some of the steps taken and its impact during the Financial Year 2014-2015 are as under:</p> <ul style="list-style-type: none"> <li>• Replacement of old obsolete fuel in-efficient Generators were under taken for 200 KVA and 100 KVA capacities. These have the ability to perform on better units to fuel ratio with better capacity utilization and are Central Pollution Control Board Stage II (CPCBII) compliant. with regulated noise level at 75 db (A).</li> <li>• Up-gradation of Plant Motorization to Energy Efficient Motors.</li> <li>• Implementation of an Industrial Pressure Regulating System at one of the Tea Factory. This has achieved a control on supply Pressure thereby reducing the Natural gas consumption entailing conservation of fuel.</li> <li>• Installing individual DMC (Demand Monitoring Control) units at Tea Factories. This instrumentation controls the consumption of Demand power coupled with the facility of a command to avoid human error.</li> </ul> <p>Rossell Techsys Division is currently operating out of leased premises in Whitefield, Bangalore. The Division utilizes, largely, single phase power, for its tools and equipment. However, the Division does have a practice in place, as part of its ISO 14001 practices to regulate the use of power during and outside regular working hours. There is a standard operating practice in place for conserving of power using diligence.</p>
(ii)	the steps taken by the company for utilizing alternate sources of energy	<p>Rossell Tea Division is studying the possibility of using solar panels for generation of electricity at 2 of its Tea Estates in Assam. This is in view of lower Solar Irradiance in the North East region of the Country.</p> <p>Rossell Techsys Division in view of certain restrictions in the leased premises, cannot use solar panels or any other alternative source of energy.</p>



## Report of the Board of Directors

(iii)	the capital investment on energy conservation equipments	All the equipment and machinery are acquired with energy conservation in view. Thus the extent of investment cannot be separately quantified. However, the capital investments during the year ended 31st March, 2015 on acquisition of energy conservation equipment in particular was ₹ 23.52 lakhs in Rossell Tea.
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### (b) Technology absorption

(i)	the efforts made towards technology absorption	In-house seminars, discussions with experts and training programme were held for innovative ideas of production and to update the staff. The concerned staff members are also sponsored to attain various seminars and workshops for updating themselves in various aspects of the functioning of the Company.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	There has been an overall improvement in quality of product and labour productivity, which results in economy in cost.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported (b) the year of import; (c) whether the technology been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
(iv)	the expenditure incurred on Research and Development	The Company is a Member of Tea Research Association, Kolkata, which is registered under Sec. 35 (1) (ii) of the Income tax Act, 1961. A contribution of ₹11.00 lakhs during the year towards subscription by Rossell Tea Division. All the Research and Development work done in Rossell Techsys Division is customer specific and for their exclusive purpose. Thus the cost thereof is absorbed by the respective project cost and not required to be accumulated separately.

### (c) Foreign exchange earnings and Outgo

During the year, the total foreign exchange used was ₹ 552.48 lakhs and the total foreign exchange earned was ₹ 5,880.67 lakhs.(Note No. 10 to the financial statements)

### MATERIAL CHANGES AND COMMITMENTS

You Directors confirm that there are no material changes and commitments, affecting the financial position of the company which has occurred between the end of the financial year of the company and the date of this report

### ACKNOWLEDGEMENT

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the business associates, shareholders and other stakeholders of the Company for their continued support.

For and on behalf of the Board

Place : Kolkata  
Date : 29th May, 2015

**H. M. Gupta**  
Executive Chairman

## Annexure 1 to the Report of the Board Directors

### REPORT ON CORPORATE GOVERNANCE

The Listing Agreement of the Stock Exchange in Clause 49 (Revised) has laid down a Code of Corporate Governance which the Company has complied with as follows:

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Board of Directors unequivocally supports the principles of Corporate Governance. Your Company espouses the cause of long term success in all areas of its business and commits itself to achieving this by outstanding standards of productivity, quality and performance. It continues to evolve, learn and adapt for the common good of its stakeholders.

Your Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

Your Company places great emphasis on values such as empowerment and integrity of its employees, well-being of the employees and communities surrounding our Tea Estates, transparency in decision making process, fair and ethical dealings with all its business associates, pollution free clean environment and last but not the least, accountability to all the stakeholders.

Your Company is further committed to the well-being of communities in general in the society through meaningful "Corporate Social Responsibility" initiatives.

#### 2. BOARD OF DIRECTORS

##### 2.1 Composition and Category of Directors

The Board is headed by Executive Chairman, Mr. H. M. Gupta and comprises of persons who are expert in their respective fields. At present, majority of the Directors on the Board are Non-Executive Independent Directors. Particulars as on 31st March, 2015 are given below:

Director	Category of directors
Mr. H. M. Gupta	Executive Chairman
Dr. S. S. Baijal	Non-Executive-Independent
Mr. H. M. Parekh	Non-Executive-Independent
Mr. V. P. Agarwal	Non-Executive-Independent
Ms. Nayantara Palchoudhuri*	Non-Executive Non-Independent Director
Mr. C.S. Bedi	Managing Director

- Appointed as Additional Director by the Board on 06.08.2014.

Your Company has appointed Ms. Nayantara Palchoudhuri, as Non-Executive Non-Independent Woman Director on the Board of the Company w.e.f. 06.08.2014 in terms of the requirement of revised Clause 49.1 of the Listing Agreement.

##### 2.2 Attendance of each Director at the Board Meetings held during the year and the last AGM.

During the year under review, 6 Board Meetings were held on 01.04.2014, 16.05.2014, 06.08.2014, 14.11.2014, 04.02.2015 and 30.03.2015.

The last AGM was held on 06.08.2014.

##### Details of attendance :

Director	No. of Board Meetings Attended	Whether attended Last AGM
Mr. H.M. Gupta	6	Yes
Dr. S.S. Baijal	6	Yes
Mr. H.M. Parekh	6	Yes
Mr. V. P. Agarwal	6	Yes
Ms. Nayantara Palchoudhuri	3	No
Mr. C.S. Bedi	6	Yes



## Annexure 1 to the Report of the Board Directors

### 2.3 Separate Meeting of Independent Directors

As stipulated by Clause 49.II.B of the Listing Agreement read with Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 30.03.2015, without the attendance of Non-Independent Directors. The following Matters were inter-alia considered in the Meeting:

- 2.3.1 Reviewed the performance of non-independent directors and the Board as a whole;
- 2.3.2 Reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- 2.3.3 Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### 2.4 Number of other Boards or Board Committees in which he/she is a member or Chairperson :

None of the Directors acts as an Independent Director in more than 7 Listed Companies. Further, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director.

The details of the Directorships, Chairmanships and the Committee memberships in other Companies (excluding Private Limited Companies, Foreign Companies and Section 8 Companies) held by the Directors as on 31st March , 2015, are given below:

Director	No. of Companies		
	Member of Board	Board Committees #	
		Chairman	Member
Mr. H.M. Gupta	3	—	—
Dr. S.S. Baijal	8	4	5
Mr. H.M. Parekh	8	5	10
Mr. V. P. Agarwal	2	—	2
Mr. C.S. Bedi	1	—	1
Ms. Nayantara Palchoudhuri	8	—	2

# includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies (whether Listed or not).

### 2.5 Induction and Training of Board Members:

On appointment, the Independent Director is given a Letter of Appointment setting out, in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation from the Managing Director as well as various Business Heads on the Company's production, marketing, finance and other important aspects. The Company Secretary briefs the Director about his legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Directors, Business and Functional Heads, Visit to the Tea Estates/ plant/ site etc.

### 2.6 Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Executive Chairman, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, etc.

### 2.7 Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board Members and all the employees in the Senior Management grade of the Company. The Code covers amongst other things the Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc.

All the Board Members and Senior Management personnel have confirmed compliance with the code. A declaration to that effect signed by the Chief Executive Officer is attached and forms part of the Annual Report of the Company.

## Annexure 1 to the Report of the Board Directors

### 3. AUDIT COMMITTEE

#### 3.1 Brief description and Composition

The Board has constituted a well-qualified Audit Committee. All the four members of the Committee are Non-Executive Directors and three of them are independent Directors including the Chairman. The Chairman of the Committee has in depth knowledge in the areas of Finance and Accounts. The Committee has been meeting as and when required and at least once in every quarter of the Financial Year.

The Audit Committee of the Company is comprised of the following Directors :

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Dr. S.S. Bajjal	Non-Executive-Independent	Chairman
2.	Mr. H. M. Parekh	Non-Executive-Independent	Member
3.	Mr. V. P. Agarwal	Non-Executive-Independent	Member
4.	Ms. Nayantara Palchoudhuri	Non-Executive Non-Independent Director	Member

#### 3.2 Terms of reference

The terms of reference of the Audit Committee broadly cover the areas specified in Revised Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 and briefly described below:

- 3.2.1 To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 3.2.2 To recommend the appointment, remuneration and terms of appointment of the Statutory Auditors, Cost Auditors and Internal Auditors of the Company;
- 3.2.3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 3.2.4 Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub-Section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report, if any.
- 3.2.5 To review with management, the quarterly financial statements before submission to the Board for taking the same on record;
- 3.2.6 Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in the matter;
- 3.2.7 To review and monitor the Auditor's independence and performance and effectiveness of the Audit Process;
- 3.2.8 Approval or any subsequent modification of transactions of the Company with related parties;
- 3.2.9 Scrutiny of Inter-corporate loans and Investments;
- 3.2.10 Valuation of undertakings or assets of the Company, wherever it is necessary;
- 3.2.11 Evaluation of internal financial controls and risk management systems;
- 3.2.12 Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 3.2.13 Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 3.2.14 Discussion with internal auditors of any significant findings and follow up there on;





## Annexure 1 to the Report of the Board Directors

- 3.2.15 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 3.2.16 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 3.2.17 To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 3.2.18 To review the functioning of the Whistle Blower/ Vigil mechanism;
- 3.2.19 Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 3.2.20 Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 3.2.21 The Audit committee also reviews the following information:
- Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of the chief internal auditor.

### 3.3 Meetings and attendance during the year

During the year under review, 5 Meetings of the Audit Committee were held on 16.05.2014, 06.08.2014, 14.11.2014, 04.02.2015 and 30.03.2015.

The composition and attendance of the members at the Audit Committee Meetings are as follows:

Name	No. of Audit Committee Meetings Attended
Dr. S.S. Baijal, Chairman	5
Mr. H.M. Parekh	5
Mr. V. P. Agarwal	5
Ms. Nayantara Palchoudhuri	3

The Chief Financial Officer-cum-Company Secretary acts as the Ex-Officio Secretary to the Committee. Statutory Auditors, Cost Auditors and Internal Auditors attend the Meeting whenever required. The Executive Chairman, Managing Director and other Senior Executives are also invited to attend and deliberate in the Meetings.

## 4. NOMINATION AND REMUNERATION COMMITTEE

### 4.1 Brief description and Composition :

The Board has duly constituted Nomination and Remuneration Committee of the Board and the said committee comprises of three Non-Executive Independent Directors as follows:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Dr. S.S. Baijal	Non-Executive-Independent	Member
3.	Mr. V. P. Agarwal	Non-Executive-Independent	Member

### 4.2 Terms of reference :

The Committee is empowered :-

- 4.2.1 To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of Directors, Key Managerial Personnel and other employees;
- 4.2.2 To formulate criteria for evaluation/ performance appraisal of Independent Directors and the Board;

## Annexure 1 to the Report of the Board Directors

- 4.2.3 To devise policy on Board diversity;
- 4.2.4 To Identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel.

### 4.3 Remuneration Policy :

The Company follows a policy on remuneration of Directors and Senior Management Employees as formulated by the Nomination and Remuneration Committee detailed hereunder:

- 4.3.1 The remuneration of an individual shall be dependent upon the following parameters concerning an individual:
- Age,
  - Qualifications,
  - Experience,
  - Core Competence,
  - Career advancement,
  - Special Skill, if any
  - Performance in the context of the duties and responsibilities assigned,
  - Industry Criteria,
  - Other relevant factors.
- 4.3.2 The level and composition of remuneration for each individual shall be reasonable and sufficient to attract, retain and motivate the person concerned, whether as Director or Key Managerial Personnel of the quality required to run the Company successfully;
- 4.3.3 Relationship of remuneration to performance should be clear and meets appropriate performance benchmarks as may be set up from time to time; and
- 4.3.4 Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of each of the Divisions of the Company and its goals.

### 4.4 Meeting and attendance during the year :

During the year under review, three Meetings of the Nomination and Remuneration Committee were held on 16.05.2014, 06.08.2014 and 30.03.2015.

Name	No. of Nomination and Remuneration Committee Meetings Attended
Mr. H. M. Parekh	3
Dr. S.S. Baijal	3
Mr. V. P Agarwal	3

### 4.5 Details of remuneration to all the directors :

Minimum Remuneration (ascertained based on actual expenses/valuation as per Income Tax Rules) as per Terms of Service paid to Managing Directors during the year 2014-2015 : ₹ In lakh

Name of Directors	Salary and Allowance	Commission	Contribution to P.F. and other Funds	Value of Perquisites	Total
Mr. H.M. Gupta, Executive Chairman	24.50	-	4.80	17.00	46.30
Mr. C.S. Bedi, Managing Director	38.40	-	10.47	9.49	58.36

#### 1) Mr. H.M. Gupta

Service contract: 01.05.2012 to 30.04.2015  
 Notice period : Three months  
 Severance Fee : Not Applicable



## Annexure 1 to the Report of the Board Directors

The Board of Directors at its Meetings held on 30.03.2015 and 29.05.2015, has passed necessary resolution proposing re-appointment Mr. H. M. Gupta for a further period of 2 years 11 months w.e.f. 1st May, 2015 till 31st March, 2018, subject to approval of the Members in the ensuing Annual General Meeting.

### 2) Mr. C. S. Bedi

Service contract: 01.10.2013 to 30.09.2016

Notice period : Three months

Severance Fee : Not Applicable

Sitting Fees and Commission paid/payable to the Non-Executive Directors during the year 2014-2015 and their shareholding in the Company are as under :

₹ In lakhs

Non-Executive Directors	Board Fees	Committee Fees	Total	Commission	No. of Shares held
Dr. S.S. Bajjal	0.65	0.65	1.30	2.50	7,500
Mr. H.M. Parekh	0.65	0.85	1.50	1.50	-
Mr. V. P. Agarwal	0.65	0.95	1.60	1.50	-
Ms. Nayantara Palchoudhuri	0.30	0.20	0.50	1.00	

Note: The above Fees and Commission excludes Service Tax.

There are no stock option plans of the Company.

### 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

During the year under review, the Shareholders' Grievance and Share Transfer Committee was changed to "Stakeholders' Relationship Committee", in accordance with the provisions of Section 178 of the Companies Act, 2013. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

The Committee consists of two Non-Executive Independent Directors and the Managing Director, as under :

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Mr. V. P. Agarwal	Non-Executive-Independent	Member
3.	Mr. C. S. Bedi	Managing Director	Member

Name and designation of Compliance Officer :

Mr. N. K. Khurana, Chief Financial Officer-cum-Company Secretary

During the year under review, this Committee had eight meetings held on 16.05.2014, 06.08.2014, 12.09.2014, 14.11.2014, 24.11.2014, 19.12.2014, 04.02.2015 and 30.03.2015.

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year are as under :

a)	No. of complaints received from shareholders	17
b)	No. of complaints received from Stock Exchange / SEBI	1
c)	No. of complaints not resolved / no action taken	Nil
d)	No. of pending Share transfers as on 29th May, 2015	Nil

Shareholders' grievances are resolved expeditiously. There is no grievance pending as on date.

## Annexure 1 to the Report of the Board Directors

### 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee of the Board has been constituted as follows :

Sl. No.	Name	Category of Director	Chairman/ Mem bers
1.	Dr. S S Bajjal	Non-Executive-Independent	Chairman
2.	Mr. V. P Agarwal	Non-Executive-Independent	Member
3.	Mr. C. S. Bedi	Managing Director	Member

The role of the CSR committee inter-alia includes :

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to in Clause a) and
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Committee has framed and the Board has approved at its meeting held on 6th August, 2014, the Company's Corporate Social Responsibility policy relating to the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and the expenditure thereon, excluding activities undertaken in the normal course of business of the Company. The said CSR policy is available at the company's website at [www.rossellindia.com](http://www.rossellindia.com). The details about the policy developed and implemented by the Company on CSR initiatives taken during the year are enclosed as Annexure-2 to the Board's Report, forming part of this Annual Report.

During the year under review, the CSR Committee met five times i.e. on 16.05.2014, 06.08.2014, 14.11.2014, 04.02.2015 and 30.03.2015.

### 7. RISK MANAGEMENT COMMITTEE

The revised Clause 49 mandates constitution of the Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

Your Board at its meeting held on 14th November, 2014, has constituted Risk Management Committee of the Board in terms of Clause VI.C of Revised Clause 49 of the Listing Agreement, composed as under :

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Ms. Nayantara Palchoudhuri	Non-Executive-Non-Independent	Member
3.	Mr. C. S. Bedi	Managing Director	Member

During the year under review, the Risk Management Committee held its meeting on 29.03.2015.

The Committee at its Meeting held on 29.03.2015, has framed Company's policy on Risk Assessment and Minimization which has subsequently been approved by the Board at its meeting held on 30.03.2015. The major risks and concerns being faced by various business segments of the Company are discussed in the Report on Management Discussion and Analysis, forming part of this Annual Report.

### 8. GENERAL BODY MEETINGS

Location and time where last three AGMs were held :

Date	Location	Time
10.08.2012	Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017	10.30 a.m.
02.08.2013	Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020	2.00 p.m
06.08.2014	Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017	3.00 p.m

No resolution was passed by the Members through Postal Ballots during the year under review. In the Annual General Meeting held on 6th August, 2014, all the resolutions were adopted by electronic voting.



## Annexure 1 to the Report of the Board Directors

The following Special Resolutions were passed in the Annual General Meetings held since the last three years :

- 8.1 In the Annual General Meeting held on 10th August, 2012:- Approval of the Members obtained i) under Sections 198, 269, 309 and 310 of the Companies Act, 1956 for appointment of Mr. H. M. Gupta, as Executive Chairman for a period of three years from 1st May, 2012 to 30th April, 2015 and ii) under Section 314 and other application provisions of the Companies Act, 1956 for increase in remuneration payable to Mr. Rishab Mohan Gupta as Vice President with effect from 1st August, 2012, subject to approval of the Central Government.
- 8.2 In the Annual General Meeting held on 2nd August, 2013:- i) Approval of the Members obtained under Sections 198, 269, 309 and 310 of the Companies Act, 1956 for re-appointment of Mr. C. S. Bedi, as Managing Director for a period of three years from 1st October, 2013 to 30th September, 2016 and ii) consent of the Members obtained under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 for payment of Commission made or to be made from time to time to Non-Executive Directors not in the whole time employment of the Company within the limit of 1% (one percent) of the net profits of the Company for a period of five financial years from the financial year 2012-2013.
- 8.3 In the Annual General Meeting held on 6th August 2014 :- i) Approval of the Members obtained under Section 14 and all other provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, with regard to the draft regulation for management of the Company contained in the Article of Association. ii) Approval of the Members obtained under Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 authorising the Board to Mortgage and/or charge and/or otherwise dispose of immovable and movable properties, both present and future or whole or substantially the whole of the undertaking of the undertakings of the Company for the purpose securing any loan and/or any issue of debentures. And iii) Approval of the Members obtained under Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 authorising the Board to borrow from time to time any sum or sums of money in excess of aggregate of Company's paid up Share Capital and Free Reserves not exceeding ₹ 250 Crores.

No postal ballot by way of Special Resolution is proposed to be passed in the ensuing 21st Annual General Meeting.

### 9. OTHER DISCLOSURES

#### 9.1 Related party transactions :

Disclosures on materially significant related party transactions: The Company has not entered into any transactions of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company. The transactions undertaken during the year have been disclosed as Clause 4 in Note T to the Financial Statements for the year ended 31st March, 2015.

Further, in terms of Revised Clause 49.VII.C of the Listing Agreement, The Board, on recommendation of the Audit Committee, has adopted Company's Policy on Related Party Transactions, at its meeting held on 4th February, 2014. The said policy is available at Company's website at [www.rossellindia.com](http://www.rossellindia.com). The necessary disclosures of Related Party Transactions during the year under review is enclosed as Annexure - 6 to the Board's Report which forms part of this Annual Report.

- 9.2 No penalties / strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority for non-compliance of any laws on any matter related to capital markets, during the last three years.

#### 9.3 Whistle Blower Policy - Vigil Mechanism :

Pursuant to Sec 177(9) read with Rule 7 (Meeting of Board and its Power) Rules, 2014 and Clause 49.II.F of the Listing Agreement, Company has duly established vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conducts or ethics policy. The Audit Committee of the Board monitors and oversees such Vigil Mechanism of the Company. It is also confirmed that no personnel has been denied access to the Audit Committee during the year under review.

Further in terms of clause 49. VIII. H. of the Listing Agreement, detailed policy related to the Whistle Blower - Vigil Mechanism is available in the Company's website at [www.rossellindia.com](http://www.rossellindia.com) and the same is enclosed as Annexure - 4 of the Board's Report, which forms part of this Annual Report.

### 10. NON-MANDATORY REQUIREMENTS

- 10.1 Auditors Report: There has been no qualification/ adverse remark by the Auditors in their Audit Report for the year.
- 10.2 Other non-mandatory requirements of revised Clause 49 shall be adopted as and when considered appropriate.

### 11. MANDATORY REQUIREMENTS

The CEO and CFO placed the required certificate before the Board certifying, inter alia, the authenticity of the Financial Statements and Cash Flow Statement for the year ended 31st March, 2015. All other mandatory requirements have been duly complied with, to the extent applicable.

## Annexure 1 to the Report of the Board Directors

### 12. DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company on 25th April, 2005. All the Directors and Senior Management personnel affirm compliance with the said Code of Conduct on an annual basis. The Code of Conduct has been posted on the website of the Company, [www.rossellindia.com](http://www.rossellindia.com).

### 13. CODE FOR PREVENTION OF INSIDER TRADING

Securities and Exchange Board of India, vide its notification dated 15th January, 2015, has notified SEBI (Prohibition of Insider Trading) Regulations, 2015, to be enforced with effect from 120th day from the date of its notification. In terms of the said regulation, Company has formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, termed as "Rossell Fair Disclosure Code" and Code of Conduct for Prohibition of Insider Trading termed as "Rossell Insider Code". Board has adopted both the Codes at its meeting held on 29th May, 2015.

In terms of the regulation, Board has appointed Mr. N. K. Khurana, Chief Financial Officer-cum- Company Secretary, as the Compliance Officer as well as Chief Investor Relation Officer under the Code responsible for its implementation under the supervision of Shareholders' Grievance and Share Transfer Committee. In terms of the requirement of the said regulation "Rossell Code of Fair Disclosure" is also available at company's official website at [www.rossellindia.com](http://www.rossellindia.com).

### 14. MEANS OF COMMUNICATION

14.1 Quarterly results and the half-yearly results are published in leading newspapers such as Business Standard (English) (all editions) and Aajkal (Bengali) (Kolkata) and posted in the Website of the Company, [www.rossellindia.com](http://www.rossellindia.com). The Shareholding Pattern at the end of each quarter is also posted on the said Website. The Financial Results as well as the Shareholding Pattern are sent to the Stock Exchanges for display on their Websites.

14.2 Company's E-mail address: [rossell@rossellindia.com](mailto:rossell@rossellindia.com); [corporate@rosselltea.com](mailto:corporate@rosselltea.com)

14.3 Management discussion and Analysis Report are covered by the Directors' Report.

14.4 No presentation was made to any Institutional Investor or Analyst during the year.

### 15. GENERAL SHAREHOLDERS' INFORMATION

#### 15.1 AGM date, time and venue :

31st July, 2015 at 11.00 A.M

Williamson Magor Hall, The Bengal Chamber of Commerce and Industry

6, Netaji Subhas Road, Kolkata – 700 001

#### 15.2 Financial calendar & Publication of Results :

The Financial Year of the Company is April to March.

Publication of Results was as follows:

Period	Approval by the Board of Directors
1st quarter ended 30th June, 2014	On 06.08.2014
2nd quarter ended 30th September, 2014	On 14.11.2014
1st Half: April – September	On 14.11.2014
3rd quarter ended 31st December, 2014	On 04.02.2015
Final Audited Results for the Year including for the 4th quarter ended 31st March, 2015	On 29.05.2015

#### 15.3 Book Closure period :

24th July, 2015 to 31st July, 2015 (both days inclusive)



## Annexure 1 to the Report of the Board Directors

### 15.4 Listing on Stock Exchange's:

The Company's securities are listed at :

1. **National Stock Exchange of India Ltd.**  
Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051
2. **BSE Ltd.**  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
3. **The Calcutta Stock Exchange Ltd.**  
7, Lyons Range, Kolkata-700 001

Listing Fees as prescribed have been paid to all the aforesaid Stock Exchanges upto the Financial Year 2015-2016.

SEBI, vide its Order dated 27th January, 2015 provided for the exit to Gauhati Stock Exchange Limited ("GSE"). Accordingly Company automatically gets delisted from GSE.

#### Scrip Code :

Stock Exchange	Scrip Code
National Stock Exchange of India Ltd.	ROSSELLIND
BSE Ltd.,	533168
The Calcutta Stock Exchange Ltd.	10028199

### 15.5 Stock Price Data:

There was no transaction of the Equity Shares of the Company at The Calcutta Stock Exchange Limited during the year ended 31st March, 2015. The Monthly High and Low Prices for trading of the Equity Share at BSE and NSE are as under:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2014	52.50	44.00	53.75	43.65
May, 2014	76.00	47.00	76.90	46.00
June, 2014	79.85	66.00	80.60	66.05
July, 2014	72.70	59.10	71.15	59.65
August, 2014	70.00	54.45	69.70	54.75
September, 2014	74.25	60.30	76.00	60.05
October, 2014	74.70	62.00	82.00	60.10
November, 2014	108.00	67.00	108.00	67.55
December, 2014	104.30	76.30	104.40	76.00
January, 2015	102.00	83.00	102.80	81.00
February, 2015	94.95	71.30	91.85	70.45
March, 2015	107.00	70.00	106.90	73.00

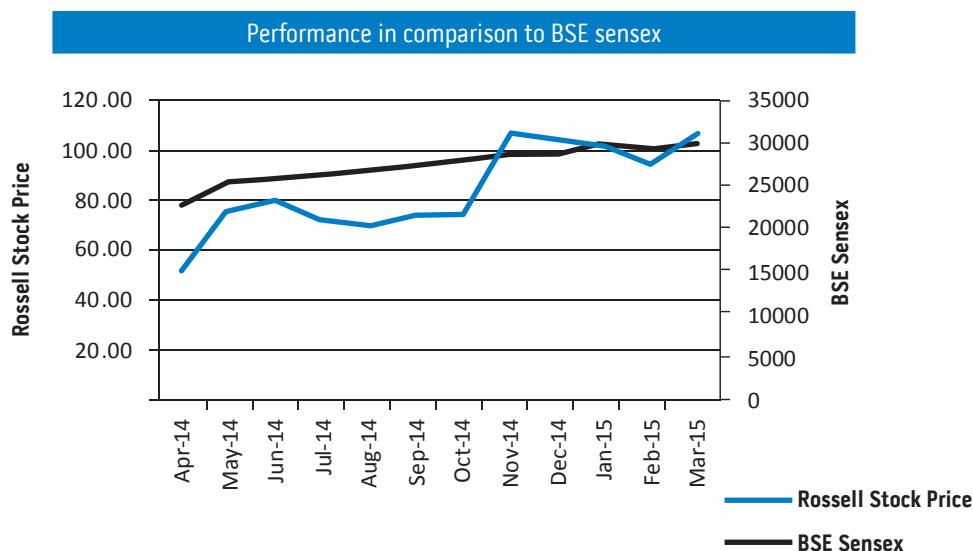
On 17.04.2015 the stock price of your Company touched its all-time high at ₹ 154.60 in BSE and ₹ 155.00 in NSE. The last traded price at the Bombay Stock Exchange on 29th May, 2015 was ₹ 102.60 and the same at NSE was ₹ 103.80.

## Annexure 1 to the Report of the Board Directors

### 15.6 Stock Performance :

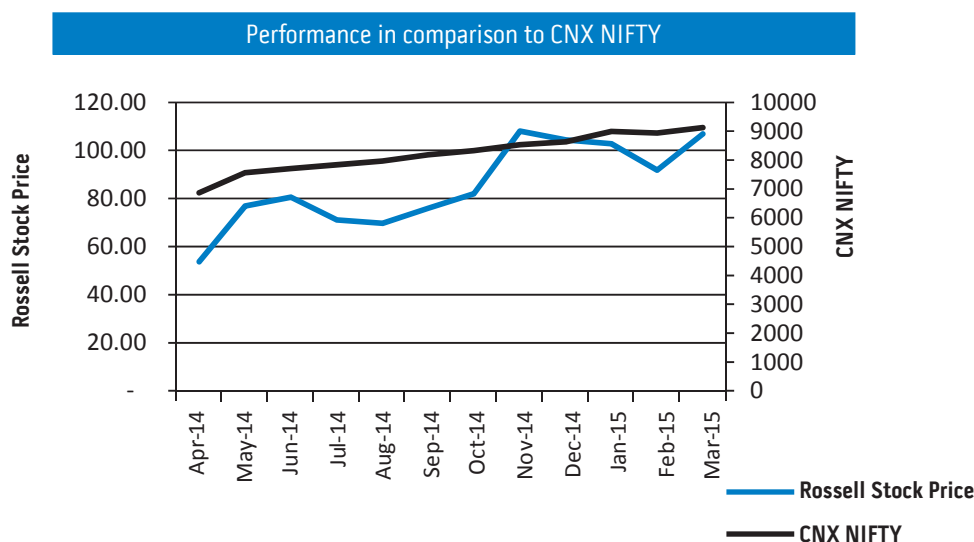
Company's Share Price vis-à-vis BSE Sensex :

(April, 2014 to March, 2015)



Company's Share Price vis-à-vis NSE CNX NIFTY :

(April, 2014 to March, 2015)



### 15.7 Share Transfer System :

The Company's shares are compulsorily traded in the demat form with effect from 29th January, 2001 for all categories of shareholders. All transfers are routed through the respective Accounts maintained with the Depository Participants (DPs) of the Investor.

**Code No. allotted by NSDL/CDSL: (ISIN) INE 847C01020**

Existing holders in physical mode are advised to open a Depository Account prior to any transaction.

### 15.8 Registrars and Share Transfer Agents :

CB Management Services Private Limited, Kolkata are acting as the Registrars and Share Transfer Agents, including Depository Registrars for the Equity Shares of the Company.





## Annexure 1 to the Report of the Board Directors

### 15.9 Dematerialization of Shares:

As on 31st March, 2015, 3,59,32,878 Nos. of Equity Shares, representing 97.9191% of the Equity Capital have been held in dematerialised form with NSDL and CDSL.

#### 15.10 (i) Distribution of shareholding as on 31st March, 2015

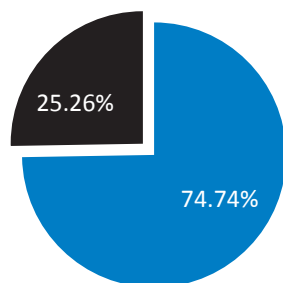
Range (No. of shares )	No. of shareholders	% of shareholders	No. of shares held	% of shares
1 -500	6,018	88.38	8,27,091	2.26
501 -1000	431	6.33	3,18,180	0.87
1001-2000	158	2.32	2,31,786	0.63
2001-3000	65	0.96	1,69,451	0.46
3001-4000	22	0.32	77,941	0.21
4001-5000	16	0.24	74,252	0.20
5001-10000	35	0.51	2,64,160	0.72
10001 - 50000	38	0.56	7,59,447	2.07
50001-100000	8	0.12	6,05,795	1.65
And Above	18	0.26	3,33,68,372	90.93
<b>TOTAL</b>	<b>6,809</b>	<b>100.00</b>	<b>3,66,96,475</b>	<b>100.00</b>

#### (ii) Shareholding pattern as at 31st March, 2015

Category shareholders	No. of shareholders	No. of shares held	% Shareholding
Non-Resident Individuals	43	41,599	0.11
Foreign Institutional Investors	1	35,00,000	9.54
Financial Institutions*	2	300	0.00
Mutual Funds & UTI	2	1,50,010	0.41
Directors & their relatives	3	32,91,054	8.97
Resident Individuals	6,576	40,57,926	11.06
Nationalised Banks	2	90,150	0.24
Other Bodies Corporate	179	2,54,48,326	69.35
Unclaimed Suspense Account	1	1,17,110	0.32
<b>Total</b>	<b>6,809</b>	<b>3,66,96,475</b>	<b>100.00</b>

\* FI includes Insurance Company and other Banks

Shareholding Pattern	Total Number of Equity Shares		
■ % of Shares held by Promoter Group	Number of Shares held by Promoter Group*	2,74,25,663	74.74%
■ % of Shares held by public	Number of Shares held by Public	92,70,812	25.26%
	Total Number of Equity Shares	3,66,96,475	100.00%



\*Not pledged or encumbered in any manner

## Annexure 1 to the Report of the Board Directors

### 15.11 Plant Locations :

The Company owns seven Tea Estates in Assam, as given below as on date. Each estate has its own well-equipped Factory for processing of Black Tea:

#### ASSAM

##### Dist. Dibrugarh

Dikom, Romai, Namsang

##### Dist. Tinsukia

Nokhroy

##### Dist. Baksa

Nagrijuji

##### Dist. Golaghat

Bokakhat

##### Dist. Jorhat

Kharikatia

**Note:** Particulars of Area under Tea, Crop & Yield are given later in the Report.

The **Design and Development unit of Rossell Techsys Division** is located at Bangalore at the following address:

No. 74, 3rd Cross, Export Promotional Industrial Park, Whitefield, Bangalore – 560 066

**Rossell Hospitality Division** of the Company has Nine Indian Fast Food Outlets - "Kebab Xpress" at the following places as on 31st March, 2015:

1	The Great India Place Shop No.301A, 3rd floor, Noida - 201 301, TGIP Mall	2	N-5, Outer Circle, Connaught Place (Opp of palika Bazar Gate -5), New Delhi - 110 001
3	V3S Mall, Shop No - G2 & G8, Ground Floor, Laxmi Nagar, New Delhi - 110 092	4	Shop No 11, 2nd Floor, Moments Mall, Kirti Nagar, New Delhi - 110 015
5	Ground Floor, North West Avenue, Club Road Punjabi Bagh, New Delhi - 110 026	6	Shop No - 112, 1st Floor, DLF Cyber Hub, Cyber City, Gurgaon (Haryana) - 122 002
7	Shop No - K9 & K10, Pacific Mall, Subhash Nagar, Khayala, New Delhi - 110 027	8	The Qutub Tiffin Qutub Minar, New Delhi - 110 006
9	HUDA City Center, Shop No.6, Ground Floor, HUDA Metro Station, Sector 29, Gurgaon-122 002		

### 15.12 Address for correspondence :

Registrars & Share Transfer Agents including Depository Registrar

CB Management Services Private Limited,

P-22, Bondel Road, Kolkata-700 019

Tel: (033) 40116700 / 40116711 / 40116718 / 40116720

Fax: (033) 2287-0263

E-Mail: rta@cbmsl.com

#### Compliance Officer :

Mr. N. K. Khurana

Chief Financial Officer-cum-Company Secretary,

Rossell India Limited,

Jindal Towers, Block 'B', 4th Floor,

21/1A/3, Darga Road, Kolkata- 700 017

Tel: (033) 2287-4794/2290-3035

Fax: (033) 2287-5269

E-mail: nirmal.khurana@rossellindia.com / nk.khurana@rosselltea.com

For and on behalf of the Board

Place : Kolkata

Date : 29th May, 2015

**H. M. Gupta**

Executive Chairman



## Annexure 2 to the Report of the Board Directors

### REPORT ON CSR ACTIVITIES/INITIATIVES

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

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is <a href="http://www.rossellindia.com/financial-result/CSR_Policy.pdf">http://www.rossellindia.com/financial-result/CSR_Policy.pdf</a>
2	The Composition of the CSR Committee.	i) Dr. S. S. Bajjal - Chairman ( Independent Director) ii) Mr. V. P Agarwal - Member ( Independent Director) iii) Mr. C. S. Bedi – Member (Managing Director)
3	Average net profit of the company for last three financial years.	₹ 3,018.40 Lakhs.
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 60.40 Lakhs
5	Details of CSR activities/projects undertaken during the year :	
	a) total amount to be spent for the financial year	₹ 60.54 Lakhs
	b) amount un-spent, if any	Nil
	c) manner in which the amount spent during financial year,	The manner in which the amount is spent is detailed in the Annexure-A below.

#### Annexure -A

1	2	3	4	5	6	7	8
Sl. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1.Local area/ others- 2.specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise ₹ in lakhs	Amount spent on the project/ programme ₹ in lakhs	Cumulative spend upto to the reporting period ₹ in lakhs	Amount spent: Direct/ through implementing agency
A.	<b>Direct Expenditure on Projects</b>						
1	Running and maintenance of free dispensary	Promoting preventive health care	Delhi, NCR Area	12.00	12.00	12.00	Through BMG Foundation, Delhi
2	Community Based Creches at Urban Slums	Promoting education among children	Delhi, NCR Area	12.63	12.63	12.63	Through Mobile Creches, Delhi
3	Day Care Centre at EMAAR MGF, Palm Drive Project	Promoting education among children	Palm Drive, Gurgaon, NCR Area	3.50	3.50	3.50	Through Mobile Creches, Delhi

## Annexure 2 to the Report of the Board Directors

4	Mid-day meal sponsor for 200 Children for 2 months	Eradicating Hunger, Proverty Malnutrition etc	Gurgaon, NCR Area	0.80	0.80	0.80	Through Diksha, Gurgaon
5	Books sponsor for 200 Children	Promoting Education	Dist. Dibrugarh , Assam	0.20	0.20	0.20	Through Diksha, Gurgaon
6	Overall development of Children (basic nutritional food with regular health checkups, etc.)	Eradicating Hunger, Proverty Malnutrition etc	Romai and Phutahullah villages in the vicinity of Romai T.E. Dist. Dibrugarh , Assam	7.00	7.00	7.00	Through CRY with Bal Sakha, Dibrugarh Unit, Assam
7	Construction of School Building for Nagrijuli High School in the neighborhood of Nagrijuli T.E.	Promoting Education	Nagrijuli T.E. Dist. Baksa, Assam	10.00	10.05	10.05	Direct Spending
8	Construction of School Building for Nokhroy Kechasona High School in the neighborhood of Nokhroy T.E	Promoting Education	Nokhroy T.E Dist. Tinsukia, Assam	11.00	11.04	11.04	Direct Spending
9	Construction of Girls' Toilets at Moderkhat Girls 'High School in the neighborhood of Romai T.E.	Promoting preventive health care and Sanitation	Romai T.E Dist. Dibrugarh, Assam	3.00	2.99	2.99	Direct Spending
B.	<b>Overheads - Service Tax and other incidentals</b>			0.27	0.33	0.33	
	<b>TOTAL</b>			<b>60.40</b>	<b>60.54</b>	<b>60.54</b>	

### Responsibility Statement

The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Place : Kolkata  
Date : May 29, 2015

**H. M. Gupta**  
Executive Chairman and CEO

**Dr. S. S. Bajjal**  
Chairman of CSR Committee



## Annexure 3 to the Report of the Board Directors

### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

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

#### I. REGISTRATION AND OTHER DETAILS

i) CIN	LO1132WB1994PLC063513
ii) Registration Date	10/06/1994
iii) Name of the Company	ROSSELL INDIA LIMITED
iv) Category / Sub-Category of the Company	Public Company limited by shares
v) Address of the Registered office and contact details	Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700017, West Bengal
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	C B Management Services Pvt Ltd, P - 22, Bondel Road, Kolkata, West Bengal - 700019 Tel : 033-22806692/93/94, 40116700/6711/6718/6723 Email : rta@cbmsl.com

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Tea & Tea Products	99611272	79.64%
2	Aviation Products and Services	98882	13.96%

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

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
1	CAE Rossell India Ltd.	U80102DL2008PLC179630	Wholly Owned Subsidiary	100%	Sec 2(87)
2	R. V. Enterprizes Pte. Ltd., Singapore	N.A	Joint Venture / Associate	26%	Sec. 2 (6)

## Annexure 3 to the Report of the Board Directors

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

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual /HUF	32,91,054	–	32,91,054	8.97	32,91,054	–	32,91,054	8.97	–
(b) Central Govt. or State Govt.	–	–	–	–	–	–	–	–	–
(c) Bodies Corporate	2,41,84,609	–	2,41,84,609	65.90	2,41,34,609	–	2,41,34,609	65.77	0.13
(d) Bank/FI	–	–	–	–	–	–	–	–	–
(e) Any other	–	–	–	–	–	–	–	–	–
<b>SUB TOTAL : (A)(1)</b>	<b>2,74,75,663</b>	<b>–</b>	<b>2,74,75,663</b>	<b>74.87</b>	<b>2,74,25,663</b>	<b>–</b>	<b>2,74,25,663</b>	<b>74.74</b>	<b>0.13</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any Other	–	–	–	–	–	–	–	–	–
<b>Sub-total(A)(2)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2,74,75,663</b>	<b>–</b>	<b>2,74,75,663</b>	<b>74.87</b>	<b>2,74,25,663</b>	<b>–</b>	<b>2,74,25,663</b>	<b>74.74</b>	<b>0.13</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	1,50,010	–	1,50,010	0.41	1,50,010	–	1,50,010	0.41	–
b) Banks / FI	–	90,300	90,300	0.24	–	90,300	90,300	0.24	–
c) Central Govt.	–	150	150	0.00	–	150	150	0.00	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIs	35,00,000	–	35,00,000	9.54	35,00,000	–	35,00,000	9.54	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
<b>Sub-total (B)(1)</b>	<b>36,50,010</b>	<b>90,450</b>	<b>37,40,460</b>	<b>10.19</b>	<b>36,50,010</b>	<b>90,450</b>	<b>37,40,460</b>	<b>10.19</b>	<b>–</b>
<b>2. Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian	12,90,639	4,955	12,95,594	3.53	12,74,401	4,055	12,78,456	3.48	0.05
(ii) Overseas	–	–	–	–	–	–	–	–	–
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	16,69,610	5,33,395	22,03,005	6.01	17,96,324	5,18,942	23,15,266	6.31	0.30
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	16,08,081	1,50,000	17,58,081	4.79	15,92,660	1,50,000	17,42,660	4.75	0.04
(c) Others (specify)	2,23,522	150	2,23,672	0.61	1,93,820	150	1,93,970	0.53	0.08
<b>Sub-total (B)(2):</b>	<b>47,91,852</b>	<b>6,88,500</b>	<b>54,80,352</b>	<b>14.94</b>	<b>48,57,205</b>	<b>6,73,147</b>	<b>55,30,352</b>	<b>15.07</b>	<b>0.13</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>84,41,862</b>	<b>7,78,950</b>	<b>92,20,812</b>	<b>25.13</b>	<b>85,07,215</b>	<b>7,63,597</b>	<b>92,70,812</b>	<b>25.26</b>	<b>0.13</b>
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>	<b>3,59,17,525</b>	<b>7,78,950</b>	<b>3,66,96,475</b>	<b>100.00</b>	<b>3,59,32,878</b>	<b>7,63,597</b>	<b>3,66,96,475</b>	<b>100.00</b>	<b>–</b>



## Annexure 3 to the Report of the Board Directors

### (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	BMG ENTERPRISES LTD.	2,31,63,795	63.12	0.00	2,31,13,795	62.99	0.00	0.13
2.	BMG INVESTMENTS PVT LTD	5,49,769	1.50	0.00	5,49,769	1.50	0.00	0
3.	HARVIN ESTATE PVT.LTD.	4,71,045	1.28	0.00	4,71,045	1.28	0.00	0
4.	HARSH MOHAN GUPTA	18,53,785	5.05	0.00	18,53,785	5.05	0.00	0
5.	RISHAB MOHAN GUPTA	7,43,599	2.03	0.00	7,43,599	2.03	0.00	0
6.	VINITA GUPTA	6,93,670	1.89	0.00	6,93,670	1.89	0.00	0
	<b>TOTAL</b>	<b>2,74,75,663</b>	<b>74.87</b>	<b>0.00</b>	<b>2,74,25,663</b>	<b>74.74</b>	<b>0.00</b>	<b>0.13</b>

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

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	BMG ENTERPRISES LTD.				
	At the beginning of the year	2,31,63,795	63.12	2,31,63,795	63.12
	28.11.2014 - SALE of Shares	(5,838)	(0.01)	-	-
	05.12.2014 - SALE of Shares	(44,162)	(0.12)	-	-
	At the end of the year	2,31,13,795	62.99	2,31,13,795	62.99

### (iv) Shareholding Pattern of top ten Shareholders

Sl	FOLIO/DP-CL	SOLE/FIRST NAME OF THE SHAREHOLDER		DATE	NO. SHR	% TO TOT	NO. SHR	% TO TOT
1	IN30134820011233	ELARA INDIA OPPORTUNITIES FUND LIMITED	At the beginning of the year	01/4/2014	35,00,000	9.54	35,00,000	9.54
				NO CHANGE DURING THE PERIOD				
2	IN30032710574027	ASWINI AGARWAL	At the beginning of the year	01/4/2014	11,33,250	3.09	11,33,250	3.09
			SALE	27/03/2015	5,00,000	1.36	6,33,250	1.73
			At the end of the year	31/03/2015			6,33,250	1.73
3	IN30124110019874	SEWASTUTI FINANCE PVT LTD	At the beginning of the year	01/4/2014	4,65,060	1.27	4,65,060	1.27
			BUY	4/4/2014	1,500	0	4,66,560	1.27
			BUY	02/5/2014	600	0	4,67,160	1.27
			BUY	23/05/2014	3,000	0.01	4,70,160	1.28
			SALE	30/05/2014	900	0	4,69,260	1.28
			SALE	6/6/2014	3,600	0.01	4,65,660	1.27
			SALE	13/06/2014	600	0	4,65,060	1.27
			SALE	21/11/2014	1,65,060	0.45	3,00,000	0.82
			SALE	28/11/2014	1,98,000	0.54	1,02,000	0.28
			SALE	28/11/2014	1,02,000	0.28	0	0
			At the end of the year	31/03/2015			0	0
4	A00355	ASHWINI KR AGARWAL	At the beginning of the year	01/4/2014	1,50,000	0.41	1,50,000	0.41
				NO CHANGE DURING THE PERIOD				
			At the end of the year	31/03/2015			1,50,000	0.41
5	IN30081210489442	ADMINISTRATOR OF THE SPECIFIED UNDERTAKING OF THE UNIT TRUST OF INDIA - ASSET RECONSTRUCTION FUND	At the beginning of the year	01/4/2014	1,50,000	0.41	1,50,000	0.41
				NO CHANGE DURING THE PERIOD				
			At the end of the year	31/03/2015			1,50,000	0.41
6	IN30124110022629	AVG REALTORS PRIVATE LIMITED	At the beginning of the year	01/4/2014	1,35,000	0.37	1,35,000	0.37
			SALE	28/11/2014	25,000	0.07	1,10,000	0.30
			SALE	05/12/2014	10,000	0.03	1,00,000	0.27
			At the end of the year	31/03/2015			1,00,000	0.27

## Annexure 3 to the Report of the Board Directors

SL	FOLIO/DP-CL	SOLE/FIRST NAME OF THE SHAREHOLDER		DATE	NO. SHR	% TO TOT	NO. SHR	% TO TOT
7	IN30032710574035	SHANTI DEVI AGARWAL	At the beginning of the year	01/4/2014	1,20,000	0.33	1,20,000	0.33
				NO CHANGE DURING THE PERIOD				
			At the end of the year	31/03/2015			1,20,000	0.33
8	IN30124110022791	ALKYONE REALTORS PRIVATE LIMITED	At the beginning of the year	01/4/2014	1,20,000	0.33	1,20,000	0.33
			SALE	19/12/2014	600	0	1,19,400	0.33
			SALE	31/12/2014	3,300	0.01	1,16,100	0.32
			At the end of the year	31/03/2015			1,16,100	0.32
9	IN30177410010625	MANINDER SINGH	At the beginning of the year	01/4/2014	1,16,892	0.32	1,16,892	0.32
			BUY	6/6/2014	10,908	0.03	1,27,800	0.35
			At the end of the year	31/03/2015			1,27,800	0.35
10	IN30115121312415	ASWINI AGARWAL	At the beginning of the year	01/4/2014	0	0	0	0
			BUY	27/03/2015	5,00,000	1.36	5,00,000	1.36
			At the end of the year	31/03/2015			5,00,000	1.36
11	IN30124110000029	GLOBAL CREDIT CAPITAL LTD.	At the beginning of the year	01/4/2014	0	0	0	0
			BUY	28/11/2014	1,50,000	0.41	1,50,000	0.41
			BUY	05/12/2014	1,01,400	0.28	2,51,400	0.69
			SALE	06/3/2015	300	0	2,51,100	0.68
			SALE	20/03/2015	15,000	0.04	2,36,100	0.64
			At the end of the year	31/03/2015			2,36,100	0.64
12	IN30124110010156	PNR CAPITAL SERVICES LIMITED	At the beginning of the year	01/4/2014	0	0	0	0
			BUY	28/11/2014	1,65,060	0.45	1,65,060	0.45
			BUY	20/03/2015	15,028	0.04	1,80,088	0.49
			BUY	27/03/2015	498	0	1,80,586	0.49
			At the end of the year	31/03/2015			1,80,586	0.49

### (v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP Name of the Director/KMP	Shareholding at the beginnings of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. H.M.Gupta	18,53,785	5.05	18,53,785	5.05
2	Dr. S. S. Baijal	7,500	0.02	7,500	0.02
3	Mr. C.S.Bedi SALE - 28.11.2014	1,500 (1,000)	0.00 0.00	500	0.00
4	Mr. N.K.Khurana	3,700	0.01	3,700	0.01

### V. INDEBTEDNESS

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

₹ in lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,770.26	NIL	NIL	5,770.26
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	38.40	NIL	NIL	38.40
<b>Total (i+ii+iii)</b>	<b>5,808.66</b>	<b>NIL</b>	<b>NIL</b>	<b>5,808.66</b>
Change in Indebtedness during the financial year				
• Addition	40,567.68	1,800.00	NIL	42,367.63
• Reduction	40,810.33	1,800.00	NIL	42,610.33
<b>Net Change</b>	<b>(242.70)</b>	<b>NIL</b>	<b>NIL</b>	<b>(242.70)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	5,529.24	NIL	NIL	5,529.24
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	36.72	NIL	NIL	36.72
<b>Total (i+ii+iii)</b>	<b>5,565.96</b>	<b>NIL</b>	<b>NIL</b>	<b>5,565.96</b>





## Annexure 3 to the Report of the Board Directors

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

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

₹ in lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. H.M. Gupta	Mr. C.S. Bedi	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.50	38.21	62.71
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	16.88	10.71	27.59
	(c) Profits in lieu of salary under	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	- as % of profit	—	—	—
	- others, specify...			
5.	Others, please specify	—	—	—
	<b>Total (A)</b>	<b>41.38</b>	<b>48.92</b>	<b>90.30*</b>
	Ceiling as per the Act (@10% of the profits calculated under section 198 of the Companies Act, 2013)			<b>69.11</b>

\* Minimum Remuneration paid during the year.

#### B. Remuneration to other directors :

₹ in lakhs

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Dr. S.S. Baijal	Mr. H.M. Parekh	Mr. V. P. Agarwal	
1.	Independent Directors				
	• Fee for attending board / committee meetings	1.30	1.50	1.60	4.40
	• Commission	2.50	1.50	1.50	5.50
	• Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>3.80</b>	<b>3.00</b>	<b>3.10</b>	<b>9.90</b>
2.	Other Non-Executive Directors	<b>Ms. Nayantara Palchoudhuri</b>			
	• Fee for attending board / committee meetings	0.50	-	-	0.50
	• Commission	1.00	-	-	1.00
	• Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>1.50</b>	<b>-</b>	<b>-</b>	<b>1.50</b>
	Total (B)=(1+2)				<b>11.40</b>
	Total Managerial Remuneration (excluding fee)				<b>6.50</b>
	Overall Ceiling as per the Act (@1% of profits calculated Under Section 198 of the Companies Act, 2013)				<b>6.91</b>

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

₹ in lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Chief Financial Officer-cum- Company Secretary	Total
	<b>Mr. N.K. Khurana</b>		
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27.90	27.90
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.14	3.14
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-

## Annexure 3 to the Report of the Board Directors

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Chief Financial Officer-cum- Company Secretary	Total
	Mr. N.K. Khurana		
	- as % of profit	-	-
	- others, specify	-	-
5.	Others, please specify	-	-
	Total	<b>31.04</b>	<b>31.04</b>

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

There was no Penalty/Punishment/Compounding of Offences on the Company during the Financial Year 2014-2015.



## Annexure 4 to the Report of the Board Directors

### VIGIL MECHANISM / WHISTLE BLOWER POLICY OF ROSSELL INDIA LIMITED

#### 1. PREFACE

- 1.1 Rossell India Limited (here-in-after called "the Company") believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.
- 1.2 The Company is committed to developing a culture where it is safe for all employees (including those appointed on contractual or casual basis) as well as Directors to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 1.3 Clause 49.II.F of the Listing Agreement between listed companies and the Stock Exchanges as well as Sec. 177(9) of the Companies Act, 2013 has made it mandatory for all listed companies to establish a "Vigil Mechanism" / "Whistle Blower Policy" for Employees and Directors to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, as may be framed by the Company from time to time.
- 1.4 The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects Employees and Directors wishing to raise genuine concerns about serious irregularities within the Company.
- 1.5 The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance of a personal nature.

#### 2. POLICY

- 2.1 This Policy may be called "**Vigil Mechanism / Whistle Blower Policy of Rossell India Limited**" (hereinafter called "the Policy").
- 2.2 The Policy has been drawn up so that Employees as well as Directors can be confident about raising a concern. The areas of concern covered by this Policy are summarized in paragraph 5.1.

#### 3. DEFINITIONS

- 3.1 "**Audit Committee**" means the Audit Committee of the Board of Directors of the Company constituted in accordance with Section 177 of the Companies Act, 2013 and Rules framed thereunder as well as Clause 49.III of the Listing Agreement with the Stock Exchanges.
- 3.2 "**Disciplinary Action**" means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- 3.3 "**Director**" means any Director of the Company for the time being.
- 3.4 "**Employee**" means every employee (including those appointed as contractual, or casual basis) of the Company (whether working in India or overseas) including expatriates and foreign nationals stationed in India.
- 3.5 "**Protected Disclosure**" means genuine concerns raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 3.6 "**Subject**" means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 3.7 "**Whistle Blower**" is someone either an Employee or a Director, who makes a Protected Disclosure under this Policy.
- 3.8 "**Vigilance Officer**" will be a Non-Executive Director and a member of the Audit Committee for the purpose of receiving all complaints under this Policy and ensuring appropriate action. The Board shall appoint such Vigilance Officer from time to time for such period as may be considered appropriate.

#### 4. THE GUIDING PRINCIPLES

- 4.1 To ensure that this Policy is adhered to, and to assure that the concern shall be acted upon seriously, the Company will:
  - 4.1.1 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
  - 4.1.2 Treat victimization as a serious matter including initiating disciplinary action on such person(s);
  - 4.1.3 Ensure complete confidentiality.
  - 4.1.4 Not attempt to conceal evidence of the Protected Disclosure;
  - 4.1.5 Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

## Annexure 4 to the Report of the Board Directors

4.1.6 Provide an opportunity of being heard to the persons involved especially to the Subject;

### 5. COVERAGE OF POLICY

5.1 The Policy covers malpractices and events which have taken place / suspected to take place involving:

- a. Abuse of authority
- b. Breach of contract
- c. Negligence causing substantial and specific danger to public health and safety
- d. Manipulation of company data / records
- e. Financial irregularities, including fraud, or suspected fraud
- f. Criminal offence
- g. Pilferation of confidential / propriety information
- h. Deliberate violation of law / regulation
- i. Wastage / misappropriation of company funds / assets
- j. Breach of Code of Business Ethics and Conduct Policy
- k. Any other unethical, biased, favoured, imprudent event

5.2 Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

### 6. DISQUALIFICATIONS

6.1 While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

6.2 Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.

6.3 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be malafide, frivolous or malicious shall be liable to be reprimanded or any other action taken as may be considered appropriate by the Audit Committee. Similarly, in case of repeated malafide, frivolous or malicious complaints being filed by Whistle Blower, suitable action may be taken by the Audit Committee against him/her including reprimand.

### 7. MANNER IN WHICH CONCERN CAN BE RAISED

7.1 A Whistle Blower can make Protected Disclosure to Vigilance Officer, as soon as possible but not later than 30 consecutive days after becoming aware of the same.

7.2 Whistle Blower must put his / her name while making any allegations. Concerns expressed anonymously will not be investigated by the Vigilance Officer.

7.3 If initial enquiries by the Vigilance Officer indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented, which should be placed in the next Meeting of the Audit Committee for information and record.

7.4 Where initial enquiries indicate that further investigation is necessary, this will be carried by the Vigilance Officer alone on behalf of the Audit Committee. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made, which should be placed in the next Meeting of the Audit Committee for taking appropriate action under the Policy.

7.5 Name of the Whistle Blower shall not be disclosed by the Vigilance Officer except to the Audit Committee while placing his report under Clause 7.3 or 7.4 above.

7.6 The Vigilance Officer shall, within a period of 90 days from the date of receipt of protected disclosure, make a detailed written record of the Protected Disclosure. The record will include :

- a) Facts of the matter
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether any Protected Disclosure was raised previously against the same Subject;
- d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.



## Annexure 4 to the Report of the Board Directors

- e) Findings of Vigilance Officer;
  - f) The recommendations of the Vigilance Officer.
- 7.7 The Vigilance Officer shall advise the Audit Committee in every Meeting the status of any concern raised by any Whistle Blower, pending finalization of his report as well as submit his report as in 7.6 above within the stipulated days.
- 7.8 On submission of report, the Audit Committee shall discuss the matter in its meeting and deal with the issues in the following manner :
- i) In case the Protected Disclosure is proved, accept the findings of the Vigilance Officer and take such Disciplinary Action as it may think fit, including issuance of any show cause notice to any employee or Director, if required, and
  - ii) In case the Protected Disclosure is not proved to the satisfaction of the Audit Committee, extinguish the matter;
8. In appropriate or exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision of the Vigilance officer, he can make a direct appeal to the Chairman of the Audit Committee, who shall always be accessible to any Whistle Blower.

### 9. PROTECTION

- 9.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 9.2 The identity of the Whistle Blower shall be kept confidential.
- 9.3 Any other employee or Director assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

### 10. SECRECY/CONFIDENTIALITY

The Whistle Blower, the Subject, the Vigilance Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. Not keep the papers unattended anywhere at any time. Keep the electronic mails/files under password.

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

### 11. REPORTING

An Annual Report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

### 12. AMENDMENT

The Board of Directors of the Company has the right to amend or modify this Policy in whole or in part wherever considered necessary.

## Annexure 5 to the Report of the Board Directors

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

To  
The Members,  
Rossell India Limited  
"Jindal Towers" Block – "B", 4th Floor,  
21/1A/3, Darga Road,  
Kolkata – 700 017  
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rossell India Limited** having its Registered Office at "Jindal Towers", Block – "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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 31.03.2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation ,1992;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Other laws, inter alia, as in general applicable to the Company :
  - (a) Food Safety and Standards Act, 2006
  - (b) The Tea Act, 1953
  - (c) Plantations Labour Act, 1951

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

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

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



## Annexure 5 to the Report of the Board Directors

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

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

We further report that :

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

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

Place : Kolkata  
Dated : 29th May, 2015

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

## Annexure 6 to the Report of the Board Directors

### Form No. AOC-2

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

1) Details of contracts or arrangements or transactions not at arm's length basis :	
(a)	Name(s) of the related party and nature of relationship
(b)	Nature of contracts/arrangements/transactions
(c)	Duration of the contracts / arrangements/transactions
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any
(e)	Justification for entering into such contracts or arrangements or transactions
(f)	Date(s) of approval by the Board
(g)	Amount paid as advances, if any
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
<p>The Company has not entered into any contract or arrangement or transactions with its related parties <b>which is not at arm's length</b> during the financial year 2014-2015</p>	
2) Details of material contracts or arrangement or transactions at arm's length basis :	
(a)	Name(s) of the related party and nature of relationship
(b)	Nature of contracts/arrangements/transactions
(c)	Duration of the contracts / arrangements/transactions
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any
(e)	Date(s) of approval by the Board
(f)	Amount paid as advances, if any
<p>The Company has not entered into any <b>material contract or arrangement or transactions</b> with its related parties during the financial year 2014-2015.</p>	





## Annexure 7 to the Report of the Board Directors

Statement of Particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Requirement of Rule 5(1)	Particulars												
(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	a) Mr. H.M. Gupta, Executive Chairman - 111.84 : 1.00 b) Mr. C.S. Bedi, Managing Director - 132.22 : 1.00												
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	a) Mr. H.M. Gupta, Executive Chairman - Not Applicable in view of Minimum Remuneration paid during the year. b) Mr. C.S. Bedi, Managing Director - Not Applicable in view of Minimum Remuneration paid during the year. c) Mr. N.K. Khurana, CFO-cum-CS - 7.51%												
(iii) The percentage increase in the median remuneration of employees in the financial year.	7.29%												
(iv) The number of permanent employees on the rolls of company.	6,195 Employees as on 31st March, 2015.												
(v) The explanation on the relationship between average increase in remuneration and company performance.	The average increase in remuneration of employees is in accordance with Remuneration Policy of the Company, where employees are granted increments based on their performance as well as the performance of the Company. However, unionised employees in the Rossell Tea Division are governed by respective Agreement (Industry wise) and the average increase in remuneration is in accordance with the terms of such Agreement.												
(vi) Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the company.	The remuneration of the KMP's are in line with the remuneration policy of the Company as affirmed in item (xii) below. Their remuneration is determined based on their individual performance which is correlated to the performance of the Company.												
(vii) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	<b>Market Capitalization</b>												
	<table border="1"> <thead> <tr> <th></th> <th>As on 31.03.2014 ₹ in lakhs</th> <th>As on 31.03.2015 ₹ in lakhs</th> <th>% Change</th> </tr> </thead> <tbody> <tr> <td>BSE</td> <td>16,550.11</td> <td>30,696.60</td> <td>85.48%</td> </tr> <tr> <td>NSE</td> <td>16,495.06</td> <td>30,568.16</td> <td>85.32%</td> </tr> </tbody> </table>		As on 31.03.2014 ₹ in lakhs	As on 31.03.2015 ₹ in lakhs	% Change	BSE	16,550.11	30,696.60	85.48%	NSE	16,495.06	30,568.16	85.32%
		As on 31.03.2014 ₹ in lakhs	As on 31.03.2015 ₹ in lakhs	% Change									
	BSE	16,550.11	30,696.60	85.48%									
	NSE	16,495.06	30,568.16	85.32%									
	<b>Price Earnings Ratio</b>												
<table border="1"> <thead> <tr> <th></th> <th>As on 31.03.2014</th> <th>As on 31.03.2015</th> <th>% Change</th> </tr> </thead> <tbody> <tr> <td>BSE</td> <td>8.11</td> <td>76.74</td> <td>846.10%</td> </tr> <tr> <td>NSE</td> <td>8.08</td> <td>76.74</td> <td>845.29%</td> </tr> </tbody> </table>		As on 31.03.2014	As on 31.03.2015	% Change	BSE	8.11	76.74	846.10%	NSE	8.08	76.74	845.29%	
	As on 31.03.2014	As on 31.03.2015	% Change										
BSE	8.11	76.74	846.10%										
NSE	8.08	76.74	845.29%										
The Company has not made any Public Issue of securities since inception. Thus the question of comparison of market quotation of shares with that of the last public offer does not arise.													
(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentile increase in the salaries of employees, other than the Managerial Personnel, in the last Financial Year 2014-2015 was around 8%. The Executive Chairman and Managing Director of the Company were paid Minimum Remuneration in view of the inadequate profit. Thus, there was effectively no increase in their Remuneration for the Financial Year 2014-2015.												

## Annexure 7 to the Report of the Board Directors

Requirement of Rule 5(1)	Particulars
(ix) Comparison of each remuneration of the Key Managerial Personnel against the performance of the company.	a) Remuneration of Mr. H. M Gupta Executive Chairman constitutes 1.62 % of the EBIDT of the Company, b) Remuneration of Mr. C.S.Bedi, Managing Director, constitutes 1.91% of the EBIDT of the Company, and c) Remuneration of Mr. N.K. Khurana , CFO cum CS it is 1.21% of EBIDT
(x) The key parameters for any variable component of remuneration availed by the Directors.	The Members have, at the AGM of the Company held on 2nd August, 2013 approved payment of commission to the Non-Executive Directors within the ceiling of 1% of the net profits of the Company as computed pursuant to Section 309(5) of the Companies Act, 1956 [corresponding to Section 197 of the Companies Act, 2013]. The said Commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their seniority, attendance and contribution at the Board and Committee Meetings, as well as the time spent on operational matters other than at meetings.
(xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.	As per terms of Contract, Mr. H.M. Gupta, Executive Chairman is the highest paid Director in the Company. However, he was paid the Minimum Remuneration as indicated in item (viii) above.
(xii) Affirmation that the remuneration is as per the remuneration policy of the company.	The Company affirms that the remuneration of Directors, Senior Management and Employees is as per the Remuneration Policy of the Company



## Annexure 8 to the Report of the Board Directors

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### a. INDUSTRY STRUCTURE AND DEVELOPMENTS

##### Rossell Tea

World crop for 2014 was at 2,130.60 million kgs. as against 2,142.50 million kgs. in 2013 with deficits coming from India by 15.0 million kgs. and Indonesia by 4.50 million kgs. and surplus being witnessed in Kenya by 12.6 million kgs. over their record crop in 2013. The year 2014 witnessed a deficit in All India crop by 15.6 million kgs. as against the previous year at 1,184.8 million kgs. The major deficit came from Assam Valley which was lower by 35.0 million kgs. However, this loss was made up by excess crop from Dooars, West Bengal by 16.43 million kgs. with South Indian being almost at par with year 2013.

The year 2014 was indeed a year of fluctuating and extreme weather conditions, particularly in the Assam Valley, resulting in loss in crop, mainly from the organized sector. In effect due to the rainless winter and a very dry start to the season, even quality came to be negatively affected in the Assam Valley.

The market for CTC started on a good note from the very beginning of the year, primarily owing to low crops in Assam. Upto the second flush, plain and medium varieties witnessed maximum gain in prices and thereafter, price concertina between the good teas and others widened with the good varieties being readily absorbed and others being discounted. However, at the end of the season, large quantities of teas were suddenly released to the auction system owing to implementation of the Tea Board of India's Plant Protection Code. This resulted in a glut and low prices in the last quarter which continued even till the beginning of the new season for such varieties of teas. The year ended with the CTC average being ₹ 150.76 per kg. as against ₹ 144.28 per kg. in the previous year i.e. ahead by ₹ 6.48 per kg when compared to the financial year 2013-14.

The orthodox market on the other hand was uncertain from the beginning of the season owing to lack of demand, particularly from Iran and it only firmed up later in the year when the shortage of 11.59 million kgs. or 25% less manufacture was felt by the buyers. Orthodox averages, therefore, finished at ₹ 198.31 per kg. as against ₹ 203.80 per kg. in the previous year-behind by ₹ 5.49 per kg. However, the orthodox category continued to achieve higher prices over CTC by ₹ 50.89 per kg. Our average for orthodox teas was ₹ 249.20 is + ₹ 2.13 over 2013-14. These averages are also higher than Assam averages by ₹ 50.89 per kg.

Your Company with its concentration on quality teas produced an excellent product mix of orthodox and CTC teas which was in demand. Overall our average for the financial year 2014 -15 was ₹ 222.83 per kg. against the Assam district average of ₹ 153.82 for the year. In the financial year 2013-14, Rossell's average is ₹ 220.70 per kg. i.e. a marginal increase in spite of severe adversities in growing conditions and lack of market support for the orthodox category in particular, for which Rossell is primarily known for. We held our orthodox prices, despite the Assam averages being lower by ₹ 5.49 per Kg for this category.

We are happy to state that the Company's export reached a new milestone of 15.12 lakh kgs with revenue of ₹ 41.31 crores. This shows an increase of 17.93% in volume term and 13.90% in value term over the last year. This is on the back of outstanding performance of exports by Rossell in 2013-14. Quality production and enhanced exports continue to be a focus area for the Company for sustained revenue in the coming years.

##### Aviation Products and Services

Rossell Techsys Division has come to be known as synonymous with excellent infrastructure, people and quality. The division has 4 strategically selected competency areas - (a) Wire Harness or inter-connect competency (b) Embedded Systems (c) Test Solutions (d) product support. The wire harness competency has reached significant growth phase. In the wire harness competency, the Division has set up a state of the art wire harness manufacturing facility

##### Rossell Hospitality

Quick Service Restaurant is identified by acronym QSR in the industry and is typically characterized by "food served fast" not necessarily fast food and minimal table service. QSR chains have thrived in the Indian states and around the world because they cater to the busy lifestyles of modern consumers.

#### b. OPPORTUNITIES AND THREATS

##### Rossell Tea

The World Crop in 2014 was 2,130.6 million kgs. against 2,142.5 million kgs. in 2013 a minor deficit of 12.5 million kgs. (-)0.58%. Kenyan production was +12.6 million kgs. whilst Indonesia was (-) 4.5 million kgs. and India recorded a reduced crop to the extent of 15.6 million kgs. We continue with our belief that on a three year moving average world crops will not show huge increases or decreases and would therefore be largely stationery. In the mid-term we will not see untrammled growth. Kenya has shown positive growth but India on the other hand, with its ongoing replanting programme is not likely

## Annexure 8 to the Report of the Board Directors

to show increase for the next 5 – 6 years. Weather conditions will also determine any variation in crop especially in India. With the recent wage agreements in Assam, no doubt costs will continue to escalate.

In India clearly, consumption is rising for Black Tea, while a similar trend is observed in China's Green Tea consumption. In India, consumption is growing at 3 – 3.5% annually and this indicates a stable market, which at best will be demand led. A robust uprooting and replanting programme will in the medium term slow down increase in Indian production, and this reinforces our belief that the market could be strong. Further we are convinced that distinct market segmentation into best, good, medium and plain categories is here. The consumer is willing to pay for quality and this we see as a great opportunity. Rossell's creed is quality albeit consistent quality and we receive just reward. The price concertina between good quality and other categories continues to widen.

What must not happen is that the industry must avoid producing large volume of poor teas, as this can easily upset the market, and pull prices down through large crops and inferior teas.

Your Company's stated policy and practice is to produce the best possible quality teas, CTCs or orthodox. In this area our record is very good and consistent. With this has come continuing international recognition for Rossell and continuous enhancement of brand equity for the Company.

Whilst there is reason to be optimistic in the medium term, one cannot discount the impact of climate change, especially as seen in the year 2014-15, when a severe drought negatively and majorly impacted production at Rossell and raised the cost of production significantly. These episodes will continue to be omnipresent in the future as well. Sustainable agriculture is being practiced at Rossell and this with other strategies will help mitigate the minor aberrations of such change. **The Company has made significant investments in Irrigation; the benefits of such investments are already visible.**

Significant wage increase of 22% in Assam with phased withdrawal of fertilizer subsidies, inflation and migration of workers to urban areas are bound to impact the working environment.

Internationally the Middle East an important market is in a state of uncertain flux politically. Nonetheless there is strong demand emanating from Iran and other markets.

With consumption of tea increasing worldwide there is need to position tea as a youthful and healthy beverage. With the Indian economy growing robustly there is an opportunity for value addition and thereby offer sophisticated choices to the consumer. Initial efforts in the US and other markets indicate a favourable response from consumers. In India too, a start has been made but much needs to be done.

### Aviation Products and Services

Government of India in May, 2013 had put in abeyance the "services" for offset eligibility. The Defence Minister has indicated in his various interviews that the ban will be lifted shortly. Once this is lifted, foreign companies will look for availing more and more services from Indian companies which are offset eligible. In spite of this, Aerotech Services Division have signed additional contracts for providing services during the year under review.

Foreign OEMs are keen to partner with Indian companies that have the right mix of the four critical areas (i) management and people (ii) infrastructure and spare capacity (iii) process and certifications (iv) Safety and Security of Intellectual property. It is also experienced that once credentials are established, foreign OEMs tend to be "loyal" in their business. The Division has just the right mix of the four areas as well as the credentials and, therefore, sees enormous opportunities in all its four competency areas. In addition, it also visualizes scope for inorganic growth to meet the potential of business that it envisages in the next 4 to 5 years. The time is right to pursue aggressive marketing strategies to capture a significant volume of emerging business. The Division also plans to take steps to fortify its global supply chain relationships.

The threats as envisaged by the RossellTechsys Division are minimal. The gestation period for any investment is a minimum of 4 to 5 years. While the entry barrier is basically financial capital, the gestation period could be a deterrent. Further, establishing credentials with a foreign OEM is the most difficult part. With the Government of India diluting the FDI requirements in JV's, this step is assessed to be the biggest threat with the possibility of foreign OEMs tying up with an Indian Entities.

### Rossell Hospitality

In Food Service Industry, the opportunities are a Burgeoning middle class, increase in malls and multiplexes, increasing youth spending, and urbanization.

Threats are food inflation, product imitation, price competition, local competition i.e. building a cost effective supply chain and multiple licensing.

## c. SEGMENT-WISE BUSINESS PERFORMANCE

### Rossell Tea

The market for CTC teas was strong and there was good demand all round, due to lower cropping in 2014. The market clearly



## Annexure 8 to the Report of the Board Directors

rewarded the best quality whilst poor sorts were neglected. The orthodox market was sluggish resulting in lower production of 25% and also lower all Assam averages by ₹ 6.04 per kg. Only later in the year did the orthodox market pick up with some renewed interest from Iran.

Your Company continued to see attractive prices for its orthodox and CTC teas, and is reflected in the combined average of ₹222.83 per kg. These averages are among the highest in Assam for any group. It was in fact a good and consistent effort at Rossell, **despite all odds; once again your Company outperformed the Market.**

Exports, despite a difficult market for orthodox, grew by 22% in volume terms, touching 1.51 million kgs. In value terms the increase is 14.19% over the previous year. This is of course on the back of an excellent showing in the financial year 2013-14.

Overall with crops being impacted by a severe drought and the market being a slow starter, the financial year 2014-15 was a very difficult year.

It is pertinent to mention that all our Tea Estates are certified FSSC ISO 22000/205 in keeping with our high food safety commitments and standards.

### Aviation Products and Services

For aviation Products, RossellTechsys Division has adopted a two pronged strategy for certifications, at the Division level and Individual level. The Division is certified to AS9100, IS9001, ISO14001 and ISO27001. The Division is also CEMILAC approved. The OHSAS 18001 certification is in progress. The division was also awarded the best SME in the aerospace and defense sector for the year 2015, just prior to the Aero India 2015.

### Rossell Hospitality

The Division ended the financial year 2014-2015 with a total of 9 operational outlets of Kebab Xpress in NCR and now looking to open additional 18 outlets in the financial year 2015-2016 in NCR region.

The Division will be commencing Kebab Xpress operations outside NCR too. Initial target is to open with a new commissary and 5 outlets by March, 2016.

## d. OUTLOOK

### Rossell Tea

The winter of the year 2014-15 was a rather dry period with poor rains from November to early March. The cropping year 2015-16 started slowly, picked up as weather improved. Prospects can be described as "most-satisfactory". We could be in line to produce crops similar to that in the year 2013-14.

The market like last year has started well for CTC teas. Orthodox has as usual for 1st flush started slowly but, with the onset of the 2nd flush, enquiry is picking up from traditional buyers from the Continent, Iran and Russia. Iran should import aggressively this year. Given their current stock position, we expect better export enquiry and hope to further increase our exports. At Rossell, export of quality teas is a Key Result Area. Overall, we are optimistic that the year 2015-16 will be a rebound year for Rossell Tea, on the performance front.

### Aviation Products and Service

Aerotech Services Division meets its commitment on time to the satisfaction of the both the OEM and the end customer. This aspect is helping the Division being approached by other OEMs to provide technical product support services. In a recent annual review the OEM expressed complete satisfaction of our performance.

In RossellTechsys Division, the focus areas for the financial year 2015-2016 are going to be the embedded systems and test solutions competency areas. The Division has just begun to see traction in the later part of the financial year 2014-2015 and is optimistic of making its first breakthrough in these competencies in the financial year 2015-2016. One of the key features at the Division is the emphasis on training, externally as well as internally driven. The Division has set up a state of the art training facility for its all the four competencies stated above.

### Rossell Hospitality

Familiar cuisine, fresh concept, consistent taste/quality and hygienic food served in disposables, competitive pricing and mechanical approach to traditional manual process is preferred. Low cost in terms of initial investment and operating costs, low risk, high impulse products, all add to the positive growth of QSR industry domestically.

## e. RISKS AND CONCERNS

### Rossell Tea

Tea is an agri-horticulture pursuit. It is, therefore, natural that weather plays an important part. Since the last several years "climate change" has become a very topical issue. As a risk mitigation initiative, your Company continues to make significant investments in irrigation.

## Annexure 8 to the Report of the Board Directors

Higher wages, reduction of subsidies and some inflationary impact will add to further challenges this year. The Industry should be able to face these new challenges.

Stability in importing continues to be a threat; however, given the current optimistic, political climate prevailing in Iran, this country is expected to increase its imports of Orthodox teas, especially from India. The internal market indicates stable demand and with increasing per capita consumption trends, the demand will be good and quality will continue to be rewarded.

### Aviation Products and Service

Whilst services were put in abeyance for offset eligibility, it has had no impact on Aerotech Services; however, once it is lifted there will be enhanced opportunities.

In our new contracts, penalties will be imposed in case of delay in providing services. Our engineers are being trained at the foreign OEM facility to ensure that knowledge and technical capabilities are kept at the highest levels. We will continue to perform as we have done in the past and have had no adverse comments/penalties.

In RossellTechsys Division, while the order acquisition in the last year has been extremely positive, there is also reason to be cautious and circumspect. This is due to imbalances in the business spread and dependencies on few customers. Also, as in any export oriented business, and with long term contracts in place, the risk of variations in foreign currency exchange rates is real.

### Rossell Hospitality

Retention of Existing staff, Maintaining Set Quality Standards, Developing right talent, Learning Curve and Brand Positioning are some of the concerns for the QSR model.

#### f. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

All the Divisions of the Company have internal control systems at all levels of Management, which are reviewed from time to time and improved, where required.

The Internal Audit is carried out largely by Firms of Chartered Accountants and for certain Divisions in-house. The Audit Committee of the Board looks into Auditors' review, which is deliberated upon and corrective actions taken.

#### g. FINANCIAL AND OPERATIONAL PERFORMANCE

Along with the continual emphasis on quality up gradation of the product and services, prudent management of costs has been the stated objective of all the Divisions of the Company. In the year under review, the Company's financial performance has been a setback for the management for various justifiable reasons, keeping in view the various odds. The operating profit before depreciation in respect of Rossell Tea for the year was ₹1,906.22 lakhs against ₹ 3,358.04 lakhs in the previous year.

The Aviation Products and Services business segment of the Company made a profit of ₹ 277.80 lakhs before depreciation, as against loss before depreciation of Rs.17.75 lakhs in the previous year.

Rossell Hospitality Division posted a loss before depreciation of Rs.839.55 lakhs as against ₹ 472.76 lakhs in the previous year.

The overall operating profit before depreciation of the Company is ₹ 1,531.36 lakhs as against ₹ 3,289.19 lakhs in the previous year. The financial base of your Company remains strong and we expect further strengthening thereof with better financial and operational performance in the future.

#### h. HUMAN RESOURCES DEVELOPMENT

Human resources are a valuable asset at the Corporate Office as also at the various Divisions/ Units of the Company and adequate attention is paid to their development and well-being.

Training and development is one of the integral branches of Human Resources function. Emphasis is given by the Management on talent acquisition, correct recruitment practices and retention planning with effective organizational development. In these ever dynamic conditions, the training and development of teams is focused on the behavioral and process oriented training. A Career development programme is centric to such training. The Human resource policy of the Company is to ensure that the best talent is retained and developed so that each of the Divisions of the Company maintains its competitive position with respect to execution.

Industrial relations at all the units remain satisfactory, where your Company employs 6,195 personnel on its roll.



## CEO and CFO Certification

The Board of Directors  
**Rossell India Limited**  
Jindal Towers  
Block 'B', 4th Floor  
21/1A/3, Darga Road  
Kolkata - 700 017

Dear Sirs,

We hereby certify to the Board that :

- a) We have reviewed Financial Statements and Cash Flow Statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material factor or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware 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 significant changes in internal control, if any during the year.

Yours faithfully

Place : Kolkata  
Date : May 29, 2015

**H. M. Gupta**  
Chief Executive Officer

**N. K. Khurana**  
Chief Financial Officer

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## Declaration

It is hereby declared that the Company has obtained affirmation from all members of the Board and Senior Management that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the year 2014-2015 and shall comply with such Code during the year 2015-2016.

Place : Kolkata  
Date : 29th May, 2015

**H. M. Gupta**  
Chief Executive Officer

## Certificate from Practicing Company Secretaries Regarding Compliance of Conditions of **Corporate Governance**

TO THE MEMBERS OF  
**ROSSELL INDIA LIMITED**

We have examined the compliance of conditions of Corporate Governance by Rossell India Limited for the year ended 31st March, 2015 as stipulated in Clause 49 (Revised) of the Listing Agreement of the said Company with Stock Exchanges.

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

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

We have been explained that no investor grievances are pending for a period exceeding one month as at 31st March, 2015 against the Company.

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

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

Place : Kolkata  
Dated : 29th May, 2015

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





## Independent Auditors' Report

To the Members of  
Rossell India Limited

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

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

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

### AUDITOR'S RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the financial statements.

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

### OPINION

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

### Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that :
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

## Independent Auditors' Report

- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i) The Company has disclosed the impact, if any, of pending litigations as at 31st March, 2015 on its financial position in its standalone financial statements. Refer Note R in Notes to the Balance Sheet.
  - ii) The Company has made provisions as at 31st March, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer Note C in Notes to the Balance Sheet.
  - iii) There was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2015.

For **S.S. Kothari & Co.**,  
Chartered Accountants  
Registration No.302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No. 008816

Place : Kolkata  
Date : 29th May, 2015



## Annexure to the Independent Auditors Report

As referred to in paragraph 1 of our Report on "Other Legal and Regulatory Requirements", we state that:

- i. (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.
  - (b) As explained to us, these fixed assets have been physically verified by the management at a reasonable interval. No material discrepancies were noticed on such verification as compared to book records.
- ii. (a) The inventory excluding those lying with third parties have been physically verified by the management during the year, at reasonable intervals.
  - (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) The Company is maintaining proper record of inventory. The discrepancies noticed on verification of stocks as compared to book records were not material and these have been properly dealt with in the books of account.
- iii. (a) The Company has granted unsecured loan of ₹ 4.50 lakhs to its wholly owned Subsidiary Company in earlier years, which is still outstanding. The Company has not granted any loan to any firm or other parties covered in the Register maintained under Section 189 of the Act.
  - (b) The Loan granted to the Subsidiary Company is interest free.
 

There is no stipulation with regard to repayment of the balance of the Loan, which is payable on demand.
  - (c) No overdue amount has arisen as no demand for repayment of the balance in the Loan Account has been made by the Company.
- iv. In our opinion and according to the explanations given, internal control procedures for the purchase of inventory and fixed assets and for the sale of goods and services are commensurate with the size of the Company and nature of its business. During the course of audit, we have not noticed any continuing failure to correct the major weaknesses in internal control system.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted Deposits within the meaning of Section 73 to Section 76 of the Act and the Rules framed thereunder.
- vi. The Central Government has specified for the maintenance of cost records under sub-sec. (1) of Sec.148 of the Act. We have broadly reviewed the records and Accounts maintained by the Company. We are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of such records to determine whether records are accurate and complete.
- vii. (a) According to the information and explanation given to us and on the basis of records of the Company examined by us, we are of the opinion that the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax and cess and other material statutory dues applicable to it.
 

There is no arrears outstanding statutory dues as at the last day of the financial year for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanation given and records examined by us, there are no dues of Sales Tax or Wealth Tax or Service Tax or duty of Customs, duty of Excise or value added tax, which have not been deposited on account of any dispute except for Income Tax and Cess and the details are as follows:

Amount (Net of On Account Payment) (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
1.49	2010-2011	Commissioner of Income Tax (Appeals)
4.33	2011-2012	Commissioner of Income Tax (Appeals)
54.89	2012-2013	Commissioner of Income Tax (Appeals)
7.13	2013-2014	Customs, Excise & Service Tax Appellate Tribunal

- (c) According to the information and explanation given to us and records of the Company, the amounts, which are required to be transferred to the Investor Education and Protection Fund in accordance with relevant provision of the Companies Act, 2013 and rules made thereunder, has been transferred to such fund within time.

## Annexure to the Independent Auditors Report

- viii. The Company has no accumulated losses as at the end of the Financial Year. The Company has not incurred cash losses during the financial year covered by our report or in the immediately preceding financial year.
- ix. According to the information and explanations given and on the basis of records examined by us, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not taken loan from any financial institution or raised any money through issue of Debentures.
- x. The Company has not given guarantee for loan taken by others from Bank / Financial Institution.
- xi. According to information and explanations given to us, in our opinion the term loans taken have been applied for the purpose for which they were obtained.
- xii. During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor we have been informed of any such case by the management.

For **S.S. Kothari & Co.**,  
Chartered Accountants  
Registration No.302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No. 008816

Place : Kolkata  
Date : 29th May, 2015



## Balance Sheet as at 31st March, 2015

₹ in lakhs

Particulars	Note No	As at 31st March, 2015	As at 31st March, 2014
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Funds			
(a) Share Capital	A	733.93	733.93
(b) Reserves and Surplus	B	20,314.74	20,495.49
		<b>21,048.67</b>	<b>21,229.42</b>
(2) Non-Current Liabilities			
(a) Long-term borrowings	C	2,197.50	3,187.50
(b) Deferred tax liability (Net)	D	175.84	223.00
(c) Long-term provisions	E	318.56	299.03
		<b>2,691.90</b>	<b>3,709.53</b>
(3) Current Liabilities			
(a) Short-term borrowings	F	2,341.74	1,592.76
(b) Trade payables	G	377.68	385.97
(c) Other current liabilities	H	2,362.09	2,216.59
(d) Short-term provisions	I	350.81	300.72
		<b>5,432.32</b>	<b>4,496.04</b>
<b>Total</b>		<b>29,172.89</b>	<b>29,434.99</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	J	19,780.96	19,541.25
(ii) Intangible assets	J	106.37	144.69
(iii) Capital work-in-progress		122.08	149.78
(b) Non-current investments	K	4,898.01	6,842.63
(c) Long-term loans and advances	L	703.39	781.46
		<b>25,610.81</b>	<b>27,459.81</b>
(2) Current assets			
(a) Inventories	M	973.69	793.75
(b) Trade receivables	N	1,755.24	339.24
(c) Cash and cash equivalents	O	94.02	127.87
(d) Short-term loans and advances	P	448.29	321.59
(e) Other current assets	Q	290.84	392.73
		<b>3,562.08</b>	<b>1,975.18</b>
<b>Total</b>		<b>29,172.89</b>	<b>29,434.99</b>
Contingent Liabilities and Commitments	R		
Dividend Proposed	S		
Significant Accounting Policies and Other Notes on Financial Statements	T		

Notes A to T referred to above form an integral part of the Balance Sheet.

In terms of our Report of even date

For **S. S. KOTHARI & CO.**  
Chartered Accountants  
Registration No. 302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No.008816

**H. M. Gupta**  
Executive Chairman

**C. S. Bedi**  
Managing Director

**N. Palchoudhuri**  
Director

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary

**Dr. S. S. Baijal**  
Director

**H. M. Parekh**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015

## Profit and Loss Statement for the year ended 31st March, 2015

₹ in lakhs

Particulars	Note No	Year ended 31st March, 2015	Year ended 31st March, 2014
I. Revenue from operations	1	14,038.82	14,140.13
II. Other Income	2	273.27	450.70
<b>III. Total Revenue (I + II)</b>		<b>14,312.09</b>	<b>14,590.83</b>
<b>IV. Expenses</b>			
Cost of materials consumed	3	706.61	347.58
Changes in inventories of finished goods, work-in- progress and Stock-in-Trade	4	(119.56)	(67.40)
Employee benefits expense	5	6,451.40	5,494.13
Finance costs	6	724.45	884.55
Depreciation and amortization expense	7	956.41	416.00
Other expenses	8	5,017.83	4,642.78
<b>Total Expenses</b>		<b>13,737.14</b>	<b>11,717.64</b>
<b>V. Profit before exceptional items and tax (III - IV)</b>		<b>574.95</b>	<b>2,873.19</b>
VI. Exceptional Items		—	—
<b>VII. Profit before tax (V - VI)</b>		<b>574.95</b>	<b>2,873.19</b>
<b>VIII. Tax expense</b>			
(1) Current tax		170.00	650.00
(2) Deferred tax adjustment		4.48	183.00
		<b>174.48</b>	<b>833.00</b>
<b>IX. Profit for the period (VII - VIII)</b>		<b>400.47</b>	<b>2,040.19</b>
<b>X. Earning per equity share :</b>			
(1) Basic	9	1.09	5.56
(2) Diluted		1.09	5.56
Additional Information	10		

Notes 1 to 10 referred to above form an integral part of the Profit and Loss Statement.

In terms of our Report of even date

For **S. S. KOTHARI & CO.**  
Chartered Accountants  
Registration No. 302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No.008816

**H. M. Gupta**  
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**Dr. S. S. Bajjal**  
Director

**H. M. Parekh**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015



## Cash Flow Statement for the year ended 31st March, 2015

₹ in lakhs

Particulars	2014-2015		2013-2014	
<b>A. Cash Flow from Operating Activities</b>				
Profit before Tax		574.95		2,873.19
- Adjustment for :				
Depreciation	956.41		416.00	
Finance Cost (Net of Provision)	580.91		521.47	
Provision for Forex Loss on Swap Transactions	143.54		363.08	
Profit/ Loss on Disposal of Fixed Assets (Net)	21.64		20.13	
Liabilities no more required written back (net)	(3.47)		(2.95)	
Net Gain on sale of Investments	(198.57)		(402.97)	
		1,500.46		914.76
		2,075.41		3,787.95
Items Considered in Investing Activity :				
Interest on Deposits etc.	(65.70)		(34.88)	
Rent Received	(5.50)		(2.20)	
Dividend	(0.02)		(0.60)	
		(71.22)		(37.68)
Operating Profit before Working Capital Changes		2,004.19		3,750.27
- Adjustment for :				
Current Assets including Long Term Loans and Advances	(1,528.76)		(141.57)	
Current Liabilities	147.31		109.44	
		(1,381.45)		(32.13)
Cash Generated from Operations		622.74		3,718.14
Finance Cost (Net)	(580.91)		(521.47)	
Forex Loss on Swap Transactions	(86.06)		—	
Direct Taxes (Net of refund)	(188.06)		(770.20)	
		(855.03)		(1,291.67)
Cash Flow before Extraordinary Items		(232.29)		2,426.47
Extraordinary Items		—		—
<b>Net Cash Flow from Operating Activities</b>		<b>(232.29)</b>		<b>2,426.47</b>
<b>B. Cash Flow from Investing Activities</b>				
Purchase of Fixed Assets including Advances for Capital Assets		(1,562.67)		(2,100.94)
Sale of Fixed Assets (Including Subsidy received from Tea Board)		2.38		7.28
Purchase of Investments		(465.38)		(7,110.17)
Sale/ Redemption of Investments		2,608.57		6,755.91
Compensation received for acquisition of Land		—		17.57
Interest Received		65.70		34.88
Rent Received		5.50		2.20
Dividend Received		0.02		0.60
<b>Net Cash Flow from Investing Activities</b>		<b>654.12</b>		<b>(2,392.67)</b>

## Cash Flow Statement for the year ended 31st March, 2015

₹ in lakhs

Particulars	2014-2015		2013-2014	
<b>C. Cash Flow from Financing Activities</b>				
Intercompany Deposits Paid/ Refunded (Net)		—		(4.50)
Proceeds of Working Capital Loan from Bank (Net)		748.98		395.28
Repayment of Term Loan From Bank		(990.00)		(472.50)
Dividend Paid and Tax thereon -		(214.66)		(213.25)
<b>Net Cash Flow from Financing Activities</b>		<b>(455.68)</b>		<b>(294.97)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>		<b>(33.85)</b>		<b>(261.17)</b>
<b>Cash and Cash Equivalents as at 31.03.2014</b> (Opening Balance)		127.87		389.04
<b>Cash and Cash Equivalents as at 31.03.2015</b> (Closing Balance)		94.02		127.87

### Note :

The above Statement has been prepared under the Indirect Method as given in Accounting Standard on Cash Flow Statement (AS - 3) issued by the Institute of Chartered Accountants of India.

In terms of our Report of even date

For **S. S. KOTHARI & CO.**  
Chartered Accountants  
Registration No. 302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No.008816

**H. M. Gupta**  
Executive Chairman

**C. S. Bedi**  
Managing Director

**N. Palchoudhuri**  
Director

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary

**Dr. S. S. Baijal**  
Director

**H. M. Parekh**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015





## Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>A SHARE CAPITAL</b>		
Authorized		
4,50,00,000 Equity Shares of ₹ 2 each	900.00	900.00
Issued, Subscribed and Paid Up		
3,66,96,475 Equity Shares of ₹ 2 each fully paid up	733.93	733.93

Remarks:

- a. All the above Equity Shares rank pari passu in all respect for voting rights and distribution of dividend as well as to receive the remaining assets of the Company in the event of liquidation after distribution of all preferential amounts.

Name of the Shareholder	No. of Equity Shares	No. of Equity Shares
b. Equity Shares held by the Holding Company, BMG Enterprises Ltd.	2,31,13,795	2,31,63,795
c. Equity Shares held by the Associate of Holding Company, Harvin Estates Pvt. Ltd.	4,71,045	4,71,045
BMG Investments Pvt. Ltd.	5,49,769	5,49,769

- d. Details of Shareholders holding more than 5% Shares

Name of the Shareholder	No. of Equity Shares and % of Holding	No. of Equity Shares and % of Holding
BMG Enterprises Ltd.	2,31,13,795 62.99	2,31,63,795 63.12
Elara India Opportunities Fund Ltd.	35,00,000 9.54	35,00,000 9.54
Harsh Mohan Gupta	18,53,785 <b>5.05</b>	18,53,785 <b>5.05</b>

- e. Reconciliation of Number of Shares

Equity Shares outstanding at the beginning of the year	3,66,96,475	3,66,96,475
Add : Equity Shares issued during the year	—	—
Equity Shares outstanding at the end of the year	<b>3,66,96,475</b>	<b>3,66,96,475</b>

<b>B RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as per last Account	247.90	230.33
Add : Compensation received on Sale of Land	—	17.57
	<b>247.90</b>	<b>247.90</b>
<b>Securities Premium Account</b>		
Balance as per last Account	2,609.55	2,609.55
<b>Revaluation Reserve</b>		
Balance as per last account	5,002.96	5,077.40
Less: Withdrawal on account of depreciation on incremental amounts upon revaluation	—	74.44
	5,002.96	5,002.96
Less: Adjustment as per transitional provision of Schedule II to the Companies Act, 2013 (Note T-3.2)	159.31	—
	<b>4,843.65</b>	<b>5,002.96</b>
<b>General Reserve</b>		
Balance as per last Account	12,265.02	10,465.02
Add: Transfer from Profit and Loss Account	100.00	1,800.00
	<b>12,365.02</b>	<b>12,265.02</b>
Less: Adjustment as per transitional provision of Schedule II to the Companies Act, 2013 (Net of Tax Effect) (Note T-3.2)	201.74	—
	<b>12,163.28</b>	<b>12,265.02</b>

## Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>B RESERVES AND SURPLUS (contd.)</b>		
<b>Surplus in Profit and Loss Account</b>		
Balance as per last Account	370.06	344.53
Add: Transfer from Profit and Loss Account	400.47	2,040.19
	770.53	2,384.72
Less: Transfer to General Reserve	100.00	1,800.00
	670.53	584.72
Less: Dividend on Equity Shares	183.48	183.48
Tax on Dividend	36.69	31.18
	450.36	370.06
	20,314.74	20,495.49
<b>C LONG-TERM BORROWINGS</b>		
<b>Secured Loans</b>		
Term Loans from Banks	2,197.50	3,187.50

### Notes :

1. Current Maturities of these loans - ₹ 990 Lakhs ( Note H)
2. These loans are secured on pari passu basis by hypothecation of Moveable Assets and Deposit of Title Deeds in respect of Namsang and Kharikatia Tea Estates of the Company with an intention to create Equitable Mortgage, which would be formalized upon receipt of statutory approvals/ completion of required legal formalities. (Note T-2.1). The loan from one of the Banks is additionally secured by hypothecation of tea crops and book debts in respect of Kharikatia T.E.
3. These loans are repayable in equated quarterly installments up to a 6 year period from the date of respective disbursement and will be fully liquidated by the Financial Year 2018-2019.
4. The Company has entered into Cross Currency Swap Transactions and opted to swap these loans from Indian Rupees in to US Dollars. The Contracts for such transactions outstanding as on 31st March, 2015 are as under:

Currency	Cross Currency	Buy (US\$ in lakhs)	Sell (₹ in lakhs)
Indian Rupee	US Dollar	26.39	1,462.50
Indian Rupee	US Dollar	14.95	825.00
Indian Rupee	US Dollar	16.31	900.00
		<b>57.65</b>	<b>3,187.50</b>

In view of upward revision of Indian Rupees and U.S.Dollar Exchange Rates since entering in to the above transactions, the Company has provided for the likely loss on the above outstanding U.S. Dollar based on the year end exchange rates. Total provision on this account as on 31st March, 2015 amounts to ₹ 420.56 lakhs. (Schedule E and I)

<b>D DEFERRED TAX LIABILITY/ ASSET (NET)</b>		
As per the Accounting Standard AS-22 - Accounting for taxes on Income, an amount of ₹ 223.00 lakhs was recognised as Deferred Tax Liability as on 31st March, 2014. During the year, a review with respect to the carrying amount of Deferred Tax Liability was done and the same was revised to ₹ 175.84 lakhs as on 31st March, 2015, net of adjustment with General Reserve amounting to ₹ 51.64 lakhs. Thus, an amount of ₹ 4.48 lakhs has been shown as Deferred Tax Adjustment in the Profit and Loss Statement for the year ended 31st March, 2015. The components of Deferred Tax Liability are as under :		
<b>Deferred Tax Liability</b>		
Depreciation as per Books and Tax Laws	175.84	223.00
	<b>175.84</b>	<b>223.00</b>



## Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>E LONG-TERM PROVISIONS</b>		
Provision for Forex Loss on Swap Transactions	289.92	277.02
Provision for employee benefits	28.64	22.01
	<b>318.56</b>	<b>299.03</b>
<b>F SHORT-TERM BORROWINGS</b>		
<b>Secured Loans</b>		
Loans repayable on demand from Banks	<b>2,341.74</b>	<b>1,592.76</b>
Remark :		
The above loans are secured on pari passu basis by hypothecation of tea crops and moveable assets of all the Tea Estates of the Company. These are also collaterally secured by Equitable Mortgage by way of second charge on Namsang and Kharikatia Tea Estates and Equitable Mortgage by way of first charge on pari passu basis on Dikom, Nokhroy, Bokakhat and Romai Tea Estates.		
<b>G TRADE PAYABLES</b>		
Sundry Creditors	<b>377.68</b>	<b>385.97</b>
Remark:		
The above includes dues, for less than 30 days, to a Small Enterprise within the meaning of Sec. 7(1)(ii) of Micro, Small and Medium Enterprises Development Act, 2006 - ₹ 2.84 lakhs		
<b>H OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long Term Borrowings	990.00	990.00
Interest accrued but not due on borrowings	36.72	38.40
Advance from Customers	1.05	—
Unpaid Dividends*	11.47	8.89
Other Payables		
For Expenses etc.	1,054.97	1,047.45
Statutory Dues	105.36	82.49
Due to Gratuity Fund	162.52	49.36
	<b>2,362.09</b>	<b>2,216.59</b>
*Investor Education and Protection Fund shall be credited with the amount of Unpaid Dividends, when due.		
<b>I SHORT-TERM PROVISIONS</b>		
Provision for Forex Loss on Swap Transactions	130.64	86.06
Proposed Dividend	183.48	183.48
Tax on Dividend	36.69	31.18
	<b>350.81</b>	<b>300.72</b>

## Notes to the Balance Sheet

₹ in lakhs

PARTICULARS	GROSS BLOCK AT COST OR VALUATION				DEPRECIATION/AMORTIZATION					NET BLOCK		
	Gross Carrying Amount as at the beginning of the year	Additions during the Year	Disposal/ Adjustments during the Year	Gross Carrying Amount as at the end of the year	Accumulated depreciation at the beginning of the year	Depreciation provided for the year	Transitional adjustment (+) with General/ Revaluation Reserve	Transitional adjustment (-) with General Reserve	On disposal during the Year	Accumulated depreciation at the end of the year	Net Carrying Amount at the end of the year	Net Carrying Amount as at the beginning of the year
<b>J. TANGIBLE ASSETS</b>												
Land and Planted Teas	11,347.01	111.03	—	11,458.04	—	—	—	—	—	—	11,458.04	11,347.01
Leasehold Improvement	137.82	283.45	25.53	395.74	18.02	31.76	—	—	6.73	43.05	352.69	119.80
Buildings	4,211.08	285.95	—	4,497.03	555.08	210.75	171.33	0.16	—	937.00	3,560.03	3,656.00
Plant and Equipment	4,398.37	489.50	0.30	4,887.57	1,392.22	344.69	176.62	8.47	0.26	1,904.80	2,982.77	3,006.15
Furniture and Fixtures	760.48	62.70	2.14	821.04	147.17	86.11	5.69	1.02	1.20	236.75	584.29	613.31
Vehicles	817.90	213.06	9.82	1,021.14	320.17	129.06	6.24	4.67	5.61	445.19	575.95	497.73
Office Equipments	223.92	31.32	0.46	254.78	39.70	34.53	16.80	0.17	0.43	90.43	164.35	184.22
Computers	198.99	52.20	—	251.19	81.96	48.47	19.53	1.61	—	148.35	102.84	117.03
<b>31st March, 2015</b>	<b>22,095.57</b>	<b>1,529.21</b>	<b>38.25</b>	<b>23,586.53</b>	<b>2,554.32</b>	<b>885.37</b>	<b>396.21</b>	<b>16.10</b>	<b>14.23</b>	<b>3,805.57</b>	<b>19,780.96</b>	<b>19,541.25</b>
31st March, 2014	20,109.55	2,027.32	41.30	22,095.57	2,105.40	462.99	—	—	14.07	2,554.32	—	—
<b>INTANGIBLE ASSETS</b>												
Computer Software	188.04	57.30	—	245.34	49.85	67.27	32.60	0.02	—	149.70	95.64	138.19
Branding and Trade mark	10.84	8.00	—	18.84	4.34	3.71	—	—	—	8.11	10.73	6.50
<b>31st March, 2015</b>	<b>198.88</b>	<b>65.30</b>	<b>—</b>	<b>264.18</b>	<b>54.19</b>	<b>71.04</b>	<b>32.60</b>	<b>0.02</b>	<b>—</b>	<b>157.81</b>	<b>106.37</b>	<b>144.69</b>
31st March, 2014	144.31	55.28	0.71	198.88	27.27	27.45	—	—	0.53	54.19	—	—



## Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>K NON-CURRENT INVESTMENT</b>		
<b>At Cost</b>		
<b>Trade Investments: Unquoted</b>		
<b>In Equity Instruments</b>		
CAE Russell India Limited (Subsidiary Company)		
50,000 (2014 -50,000 ) Equity Shares of ₹ 10 each fully paid up	5.00	5.00
50,000 (2014- 50,000) Equity Shares of ₹ 10 each fully paid up of Assam Hospitals Limited	5.00	5.00
3,61,007 (2014- 3,61,007) Equity Shares of Singapore\$ 1 each fully paid up of R.V. Enterprizes Pte. Ltd. (Joint Venture- Extent of Shareholding - 26%)	120.05	120.05
<b>In Preference Shares</b>		
27,59,975 (2014- 19,96,875) Non-Cumulative Redeemable Preference Shares of US \$ 1 each fully paid up of R.V. Enterprizes Pte. Ltd. (Joint Venture- Extent of Shareholding - 26%)	1,454.13	988.75
<b>Other Investments: Unquoted</b>		
<b>In Mutual Funds</b>		
<b>In Units and Bonds</b>		
Face value ₹ 10 each		
15,14,038.926 (2014- 15,14,038.926) Units of ICICI Prudential Regular Savings Fund - Regular Plan- Growth	200.00	200.00
10,00,000 (2014-10,00,000) Units ICICI Prudential FMP Series 73-391 Days Plan G Regular	100.00	100.00
52,58,139.069 (2014-52,58,139.068) Units IDBI Debt Opportunities Fund Regular Plan - Growth	525.81	525.81
4,96,568.710 (2014-4,96,568.710) Units DSP Black Rock Income Opportunities Fund - Regular Plan	100.00	100.00
10,00,000 (2014-10,00,000) Units SBI Debt Fund Series - A10-400 Days -Regular-Growth	100.00	100.00
10,00,000 (2014-10,00,000) Units SBI Debt Fund Series - A11-385 Days -Regular-Growth	100.00	100.00
Nil (2014-18,35,211.828) Units IDFC - Super Saver Income Fund - Investment Plan A-Growth	—	530.00
6,384.218 (2014-21,248.594) Units Templeton India Short Term Income Retail Plan - Growth	164.00	539.00
33,26,553.408 (2014-33,26,553.408) Units Templeton India Income Opportunities Fund - Growth	466.00	466.00
2,43,470.131 (2014-48,46,967.861) Units Birla Sun Life Short Term Opportunities Fund - Growth	50.00	950.00
10,00,000 (2014-10,00,000) Units Birla Sun Life Fixed Term Plan - Series KP (405 days)	100.00	100.00
10,00,000 (2014-10,00,000) Units Birla Sun Life Fixed Term Plan - Series KP (385 days)	100.00	100.00
14,38,107.851 (2014-14,38,107.851) Units Birla Sun Life Medium Term Plan -Growth-Regular Plan	215.00	215.00
10,00,000 (2014-10,00,000) Units Axis Fixed Term Plan - Series 59 Growth	100.00	100.00
10,00,000 (2014-10,00,000) Units Axis Fixed Term Plan - Series 60 Growth	100.00	100.00
20,00,000 (2014-20,00,000) Units HDFC Corporate Debt Opportunities Fund - Regular-Growth	200.00	200.00
10,00,000 (2014-10,00,000) units HDFC FMP 400D March 2014(1) Series 29 - Regular - Growth	100.00	100.00
Nil (2014-21,54,847.329) Units Morgan Stanley Short Term Bond Fund - Regular - Growth	—	300.00
Nil (2014-11,351.253) Units Birla Sun Life Cash Manager - Growth	—	35.00
Face value ₹ 1,000 each		
Nil (2014-16,550.359) Units Principal Bank CD Fund - Regular Plan Growth	—	270.00

## Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>K NON-CURRENT INVESTMENT (Contd.)</b>		
<b>In Bonds and Debentures</b>		
2,175 (2014- 2,175) Tax Free, Secured, Redeemable Non-Convertible Bonds in the nature of Debentures of ₹ 1,000 each in Railway Finance Corporation Ltd.	21.75	21.75
20,000 (2014-20,000) Tax Free, Secured, Redeemable Non-Convertible Bonds of ₹ 1,000 each in Rural Electrification Corporation Ltd	200.00	200.00
6,333 (2014-6,333) Tax free, Secured, Redeemable, Non Convertible Bonds of ₹ 1,000 each in NTPC Ltd.	63.33	63.33
30,000 (2014-30,000) Tax free, Secured, Redeemable, Non-convertible Bonds of ₹1,000 each in National Highways Authority of India.	300.00	300.00
<b>Other Investments: Quoted</b>		
<b>In Equity Instruments</b>		
Fully Paid Equity Shares of ₹ 10 each		
552 (2014-552) Gujarat Narmada Fertilizer Ltd.	0.83	0.83
50 (2014- 50) Future Market Networks Ltd.	—	—
Fully Paid Equity Shares of ₹ 5 each		
2,138 (2014-2,138) Network 18 Media & Investments Ltd.	7.11	7.11
	<b>4,898.01</b>	<b>6,842.63</b>
Aggregate Amount of Quoted Investments	7.94	7.94
Aggregate Amount of Unquoted Investments	4,890.07	6,834.69
	<b>4,898.01</b>	<b>6,842.63</b>
Market Value of Quoted Investments	1.45	1.16
<b>L LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Loans and Advances to Related Parties		
Subsidiary Company	4.50	4.50
Capital Advances	18.89	23.03
Advance due by an Officer (KMP)	1.88	5.62
Security Deposits	321.90	308.17
Other Deposits	3.78	17.32
Deposit with NABARD	0.01	166.96
Deposit with Assam Financial Corporation	352.43	255.86
	<b>703.39</b>	<b>781.46</b>
<b>M INVENTORIES</b>		
Stock of Finished Goods/ Stock-in-Trade at lower of cost and net realizable value*	245.23	168.13
Stock of Stores and Spares at or under cost	377.71	382.35
Stock of Raw Materials at cost	283.55	218.53
Work-in-progress at works cost	67.20	24.74
	<b>973.69</b>	<b>793.75</b>
* Includes Stock-in-transit valued at ₹ 41.37 lakhs (2014 - ₹ 5.13 Lakhs)		
<b>N TRADE RECEIVABLES</b>		
Unsecured, Considered Good		
Debts outstanding for a period exceeding six months	24.80	25.15
Other Debts	1,730.44	314.09
	<b>1,755.24</b>	<b>339.24</b>



## Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>O CASH AND CASH EQUIVALENTS</b>		
Balances with Banks	56.06	97.28
Margin Money Account	—	0.30
Bank Deposits for less than 12 months maturity		
- Under Lien with Central Excise Authority for Clean Energy Cess on Coal Purchases	8.09	7.14
- Under Lien with Delhi VAT authorities as Security Deposit	3.25	3.25
Unpaid Dividend Accounts	11.47	8.89
Cash in Hand	15.15	11.01
	<b>94.02</b>	<b>127.87</b>
<b>P SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Advance due by an Officer (KMP)	3.75	3.75
Other Loans and Advances		
Advances recoverable in Cash or in Kind or for value to be received	357.57	248.93
Advance Income Tax (Net)	86.97	68.91
	<b>448.29</b>	<b>321.59</b>
<b>Q OTHER CURRENT ASSETS</b>		
Interest Accrued on Deposits	22.68	9.11
Other Receivables	268.16	383.62
	<b>290.84</b>	<b>392.73</b>
<b>R CONTINGENT LIABILITIES AND COMMITMENTS</b>		
(i) <b>Estimated amount of Contingent Liabilities not provided for :</b>		
a. Claims against the Company not acknowledged as Debt		
Income Tax	182.37	76.46
Clean Energy Cess	7.19	7.19
Interest on PF arrears for pre-acquisition period	75.43	—
b. Guarantees		
Bank Guarantees outstanding	62.27	10.49
(ii) <b>Commitments</b>		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advance)	118.17	42.58
<b>S DIVIDEND PROPOSED</b>		
Amount of Dividend proposed to be distributed to Equity Shareholders for the Financial Year 2014-2015	183.48	183.48
Dividend per Equity Share of ₹ 2 each	₹ 0.50	₹ 0.50
% of Dividend proposed	25.00	25.00

**H. M. Gupta**  
Executive Chairman

**C. S. Bedi**  
Managing Director

**N. Palchoudhuri**  
Director

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary

**Dr. S. S. Baijal**  
Director

**H. M. Parekh**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015

## Notes to the Profit and Loss Statement

₹ in lakhs

Particulars	2014-2015	2013-2014
<b>1 REVENUE FROM OPERATIONS</b>		
<b>(a) Sale of Products</b>		
Black Tea	10,890.51	12,175.74
Avionics, Aviation and Electronic Equipments	595.93	92.79
Food and Beverage	876.08	430.03
	<b>12,362.52</b>	<b>12,698.56</b>
<b>(b) Sale of Services</b>		
Receipts for Technical and Support Services	<b>1,313.02</b>	<b>1,082.07</b>
<b>(c) Other Operating Revenues</b>		
Subsidy - Replanting	26.76	28.93
Tea Board Orthodox Subsidy Scheme	80.58	101.50
Sale of Duty Credit Entitlements License	192.67	182.57
Duty Drawback	41.12	35.81
Sundry Receipts	33.29	10.33
Liabilities no more required written back (Net)	—	2.95
	<b>374.42</b>	<b>362.09</b>
<b>Total</b>	<b>14,049.96</b>	<b>14,142.72</b>
Less: Excise Duty	11.14	2.59
	<b>14,038.82</b>	<b>14,140.13</b>
<b>2 OTHER INCOME</b>		
Interest Income	65.71	34.88
Dividend Income	0.02	0.60
Rent Received	5.50	2.20
Net gain on Sale of Investments	198.57	402.97
Net gain on Foreign Currency transactions/ translation	—	10.05
Liabilities written back	3.47	—
	<b>273.27</b>	<b>450.70</b>
<b>3 COST OF MATERIALS CONSUMED</b>		
Purchase of Green Leaf	45.26	65.90
Consumption of Raw Materials	661.35	281.68
	<b>706.61</b>	<b>347.58</b>
<b>4 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
Opening Stock of Finished Goods/Stock-in-Trade	168.13	109.87
Less: Closing Stock of Finished Goods/ Stock-in-Trade	245.23	168.13
	<b>(77.10)</b>	<b>(58.26)</b>
Opening Stock of Work-in-Progress	24.74	15.60
Less: Closing Stock of Work-in-Progress	67.20	24.74
	<b>(42.46)</b>	<b>(9.14)</b>
	<b>(119.56)</b>	<b>(67.40)</b>
<b>5 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	5,103.12	4,478.86
Contribution to Provident and other Funds	835.10	569.19
Workmen and Staff Welfare	513.18	446.08
	<b>6,451.40</b>	<b>5,494.13</b>





## Notes to the Profit and Loss Statement

₹ in lakhs

Particulars	2014-2015	2013-2014
<b>6 FINANCE COST</b>		
(a) Interest		
Banks	490.79	472.62
(b) Other Borrowing Costs	2.48	1.85
(c) Applicable Net Loss on Foreign Currency Transactions		
- Forex Loss on Currency SWAP Transactions (Net)*	252.00	410.08
- Forex loss on Other transactions (Net)	65.25	—
	<b>810.52</b>	<b>884.55</b>
Less: Provision for Forex Loss on Currency Swap Transactions written back	86.07	—
	<b>724.45</b>	<b>884.55</b>
*Forex Loss on Currency SWAP Transactions includes provision made as at 31st March, 2015 - ₹ 143.54 Lakhs.(2013-2014 - ₹ 363.08 lakhs)		
<b>7 DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation/ Amortization	956.41	490.44
Less: Depreciation on amounts added on revaluation	—	74.44
	<b>956.41</b>	<b>416.00</b>
<b>8 OTHER EXPENSES</b>		
Consumption of Stores,Tools and Spare Parts	1,000.85	894.05
Power and Fuel	1,012.47	977.05
Cess on Green Leaf	84.79	95.38
Tea Cess	24.77	28.98
Rent	486.43	318.61
Rates and Taxes	41.22	30.19
Repairs to Building	130.93	150.03
Repairs to Machinery	218.59	188.88
Other Repairs and Maintenance	169.75	136.64
Vehicles Maintenance	125.55	128.19
Transportation	238.71	210.49
Shipment Charges	84.34	124.76
Warehousing and Selling Expenses	221.01	232.74
Post Sales Warranty Expenses	1.54	6.70
Brokerage	72.28	76.05
Commission on Sales	97.01	77.21
Insurance	65.09	35.75
Directors' Fee & Commission	11.40	15.80
Auditors' Remuneration	6.73	7.20
Traveling and Conveyance	199.54	222.77
Miscellaneous Expenses (Note Below)	642.65	665.18
Loss on Disposal of Fixed Asset (Net)	21.64	20.13
Expenses on Corporate Social Responsibilities activities (Net)	60.54	—
	<b>5,017.83</b>	<b>4,642.78</b>
Note: Includes Contribution to Assam Pradesh Congress Committee, a Political Party within the meaning of Sec. 182 of the Companies Act, 2013 - ₹ 11.00 lakhs		
<b>9. EARNINGS PER EQUITY SHARE</b>		
Basic and Diluted as computed as per Accounting Standard AS-20		
Profit after Taxation	400.47	2,040.19
Weighted average number of Equity Shares outstanding	366.96	366.96
Earnings per Equity Share of ₹ 2 each (₹)	1.09	5.56

## Notes to the Profit and Loss Statement

₹ in lakhs

Particulars	2014-2015	2013-2014
<b>10. ADDITIONAL INFORMATION</b>		
(a) Auditors' Remuneration		
As Auditor	4.00	4.49
For Other Services		
Tax Audit Fee	0.40	0.45
Certification Job	2.16	2.16
Re-imbursement of Expenses	0.17	0.09
	<b>6.73</b>	<b>7.19</b>
(b) Audit Fee paid/payable to M/s Shome & Banerjee, Cost		
Accountants included in Miscellaneous Expenses	1.00	1.12
Due date of filing of Cost Audit Report	27/09/2014	27/09/2013
Date of Uploading of Cost Audit Report with MCA	25/09/2014	24/09/2013
(c) Stores and Spares Consumed and debited to various heads of Account in the Profit and Loss Account (Indigenous)	1,705.69	1,623.01
(d) Earnings in Foreign Currency		
F.O.B. Value of Export Sales	4,569.90	3,555.88
Receipts for Technical and Support Services	1,310.77	1,057.38
(e) Expenditure in Foreign Currency		
Foreign Travel	23.03	69.30
Commission on Sales	85.73	72.60
Re-imbursement of expenses to Commission Agent	—	13.10
Subscription	1.03	1.12
Tea Samples Analysis Fee	2.52	3.93
Consultancy Fee (Net of TDS and Service Tax)	19.38	16.80
Fee for participation in Tea Conference	—	0.49
(f) Value of Imports calculated on C.I.F. Basis :		
Raw Materials	328.50	208.11
Stores and Spares	29.39	—
Capital Goods	62.90	348.49
(g) Consumption of Raw Materials		
Imported		
Value	270.14	21.86
% of total consumption	40.85	7.76
Indigenous		
Value	391.21	259.82
% of total consumption	59.15	92.24
(h) Consumption of Stores and Spares		
Imported		
Value	33.14	—
% of total consumption	1.94	—
Indigenous		
Value	1,672.55	1,623.01
% of total consumption	98.06	100.00

**H. M. Gupta**  
Executive Chairman

**C. S. Bedi**  
Managing Director

**N. Palchoudhuri**  
Director

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary

**Dr. S. S. Bajjal**  
Director

**H. M. Parekh**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015



## Notes to the Balance Sheet

### T Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2015

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Accounting Convention

The financial statements have been prepared to comply in all material aspects with the accounting standards in terms of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other applicable provisions of the Companies Act, 2013. The significant accounting policies adopted are applied consistently, subject to a change made in the Financial Year 2014-2015 as stated in clauses 1.3 and 3.3 below.

##### 1.2 Basis of Accounting

The financial statements have been prepared in accordance with historical cost concept, save and except certain items of Fixed Assets, which were revalued as on 31st March, 2008 (Note 1.3 below).

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### 1.3 Fixed Assets

Fixed Assets, both tangible and intangible, are stated at cost of acquisition, net of subsidy received, where applicable together with resultant write up due to revaluation and depreciated on straight line method at the rates specified in Schedule II of the Companies Act, 2013.

Certain items of Fixed Assets (Buildings and Plant and Machinery) revalued as on 31st March, 2008 have been depreciated based on Book Value from the current Financial Year instead of Original Cost thereof in terms of the Application Guide on the Provisions of Schedule II to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India during February, 2015.

Cost of fixed asset includes purchase price and any expense directly attributable for bringing the asset to the working condition for intended use.

The cost of Extension Planting on cultivable land including cost of development is capitalised. However, cost of upkeep and maintenance of the areas still not matured for plucking and cost of replanting in existing areas are charged to revenue.

Leasehold Improvement for the premises taken on rent is amortized over the period of the lease.

Expenses incurred for development of Brand and Trademark are capitalized and amortized as per the Accounting Standard AS-26, Intangible Assets.

Computer Software is capitalized where it is expected to provide future enduring economic benefit. The capitalization costs include license fee and cost of implementation and system integration services. The cost of such Software is also amortized as per the Accounting Standard AS- 26, Intangible Assets.

Profit or Loss on disposal of Fixed Assets is recognized in the Profit and Loss Statement.

Any Impairment Loss is recognized, if and when the carrying value of Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher as per Accounting Standard, AS-28, Impairment of Assets.

Compensation received from the authorities concerned for acquisition of small pieces and parcels of Land in the Tea Estates for Oil exploration and transportation is recognized in the year of receipt. Such Compensation is directly credited to Capital Reserve, as the cost attributable to such Land can not be ascertained.

Subsidy received from Government or any statutory authority in respect of any item of fixed assets is deducted from cost of respective assets on receipt/ settlement.

##### 1.4 Foreign Currency Transaction

Foreign Currency Transactions are converted and accounted for at the rates prevailing on the dates of transaction. Year-end current assets (Monetary Items) and liabilities are restated at the year-end exchange rate and resultant net gain or loss is adjusted in the Profit and Loss Statement as prescribed by Accounting Standard-11, Accounting for the Effect of Changes in Foreign Exchange Rates.

The loss attributable to adverse Foreign Exchange fluctuation on the outstanding portfolio of Currency Swap at year end is being provided for based on year-end exchange rate and recognized in the Profit and Loss Statement.

##### 1.5 Investments

Investments are stated at cost of acquisition and treated as long term investments. Provision is made in case of permanent diminution in value of Investments.

Cost includes purchase price plus brokerage and transfer cost.

Incomes from Investments and Gain/ Loss on sale of investments are recognized in the Profit and Loss Statement for the year on accrual basis inclusive of related tax deduction at source.

## Notes to the Balance Sheet

### T Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2015

#### 1.6 Inventories

Stock of Tea is valued at lower of cost computed on periodical average basis and net realisable value and that of stores and spares is valued at or under cost.

Stock of Raw Materials and Work-in-progress has been valued at respective cost.

Provision for obsolete and slow moving stores is made, wherever necessary and reviewed from time to time.

#### 1.7 Staff Benefits

- a) The Company is contributing regularly to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. The Company also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.
- b) Defined Benefit Gratuity Plan is also maintained by the Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.
- c) Leave encashment liability for certain eligible employees, as determined on the basis of an actuarial valuation, is provided for at the end of each year, except where the same is actually ascertained and paid/provided for and charge is recognized in the Profit and Loss Statement. Such liability is not funded and being paid by the Company as and when required.

#### 1.8 Borrowing Cost

Borrowing cost is recognized as an expense to the extent, the same has been incurred for the year, unless such cost is directly attributable to the acquisition, construction or production of a qualifying asset and capitalised as part of the cost of that asset as prescribed by Accounting Standard-16, Borrowing Costs. Subsidy receivable on this account is adjusted with expense for the year, in which the claim of the Company for such subsidy gets admitted.

The loss attributable to adverse Foreign Exchange fluctuation paid at the time of repayment of principal as well as provision made for such loss on the outstanding portfolio of Currency Swap at year end (Note 1.4 above) is also being considered as borrowing cost and shown accordingly in the Profit and Loss Statement under the head "Finance Cost".

#### 1.9 Revenue Recognition

Items of income and expenditure are recognized on accrual and prudent basis.

#### 1.10 Sales

Sale of Products represents the invoice/ account sales value of finished goods supplied, inclusive of Central Excise Duty, wherever applicable, net of Sales Tax/Value Added Tax. Proceeds of insurance claims received for damage/shortage of finished goods are treated as part of Sale of Products. Net revenue is stated after deducting such Central Excise Duty.

Sale of Services represents the invoice value of services rendered as per the agreed terms, net of Service Tax.

#### 1.11 Replanting and Other Subsidies

Replanting Subsidy is recognized as income in the Profit and Loss Statement in the year of receipt on prudent basis.

Other Subsidies are recognized as income on accrual basis or on receipt of related sanction, when the certainty of receipt of such subsidy gets established.

#### 1.12 Dividend Income

Dividend Income is recognized when the right to receive such dividend is established.

#### 1.13 Taxes on Income

Current Tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rates and laws.

Provisions for Deferred Taxation is made at the current rate of taxation, on all timing difference, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred Tax Asset/ Deferred Tax Liability are reviewed at each Balance Sheet date to reassess liability or realization, as the case may be.

#### 1.14 Excise Duty and Tea Cess

Excise duty and Tea Cess, as applicable on manufactured goods is accounted for at the time of clearance. However, provision is made at the year-end on finished goods lying in stock at factory.



## Notes to the Balance Sheet

### T Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2015

#### 1.15 Provision

A provision is recognized when there is an obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

- 2.1 The Conveyance Deeds in the name of the Company for Kharikatia T.E., District Jorhat, Assam is yet to be executed, as the required Sale and Purchase permission form the office of the Deputy Commissioner, Jorhat, Assam is yet to be obtained. In the meantime the Company has filed a Writ Petition at the Hon'ble Gauhati High Court for setting aside the Notification, enhancing on ad hoc basis, the valuation by the concerned department of the Government of Assam.
- 2.2 The Conveyance Deeds in the name of the Company for Nagrijuli T.E., District Baksa, BTAD, Assam is yet to be executed pending final settlement with the Vendor.
- 3.1 Depreciation on Fixed Assets has been provided based on revised useful life of each of such assets, as provided in schedule II to the Companies Act, 2013 made effective from 1st April, 2014. Consequently, depreciation charge for the year ended 31st March, 2015 is higher by ₹ 411.57 lakhs and profit before tax is lower to that extent with corresponding impact on the carrying amounts of Fixed Assets and Reserves.
- 3.2 In case of Fixed Assets, where the useful life had completed in the manner above as on 1st April, 2014, the carrying value has been adjusted with General Reserve amounting to ₹ 201.74 lakhs (net of deferred tax adjustment of ₹51.64 lakhs) and Revaluation Reserve amounting to ₹ 159.31 lakhs in keeping with the transitional provisions of the said Schedule II.
- 3.3 In terms of the Application Guide on the Provisions of Schedule II to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India during February, 2015, depreciation for the year has been reworked based on book value of certain items of Fixed Assets (Buildings and Plant and Machinery) revalued in earlier years instead of original cost thereof. The impact of such revision in the amount of depreciation is ₹ 186.11 lakhs for the current financial year. The amount of ₹ 411.57 lakhs stated in 3.1 above is inclusive of the aforesaid amount of ₹ 186.11 lakhs.

#### 4. DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILITIES ACTIVITIES

₹ in lakhs

a) Gross amount required to be spent by the company during the year :		60.40
b) Amount spent during the year as detailed hereunder:		60.54
	<b>In cash/ Bank Payment</b>	<b>Total</b>
(i) Construction/ Acquisition of any asset		
1) School Building for Nokhroy Kechasona High School in the neighborhood of Nokhroy T.E.	11.04	
2) School Building for Nagrijuli High School in the neighborhood of Nagrijuli T.E.	10.04	
3) Girls' Toilets at Moderkhat Girls 'High School in the neighborhood of Romai T.E.	2.99	24.07
(ii) On purposes other than (i) above		
1) Mobile Creches, Delhi		
Community based creches at urban slum.	3.50	
Day Care Centre at EMAAR MGF, Palm Drive Project, Gurgaon	12.63	
2) Diksha, Gurgaon		
Sponsorship of Midday meal of 200 children for 2 months	0.80	
Sponsorship of Books for 200 children	0.20	
3) BMG Foundation for promotiong Preventive Health Care	12.00	
4) CRY with Bal Shiksha, Dibrugarh Unit Assam for Overall development of Children (basic nutritional food with regular health checkups, improvement in educational institutions, free educational materials, sports and cultural activities, Pre natal and post care)	7.00	36.13
<b>Total Direct Expenses</b>		60.21
<b>Add: Indirect Expenses</b>		
Service Tax deposited under Reverse Charge Mechanism		0.33
<b>Total expenses incurred during the year</b>		<b>60.54</b>

All the above expenses were paid in full during the year ended 31st March, 2015 and there was no unpaid balance on this account as on 31.03.2015.

## Notes to the Balance Sheet

### T Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2015

#### 5. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2015 :

1. **Business Segments :** In terms of AS-17, Segment Reporting, the Company has following Business Segments as Primary Segment for disclosure.
- Cultivation, Manufacture and Sale of Tea
  - Aviation, Products and Services
  - Hospitality

₹ in lakhs

Particulars	2014-2015	2013-2014
<b>2 Revenue</b>		
A. Cultivation, Manufacture and Sale of Tea	11,262.78	12,537.23
B. Aviation, Products and Services	1,897.85	1,172.28
C. Hospitality	878.19	430.62
	14,038.82	14,140.13
<b>3 Results</b>		
A. Cultivation, Manufacture and Sale of Tea	1,929.24	3,960.50
B. Aviation, Products and Services	76.31	(114.69)
C. Hospitality	(958.30)	(509.73)
	1,047.25	3,336.08
Less: i) Interest Net of Subsidy	493.27	474.48
ii) Exchange Loss on currency Swap Transactions	165.94	410.07
iii) Un allocated expenses, net of un allocated Income	(186.92)	(421.66)
	574.96	2,873.19
<b>4 Segment Assets</b>		
A. Cultivation, Manufacture and Sale of Tea	20,283.90	19,588.72
B. Aviation, Products and Services	2,396.14	1,840.43
C. Hospitality	1,253.77	982.44
D. Unallocated	5,239.07	7,023.40
	29,172.88	29,434.99
<b>5 Segment Liabilities</b>		
A. Cultivation, Manufacture and Sale of Tea	7,353.10	7,422.12
B. Aviation, Products and Services	102.30	57.94
C. Hospitality	73.51	139.50
D. Unallocated	595.31	586.01
	8,124.22	8,205.57
<b>6 Capital Expenditure</b>		
A. Cultivation, Manufacture and Sale of Tea	805.63	1,156.80
B. Aviation, Products and Services	161.93	579.67
C. Hospitality	471.29	346.95
D. Unallocated	155.65	—
	1,594.50	2,083.42
<b>7 Depreciation (Net of Adjustment with Revaluation Reserve)</b>		
A. Cultivation, Manufacture and Sale of Tea	636.19	282.08
B. Aviation, Products and Services	201.47	96.95
C. Hospitality	118.75	36.97
	956.41	416.00



## Notes to the Balance Sheet

### T Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2015

#### 6. RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED 31ST MARCH, 2015:

The following are the Related Party transaction undertaken by the Company during the period ended 31st March 2015, in terms of AS-18, Related Party Disclosures issued by the Institute of Chartered Accountants of India:

##### Name of the Related Party and nature of relationship:

Enterprises where Control Exists	: CAE Rossell India Ltd. Subsidiary Company (Fully Owned)
Key Management Personnel	: Mr. H.M.Gupta, Executive Chairman Mr. C.S.Bedi, Managing Director Mr. N K Khurana, Chief Financial Officer-cum-Company Secretary
Relatives of Key Managerial Personnel	: Mrs. Vinita Gupta Mr. R M Gupta Ms. Samara Gupta Mrs. Sonia Bedi Mrs. Sharda Khurana
Holding Company	: BMG Enterprises Ltd
Enterprises over which the Key Management Personnel or their relatives have significant influence	: BMG Investments Private Ltd Harvin Estates Private Ltd BMG Foundation

##### Particulars of transactions for year ended 31st March 2015 :

₹ in lakhs

Nature of Transactions	Financial Year	
	2014-2015	2013-2014
<b>With Enterprises where Control Exists</b>		
1. Inter Corporate Deposit Given	—	4.50
2. Advance Refunded	—	13.32
<b>Key Management Personnel and relatives</b>		
1. Dividend Paid	16.52	16.45
2. Rent for Residential Accommodation	8.40	8.40
3. Remuneration Paid	145.16	231.39
4. Remuneration Paid to Relative	81.98	30.83
5. Interest Free Advance Refunded	3.75	3.75
<b>Holding Company</b>		
1. Dividend Paid	115.82	115.82
<b>Enterprises where significant influence is exercisable</b>		
1. Dividend Paid	5.10	5.07
2. Rent paid for Office Space	6.00	6.00
3. Rent for Residential Accommodation	6.00	6.00
4. Contribution made for charitable purpose (During Financial Year 2014-2015 included in CSR Activities)	12.00	9.50

- 7.1 The Company has only one subsidiary company as on 31st March, 2015, namely, CAE Rossell India Limited (Extent of interest - 100%).
- 7.2 The Company also has a Joint Venture (Extent of interest -26%) at Singapore, namely R.V. Enterprizes Pte. Ltd., Singapore. In terms of Sec. 183 (3) of the Companies Act, 2013 read with AS-27, Financial Reporting of Interests in Joint Ventures, Financial Statement of the Joint Venture has also been included in the Consolidated Financial Statement of the Group.
- 7.3 The required information in Form AOC I – Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures as on 31st March, 2015.

## Notes to the Balance Sheet

### T Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2015

#### Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

₹ in lakhs

1. Sl. No.	1
2. <b>Name of the Subsidiary</b>	CAE Rossell India Limited Wholly Owned Subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31st March, 2015
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees
5. Share Capital	5.00
6. Reserves and Surplus	(8.66)
7. Total Assets	0.90
8. Total Liabilities	4.56
9. Investments	—
10. Turnover	—
11. Profit before Taxation	(0.57)
12. Provision for Taxation	—
13. Profit after Taxation	(0.57)
14. Proposed Dividend	Nil
15. % of shareholding	100

- Name of subsidiaries which are yet to commence operation – The above subsidiary is yet to commence any operations.
- Names of subsidiaries which have been liquidated or sold during the year – None.

#### Part "B": Associates and Joint Ventures

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

₹ in lakhs

<b>Name of Associates/Joint Ventures</b>	R. V. Enterprizes Pte. Ltd., Singapore
1 Latest audited Balance Sheet Date	31st March, 2015
2 Shares of Associate/Joint Ventures held by the company on the year end	26%
No.	3,61,007 Equity Shares of Singapore \$ 1 each 27,59,975 Preference Shares of US \$ 1 each
Amount of Investment in Associates/Joint Venture	1,574.18
Extend of Holding %	26
3 Description of how there is significant influence	Since the holding is more than 20% of total Share Capital, as per explanation to Sec. 2 (6) of the Companies Act, 2013, this Company is an Associate Company.
4 Reason why the associate/joint venture is not consolidated	Not Applicable
5 Net worth attributable to Shareholding as per latest audited Balance Sheet	1,829.77 (US\$ 2.92342 Million converted at year end exchange rate of ₹ 62.59)
6 Profit / Loss for the year	30.93 (Profit After Tax) (US\$ 0.04941 Million converted at year end exchange rate of ₹ 62.59)
i Considered in Consolidation	Yes
ii Not Considered in Consolidation	Not Applicable
a) Names of associates or joint ventures, which are yet to commence operations	— Not Applicable
b) Names of associates or joint ventures, which have been liquidated or sold during the year	— Not Applicable





## Notes to the Balance Sheet

### T Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2015

#### 8. Defined Benefits Plans

In compliance with AS-15, Employee Benefits, an Actuarial Valuations were carried out in respect of Defined Benefit Schemes namely Gratuity and Leave Encashment as on 31st March, 2015. Thus, the amount recognised in the financial statements in respect of these Schemes as per Actuarial Valuation as on March 31, 2015 are as under :

₹ in lakhs

Particular	Gratuity - Funded		Leave Encashment - Non Funded	
	2014-2015	2013-2014	2014-2015	2013-2014
<b>I Components of Employer Expense</b>				
1. Current Service Cost	77.02	70.01	7.75	7.13
2. Interest Cost	101.19	91.50	1.83	1.50
3. Expected Return on Plan Assets	(100.69)	(77.67)	—	—
4. Curtailment Cost/(Credit)	—	—	—	—
5. Settlement Cost/(Credit)	—	—	—	—
6. Past Service Cost	—	—	—	—
7. Actuarial Losses/(Gains)	227.76	51.41	(2.57)	(0.68)
<b>8. Total expense to be recognised in the Statement of Profit and Loss Account</b>	<b>305.28</b>	<b>135.25</b>	<b>7.01</b>	<b>7.95</b>
<b>9. Total expense actually recognised in the Statement of Profit and Loss Account</b>	<b>306.05</b>	<b>135.00</b>	<b>7.01</b>	<b>7.95</b>
The Gratuity Expenses have been recognised in "Contribution to Provident and Other Funds" and Leave Encashment in "Salaries, Wages and Bonus" in Note 5 to the Profit and Loss Statement.				
<b>II Net Asset/(Liability) recognised in Balance Sheet</b>				
1. Present Value of Defined Benefit Obligation	1,544.36	1,253.72	27.53	22.49
2. Fair Value on Plan Assets	1,491.35	1,147.11	—	—
3. Status [Surplus/(Deficit)]	(53.01)	(106.61)	(27.53)	(22.49)
4. Unrecognised Past Service Cost	—	—	—	—
<b>5. Net Asset/(Liability) to be recognized in Balance Sheet</b>	<b>(53.01)</b>	<b>(106.61)</b>	<b>(27.53)</b>	<b>(22.49)</b>
<b>6. Net Asset/(Liability) actually recognized in Balance Sheet</b>	<b>(52.83)</b>	<b>(105.66)</b>	<b>(28.64)</b>	<b>(22.49)</b>
<b>III Change in Defined Benefit Obligations (DBO)</b>				
1. Present Value of DBO at the Beginning of the Year	1,253.72	1,163.67	22.49	22.45
2. Current Service Cost	77.02	70.01	7.75	7.13
3. Interest Cost	101.19	91.50	1.83	1.50
4. Curtailment Cost/(Credit)	—	—	—	—
5. Settlement Cost/(Credit)	—	—	—	—
6. Plan Amendments	—	—	—	—
7. Acquisitions	—	—	—	—
8. Actuarial (Gains)/Losses	238.86	37.65	(2.57)	(0.68)
9. Benefits Paid	(126.43)	(109.11)	(1.97)	(7.91)
<b>10. Present Value of DBO at the End of the Year</b>	<b>1,544.36</b>	<b>1,253.72</b>	<b>27.53</b>	<b>22.49</b>
<b>IV Change in Fair Value of Assets</b>				
1. Plan Assets at the Beginning of the Year	1,147.11	987.90	—	—
2. Acquisition Adjustment	—	—	—	—

## Notes to the Balance Sheet

### T Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2015

#### Defined Benefits Plans (contd.)

₹ in lakhs

Particular	Gratuity - Funded		Leave Encashment - Non Funded	
	2014-2015	2013-2014	2014-2015	2013-2014
3. Expected Return on Plan Assets	100.69	77.67	—	—
4. Actuarial Gains/(Losses)	11.09	(13.76)	—	—
5. Actual Company Contribution Received/ Receivable	358.89	204.41	1.97	7.91
6. Benefits Paid	(126.43)	(109.11)	(1.97)	(7.91)
<b>7. Plan Assets at the End of the Year</b>	<b>1,491.35</b>	<b>1,147.11</b>	—	—
<b>V Principal Actuarial Assumptions used ( common for all valuations)</b>				
1. Discount Rate (%)	8.00	8.50	8.00	8.50
2. Expected Return on Plan Assets (%)	7.50	7.50	—	—
3. Expected Salary increase rates	5.00	5.00	5.00	5.00
4. Mortality rates	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
<b>VI Major Category of Plan Assets as a % of the Total Plan Assets</b>				
1. Government Securities (Central & State Govt.)	44.11	53.25		
2. PSU Bonds	22.87	30.11		
3. Insurance Companies/ Banks/ Mutual Funds	21.47	12.68		
4. Cash and Cash Equivalents	11.55	3.96		
<b>VII Basis used to determine the Expected Rate of Return on Plan Assets</b>				

The expected rate of return on plan assets is based on the actuarial expectation of the average long term rate of return expected on investment of the fund with the Trustees, assuming that these are generally held to maturity, along with the estimated incremental investments to be made during the year.

9. Previous year's figures have been rearranged wherever necessary.

In terms of our Report of even date

For **S. S. KOTHARI & CO.**  
Chartered Accountants  
Registration No. 302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No.008816

**H. M. Gupta**  
Executive Chairman

**C. S. Bedi**  
Managing Director

**N. Palchoudhuri**  
Director

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary

**Dr. S. S. Baijal**  
Director

**H. M. Parekh**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015



# Independent Auditors' Report on Consolidated Financial Statements

To the Members of  
Rossell India Limited

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited the accompanying Consolidated Financial Statements of Rossell India Limited (the "Company"), its Subsidiary, CAE Rossell India Limited and Joint Venture, R.V. Enterprizes Pte. Ltd., Singapore (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

2. Management is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (the "Act") that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance and Consolidated Cash Flow of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Management of the Company, its Subsidiary and its Joint Venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and its Subsidiary and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these consolidated financial statements by the Management.

## AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

While conducting the examination, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of the material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, we considered the internal financial control relevant to the Group's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place, an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor referred to in the Other Matter below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

## BASIS OF QUALIFICATION

The auditors of the Joint Venture reported that "Management has evaluated the impairment assessment of loans to subsidiary of Joint Venture with a carrying value of ₹1,675.51 lakhs (Group share of Joint Venture - 26%) as at 31st March, 2015 taking into account the business plan and cash flow projections of the said subsidiary. We have taken note of management's position but because we have not been able to verify independently management's evaluation of the impairment assessment, we were unable

## Independent Auditors' Report on Consolidated Financial Statements

to determine whether any adjustments to the carrying value of the loans to subsidiary of Joint Venture as at year end would be necessary."

### OPINION

5. In our opinion and to the best of our information and according to the explanations given to us and based on consideration of the reports of the other auditors on the Financial Statements of the Subsidiary and Joint Venture as noted below, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, except stated above under the head Basis of Qualification :
  - a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2015.
  - b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
  - c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### OTHER MATTERS

6. Financial Statement of Subsidiary, CAE Rossell India Limited and Joint Venture, which reflect total assets (net) of ₹ 1,831.67 lakhs as at 31st March, 2015, total revenue of ₹ 71.94 lakhs, total expenditure of ₹ 36.11 lakhs and net cash flows amounting to ₹ 3.13 lakhs for the year then ended, have been audited by other auditors whose report has been furnished to us and our opinion in terms of Sub Section (3) and (11) of Section 143 of the Act in so far its reports to aforesaid Subsidiary and Joint Venture is based solely on the report of the other auditors.

Our opinion on the Consolidated Financial Statements and other report on other legal and regulatory requirements below are not qualified in respect of the above matter.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 (the Order) issued by the Central Government of India in terms of section 143(11) of the Act, based on the comments in the Auditors' Report of the Company and on the Auditors' Report issued in accordance with the Order on Subsidiary Company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable to the Company;

Based on the Auditors' Report on the Financial Statement of the Joint Venture, we confirm that "in the opinion of their auditors the accounting and other records required by the Companies Act, 50 to be kept by the Company had been properly kept in accordance with the provisions of that Act."

2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our examination of the Consolidated Financial Statements;
  - b. In our opinion, proper books of account as required by law relating to the preparation of the Consolidated Financial Statements have been kept by the Company 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 and the Consolidated Cash Flow Statement 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 Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the Directors of the Company as on 31st March, 2015, taken on record by the Board of Directors of the Company and the reports of the auditors of its Subsidiary Company incorporated in India, none of the Directors of the Company and its Subsidiary, incorporated in India, is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act;



## Independent Auditors' Report on Consolidated Financial Statements

- f. With respect to the other matters to be included in the Auditors' 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 :
- i) The Group has disclosed the impact of pending litigations on the Consolidated Financial position of the Group in its Consolidated Financial Statements as of 31st March, 2015. Refer Note R in Notes to the Balance Sheet.
  - ii) The Group has made provisions in its Consolidated Financial Statements, as required under the applicable law or Accounting Standards for material foreseeable losses on long term contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its Subsidiary Company incorporated in India.

For **S.S. Kothari & Co.**,  
Chartered Accountants  
Registration No.302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No. 008816

Place : Kolkata

Date : 29th May, 2015

## Annexure to the Independent Auditors' Report on Consolidated Financial Statements

As referred to in paragraph 1 of our Report on "Other Legal and Regulatory Requirements", we state that:

- i.
  - (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.
  - (b) As explained to us, these fixed assets have been physically verified by the management at a reasonable interval. No material discrepancies were noticed on such verification as compared to book records.
- ii.
  - (a) The inventory excluding those lying with third parties have been physically verified by the management during the year, at reasonable intervals.
  - (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) The Company is maintaining proper record of inventory. The discrepancies noticed on verification of stocks as compared to book records were not material and these have been properly dealt with in the books of account.
- iii. The Company has not granted any loan to any firm or other parties covered in the Register maintained under Section 189 of the Act.
- iv. In our opinion and according to the explanations given, internal control procedures for the purchase of inventory and fixed assets and for the sale of goods and services are commensurate with the size of the Company and nature of its business. During the course of audit, we have not noticed any continuing failure to correct the major weaknesses in internal control system.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted Deposits within the meaning of Section 73 to Section 76 of the Act and the Rules framed thereunder.
- vi. The Central Government has specified for the maintenance of cost records under sub-sec. (1) of Sec.148 of the Act. We have broadly reviewed the records and Accounts maintained by the Company. We are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of such records to determine whether records are accurate and complete.
- vii.
  - (a) According to the information and explanation given to us and on the basis of records of the Company examined by us, we are of the opinion that the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty

## Annexure to the Independent Auditors' Report on Consolidated Financial Statements

of excise, value added tax and cess and other material statutory dues applicable to it. There is no arrears outstanding statutory dues as at the last day of the financial year for a period of more than 6 months from the date they became payable.

- (b) According to the information and explanation given and records examined by us, there are no dues of Sales Tax or Wealth Tax or Service Tax or duty of Customs, duty of Excise or Value Added Tax and Cess, which have not been deposited on account of any dispute except for Income Tax and Cess and the details are as follows:

Amount (Net of On Account Payment) (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
1.49	2010-2011	Commissioner of Income Tax (Appeals)
4.33	2011-2012	Commissioner of Income Tax (Appeals)
54.89	2012-2013	Commissioner of Income Tax (Appeals)
7.13	2013-2014	Customs, Excise & Service Tax Appellate Tribunal

- (c) According to the information and explanation given to us and records of the Company, the amounts, which are required to be transferred to the Investor Education and Protection Fund in accordance with relevant provision of the Companies Act, 2013 and rules made thereunder, has been transferred to such fund within time.

- viii. The Company has no accumulated losses as at the end of the Financial Year. The Company has not incurred cash losses during the financial year covered by our report or in the immediately preceding financial year.
- ix. According to the information and explanations given and on the basis of records examined by us, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not taken loan from any financial institution or raised any money through issue of Debentures.
- x. The Company has not given guarantee for loan taken by others from Bank / Financial Institution.
- xi. According to information and explanations given to us, in our opinion the term loans taken have been applied for the purpose for which they were obtained.
- xii. During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor we have been informed of any such case by the management.

For **S.S. Kothari & Co.,**  
Chartered Accountants  
Registration No.302034E

**R. K. Roy Chaudhury**  
Partner

Membership No. 008816

Place : Kolkata  
Date : 29th May, 2015



## Consolidated Balance Sheet as at 31st March, 2015

₹ in lakhs

Particulars	Note No	As at 31st March, 2015	As at 31st March, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	A	733.93	733.93
(b) Reserves and Surplus	B	20,561.65	20,647.26
		<b>21,295.58</b>	<b>21,381.19</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	C	2,197.50	3,187.50
(b) Deferred tax liability (Net)	D	175.84	223.00
(c) Long-term provisions	E	318.56	299.03
		<b>2,691.90</b>	<b>3,709.53</b>
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	F	2,341.74	1,592.76
(b) Trade payables	G	377.68	385.97
(c) Other current liabilities	H	2,363.16	2,217.89
(d) Short-term provisions	I	350.81	300.72
		<b>5,433.39</b>	<b>4,497.34</b>
<b>Total</b>		<b>29,420.87</b>	<b>29,588.06</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	J	19,780.96	19,541.25
(ii) Intangible assets	J	106.37	144.69
(iii) Capital work-in-progress		122.08	149.78
(b) Non-current investments	K	3,318.83	5,728.83
(c) Long-term loans and advances	L	698.89	776.96
		<b>24,027.13</b>	<b>26,341.51</b>
<b>(2) Current assets</b>			
(a) Inventories	M	973.69	793.75
(b) Trade receivables	N	1,755.24	339.24
(c) Cash and cash equivalents	O	99.87	130.59
(d) Short-term loans and advances	P	2,116.80	1,507.82
(e) Other current assets	Q	448.14	475.15
		<b>5,393.74</b>	<b>3,246.55</b>
<b>Total</b>		<b>29,420.87</b>	<b>29,588.06</b>
Contingent Liabilities and Commitments	R		
Dividend Proposed	S		
Significant Accounting Policies and Other Notes on Consolidated Financial Statements	T		

Notes A to T referred to above form an integral part of the Balance Sheet  
In terms of our Report of even date

For **S. S. Kothari & Co.**  
Chartered Accountants  
Registration No. 302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No.008816

**H. M. Gupta**  
Executive Chairman

**C. S. Bedi**  
Managing Director

**N. Palchoudhuri**  
Director

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary

**Dr. S. S. Baijal**  
Director

**H. M. Parekh**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015

## Consolidated Profit and Loss Statement for the year ended 31st March, 2015

₹ in lakhs

Particulars	Note No	Year ended 31st March, 2015	Year ended 31st March, 2014
I. Revenue from operations	1	14,110.76	14,156.00
II. Other Income	2	273.27	442.74
<b>III. Total Revenue (I + II)</b>		<b>14,384.03</b>	<b>14,598.74</b>
<b>IV. Expenses</b>			
Cost of materials consumed	3	706.61	347.58
Changes in inventories of finished goods, work-in- progress and Stock-in-Trade	4	(119.56)	(67.40)
Employee benefits expense	5	6,451.40	5,494.13
Finance costs	6	757.72	884.55
Depreciation and amortization expense	7	956.41	416.00
Other expenses	8	5,020.67	4,645.44
<b>Total Expenses</b>		<b>13,773.25</b>	<b>11,720.30</b>
<b>V. Profit before exceptional items and tax (III - IV)</b>		<b>610.78</b>	<b>2,878.44</b>
VI. Exceptional Items		-	-
<b>VII. Profit before tax (V - VI)</b>		<b>610.78</b>	<b>2,878.44</b>
<b>VIII. Tax expense:</b>			
(1) Current tax (Share of Joint Venture ₹ 6.20 lakhs [2014 - ₹ 0.78 lakhs])		176.20	650.78
(2) Deferred tax adjustment		4.48	183.00
		<b>180.68</b>	<b>833.78</b>
<b>IX. Profit for the period (VII - VIII)</b>		<b>430.10</b>	<b>2,044.66</b>
<b>X. Earning per equity share:</b>			
(1) Basic	9	1.17	5.57
(2) Diluted		1.17	5.57

Notes 1 to 9 referred to above form an integral part of the Profit and Loss Statement  
In terms of our Report of even date

For **S. S. Kothari & Co.**  
Chartered Accountants  
Registration No. 302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No.008816

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Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015





## Consolidated Cash Flow Statement for the year ended 31st March, 2015

₹ in lakhs

Particulars	2014-2015		2013-2014	
<b>A. Cash Flow from Operating Activities</b>				
Profit before Tax		610.78		2,878.44
- Adjustment for :				
Depreciation	956.41		416.00	
Finance Cost (Net of Provision)	614.18		529.44	
Provision for Forex Loss on Swap Transactions	143.54		363.08	
Gain on Foreign Currency Translation of Non-Integral Foreign Operations	0.55		(0.15)	
Profit/ Loss on Disposal of Fixed Assets (Net)	21.64		20.13	
Liabilities no more required written back (Net)	(3.47)		(2.95)	
Net Gain on sale of Investments	(198.57)	<b>1,534.28</b>	(402.97)	<b>922.58</b>
		<b>2,145.06</b>		<b>3,801.02</b>
Items Considered in Investing Activity :				
Interest on Deposits etc.	(65.70)		(34.88)	
Rent Received	(5.50)		(2.20)	
Dividend	(0.02)	<b>(71.22)</b>	(0.60)	<b>(37.69)</b>
<b>Operating Profit before Working Capital Changes</b>		<b>2,073.85</b>		<b>3,763.33</b>
- Adjustment for :				
Current Assets including Long Term Loans and Advances	(1,528.76)		(154.88)	
Current Liabilities	147.08	<b>(1,381.68)</b>	106.56	<b>(48.32)</b>
<b>Cash Generated from Operations</b>		<b>692.16</b>		<b>3,715.01</b>
Finance Cost (Net)	(580.91)		(521.47)	
Forex Loss on Swap Transactions	(86.06)		-	
Direct Taxes (Net of refund)	(191.35)	<b>(858.32)</b>	(769.93)	<b>(1,291.40)</b>
<b>Cash Flow before Extraordinary Items</b>		<b>(166.16)</b>		<b>2,423.61</b>
<b>Extraordinary Items</b>		-		-
<b>Net Cash Flow from Operating Activities</b>		<b>(166.16)</b>		<b>2,423.61</b>
<b>B. Cash Flow from Investing Activities</b>				
Purchase of Fixed Assets including Advances for Capital Assets		(1,562.67)		(2,100.95)
Sale of Fixed Assets (Including Subsidy received from Tea Board)		2.38		7.28
Purchase of Investment		-		(7,110.17)
Exchange Difference for Investment in Joint Venture		12.25		-
Sale/Redemption of Investments		2,608.57		6,755.91
Compensation received for acquisition of Land		-		17.57
Interest Received		65.70		34.89
Rent Received		5.50		2.20
Dividend Received		0.02		0.60
<b>Net Cash Flow from Investing Activities</b>		<b>1,131.75</b>		<b>(2,392.67)</b>

## Consolidated Cash Flow Statement for the year ended 31st March, 2015

₹ in lakhs

Particulars	2014-2015		2013-2014	
<b>C. Cash Flow from Financing Activities</b>				
Loan given and Interest thereon (Share of Joint Venture)		(540.63)		(15.76)
Proceeds of Working Capital Loan from Bank (Net)		748.98		395.28
Repayment of Term Loan From Bank		(990.00)		(472.50)
Dividend Paid and Tax thereon		(214.66)		(213.25)
<b>Net Cash Flow from Financing Activities</b>		<b>(996.31)</b>		<b>(306.23)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>		<b>(30.72)</b>		<b>(275.29)</b>
<b>Cash and Cash Equivalents as at 31.03.2014 (Opening Balance)</b>		130.59		405.88
Cash and Cash Equivalents as at 31.03.2015 (Closing Balance)		99.87		130.59

**Note :**

The above Statement has been prepared under the Indirect Method as given in Accounting Standard on Cash Flow Statement (AS - 3) issued by the Institute of Chartered Accountants of India.

In terms of our Report of even date

For **S. S. Kothari & Co.**  
Chartered Accountants  
Registration No. 302034E

**R. K. Roy Chaudhury**  
Partner  
Membership No.008816

**H. M. Gupta**  
Executive Chairman

**C. S. Bedi**  
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Chief Financial Officer-cum-Company Secretary

**Dr. S. S. Baijal**  
Director

**H. M. Parekh**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015



## Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>A SHARE CAPITAL</b>		
<b>Authorized</b>		
4,50,00,000 Equity Shares of ₹ 2 each	900.00	900.00
<b>Issued, Subscribed and Paid Up</b>		
3,66,96,475 Equity Shares of ₹ 2 each fully paid up	733.93	733.93
<b>B RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as per last Account	488.86	230.33
Add: Compensation received on Sale of Land	-	17.57
	<b>488.86</b>	<b>247.90</b>
<b>Add: Capital Reserve on Consolidation</b>	68.16	240.96
	<b>557.02</b>	<b>488.86</b>
<b>Foreign Currency Translation Reserve</b> (Arising out of Consolidation of Share of Joint Venture)		
Balance as per last Account	(8.20)	-
Add: Adjustments for transaction of Non-Integral Foreign Operations	(2.65)	(8.20)
	<b>(10.85)</b>	<b>(8.20)</b>
<b>Securities Premium Account</b>		
Balance as per last Account	<b>2,609.55</b>	<b>2,609.55</b>
<b>Revaluation Reserve</b>		
Balance as per last Account	5,002.96	5,077.40
Less: Withdrawal on account of depreciation on incremental amounts upon revaluation	-	74.44
	<b>5,002.96</b>	<b>5,002.96</b>
Less: Adjustment as per transitional provision of Schedule II to the Companies Act, 2013 (Note T - 6.2)	159.31	-
	<b>4,843.65</b>	<b>5,002.96</b>
<b>General Reserve</b>		
Balance as per last account	12,265.02	10,465.02
Add: Transfer from Profit & Loss Account	100.00	1,800.00
	<b>12,365.02</b>	<b>12,265.02</b>
Less: Adjustment as per transitional provision of Schedule II to the Companies Act, 2013 (Net of Tax Effect) (Note T-6.2)	201.74	-
	<b>12,163.28</b>	<b>12,265.02</b>
<b>Surplus in Profit and Loss Account</b>		
Balance as per last Account	361.97	336.88
Add: Transfer from Profit and Loss Account	399.89	2,039.75
	<b>761.86</b>	<b>2,376.63</b>
Less: Transfer to General Reserve	100.00	1,800.00
	<b>661.86</b>	<b>576.63</b>
Less: Dividend on Equity Shares	183.48	183.48
Tax on Dividend	36.69	31.18
	<b>441.69</b>	<b>361.97</b>
Share of Joint venture - Note 3 (ii)	(42.69)	(72.90)
<b>Total</b>	<b>399.00</b>	<b>289.07</b>
<b>Grand Total</b>	<b>20,561.65</b>	<b>20,647.26</b>

## Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>C LONG-TERM BORROWINGS</b>		
<b>Secured Loans</b>		
Term Loans from Banks	2,197.50	3,187.50

## Notes :

- Current Maturities of these loans - ₹ 990 Lakhs (Note H).
- These loans are secured on pari passu basis by hypothecation of Moveable Assets and Deposit of Title Deeds in respect of Namsang and Kharikatia Tea Estates of the Company with an intention to create Equitable Mortgage, which would be formalized upon receipt of statutory approvals/ completion of required legal formalities. The loan from one of the Banks is additionally secured by hypothecation of tea crops and book debts in respect of Kharikatia T.E.
- These loans are repayable in equated quarterly installments up to a 6 year period from the date of respective disbursement and will be fully liquidated by the Financial Year 2018-2019.
- The Company has entered into Cross Currency Swap Transactions and opted to swap these loans from Indian Rupees in to US Dollars. The Contracts for such transactions outstanding as on 31st March, 2015 are as under:

Currency	Cross Currency	Buy (US\$ in lakhs)	Sell (₹ in lakhs)
Indian Rupee	US Dollar	26.39	1,462.50
Indian Rupee	US Dollar	14.95	825.00
Indian Rupee	US Dollar	16.31	900.00
		<b>57.65</b>	<b>3,187.50</b>

In view of upward revision of Indian Rupees and U.S.Dollar Exchange Rates since entering in to the above transactions, the Company has provided for the likely loss on the above outstanding U.S. Dollar based on the year end exchange rates. Total provision on this account as on 31st March, 2015 amounts to ₹ 420.56 Lakhs. (Schedule E and I).

<b>D DEFERRED TAX LIABILITY/ ASSET (NET)</b>		
As per the Accounting Standard AS-22 – Accounting for taxes on Income, an amount of ₹ 223.00 lakhs was recognised as Deferred Tax Liability as on 31st March, 2014. During the year, a review with respect to the carrying amount of Deferred Tax Liability was done and the same was revised to ₹ 175.84 lakhs as on 31st March, 2015, net of adjustment with General Reserve amounting to ₹ 51.64 lakhs. Thus, an amount of ₹ 4.48 lakhs has been shown as Deferred Tax Adjustment in the Profit and Loss Statement for the year ended 31st March, 2015. The components of Deferred Tax Liability are as under:		
<b>Deferred Tax Liability</b>		
Depreciation as per Books and Tax Laws	175.84	223.00
	<b>175.84</b>	<b>223.00</b>

<b>E LONG-TERM PROVISIONS</b>		
Provision for Forex Loss on Swap Transactions	289.92	277.02
Provision for employee benefits	28.64	22.01
	<b>318.56</b>	<b>299.03</b>

<b>F SHORT-TERM BORROWINGS</b>		
<b>Secured Loans</b>		
Loans repayable on demand from Banks	2,341.74	1,592.76

## Remark :

The above loans are secured on pari passu basis by hypothecation of tea crops and moveable assets of all the Tea Estates of the Company. These are also collaterally secured by Equitable Mortgage by way of second charge on Namsang Tea Estate and Kharikatia Tea Estate and Equitable Mortgage by way of first charge on pari passu basis on Dikom, Nokhroy, Bokakhat and Romai Tea Estates.



## Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>G TRADE PAYABLES</b>		
Sundry Creditors	377.68	385.97
Remark:		
The above includes dues, for less than 30 days, to a Small Enterprise within the meaning of Sec. 7(1)(ii) of Micro, Small and Medium Enterprises Development Act, 2006 - ₹ 2.84 lakhs		
<b>H OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long Term Borrowings	990.00	990.00
Interest accrued but not due on borrowings	36.72	38.40
Advance from Customers	1.05	-
Unpaid Dividends*	11.47	8.89
Other Payables		
For Expenses etc.	1,055.03	1,047.51
Statutory Dues	105.36	82.49
Due to Gratuity Fund	162.52	49.36
<b>Total</b>	<b>2,362.15</b>	<b>2,216.65</b>
Share of Joint Venture - Note 3(ii)	1.01	1.24
<b>Grand Total</b>	<b>2,363.16</b>	<b>2,217.89</b>
*Investor Education and Protection Fund shall be credited with the amount of Unpaid Dividends, when due.		
<b>I SHORT-TERM PROVISIONS</b>		
Provision for Forex Loss on Swap Transactions	130.64	86.06
Proposed Dividend	183.48	183.48
Tax on Dividend	36.69	31.18
	<b>350.81</b>	<b>300.72</b>

## Notes to the Consolidated Balance Sheet

₹ in lakhs

PARTICULARS	GROSS BLOCK AT COST OR VALUATION			DEPRECIATION/AMORTIZATION					NET BLOCK			
	Gross Carrying Amount as at the beginning of the year	Additions during the Year	Disposal / Adjustments during the Year	Gross Carrying Amount as at the end of the year	Accumulated depreciation at the beginning of the year	Depreciation provided for the year	Transitional adjustment (+) with General/ Revaluation Reserve	Transitional adjustment (-) with General Reserve	On disposal during the Year	Accumulated depreciation at the end of the year	Net Carrying Amount at the end of the year	Net Carrying Amount as at the beginning of the year
<b>J TANGIBLE ASSETS</b>												
Land and Planted Teas	11,347.01	111.03	-	11,458.04	-	-	-	-	-	-	11,458.04	11,347.01
Leasehold Improvement	137.82	283.45	25.53	395.74	18.02	31.76	-	-	6.73	43.05	352.69	119.80
Buildings	4,211.08	285.95	-	4,497.03	555.08	210.75	171.33	0.16	-	937.00	3,560.03	3,656.00
Plant and Equipment	4,398.37	489.50	0.30	4,887.57	1,392.22	344.69	176.62	8.47	0.26	1,904.80	2,982.77	3,006.15
Furniture and Fixtures	760.48	62.70	2.14	821.04	147.17	86.11	5.69	1.02	1.20	236.75	584.29	613.31
Vehicles	817.90	213.06	9.82	1,021.14	320.17	129.06	6.24	4.67	5.61	445.19	575.95	497.73
Office Equipments	223.92	31.32	0.46	254.78	39.70	34.53	16.80	0.17	0.43	90.43	164.35	184.22
Computers	198.99	52.20	-	251.19	81.96	48.47	19.53	1.61	-	148.35	102.84	117.03
<b>31st March, 2015</b>	<b>22,095.57</b>	<b>1,529.21</b>	<b>38.25</b>	<b>23,586.53</b>	<b>2,554.32</b>	<b>885.37</b>	<b>396.21</b>	<b>16.10</b>	<b>14.23</b>	<b>3,805.57</b>	<b>19,780.96</b>	<b>19,541.25</b>
31st March, 2014	20,109.55	2,027.32	41.30	22,095.57	2,105.40	462.99	-	-	14.07	2,554.32	-	-
<b>INTANGIBLE ASSETS</b>												
Computer Software	188.04	57.30	-	245.34	49.85	67.27	32.60	0.02	-	149.70	95.64	138.19
Branding and Trade mark	10.84	8.00	-	18.84	4.34	3.71	-	-	-	8.11	10.73	6.50
<b>31st March, 2015</b>	<b>198.88</b>	<b>65.30</b>	<b>-</b>	<b>264.18</b>	<b>54.19</b>	<b>71.04</b>	<b>32.60</b>	<b>0.02</b>	<b>-</b>	<b>157.81</b>	<b>106.37</b>	<b>144.69</b>
31st March, 2014	144.31	55.28	0.71	198.88	27.27	27.45	-	-	0.53	54.19	-	-



## Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>K NON-CURRENT INVESTMENTS</b>		
<b>At Cost</b>		
<b>Trade Investments: Unquoted</b>		
In Equity Instruments	5.00	5.00
<b>Other Investments: Unquoted</b>		
In Units and Bonds	3,305.89	5,715.89
<b>Other Investments: Quoted</b>		
In Equity Instruments	7.94	7.94
	<b>3,318.83</b>	<b>5,728.83</b>
Aggregate Amount of Quoted Investments	7.94	7.94
Aggregate Amount of Unquoted Investments	3,310.89	5,720.89
	<b>3,318.83</b>	<b>5,728.83</b>
Market Value of Quoted Investments	1.45	1.16
<b>L LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Capital Advances	18.89	23.03
Advance due by an Officer (KMP)	1.88	5.62
Security Deposits	321.90	308.17
Other Deposits	3.78	17.32
Deposit with NABARD	0.01	166.96
Deposit with Assam Financial Corporation	352.43	255.86
	<b>698.89</b>	<b>776.96</b>
<b>M INVENTORIES</b>		
Stock of Finished Goods/Stock-in-Trade at lower of cost and net realizable value	245.23	168.13
Stock of Stores and Spares at or under cost	377.71	382.35
Stock of Raw Materials at cost	283.55	218.53
Work-in-progress at works cost	67.20	24.74
	<b>973.69</b>	<b>793.75</b>
<b>N TRADE RECEIVABLES</b>		
<b>Unsecured, Considered Good</b>		
Debts outstanding for a period exceeding six months	24.80	25.15
Other Debts	1,730.44	314.09
	<b>1,755.24</b>	<b>339.24</b>

## Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Q CASH AND CASH EQUIVALENTS</b>		
Balances with Banks	56.65	98.40
Margin Money Account	-	0.30
Bank Deposits for less than 12 months maturity		
- Under Lien with Central Excise Authority for Clean Energy Cess on Coal Purchases	8.09	7.14
- Under Lien with Delhi VAT authorities as Security Deposit	3.25	3.25
Unpaid Dividend Accounts	11.47	8.89
Cash in Hand	15.44	11.30
<b>Total</b>	<b>94.90</b>	<b>129.28</b>
Share of Joint Venture - Note 3 (ii)	4.97	1.31
<b>Grand Total</b>	<b>99.87</b>	<b>130.59</b>
<b>P SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Advance due by an Officer (KMP)	3.75	3.75
Other Loans and Advances		
Advances recoverable in Cash or in Kind or for value to be received	357.57	248.93
Advance Income Tax (Net) [Net of Provision for Taxation -Share of Joint Venture - ₹ 7.02 Lakhs (2014 - ₹ 4.16 Lakhs)]	79.97	64.75
<b>Total</b>	<b>441.29</b>	<b>317.43</b>
Share of Joint Venture - Note 3 (ii)	1,675.51	1,190.39
<b>Grand Total</b>	<b>2,116.80</b>	<b>1,507.82</b>
<b>Q OTHER CURRENT ASSETS</b>		
Interest Accrued on Deposits	22.68	9.11
Other Receivables	268.16	383.68
<b>Total</b>	<b>290.84</b>	<b>392.79</b>
Share of Joint Venture - Note 3 (ii)	157.30	82.36
<b>Grand Total</b>	<b>448.14</b>	<b>475.15</b>
<b>R CONTINGENT LIABILITIES AND COMMITMENTS</b>		
(i) <b>Estimated amount of Contingent Liabilities not provided for :</b>		
a. Claims against the Company not acknowledged as Debt		
Income Tax	182.37	76.46
Clean Energy Cess	7.19	7.19
Interest on PF arrears for pre-acquisition period	75.43	-
b. Guarantees		
Bank Guarantees outstanding	62.27	10.49
(ii) <b>Commitments</b>		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advance)	<b>118.17</b>	<b>42.58</b>





## Notes to the Consolidated Balance Sheet

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>S DIVIDEND PROPOSED</b>		
Amount of Dividend proposed to be distributed to Equity Shareholders for the Financial Year 2014-2015	183.48	183.48
Dividend per Equity Share of ₹ 2 each	₹ 0.50	₹ 0.50
% of Dividend proposed	25.00	25.00

**H. M. Gupta**  
Executive Chairman

**Dr. S. S. Baijal**  
Director

**C. S. Bedi**  
Managing Director

**H. M. Parekh**  
Director

**N. Palchoudhuri**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary

## Notes to the Consolidated Profit and Loss Statement

₹ in lakhs

Particulars	2014-2015	2013-2014
<b>1 REVENUE FROM OPERATIONS</b>		
<b>(a) Sale of Products</b>		
Black Tea	10,890.51	12,175.74
Avionics, Aviation and Electronic Equipments	595.93	92.79
Food and Beverage	876.08	430.03
	<b>12,362.52</b>	<b>12,698.56</b>
<b>(b) Sale of Services</b>		
Receipts for Technical and Support Services	<b>1,313.02</b>	<b>1,082.07</b>
<b>(c) Other Operating Revenues</b>		
Subsidy - Replanting	26.76	28.93
Tea Board Orthodox Subsidy Scheme	80.58	101.50
Sale of Duty Credit Entitlements License	192.67	182.57
Duty Drawback	41.12	35.81
Sundry Receipts	33.29	10.33
Liabilities no more required written back (net)	—	2.95
	<b>374.42</b>	<b>362.09</b>
<b>Total</b>	<b>14,049.96</b>	<b>14,142.72</b>
Less: Excise Duty	11.14	2.59
	<b>14,038.82</b>	<b>14,140.13</b>
Share of Joint Venture - Note 3 (ii)	71.94	15.87
<b>Grand Total</b>	<b>14,110.76</b>	<b>14,156.00</b>
<b>2 OTHER INCOME</b>		
Interest Income	65.71	34.89
Dividend Income	0.02	0.60
Rent Received	5.50	2.20
Net gain on Sale of Investments	198.57	402.97
Net gain on Foreign Currency transactions/translation	—	10.05
Liabilities written back	3.47	—
	<b>273.27</b>	<b>450.71</b>
Share of Joint Venture - Note 3 (ii)	—	(7.97)
<b>Grand Total</b>	<b>273.27</b>	<b>442.74</b>
<b>3 COST OF MATERIALS CONSUMED</b>		
Purchase of Green Leaf	45.26	65.90
Consumption of Raw Materials	661.35	281.68
	<b>706.61</b>	<b>347.58</b>
<b>4 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
Opening Stock of Finished Goods/Stock-in-Trade	168.13	109.87
Less : Closing Stock of Finished Goods/Stock-in-Trade	245.23	168.13
	<b>(77.10)</b>	<b>(58.26)</b>
Opening Stock of Work-in-Progress	24.74	15.60
Less : Closing Stock of Work-in-Progress	67.20	24.74
	<b>(42.46)</b>	<b>(9.14)</b>
	<b>(119.56)</b>	<b>(67.40)</b>
<b>5 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	5,103.12	4,478.86
Contribution to Provident and other Funds	835.10	569.19
Workmen and Staff Welfare	513.18	446.08
	<b>6,451.40</b>	<b>5,494.13</b>



## Notes to the Consolidated Profit and Loss Statement

₹ in lakhs

Particulars	2014-2015	2013-2014
<b>6 FINANCE COST</b>		
a Interest		
Banks	490.79	472.62
b Other Borrowing Costs	2.48	1.85
c Applicable Net Loss on Foreign Currency Transactions		
- Forex Loss on Currency SWAP Transactions (Net)*	252.00	410.08
Forex loss on Other transactions (Net)	65.25	—
	<b>810.52</b>	<b>884.55</b>
Less: Provision for Forex Loss on Currency Swap Transactions written back	86.07	—
<b>Total</b>	<b>724.45</b>	<b>884.55</b>
Share of Joint Ventures - Note 3 (ii)	33.27	—
<b>Grand Total</b>	<b>757.72</b>	<b>884.55</b>

\*Forex Loss on SWAP Transactions includes provision made as at 31s March, 2015 - ₹ 143.54 Lakhs (2013-2014 - ₹ 363.08 Lakhs).

<b>7 DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation / Amortization	956.41	490.44
Less: Depreciation on amounts added on revaluation	—	74.44
	<b>956.41</b>	<b>416.00</b>

<b>8 OTHER EXPENSES</b>		
Consumption of Stores, Tools and Spare Parts	1,000.85	894.05
Power and Fuel	1,012.47	977.05
Cess on Green Leaf	84.79	95.38
Tea Cess	24.77	28.98
Rent	486.43	318.61
Rates and Taxes	41.44	30.45
Repairs to Building	130.93	150.03
Repairs to Machinery	218.59	188.88
Other Repairs and Maintenance	169.75	136.64
Vehicles Maintenance	125.55	128.19
Transportation	238.71	210.49
Shipment Charges	84.34	124.76
Warehousing and Selling Expenses	221.01	232.74
Post Sales Warranty Expenses	1.54	6.70
Brokerage	72.28	76.05
Commission on Sales	97.01	77.21
Insurance	65.09	35.75
Directors' Fee & Commission	11.40	15.80
Auditors' Remuneration	6.79	7.26
Traveling and Conveyance	199.54	222.77
Miscellaneous Expenses (Note Below)	642.95	665.31
Loss on Disposal of Fixed Asset (Net)	21.64	20.13
Expenses on Corporate Social Responsibilities activities (Net)	60.54	—
<b>Total</b>	<b>5,018.41</b>	<b>4,643.23</b>
Share of Joint Venture - Note 3 (ii)	2.26	2.21
<b>Grand Total</b>	<b>5,020.67</b>	<b>4,645.44</b>

Note : Includes Contribution to Assam Pradesh Congress Committee, a Political Party within the meaning of Sec. 182 of the Companies Act, 2013 - ₹ 11.00 lakhs

## Notes to the Consolidated Profit and Loss Statement

₹ in lakhs

Particulars	2014-2015	2013-2014
<b>9 EARNINGS PER EQUITY SHARE</b>		
Basic and Diluted as computed as per Accounting Standard AS-20		
Profit after Taxation	430.10	2,044.66
Weighted average number of Equity Shares outstanding	366.96	366.96
Earnings per Equity Share of ₹ 2 each (₹)	1.17	5.57

**H. M. Gupta**  
Executive Chairman

**Dr. S. S. Baijal**  
Director

**C. S. Bedi**  
Managing Director

**H. M. Parekh**  
Director

**N. Palchoudhuri**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary



## Notes to the Consolidated Balance Sheet

### T Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2015

#### 1. Basis of Preparation of Accounts

The accompanying financial statements have been prepared to comply, in all material aspects, with applicable statutory/regulatory provisions, accounting standards and generally accepted accounting principles and practices prevailing in India.

#### 2. Consolidation Procedure

The Consolidated Financial statements of the Group, comprises Rossell India Limited (The Parent Company), its Subsidiary, CAE Rossell India Limited (Wholly Owned Subsidiary) and Joint Venture, R V Enterprizes Pte. Ltd. The Consolidated Financial Statements are prepared in accordance with Accounting Standards AS-11, Effects of Changes in Foreign Exchange Rates, AS – 21, Consolidated Financial Statements and AS-27, Financial Reporting of Interests in Joint Ventures notified in terms of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

The consolidated financial statements are prepared on the following basis:

##### (i) Investment in Subsidiaries

- ✦ The financial statements of the Holding Company and its Subsidiary Company have been combined on a line by line basis by aggregating like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated.
- ✦ The excess/ deficit of cost to the Parent of its investment in the Subsidiary over its Share of the Equity of the Subsidiaries, at the date on which such investment was made, has been recognized as goodwill/ Capital reserve in the Consolidated Financial Statements. The goodwill is disclosed as an asset and capital reserve as a reserve in the Consolidated Balance Sheet.

##### (ii) Investment in Joint Venture

- ✦ Interest in Joint Venture has been accounted by using the proportionate consolidation method as per Accounting Standard AS – 27, Financial Reporting on Interest in Joint Venture.

(iii) The financial statements of the subsidiary and Joint Venture used in the consolidation are drawn up to the same reporting date as that of the Holding Company.

(iv) As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.

#### 3. List of Subsidiaries and Joint Venture considered for preparation of consolidated financial statements:

	Name	Country of Incorporation	Proportion of Ownership Interest
i)	CAE Rossell India Ltd (Subsidiary Company)	India	100%
ii)	R.V. Enterprizes Ptd. Ltd. (Interest in Joint Venture)	Singapore	26%

#### 4. Changes in Consolidation Process as compared to 2013-2014

The Consolidated Financial Statements have been prepared on the same basis as that adopted in respect of the accounting year 2013-2014, save and except that during the year proportionate share of Joint Venture was included in the consolidation process. As per Paragraph 30 of Accounting Standard AS-21, Consolidated Financial Statements, comparative figures for the previous year have been presented after regrouping the figures with the consolidation of Share of Joint Venture therein.

#### 5. Significant Accounting Policies

The following Accounting Policies have been adopted by both Parent and Subsidiary as well as Joint Venture and accordingly for preparing these Consolidated Financial Statements:

##### 5.1 Accounting Convention

The Financial Statements have been prepared to comply in all material aspects with the accounting standards in terms of Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 in respect of the Parent Company and Wholly Owned Subsidiary. The Share of Joint Venture is based on the financial statement of the Joint Venture, which have been prepared in accordance with the Singapore Financial Reporting Standards (FRS) and provision of the Companies Act of the Republic of Singapore.

## Notes to the Consolidated Balance Sheet

### T Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2015

#### 5.2 Basis of Accounting

The financial statements have been prepared in accordance with historical cost concept, save and except certain items of Fixed Assets, which were revalued as on 31st March, 2008 (Note 5.3 below).

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

#### 5.3 Fixed Assets

Fixed Assets, both tangible and intangible, are stated at cost of acquisition, net of subsidy received, where applicable together with resultant write up due to revaluation and depreciated on straight line method at the rates specified in Schedule II of the Companies Act, 2013.

Certain items of Fixed Assets (Buildings and Plant and Machinery) revalued as on 31st March, 2008 have been depreciated based on Book Value from the current Financial Year instead of Original Cost thereof in terms of the Application Guide on the Provisions of Schedule II to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India during February, 2015.

Cost of fixed asset includes purchase price and any expense directly attributable for bringing the asset to the working condition for intended use.

The cost of Extension Planting on cultivable land including cost of development is capitalized. However, cost of upkeep and maintenance of the areas still not matured for plucking and cost of replanting in existing areas are charged to revenue.

Leasehold Improvement for the premises taken on rent is amortized over the period of the lease.

Expenses incurred for development of Brand and Trademark are capitalized and amortized as per the Accounting Standard AS-26, Intangible Assets.

Computer Software is capitalized where it is expected to provide future enduring economic benefit. The capitalization costs include license fee and cost of implementation and system integration services. The cost of such Software is also amortized as per the Accounting Standard AS- 26, Intangible Assets.

Profit or Loss on disposal of Fixed Assets is recognized in the Profit and Loss Statement.

Any Impairment Loss is recognized, if and when the carrying value of Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher as per Accounting Standard, AS-28, Impairment of Assets.

Compensation received from the authorities concerned for acquisition of small pieces and parcels of Land in the Tea Estates for Oil exploration and transportation is recognized in the year of receipt. Such Compensation is directly credited to Capital Reserve, as the cost attributable to such Land cannot be ascertained.

Subsidy received from Government or any statutory authority in respect of any item of fixed assets is deducted from cost of respective assets on receipt/ settlement.

#### 5.4 Foreign Currency Transaction

Foreign Currency Transactions are converted and accounted for at the rates prevailing on the dates of transaction. Year-end current assets (Monetary Items) and liabilities are restated at the year-end exchange rate and resultant net gain or loss is adjusted in the Profit and Loss Statement as prescribed by Accounting Standard-11, Accounting for the Effect of Changes in Foreign Exchange Rates.

The loss attributable to adverse Foreign Exchange fluctuation on the outstanding portfolio of Currency Swap at year end is being provided for based on year-end exchange rate and recognized in the Profit and Loss Statement.

In case of Joint Venture, being non-integral foreign operation, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rate prevailing as at the last day of the year. Any exchange difference arising on consolidation is recognized as Foreign Currency Translation Reserve.

#### 5.5 Investments

Investments are stated at cost of acquisition and treated as long term investments. Provision is made in case of permanent diminution in value of Investments.

Cost includes purchase price plus brokerage and transfer cost.



## Notes to the Consolidated Balance Sheet

### T Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2015

Incomes from Investments and Gain/ Loss on sale of investments are recognized in the Profit and Loss Statement for the year on accrual basis inclusive of related tax deduction at source.

#### 5.6 Inventories

Stock of Tea is valued at lower of cost computed on periodical average basis and net realizable value and that of stores and spares is valued at or under cost.

Stock of Raw Materials and Work-in-progress has been valued at respective cost.

Provision for obsolete and slow moving stores is made, wherever necessary and reviewed from time to time.

#### 5.7 Staff Benefits

- a) The Company is contributing regularly to the Provident Funds, administered by the Government and independent of Company's finances, in respect of all its eligible employees. The Company also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.
- b) Defined Benefit Gratuity Plan is also maintained by the Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.
- c) Leave encashment liability for certain eligible employees, as determined on the basis of an actuarial valuation, is provided for at the end of each year, except where the same is actually ascertained and paid/provided for and charge is recognized in the Profit and Loss Statement. Such liability is not funded and being paid by the Company as and when required.

#### 5.8 Borrowing Cost

Borrowing cost is recognized as an expense to the extent, the same has been incurred for the year, unless such cost is directly attributable to the acquisition, construction or production of a qualifying asset and capitalised as part of the cost of that asset as prescribed by Accounting Standard-16, Borrowing Costs. Subsidy receivable on this account is adjusted with expense for the year, in which the claim of the Company for such subsidy gets admitted.

The loss attributable to adverse Foreign Exchange fluctuation paid at the time of repayment of principal as well as provision made for such loss on the outstanding portfolio of Currency Swap at year end (Note 5.4 above) is also being considered as borrowing cost and shown accordingly in the Profit and Loss Statement under the head "Finance Cost".

#### 5.9 Revenue Recognition

Items of income and expenditure are recognized on accrual and prudent basis.

#### 5.10 Sales

Sale of Products represents the invoice/ account sales value of finished goods supplied, inclusive of Central Excise Duty, wherever applicable, net of Sales Tax/Value Added Tax. Proceeds of insurance claims received for damage/ shortage of finished goods are treated as part of Sale of Products. Net revenue is stated after deducting such Central Excise Duty.

Sale of Services represents the invoice value of services rendered as per the agreed terms, net of Service Tax.

#### 5.11 Replanting and Other Subsidies

Replanting Subsidy is recognized as income in the Profit and Loss Statement in the year of receipt on prudent basis. Other Subsidies are recognized as income on accrual basis or on receipt of related sanction, when the certainty of receipt of such subsidy gets established.

#### 5.12 Dividend Income

Dividend Income is recognized when the right to receive such dividend is established.

## Notes to the Consolidated Balance Sheet

### T Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2015

#### 5.13 Taxes on Income

Current Tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rates and laws.

Provisions for Deferred Taxation is made at the current rate of taxation, on all timing difference, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred Tax Asset/ Deferred Tax Liability are reviewed at each Balance Sheet date to reassess liability or realization, as the case may be.

#### 5.14 Excise Duty and Tea Cess

Excise duty and Tea Cess, as applicable on manufactured goods is accounted for at the time of clearance. However, provision is made at the year-end on finished goods lying in stock at factory.

#### 5.15 Provisions

A provision is recognized when there is an obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

6.1 Depreciation on Fixed Assets has been provided based on revised useful life of each of such assets, as provided in schedule II to the Companies Act, 2013 made effective from 1st April, 2014. Consequently, depreciation charge for the year ended 31st March, 2015 is higher by ₹ 411.57 lakhs and profit before tax is lower to that extent with corresponding impact on the carrying amounts of Fixed Assets and Reserves.

6.2 In case of Fixed Assets, where the useful life had completed in the manner above as on 1st April, 2014, the carrying value has been adjusted with General Reserve amounting to Rs 201.74 lakhs (net of deferred tax adjustment of ₹ 51.64 lakhs) and Revaluation Reserve amounting to ₹ 159.31 lakhs in keeping with the transitional provisions of the said Schedule II.

6.3 In terms of the Application Guide on the Provisions of Schedule II to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India during February, 2015, depreciation for the year has been reworked based on book value of certain items of Fixed Assets (Buildings and Plant and Machinery) revalued in earlier years instead of original cost thereof. The impact of such revision in the amount of depreciation is ₹ 186.11 lakhs for the current financial year. The amount of ₹ 411.57 lakhs stated in 6.1 above is inclusive of the aforesaid amount of ₹ 186.11 lakhs.

### 7. CONSOLIDATED SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2015 :

1. **Business Segments :** In terms of AS-17, Segment Reporting, the Company has following Business Segments as Primary Segment for disclosure.

- A. Cultivation, Manufacture and Sale of Tea
- B. Aviation, Products and Services
- C. Hospitality

₹ in lakhs

Particulars	2014-2015	2013-2014
<b>2 Revenue</b>		
A. Cultivation, Manufacture and Sale of Tea	11,262.78	12,537.23
B. Aviation, Products and Services	1,897.85	1,172.28
C. Hospitality	878.19	430.62
D. Share of Joint Venture	71.94	15.87
	<b>14,110.76</b>	<b>14,156.00</b>
<b>3 Results</b>		
A. Cultivation, Manufacture and Sale of Tea	1,929.23	3,960.50
B. Aviation, Products and Services	75.73	(115.13)
C. Hospitality	(958.30)	(509.73)
D. Share of Joint Venture	36.41	5.69
	<b>1,083.07</b>	<b>3,341.33</b>
Less: i) Interest Net of Subsidy	493.27	474.48
ii) Exchange Loss on currency Swap Transactions	165.94	410.07
iii) Un allocated expenses, net of un allocated Income	(186.92)	(421.66)
	<b>610.78</b>	<b>2,878.44</b>





## Notes to the Consolidated Balance Sheet

### T Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2015

Particulars	2014-2015	2013-2014
<b>4 Segment Assets</b>		
A. Cultivation, Manufacture and Sale of Tea	20,283.90	19,588.73
B. Aviation, Products and Services	2,397.04	1,837.40
C. Hospitality	1,253.77	982.44
D. Share of Joint Venture	1,830.77	1,269.90
E. Unallocated	3,655.39	5,909.59
	<b>29,420.87</b>	<b>29,588.06</b>
<b>5 Segment Liabilities</b>		
A. Cultivation, Manufacture and Sale of Tea	7,353.10	7,422.12
B. Aviation, Products and Services	102.36	58.00
C. Hospitality	73.51	139.50
D. Interest in Joint Venture	1.01	1.24
E. Unallocated	595.31	586.01
	<b>8,125.29</b>	<b>8,206.87</b>
<b>6 Capital Expenditure</b>		
A. Cultivation, Manufacture and Sale of Tea	805.63	1,156.80
B. Aviation, Products and Services	161.93	579.67
C. Hospitality	471.29	346.95
D. Unallocated	155.65	—
	<b>1,594.50</b>	<b>2,083.42</b>
<b>7 Depreciation (Net of Adjustment with Revaluation Reserve)</b>		
A. Cultivation, Manufacture and Sale of Tea	636.19	282.08
B. Aviation, Products and Services	201.47	96.95
C. Hospitality	118.75	36.97
	<b>956.41</b>	<b>416.00</b>

8. The following are the Related Party transaction undertaken by the Group during the period ended 31st March 2015, in terms of AS-18, Related Party Disclosures issued by the Institute of Chartered Accountants of India:

#### Name of the Related Party and nature of relationship:

Key Management Personnel	:	Mr. H. M. Gupta, Executive Chairman Mr. C. S. Bedi, Managing Director Mr. N K Khurana, Chief Financial Officer-cum-Company Secretary
Relatives of Key Managerial Personnel	:	Mrs. Vinita Gupta Mr. R M Gupta Ms. Samara Gupta Mrs. Sonia Bedi Mrs. Sharda Khurana
Holding Company	:	BMG Enterprises Ltd
Enterprises over which the Key Managerial Personnel or their relatives have significant influence	:	BMG Investments Private Ltd Harvin Estates Private Ltd BMG Foundation

## Notes to the Consolidated Balance Sheet

### T Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2015

Particulars of transactions for year ended 31st March 2015 :

₹ in lakhs

Nature of Transactions	Financial Year	
	2014-2015	2013-2014
<b>Key Managerial Personnel and relatives</b>		
1. Dividend Paid	16.52	16.45
2. Rent for Residential Accommodation	8.40	8.40
3. Remuneration Paid	145.16	231.39
4. Remuneration Paid to Relative	81.98	30.83
5. Interest Free Advance Refunded	3.75	3.75
<b>Holding Company</b>		
1. Dividend Paid	115.82	115.82
<b>Enterprises where significant influence is exercisable</b>		
1. Dividend Paid	5.10	5.07
2. Rent paid for Office Space	6.00	6.00
3. Rent for Residential Accommodation	6.00	6.00
4. Contribution made for charitable purpose (During Financial Year 2014-2015 included in CSR Activities)	12.00	9.50

9. Additional statutory information disclosed in separate financial statements of the Parent, the Subsidiary and the Joint Venture having no bearing on the true and fair view of the Consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the Consolidated financial statements in view of the general clarification issued by the Institute of Chartered Accountants of India.

10. The required information in Form AOC I – Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/Joint Ventures as on 31st March, 2015.

#### Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

₹ in lakhs

1. Sl. No.	1
2. Name of the Subsidiary	CAE Rossell India Limited Wholly Owned Subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31st March, 2015
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees
5. Share Capital	5.00
6. Reserves and Surplus	(8.66)
7. Total Assets	0.90
8. Total Liabilities	4.56
9. Investments	—
10. Turnover	—
11. Profit before Taxation	(0.57)
12. Provision for Taxation	—
13. Profit after Taxation	(0.57)
14. Proposed Dividend	Nil
15. % of shareholding	100

1. Name of subsidiaries which are yet to commence operation – The above subsidiary is yet to commence any operations.
2. Names of subsidiaries which have been liquidated or sold during the year – None.



## Notes to the Consolidated Balance Sheet

### T Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2015

#### Part "B": Associates and Joint Ventures

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

₹ in lakhs

Name of Associates/Joint Ventures	R. V. Enterprizes Pte. Ltd., Singapore
1 Latest audited Balance Sheet Date	31st March, 2015
2 Shares of Associate/Joint Ventures held by the company on the year end	26%
No.	3,61,007 Equity Shares of Singapore \$ 1 each 27,59,975 Preference Shares of US \$ 1 each
Amount of Investment in Associates/Joint Venture	1,574.18
Extend of Holding %	26
3 Description of how there is significant influence	Since the holding is more than 20% of total Share Capital, as per explanation to Sec. 2 (6) of the Companies Act, 2013, this Company is an Associate Company.
4 Reason why the associate/joint venture is not consolidated	Not Applicable
5 Net worth attributable to Shareholding as per latest audited Balance Sheet	1,829.77 (US\$ 2.92342 Million converted at year end exchange rate of ₹ 62.59)
6 Profit / Loss for the year	30.93 (Profit After Tax) (US\$ 0.04941 Million converted at year end exchange rate of ₹ 62.59)
i Considered in Consolidation	Yes
ii Not Considered in Consolidation	Not Applicable
a) Names of associates or joint ventures, which are yet to commence operations	— Not Applicable
b) Names of associates or joint ventures, which have been liquidated or sold during the year	— Not Applicable
11. Previous year's figures have been rearranged wherever necessary.	

**H. M. Gupta**  
Executive Chairman

**Dr. S. S. Baijal**  
Director

**C. S. Bedi**  
Managing Director

**H. M. Parekh**  
Director

**N. Palchoudhuri**  
Director

**V. P. Agarwal**  
Director

Place: Kolkata  
Date: 29th May, 2015

**N. K. Khurana**  
Chief Financial Officer-cum-Company Secretary

## At a glance

FINANCIAL YEAR	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007
<b>Quantitative Information (lakh Kgs.)</b>									
Black Tea									
Saleable production	48.89	55.59	43.54	39.93	40.03	42.89	41.67	44.39	50.97
Sales	48.87	55.16	43.09	41.02	39.65	42.63	41.85	45.14	52.27
<b>Financial Information (₹ in lakhs)</b>									
Turnover - Black Tea	10,890.51	12,175.74	9,057.89	7,037.51	6,757.36	6,807.17	5,363.52	4,699.51	5,166.11
- Others	2,785.03	1,604.89	1,103.39	945.92	835.89	839.24	388.26	620.67	371.87
<b>Total Turnover</b>	<b>13,675.54</b>	<b>13,780.63</b>	<b>10,161.28</b>	<b>7,983.43</b>	<b>7,593.25</b>	<b>7,646.41</b>	<b>5,751.78</b>	<b>5,320.18</b>	<b>5,537.98</b>
Other Income	647.69	812.79	584.16	398.82	285.72	220.65	209.54	282.25	106.60
<b>Total Revenue</b>	<b>14,323.23</b>	<b>14,593.42</b>	<b>10,745.44</b>	<b>8,382.25</b>	<b>7,878.97</b>	<b>7,867.06</b>	<b>5,961.32</b>	<b>5,602.43</b>	<b>5,644.58</b>
Expenses	12,067.42	10,419.68	7,678.13	5,777.82	5,143.82	4,976.69	4,608.50	4,077.39	4,144.03
<b>Profit before Depreciation &amp; Interest</b>	<b>2,255.81</b>	<b>4,173.74</b>	<b>3,067.31</b>	<b>2,604.43</b>	<b>2,735.15</b>	<b>2,890.37</b>	<b>1,352.82</b>	<b>1,525.04</b>	<b>1,500.55</b>
Depreciation	956.41	416.00	306.86	195.74	180.10	164.17	136.61	136.50	126.81
<b>Profit before Interest</b>	<b>1,299.40</b>	<b>3,757.74</b>	<b>2,760.45</b>	<b>2,408.69</b>	<b>2,555.05</b>	<b>2,726.20</b>	<b>1,216.21</b>	<b>1,388.54</b>	<b>1,373.74</b>
Finance Cost	724.45	884.55	217.69	56.17	138.34	227.11	209.54	111.54	266.03
<b>Profit before Exceptional item</b>	<b>574.95</b>	<b>2,873.19</b>	<b>2,542.76</b>	<b>2,352.52</b>	<b>2,416.71</b>	<b>2,499.09</b>	<b>1,006.67</b>	<b>1,277.00</b>	<b>1,107.71</b>
Exceptional Item	-	-	1,358.45	(72.00)	-	-	-	1,198.01	(251.10)
<b>Profit before Tax</b>	<b>574.95</b>	<b>2,873.19</b>	<b>3,901.21</b>	<b>2,280.52</b>	<b>2,416.71</b>	<b>2,499.09</b>	<b>1,006.67</b>	<b>2,475.01</b>	<b>856.61</b>
Current Tax	170.00	650.00	820.00	475.00	485.00	500.00	197.50	214.00	23.00
Deffered Tax Adjustment	4.48	183.00	53.00	(65.00)	5.00	68.00	113.00	163.00	335.00
<b>Profit after Tax</b>	<b>400.47</b>	<b>2,040.19</b>	<b>3,028.21</b>	<b>1,870.52</b>	<b>1,926.71</b>	<b>1,931.09</b>	<b>696.17</b>	<b>2,098.01</b>	<b>498.61</b>
Earning Per Share ₹ 2 each (₹)*	1.09	5.56	8.25	5.10	5.25	26.31	10.48	33.23	10.94
Dividend Per Share of ₹ 2 each (₹)*	0.50	0.50	0.50	0.40	0.40	2.00	1.50	1.25	-

\* Face Value of ₹ 10 per Share upto the FY 2009-2010.

## Statement of approximate area, crop and yield

TEA ESTATES	Tea Bearing Area in Hectares	Crop (Kgs.) 2014-2015	Yield per Bearing Hectare
DIKOM	584	12,31,258	2,108
NOKHROY	294	6,35,044	2,160
NAGRIJULI	528	8,22,944	1,559
BOKAKHAT	275	3,73,244	1,357
ROMAI	300	6,54,583	2,182
NAMSANG	282	5,75,600	2,041
KHARIKATIA	432	7,03,942	1,629
<b>TOTAL</b>	<b>2,695</b>	<b>49,96,615</b>	<b>1,854</b>











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