

B & A/KOL/DDC/1043

30<sup>th</sup> September 2016

BSE Limited  
P. J. Towers,  
Dalal Street,  
Mumbai-400001

Dear Sir,

**Sub- Annual Report for the Financial Year 2015-16 (Scrip Code: 508136)**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Annual Report of the Company for the financial year ended 31<sup>st</sup> March 2016 which has adopted by the members of the Company in the Annual General Meeting held on 29<sup>th</sup> September 2016.

Yours faithfully  
For B & A Limited



D. Chowdhury  
Company Secretary

Enclosure- As above

# ANNUAL REPORT & ACCOUNTS 2015-16

## B & A Limited



CELEBRATING  
**100** BA  
YEARS



THENGAL  
MANOR

BANYAN  
GROVE

KAZIRANGA  
GOLF RESORT



Dr. Hemendra Prasad Barooah  
1926 - 2013

*...We continue to follow your work ethics and  
strive towards fulfillment of your vision...*

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# Chairman's Message



We are proud to be associated with an industry which has an ancient heritage dating back 5,000 years. To us, tea is not a product but a commitment to convey value and culture.

This annual report celebrates the legacy of Late Hemendra Prasad Barooah, a trend setter in the tea industry, whose visions are promulgated in our continued effort to deliver quality teas from our plantations.

The history of B&A Ltd has stood the test of time and is being renewed continuously in our product offering which has created its own niche. With seamless efforts of our estate managers and workers teas manufactured in Mokrun, Gatoonga and Salkathon tea estates of our company are recognized as competing best in the South Bank of Assam Valley. With active support and guidance from all our stakeholders we enjoy unparalleled trust of all our buyers.

We hope that the company has been performing to the aspiration of its shareholders as it has maintained a balanced growth in terms of revenue and profit during the last five financial years. The year 2015-16 in particular has remained good despite the company facing multiple challenges. We are happy to maintain the same quantum of dividend as of the previous year.

We continue our emphasis on the two basic tenets of Corporate Governance, Transparency and Accountability, laid by my late father, Hemendra Prasad Barooah. We are committed to provide equal opportunity to all our employees in a safe and healthy working environment.

**Anuradha Farley**  
Chairman  
B & A Limited

# Corporate Information

## Profile of the Board of Directors

### Mrs. Anuradha Farley

Mrs. Anuradha Farley, born on 21st February, 1954, took over as Chairman of the Board of Directors of B&A Ltd on 30th August 2013. Mrs. Farley, a UK citizen, is a Bachelor of Arts and holds Associate degree in Summa cum Laude, USA. Mrs. Farley was associated with Indian Airlines prior to settling in United Kingdom.

### Mr. Latifur Rahman

Mr. Rahman is one of the most prominent businessmen of Bangladesh. He is the founder Chairman of the Transcom Group, Bangladesh, one of the largest corporate groups of the Country. Mr. Rahman is also the Chairman of Nestle Bangladesh, Holcim Bangladesh and National Housing Finance and Investments which are joint ventures of internationally acclaimed multinationals. He is also a Director of Linde Bangladesh and a member of the governing board of Bangladesh Rural Advancement Committee (BRAC), world's 4th largest NGO. He is also a recipient of the prestigious 'Oslo Business for Peace Award, 2012'.

### Mr. Basant Kumar Goswami

Mr. Goswami is a retired I.A.S. officer, held very senior positions during his career viz. Chief Secretary, Govt. of Jammu and Kashmir, Secretary, Tourism, Government of India etc. He is also Director in the Boards of several reputed companies like, Jaiprakash Associates Ltd, New Kenilworth Hotels Ltd etc. He joined our Directorate in 2002. He was also the past Chairman of Tea Board of India.

### Mr. Prabir Kumar Datta

Mr. Prabir Kumar Datta born in 1953, is a Post Graduate in Economics and holds diploma in Labor Laws. Mr. Datta a retired I.A.S officer has served in different capacities including the Chief Secretary to the Government of Assam.

### Mr. Amit Chowdhuri

Born in 1949, Mr. Chowdhuri is a Hons. Graduate from St. Edmunds College, Shillong. In his 39 years of career he has served J. Thomas & Co. Pvt. Ltd, a Calcutta based reputed tea auction house, in several capacities, including Chairman & Managing Director. He is also a Director in B & A Packaging India Ltd, subsidiary company of B & A Ltd.





### Mr. Anjan Ghosh

Mr. Anjan Ghosh, a fellow member of Institute of Chartered accountants of India, was associated with J. Thomas group of companies, a reputed tea broking house in Kolkata for 34 years where he was elevated to Managing Director and Vice Chairman. Currently he works as a corporate consultant. He also serves in the board of B&A Packaging India Ltd, subsidiary to B&A Ltd.

### Mr. Rajkamal Bhuyan

Mr. Bhuyan is a Post Graduate in Economics and Chartered Accountant. He is a reputed businessman and has promoted several companies which deal construction projects. Mr. Bhuyan is a Director in Premier Cryogenics Ltd and is a Member of Assam State Construction Workers' Welfare Board.

### Mr. Bhramar Kumar Mahanta

Mr. Mahanta has vast experience in Tea Broking and has served different Tea Broking companies during his long career. Currently he is the Managing Director of Assam Tea Brokers Pvt. Ltd. a group company promoted by Late HP Barooah.

### Mr. Somnath Chatterjee

Born in 1962, Mr. Somnath Chatterjee is a commerce graduate. He was trained in UK in the area of manufacturing of packaging products. He has more than twenty six years of extensive experience in the area of finance, production, human resource and commercial matters in tea plantation and packaging business. Currently he holds the position of Managing Director in B & A Ltd and Whole Time Director in B&A Packaging India Ltd.

### **Auditors**

**Ghosal, Basu & Ray, Chartered Accountants**  
Statutory Auditors

**A. R. Maity & Co., Chartered Accountants**  
Internal Auditors

**Mou Banerjee & Associates, Cost Accountants**  
Cost Auditors

### **Bankers**

**United Bank of India**

**State Bank of Hyderabad**

### **Solicitors**

**Khaitan & Co.**

### **Registered Office**

Indu Bhawan, Mahatma Gandhi Road  
Jorhat - 785001, Assam

CIN:- L01132AS1915PLC000200

Email: [investorrelations@bandaltd.in](mailto:investorrelations@bandaltd.in)

Website: [www.barooahs.com](http://www.barooahs.com)

### **Corporate Office**

113, Park Street, 9th Floor  
Kolkata - 700 016

### **Registrar & Share Transfer Agent**

**MCS Share Transfer Agent Ltd.**

12/1/5, Manohar Pukur Road,  
Ground Floor, Kolkata - 700 026

Email: [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com)



## Our Calling Cards

- ♦ Flagship Company of B&A Group
- ♦ One business division, producing high quality black tea in its seven tea estates located at South Bank of Assam.
- ♦ Registered office located at Jorhat, Assam and factories located at Gatoonga, Salkathoni and Mokrung tea estates which are all ISO 22000:2005 and FSSAI certified .
- ♦ Teas churned out from the above named units have has developed a niche for itself amongst the connoisseurs within the country and overseas as well.
- ♦ Equity Shares listed on the BSE

## KEY FINANCIALS 2015-16

**Rs.110.63 crore**

Total Income

**Rs.15.95 crore**

EBIDTA

**Rs.10.07crore**

Cash Profit

**Rs.7.74 crore**

Net Profit

# Directors' Report

Your Directors have pleasure in presenting the Annual Report together with the audited financial statements of the company for the financial year ended 31st March 2016.

## FINANCIAL RESULTS

Financial results of the Company are summarized below:

|                                       |                               | Rs. In lacs                   |
|---------------------------------------|-------------------------------|-------------------------------|
| Financial Results                     |                               |                               |
| Particulars                           | Year ended<br>31st March 2016 | Year ended<br>31st March 2015 |
| Net Sales                             | 10985.90                      | 10217.59                      |
| Other Income                          | 78.02                         | 57.31                         |
| Total Revenue                         | 11063.92                      | 10274.90                      |
| Increase/(decrease) in stock          | 86.56                         | 101.96                        |
| Total Expenditure                     | 9554.54                       | 8726.96                       |
| Profit before Depreciation & Interest | 1595.94                       | 1649.91                       |
| Finance Charges                       | 343.20                        | 433.18                        |
| Profit after Finance Charges          | 1252.74                       | 1216.73                       |
| Depreciation                          | 232.68                        | 275.42                        |
| Profit before Tax                     | 1020.05                       | 941.31                        |
| Provision for Tax                     |                               |                               |
| Current Tax                           | 242.89                        | 155.00                        |
| Deferred Tax                          | 2.82                          | 1.58                          |
| Profit after Tax                      | 774.34                        | 784.73                        |
| Appropriations                        |                               |                               |
| Proposed Dividend                     | 93.00                         | 93.00                         |
| Corporate Dividend Tax                | 18.93                         | 18.93                         |
| Amount carried to General Reserve     | -                             | -                             |
| Balance carried to Balance Sheet      | 662.41                        | 672.80                        |

Net sales for the year were higher by 7.5 % over previous year. Profit before Taxation stood at Rs. 1020.05 lacs for the year as against a profit of Rs. 941.31 lacs in the previous year. The Earnings per Share (EPS) for the year stood at Rs. 24.98 as against Rs. 25.31 in the previous year.

## PERFORMANCE AND OPERATIONS

Your company manufactured high quality CTC teas. Having established as a premium mark over the years and being consistent with its quality your company's tea fetched higher sales value. The production was higher in the financial year by 2.85

lacs kgs. compared to previous year. The company recorded higher sales of 2.77 lacs kgs. of tea in this financial year compared to previous year. The average price realization from combined sale of own leaf and bought leaf of the company's tea during the year was Rs. 201.02 per kg as against Rs. 196.79 per kg during the previous year which reaffirms the market preference for quality teas produced by your company. However, despite increase in volume and price of its tea the profitability of the company was largely affected in this financial year due to continuous increase in input costs, particularly in



the area of wages, manure and power which was beyond its control. Despite of all these adversities your company was able to achieve the budgeted surplus due to effective cost control in other areas, and by increasing the productivity of its quality teas while most of the tea companies of its size recorded drop in the surplus during the period under review.

In terms of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI(LODR)] the Management Discussion and Analysis Report annexed with the Directors Report which form part of this Annual Report gives a detailed analysis of your company's operations and performance vis-à-vis industry structure and developments.

## TRANSFER TO RESERVES

The company has not transferred any amount to any reserves out of the current year's profit.

## DIVIDEND

Your Board of Directors is pleased to recommend a dividend of 30 % on equity share capital of the company for the financial year 2015-16. The distribution of dividend will result in payout of Rs. 93 lacs excluding tax on dividend.

## FUTURE PROSPECTS

In view of Indian crop being lower by 16 mkgs compared 2014 while African crop also being down by 66 mkgs during the same period, the market as expected opened on a strong note. Demand for clean and good liquoring CTC teas is stronger. Emphasis should continue to be on improving and maintaining quality. Positive response from some of the major packeteers and whole sellers from Gujarat and Maharashtra has been encouraging for Assam CTC teas. Prospect of higher volume of export appears to the encouraging in as much as sanctions has been lifted on Iran and fall in crude oil prices should benefit rupee trade. However political development in West Asia may affect other ports which need to be watched. Demand from CIS counties are also expected to remain good. However, clean and quality teas will continue to gain ground from continent market. In view of above, your company is expected to maintain its current growth in sales and profitability barring unforeseen events or circumstances.

## SUBSIDIARY COMPANY

The Company's subsidiary, B&A Packaging India Ltd, which is engaged in the production of high quality paper sacks and flexible laminates, performed commendably during the financial year ended 31st March 2016 and surpassed its previous results. During the financial year ended 31st March 2016 the company registered a net turnover of Rs. 49.19 cr. (previous year Rs. 47.09 cr.) and a pre-tax profit of Rs. 4.84 cr. (previous year Rs. 3.66 cr.). The Board of Directors of the subsidiary company has recommended a dividend of Re. 0.50 per equity share (previous year Re.0.50 per equity share) for the financial year ended 31st March 2016. Growth trends and financial performance of the company have been included under clause 3.3 in the Management Discussion and Analysis Report.

## EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act' 2013 (hereinafter the Act) read with rule 12 (1) of the Companies (Management & Administration) Rules 2014 extract of annual return of the company for the financial year ended 31st March 2016 is attached with Board's Report and marked as **Annexure-A**.

## CORPORATE SOCIAL RESPONSIBILITY(CSR)

Duly constituted CSR Committee had recommended to the Board for its consideration and approval of payments under various activities as per the approved policy. The CSR policy as recommended by the CSR committee and approved by the Board of Directors is available at the website of the company at the web link <http://www.barooahs.com>. The constitution of the CSR committee and particulars of meetings of the committee held during the year are disclosed in Corporate Governance Section of the Annual Report. In terms of rule 9 of the Companies (Accounts) Rules 2014 read with rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, Annual Report on CSR is annexed and marked as **Annexure-B** and forms part of the Director's Report.

## FIXED DEPOSITS

The Company has no outstanding deposit as on 31st March 2016.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company's Directorate consists of nine directors, five of them are independent. Mrs. A. Farley continues to be the Chairman of the Board. No new directors were appointed during the year and none of the existing directors resigned. The composition of the directorate is in conformity with the provisions of the Companies Act' 2013, allied rules and SEBI (LODR) Regulations, 2015. The particulars of the Directorate and the *Key Managerial Personnel* are given under Section-I of the Corporate Governance Report which forms part of this Annual Report.

By virtue of Section 152 of the Act' Mr. Amit Chowdhuri, retires by rotation in the ensuing Annual General Meeting and is eligible for re-appointment.

A brief resume, expertise and shareholding in your company and details of other directorships of Mr. Chowdhuri is given in the Corporate Governance Section of the Annual Report.

## DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declaration to the company stating their independence in terms of section 149 (6) of the Act' and the same have been placed and noted in the meeting of the Board of Directors held on 28th May 2016.

## BOARD MEETINGS

The details of the meetings of the Board of Directors held during the financial year ended 31st March 2016 have been furnished under clause (ii) of Section I of the Corporate Governance Report forming part of the Annual Report.

## COMMITTEES OF BOARD

The Board had constituted 'Audit Committee', 'Nomination and Remuneration Committee' 'Corporate Social Responsibility Committee' and 'Stakeholders Relationship Committee' of Directors in terms of respective provisions of the Act' and SEBI (LODR) Regulations, 2015. The constitution, terms of references and policies of these committees

have been discussed in detail in Corporate Governance section of the Annual Report. There have been no instances where the Board has not accepted the recommendations of the Audit committee.

## COMPLIANCE OF CORPORATE GOVERNANCE NORMS

In terms of SEBI(LODR) Regulations, 2015 a certificate from Secretarial Auditors on compliance of Corporate Governance has been attached and forms part of Annual Report.

## DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(5) of the Act' the Directors state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company as at 31st March 2016 and of the profit of your company for the financial year ended 31st March 2016.
- iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act' for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The accounts have been prepared on a 'going concern' basis.
- v) They had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively.
- vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



## ADEQUACY OF FINANCIAL CONTROLS

In terms of section 134 (3) (q) of the Act' read with rule 8 of the Companies (Accounts) Rules 2014 details of adequacy of financial controls have been discussed at length in clause 5 of the Management Discussion and Analysis Report which forms part the Director's Report.

## PARTICULARS OF CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

A policy on related party had been devised by the Board of Directors which is in conformity with Regulation 23 of SEBI (LODR) Regulations, 2015 for determining the materiality of transactions with related parties and strategy for dealing with the same. The said policy is available at the website of the company at <https://www.barooahs.com>.

In terms of section 134 of the Act' read with rule 8(2) of the Companies (Accounts) Rules 2014 particulars of contracts/arrangements entered into by the company during the financial year under review in form AOC-2 is annexed and marked as **Annexure- C** and forms part of the Director's Report.

## REMUNERATION POLICY

Nomination and Remuneration Policy of the Company as recommended by Nomination and Remuneration Committee of Directors and approved by the Board of Directors had been formulated in compliance with the provisions of section 178 (3) of the Act. The said policy is available at the website of the company at <https://www.barooahs.com>.

Disclosure in terms of section 197 of the Act' read with rule 5 of the Companies (Appointment & Remuneration) Rules 2014 regarding remuneration paid to Directors and Key Managerial Personnel for the financial year ended 31st March 2016 is given clause 2 (f) of Section II in the Corporate Governance of the Annual Report.

## VIGIL MECHANISM

In terms of section 177 (10) of the Act' and regulation 22 of the SEBI (LODR) Regulations, 2015 the

company had established a vigil mechanism to report and to deal with genuine concern by whistle blowers. The said policy is available at the website of the company at <https://www.barooahs.com>.

## RISK MANAGEMENT

In terms of section 134 (3) of the Act' the Board of Directors of the company had framed a risk management policy of the company to identify the key risk areas/elements with regards to its tea business. Detailed discussions on companies Risk Mitigation Plan has been made under clause 4.2 of the Management Discussion and Analysis Report which forms part of this Director's Report. The Risk Management Policy is available at the website of the company at <https://www.barooahs.com>.

## FORMAL EVALUATION OF BOARD'S PERFORMANCE

In terms of section 134 (3) of the Act' read with SEBI (LODR) Regulations, 2015 the company had laid down the criteria for reviewing the performance of the Board, its committees and individual directors. These criteria are available at the website of the company at <https://www.barooahs.com>. The formal evaluation of its own performance and performance of the committees of the Board for the financial year 2015-16 was made by the Board of Directors in its meeting held on 28th May 2016.

## STATUTORY AND COST AUDITORS

M/s. Ghosal, Basu & Ray, Chartered Accountants, Kolkata, (FRN 315080E) were appointed as Statutory Auditors of the company for a term of five years in the last Annual General Meeting held on 15th September 2015. As per provisions of section 139 of the Companies Act' 2013 the appointment of Auditors is required to be ratified by members at every annual general meeting.

The report given by the Auditors on the financial statements of the company is part of the annual report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their report.

M/s. Mou Banerjee & Co., Cost Accountants (FRN 00266) were appointed Cost Auditors to carry out the Cost Audit of applicable business of the company for the financial year ended 31st March 2016. The Board of Directors has re-appointed them for the financial year 2016-17.

### SECRETARIAL AUDITORS

M/s. T. Chatterjee & Associates, Company Secretaries, Secretarial Auditors of the Company carried out the secretarial audit and compliance of secretarial standards for the financial year 2015-16. The detailed report on the secretarial audit is annexed to the Board's Report and marked as **Annexure-D**. There has been no qualification, reservation or adverse remark in the report.

### DETAILS OF THE MATERIAL AND SIGNIFICANT ORDERS

There has been no material order against the company by any regulator, court or tribunal impacting the going concern status of the company. However, one shareholder has instituted a suit against the company under section 397/398 of the Companies Act' 1956 before Hon'ble Company Law Board, Kolkata Bench which is pending adjudication and being defended by the company. Further the Scheme of Amalgamation of Buragohain Tea

Company Ltd with the company has been challenged by the same shareholder is pending adjudication before Hon'ble High Court at Guwahati.

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

Pursuant to section 134 (3) of the Act' read with Companies (Accounts) Rules, 2014 the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo forming part of this Director's Report is annexed and marked as **Annexure- E**.

### EMPLOYEE RELATIONS

The employee relations has remained harmonious throughout the year and your Board of Directors wishes to place on record its appreciation for the dedicated services rendered by the executives, staff and workers at all levels. None of the employees employed throughout the year or part of the year was in receipt of remuneration the aggregate of which exceeded the limit as prescribed under rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for disclosure in the report of the Board of Directors.

For and on behalf of the Board of Directors

Kolkata  
May 28, 2016

**Somnath Chatterjee**  
Managing Director

**Anjan Ghosh**  
Director



## ANNEXURE TO DIRECTORS' REPORT

### ANNEXURE -A

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March, 2016

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

#### I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L01132AS1915PLC000200
- ii) Registration Date: 1st June, 1915
- iii) Name of the Company: B & A Limited
- iv) Category/ Sub-Category of the Company: Public Limited Company
- v) Address of the registered office and contact details: Indu Bhawan, Mahatma Gandhi Road, Jorhat-785001, Assam
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: MCS Share Transfer Agent Ltd., 12/1/5, Manohar Pukur Road, Ground Floor, Kolkata-700026.

#### 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      | Growing of Tea<br>Processing & Blending of Tea  | 01271<br>10791                   | } 100%                             |

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

| SL NO | NAME AND ADDRESS OF THE COMPANY                                                           | CIN/GLN                   | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|-------|-------------------------------------------------------------------------------------------|---------------------------|--------------------------------|------------------|--------------------|
| 1     | B & A Packaging India Ltd.<br>22, Balgopalpur Industrial Area,<br>Balasore-756020, Odisha | L210210R1986<br>PLC001624 | Subsidiary                     | 71.66%           | 2(87)              |

**IV. SHAREHOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Shareholding**

| Category of Shareholders                                 | No. of Shares held at the beginning of the year(01.04.2015) |             |                |                   | No. of Shares held at the end of the year(31.03.2016) |             |                |                   | % 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                                       | 1420548                                                     | 800         | 1421348        | 45.85             | 1420548                                               | 800         | 1421348        | 45.85             | NIL                      |
| b) Central Govt.                                         | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| c) State Govt.(s)                                        | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| d) Bodies Corp.                                          | 123176                                                      | 5600        | 128776         | 4.15              | 123176                                                | 5600        | 128776         | 4.15              | NIL                      |
| e) Banks/FI                                              | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| f) Any Other (Trust)                                     | 283491                                                      | NIL         | 283491         | 9.15              | 283491                                                | NIL         | 283491         | 9.15              | NIL                      |
| <b>Sub-total (A)(1):-</b>                                | <b>1827215</b>                                              | <b>6400</b> | <b>1833615</b> | <b>59.15</b>      | <b>1827215</b>                                        | <b>6400</b> | <b>1833615</b> | <b>59.15</b>      | <b>NIL</b>               |
| <b>(2) Foreign</b>                                       |                                                             |             |                |                   |                                                       |             |                |                   |                          |
| a) NRIs– Individuals                                     | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| b) Other– Individuals                                    | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| c) Bodies Corp.                                          | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| d) Banks/FI                                              | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| e) Any Other....                                         | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| <b>Sub-total (A)(2):-</b>                                | <b>NIL</b>                                                  | <b>NIL</b>  | <b>NIL</b>     | <b>NIL</b>        | <b>NIL</b>                                            | <b>NIL</b>  | <b>NIL</b>     | <b>NIL</b>        | <b>NIL</b>               |
| <b>Total shareholding of Promoter (A)= (A)(1)+(A)(2)</b> | <b>1827215</b>                                              | <b>6400</b> | <b>1833615</b> | <b>59.15</b>      | <b>1827215</b>                                        | <b>6400</b> | <b>1833615</b> | <b>59.15</b>      | <b>NIL</b>               |
| <b>B. Public Shareholding</b>                            |                                                             |             |                |                   |                                                       |             |                |                   |                          |
| 1. Institutions                                          |                                                             |             |                |                   |                                                       |             |                |                   |                          |
| a) Mutual Funds                                          | NIL                                                         | 115         | 115            | 0.00              | NIL                                                   | 115         | 115            | 0.00              | NIL                      |
| b) Banks/FI                                              | NIL                                                         | 1200        | 1200           | 0.04              | NIL                                                   | 1200        | 1200           | 0.04              | NIL                      |
| c) Central Govt.                                         | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| d) StateGovt.(s)                                         | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| e) Venture Capital Funds                                 | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| f) InsuranceCompanies                                    | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| g) FIIs                                                  | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| h) Foreign Venture Capital Funds                         | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| i) Others (specify)                                      | NIL                                                         | NIL         | NIL            | NIL               | NIL                                                   | NIL         | NIL            | NIL               | NIL                      |
| <b>Sub-total(B)(1):-</b>                                 | <b>NIL</b>                                                  | <b>1315</b> | <b>1315</b>    | <b>0.04</b>       | <b>NIL</b>                                            | <b>1315</b> | <b>1315</b>    | <b>0.04</b>       | <b>NIL</b>               |



| Category of Shareholders                                                          | No. of Shares held at the beginning of the year(01.04.2015) |               |                |                   | No. of Shares held at the end of the year(31.03.2016) |               |                |                   | % Change during the year |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------|---------------|----------------|-------------------|-------------------------------------------------------|---------------|----------------|-------------------|--------------------------|
|                                                                                   | Demat                                                       | Physical      | Total          | % of Total Shares | Demat                                                 | Physical      | Total          | % of Total Shares |                          |
| <b>2. Non- Institutions</b>                                                       |                                                             |               |                |                   |                                                       |               |                |                   |                          |
| a) Bodies Corp.                                                                   |                                                             |               |                |                   |                                                       |               |                |                   |                          |
| i) Indian                                                                         | 90086                                                       | 11580         | 101666         | 3.28              | 70857                                                 | 11580         | 82437          | 2.66              | (0.62)                   |
| ii) Overseas                                                                      | NIL                                                         | NIL           | NIL            | NIL               | NIL                                                   | NIL           | NIL            | NIL               | NIL                      |
| b) Individuals                                                                    |                                                             |               |                |                   |                                                       |               |                |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh          | 726347                                                      | 169959        | 896306         | 28.91             | 692983                                                | 166744        | 859727         | 27.73             | (1.18)                   |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 257317                                                      | NIL           | 257317         | 8.30              | 309870                                                | NIL           | 309870         | 9.99              | 1.69                     |
| c) Others                                                                         |                                                             |               |                |                   |                                                       |               |                |                   |                          |
| (i) Non Resident Indians                                                          | 4781                                                        | 5000          | 9781           | 0.31              | 8036                                                  | 5000          | 13036          | 0.42              | 0.11                     |
| (ii) Trusts & Foundations (specify)                                               | NIL                                                         | NIL           | NIL            | NIL               | NIL                                                   | NIL           | NIL            | NIL               | NIL                      |
| <b>Sub-total(B)(2):-</b>                                                          | <b>1078531</b>                                              | <b>186539</b> | <b>1265070</b> | <b>40.81</b>      | <b>1081746</b>                                        | <b>183324</b> | <b>1265070</b> | <b>40.81</b>      | <b>NIL</b>               |
| <b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>                               | <b>1078531</b>                                              | <b>187854</b> | <b>1266385</b> | <b>40.85</b>      | <b>1081746</b>                                        | <b>184639</b> | <b>1266385</b> | <b>40.85</b>      | <b>NIL</b>               |
| C. Shares held by Custodian for GDRs & ADRs                                       | NIL                                                         | NIL           | NIL            | NIL               | NIL                                                   | NIL           | NIL            | NIL               | NIL                      |
| <b>Grand Total (A+B+C)</b>                                                        | <b>2905746</b>                                              | <b>194254</b> | <b>3100000</b> | <b>100</b>        | <b>2908961</b>                                        | <b>191039</b> | <b>3100000</b> | <b>100</b>        | <b>NIL</b>               |

## (ii) Shareholding of Promoters

| Sl | Shareholder's Name                      | Shareholding at the beginning of the year (01.04.2015) |                                  |                                                | Shareholding at the end of the year (31.03.2016) |                                  |                                                | % 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  | Hemendra Prasad Barooah                 | 861918                                                 | 27.80                            | NIL                                            | 861918                                           | 27.80                            | NIL                                            | NIL                                       |
| 2  | Sharmila Shetty                         | 316200                                                 | 10.20                            | 6.45                                           | 316200                                           | 10.20                            | 6.45                                           | NIL                                       |
| 3  | Somnath Chatterjee                      | 242430                                                 | 7.82                             | NIL                                            | 242430                                           | 7.82                             | NIL                                            | NIL                                       |
| 4  | Hemen Barooah Benevolent & Family Trust | 157991                                                 | 5.10                             | NIL                                            | 157991                                           | 5.10                             | NIL                                            | NIL                                       |
| 5  | Hemen Barooah Trust                     | 125500                                                 | 4.05                             | NIL                                            | 125500                                           | 4.05                             | NIL                                            | NIL                                       |
| 6  | Barooahs & Associates Pvt. Ltd          | 123176                                                 | 3.97                             | NIL                                            | 123176                                           | 3.97                             | NIL                                            | NIL                                       |
| 7  | Hacienda Properties Pvt. Ltd.           | 5600                                                   | 0.18                             | NIL                                            | 5600                                             | 0.18                             | NIL                                            | NIL                                       |
| 8  | Mrinal Kakoti                           | 200                                                    | 0.01                             | NIL                                            | 200                                              | 0.01                             | NIL                                            | NIL                                       |
| 9  | Mridul Mahanta                          | 200                                                    | 0.01                             | NIL                                            | 200                                              | 0.01                             | NIL                                            | NIL                                       |
| 10 | Padma Kanta Mahanta                     | 200                                                    | 0.01                             | NIL                                            | 200                                              | 0.01                             | NIL                                            | NIL                                       |
| 11 | Juthi Bhuyan                            | 100                                                    | NIL                              | NIL                                            | 100                                              | NIL                              | NIL                                            | NIL                                       |
| 12 | Tridiv Mahanta                          | 100                                                    | NIL                              | NIL                                            | 100                                              | NIL                              | NIL                                            | NIL                                       |
|    | Total                                   | 1833615                                                | 59.15                            | 6.45                                           | 1833615                                          | 59.15                            | 6.45                                           | NIL                                       |

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

There has been no change in the shareholding pattern in the promoter's shareholding during the financial year 2015-16.

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

| Sl No | Name of the shareholder      | Shareholding |                            | Cumulative shareholding during the year |                            |
|-------|------------------------------|--------------|----------------------------|-----------------------------------------|----------------------------|
|       |                              | No of shares | (%) of total share capital | No of shares                            | (%) of total share capital |
| 1.    | <b>Prakash Jain</b>          |              |                            |                                         |                            |
|       | At the beginning of the year | 63149        | 2.04                       | 63149                                   | 2.04                       |
|       | Bought during the year       | -            | -                          | 63149                                   | 2.04                       |
|       | Sold During the year         | -            | -                          | 63149                                   | 2.04                       |
|       | At the end of the year       | 63149        | 2.04                       | 63149                                   | 2.04                       |
| 2     | <b>Kapil Narendra Gupta</b>  |              |                            |                                         |                            |
|       | At the beginning of the year | 37500        | 1.21                       | 37500                                   | 1.21                       |
|       | Bought during the year       | -            | -                          | 37500                                   | 1.21                       |
|       | Sold During the year         | -            | -                          | 37500                                   | 1.21                       |
|       | At the end of the year       | 37500        | 1.21                       | 37500                                   | 1.21                       |



| Sl No | Name of the shareholder         | Shareholding |                            | Cumulative shareholding during the year |                            |
|-------|---------------------------------|--------------|----------------------------|-----------------------------------------|----------------------------|
|       |                                 | No of shares | (%) of total share capital | No of shares                            | (%) of total share capital |
| 3     | Sangeetha S                     |              |                            |                                         |                            |
|       | At the beginning of the year    | 17174        | 0.55                       | 17174                                   | 0.55                       |
|       | Bought during the year          | 19616        | 0.64                       | 36790                                   | 1.19                       |
|       | Sold During the year            | –            | –                          | 36790                                   | 1.19                       |
|       | At the end of the year          | 36790        | 1.19                       | 36790                                   | 1.19                       |
| 4     | Mahendra Girdharilal            |              |                            |                                         |                            |
|       | At the beginning of the year    | 22457        | 0.72                       | 22457                                   | 0.72                       |
|       | Bought during the year          | 5028         | 0.17                       | 27485                                   | 0.89                       |
|       | Sold During the year            | –            | –                          | 27485                                   | 0.89                       |
|       | At the end of the year          | 27485        | 0.89                       | 27485                                   | 0.89                       |
| 5     | R. N. Rubesh                    |              |                            |                                         |                            |
|       | At the beginning of the year    | 22403        | 0.72                       | 22403                                   | 0.72                       |
|       | Bought during the year          | –            | –                          | 22403                                   | 0.72                       |
|       | Sold During the year            | –            | –                          | 22403                                   | 0.72                       |
|       | At the end of the year          | 22403        | 0.72                       | 22403                                   | 0.72                       |
| 6     | Dr. Ramesh Chimanlal Shah       |              |                            |                                         |                            |
|       | At the beginning of the year    | –            | –                          | –                                       | –                          |
|       | Bought during the year          | 20000        | 0.64                       | 20000                                   | 0.64                       |
|       | Sold During the year            | –            | –                          | 20000                                   | 0.64                       |
|       | At the end of the year          | 20000        | 0.64                       | 20000                                   | 0.64                       |
| 7     | Mahamad Hanif Yakub Bhai Vahora |              |                            |                                         |                            |
|       | At the beginning of the year    | 18000        | 0.58                       | 18000                                   | 0.58                       |
|       | Bought during the year          | –            | –                          | 18000                                   | 0.58                       |
|       | Sold During the year            | 1000         | 0.03                       | 17000                                   | 0.55                       |
|       | At the end of the year          | 17000        | 0.55                       | 17000                                   | 0.55                       |
| 8     | Pramod Prakash Mitra            |              |                            |                                         |                            |
|       | At the beginning of the year    | 8100         | 0.26                       | 8100                                    | 0.26                       |
|       | Bought during the year          | 6400         | 0.21                       | 14500                                   | 0.47                       |
|       | Sold During the year            | –            | –                          | 14500                                   | 0.47                       |
|       | At the end of the year          | 14500        | 0.47                       | 14500                                   | 0.47                       |
| 9     | Jagruti Dhimant Choksi          |              |                            |                                         |                            |
|       | At the beginning of the year    | 13703        | 0.44                       | 13703                                   | 0.44                       |
|       | Bought during the year          | –            | –                          | 13703                                   | 0.44                       |
|       | Sold During the year            | –            | –                          | 13703                                   | 0.44                       |
|       | At the end of the year          | 13703        | 0.44                       | 13703                                   | 0.44                       |
| 10    | Rolex Forex Securities Pvt. Ltd |              |                            |                                         |                            |
|       | At the beginning of the year    | 13505        | 0.44                       | 13505                                   | 0.44                       |
|       | Bought during the year          | –            | –                          | 13505                                   | 0.44                       |
|       | Sold During the year            | –            | –                          | 13505                                   | 0.44                       |
|       | At the end of the year          | 13505        | 0.44                       | 13505                                   | 0.44                       |

Date-wise transactions are available at the website of the company at <http://www.barooahs.com>

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

| Sl No | Name of the Director/ Key Managerial Personnel | Shareholding |                            | Cumulative shareholding during the year |                            |
|-------|------------------------------------------------|--------------|----------------------------|-----------------------------------------|----------------------------|
|       |                                                | No of shares | (%) of total share capital | No of shares                            | (%) of total share capital |
| 1     | Mrs. A. Farley                                 |              |                            |                                         |                            |
|       | At the beginning of the year                   | 4800         | 0.16                       | 4800                                    | 0.16                       |
|       | Bought during the year                         | -            | -                          | 4800                                    | 0.16                       |
|       | Sold During the year                           | -            | -                          | 4800                                    | 0.16                       |
|       | At the end of the year                         | 4800         | 0.16                       | 4800                                    | 0.16                       |
| 2     | Mr. Somnath Chatterjee                         |              |                            |                                         |                            |
|       | At the beginning of the year                   | 242430       | 7.82                       | 242430                                  | 7.82                       |
|       | Bought during the year                         | -            | -                          | 242430                                  | 7.82                       |
|       | Sold During the year                           | -            | -                          | 242430                                  | 7.82                       |
|       | At the end of the year                         | 242430       | 7.82                       | 242430                                  | 7.82                       |
| 3     | Mr. B.K. Mahanta                               |              |                            |                                         |                            |
|       | At the beginning of the year                   | 250          | 0.01                       | 250                                     | 0.01                       |
|       | Bought during the year                         | -            | -                          | 250                                     | 0.01                       |
|       | Sold During the year                           | -            | -                          | 250                                     | 0.01                       |
|       | At the end of the year                         | 250          | 0.01                       | 250                                     | 0.01                       |

**V. INDEBTEDNESS***Indebtedness of the Company including interest outstanding/accrued but not due for payment*

|                                                            | Secured Loans excluding deposits (Rs.) | Unsecured Loans (Rs.) | Deposits (Rs.) | Total Indebtedness (Rs.) |
|------------------------------------------------------------|----------------------------------------|-----------------------|----------------|--------------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                        |                       |                |                          |
| i) Principal Amount                                        | 29,12,18,357                           | -                     | -              | 29,12,18,357             |
| ii) Interest due but not paid                              | -                                      | -                     | -              | -                        |
| iii) Interest accrued but not due                          | 3,93,790                               | -                     | -              | 3,93,790                 |
| <b>Total( i+ ii+ iii)</b>                                  | <b>29,16,12,147</b>                    | <b>-</b>              | <b>-</b>       | <b>29,16,12,147</b>      |
| <b>Change in Indebtedness during the financial year</b>    |                                        |                       |                |                          |
| · Addition                                                 | 5,50,04,722                            | -                     | -              | 5,50,04,722              |
| · Reduction                                                | 7,11,37,168                            | -                     | -              | 7,11,37,168              |
| <b>Net Change</b>                                          | <b>(1,61,32,446)</b>                   |                       |                | <b>(1,61,32,446)</b>     |
| <b>Indebtedness at the end of the financial year</b>       |                                        |                       |                |                          |
| i) Principal Amount                                        | 27,53,15,152                           | -                     | -              | 27,53,15,152             |
| ii) Interest due but not paid                              | -                                      | -                     | -              | -                        |
| iii) Interest accrued but not due                          | 1,64,549                               | -                     | -              | 1,64,549                 |
| <b>Total( i+ ii +iii)</b>                                  | <b>27,54,79,701</b>                    | <b>-</b>              | <b>-</b>       | <b>27,54,79,701</b>      |



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. no. | Particulars of Remuneration                                                         | Name: Mr. Somnath Chatterjee,<br>Managing Director<br>(Rs.) | Total Amount<br>(Rs.) |
|---------|-------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------|
| 1.      | Gross salary                                                                        |                                                             |                       |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 27,41,600                                                   | 27,41,600             |
|         | (b) Value of perquisites/s 17(2) of the Income-tax Act, 1961                        | 5,00,784                                                    | 5,00,784              |
|         | (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961       | -                                                           | -                     |
| 2.      | Stock Option                                                                        | -                                                           | -                     |
| 3.      | Sweat Equity                                                                        | -                                                           | -                     |
| 4.      | Commission                                                                          |                                                             |                       |
|         | - as % of profit                                                                    | -                                                           | -                     |
|         | - others, specify...                                                                | -                                                           | -                     |
| 5.      | Others, please specify                                                              | -                                                           | -                     |
|         | Total(A)                                                                            | 32,42,384                                                   | 32,42,384             |
|         | Ceiling as per the Act                                                              | -                                                           | 52,90,565             |

### B. Remuneration to other Directors:

| Sl. no.   | Name of Directors                                          | Fee for attending board and committee meetings<br>(in Rs.) | Commission<br>(Rs.) | Others,<br>please specify<br>(Rs.) | Total<br>(Rs.)  |
|-----------|------------------------------------------------------------|------------------------------------------------------------|---------------------|------------------------------------|-----------------|
| <b>1.</b> | <b>Independent Directors</b>                               |                                                            |                     |                                    |                 |
| i.        | Mr. B.K. Goswami                                           | 76,000                                                     | NIL                 | NIL                                | 76,000          |
| ii.       | Mr. L. Rahman*                                             | NIL                                                        | NIL                 | NIL                                | NIL             |
| iii.      | Mr. Anjan Ghosh                                            | 1,58,000                                                   | NIL                 | NIL                                | 1,58,000        |
| iv.       | Mr. P.K. Datta                                             | 88,000                                                     | NIL                 | NIL                                | 88,000          |
| v.        | Mr. R.K. Bhuyan                                            | 60,000                                                     | NIL                 | NIL                                | 60,000          |
|           | Total(1)                                                   | 3,82,000                                                   | NIL                 | NIL                                | 3,82,000        |
| <b>2.</b> | <b>Other Non-Executive Directors</b>                       |                                                            |                     |                                    |                 |
| i.        | Mrs. Anuradha Farley                                       | 30,000                                                     | NIL                 | NIL                                | 30,000          |
| ii.       | Mr. Amit Chowdhuri                                         | 92,000                                                     | NIL                 | NIL                                | 92,000          |
| iii.      | Mr. Bhramar Kumar Mahanta                                  | 60,000                                                     | NIL                 | NIL                                | 60,000          |
|           | Total(2)                                                   | 1,82,000                                                   | NIL                 | NIL                                | 1,82,000        |
|           | <b>Total(B)=(1+2)</b>                                      | <b>5,64,000</b>                                            | <b>NIL</b>          | <b>NIL</b>                         | <b>5,64,000</b> |
|           | Total Managerial Remuneration                              | NA                                                         | NA                  | NA                                 | NA              |
|           | Overall Ceiling as per the Act<br>(excluding sitting fees) |                                                            |                     |                                    | 10,58,113       |

\* Mr. L. Rahman waived his sitting fees for the financial year 2015-16

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

| Sl no | Particulars of Remuneration                                                         | Key Managerial Personnel |                   |          |           |
|-------|-------------------------------------------------------------------------------------|--------------------------|-------------------|----------|-----------|
|       |                                                                                     | CEO                      | Company Secretary | CFO *    | Total     |
| 1.    | Gross salary                                                                        |                          |                   |          |           |
|       | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Not Applicable           | 7,26,900          | 2,58,583 | 9,85,483  |
|       | (b) Value of perquisites/s 17(2) of the Income-tax Act, 1961                        | Not Applicable           | 52,809            | 25,674   | 78,483    |
|       | (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961       | Not Applicable           | -                 | -        | -         |
| 2.    | Stock Option                                                                        | Not Applicable           | -                 | -        | -         |
| 3.    | Sweat Equity                                                                        | Not Applicable           | -                 | -        | -         |
| 4.    | Commission                                                                          |                          |                   |          |           |
|       | - as % of profit                                                                    | Not Applicable           | -                 | -        | -         |
|       | - others, specify...                                                                | Not Applicable           | -                 | -        | -         |
| 5.    | Others, please specify                                                              | Not Applicable           | -                 | -        | -         |
|       | Total                                                                               | -                        | 7,79,709          | 2,84,257 | 10,63,966 |

\*Employed part of the year.

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

| Type                                | Section of the Companies Act 2013 | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give details) |
|-------------------------------------|-----------------------------------|-------------------|----------------------------------------------------------|-------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                                   |                   |                                                          |                               |                                    |
| Penalty                             | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |
| Punishment                          | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |
| Compounding                         | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |
| <b>B. DIRECTORS</b>                 |                                   |                   |                                                          |                               |                                    |
| Penalty                             | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |
| Punishment                          | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |
| Compounding                         | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                                   |                   |                                                          |                               |                                    |
| Penalty                             | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |
| Punishment                          | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |
| Compounding                         | NIL                               | NIL               | NIL                                                      | NIL                           | NIL                                |



## ANNEXURE TO DIRECTORS' REPORT

### ANNEXURE -B

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

##### Pursuant to Rule 8 of Companies (Corporate Social Responsibilities 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 and programs:-

##### **Brief Outline of Company's CSR policy:**

- a. Supporting programme and initiatives for educating including special education and training of children with special emphasis on children who are differently abled and with special needs.
- b. Supporting programme and initiatives for setting up homes, hostels, playground and libraries for children with special needs, women and orphans and setting up of old age homes, day care centres and ancillary facilities for senior citizens with emphasis on reducing inequalities faced by socially and economically backward groups.
- c. Collaborating with communities and institutions to contribute to the mission of eradicating poverty and hunger, especially in remote areas, through agricultural research and knowledge sharing, superior farm and agri-extension practices, soil and moisture conservation and watershed management, conservation of forest resources and drinking water, empowering women economically particularly with regard to education, vocational training, health awareness and supplementing primary education by establishing schools and participating in rural capacity building programme and such other initiatives.
- d. Sustaining continuously to improve standards of Environment, Health and Safety in collaboration with communities, institutions and own employees and to prevent illness and combat diseases which may be considered appropriate from time to time.
- e. Supporting programme and initiatives of government approved academic, technical and medical institutions by contributing to technology incubators.
- f. Contributing to the Government funds set up for national relief, socio-economic development, relief and welfare of backward classes, minorities and children and promotion of sanitation.

##### **Projects/Programs proposed and undertaken:**

- a. Funding for construction of sanitation facility in several schools located in and around Jorhat, Assam.
- b. Funding for construction of boundary wall, flooring and water supply in schools located in and around Jorhat, Assam.
- c. Providing for books, furniture and utensils in several schools located in and around Jorhat, Assam.
- d. Providing for utilities in a blind institution for children located at Jorhat, Assam.
- e. Funding scholarships to Assam Agricultural University, Jorhat and Gauhati University, Guwahati, Assam.

CSR policy and details of the program/projects are also available at the website of the company at <https://www.barooahs.com>

2. The Composition of the CSR Committee : The CSR Committee consists of Mr. Prabir Kumar Datta, Mr. Anjan Ghosh and Mr. Somnath Chatterjee, Directors of the company. Mr. Datta presides the committee as Chairman.
3. Average net profit of the company for last three financial years: Rs. 11,08,36,900.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 22,16,738.

## 5. Details of CSR spent during the financial year ended 31st March, 2016:

(a) Total amount spent for the financial year: 22,50,817.

(b) Amount unspent, if any: Nil

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

| (1)    | (2)                                                                   | (3)                                             | (4)                                                                                                             | (5)                                                | (6)                                                                                                           | (7)                                              | (8)                                                 |
|--------|-----------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|
| Sl No. | CSR Project or activities indentified                                 | Sector in which the Project is covered (Note 1) | Projects or programs(1) Local area (2) specify the state and district where projects or programs was undertaken | Amount of outlay (budget) projects or program wise | Amount spent on the projects or programs subhead (1) direct expenditure on projects or programs (2) overheads | Cumulative expenditure upto the reporting period | Amount Spent: Direct or through implementing agency |
| 1      | Sanitation facility in Schools                                        | (i)                                             | Local area of operation, Jorhat, Assam                                                                          | 6,80,000                                           | 6,80,000                                                                                                      | 6,80,000                                         | Direct                                              |
| 2      | Boundary walls, flooring, electrification and water supply in Schools | (ii)                                            | Local area of operation, Jorhat, Assam                                                                          | 4,76,920                                           | 4,76,920                                                                                                      | 4,76,920                                         | Direct                                              |
| 3      | Providing Furniture, Utensils and Books to Schools                    | (iii)                                           | Local area of operation, Jorhat, Assam                                                                          | 9,38,575                                           | 9,08,775                                                                                                      | 9,08,775                                         | Direct                                              |
| 4      | Providing Books to Libraries                                          | (ii)                                            | Local area of operation, Jorhat, Assam                                                                          | 1,30,000                                           | 35,122                                                                                                        | 35,122                                           | Direct                                              |
| 5      | Scholarships to University                                            | (iv)                                            | Jorhat, Guwahati, Assam                                                                                         | 3,00,000                                           | 1,50,000                                                                                                      | 1,50,000                                         | Direct                                              |

**Note 1- Sectors in which the project is covered:**

- Sustaining continuously to improve standards of Environment, Health and Safety in collaboration with communities, institutions and own employees and to prevent illness and combat diseases which may be considered appropriate from time to time.
- Supporting programme and initiatives for setting up homes, hostels, playground and libraries for children with special needs, women and orphans and setting up of old age homes, day care centres and ancillary facilities for senior citizens with emphasis on reducing inequalities faced by socially and economically backward groups.



- (iii) Supporting programme and initiatives for educating including special education and training of children with special emphasis on children who are differently abled and with special needs.
- (iv) Supporting programme and initiatives of government approved academic, technical and medical institutions by contributing to technology incubators.
- 6. Reasons for not spending CSR Expenditure for the financial year ended 31st March 2016: Not applicable
- 7. The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

On behalf of B & A Ltd.

**P. K. Datta**

*Chairman, CSR Committee*

Kolkata,  
28th May, 2016

**A. Ghosh**

*Member, CSR Committee*

**Somnath Chatterjee**

*Member, CSR Committee*

## ANNEXURE TO DIRECTORS' REPORT

## ANNEXURE -C

## 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)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 (hereinafter the Act') including certain arm's length transactions under third proviso thereto:

## 1. Details of contracts or arrangements or transactions not at arm's length basis:

| Names of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions                                                           | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts/ arrangements/ transactions including value, if any                                                                                                                                                                                                           | Justification for entering into such contracts or arrangements or transactions                                                                                                                                                                                                                                                                                                                                              | Dates of approval by the Board of Directors | Amount paid as advance if any | Date on which the special resolution was passed                                                                                                           |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a)                                                   | (b)                                                                                                       | (c)                                                   | (d)                                                                                                                                                                                                                                                                                          | (e)                                                                                                                                                                                                                                                                                                                                                                                                                         | (f)                                         | (g)                           | (h)                                                                                                                                                       |
| Barooahs & Associates Pvt. Ltd (BAPL)                 | Service charges paid to BAPL by the company during financial year ended 31st March 2016                   | From 1st April 2015 to 31st March 2016                | Transaction upto Rs 3cr. For the financial year ended 31st March 2016 on account of service charges availed for management of tea estates of the company, arranging supply of stores, machineries, packaging materials, etc. at competitive prices and arranging for sale of company's teas. | The Company operates seven tea estates in Assam and various services relating to management of its gardens are required on regular basis. BAPL has got necessary personnel and expertise to render the services as enumerated above at competitive prices and has been rendering such services for a long time in terms of an agreement. Since these services are unique in nature, market rates are not readily available. | 31st July 2015                              | Nil                           | Since the transactions do not exceed the prescribed limits no special resolution was required to be passed under 1st provision of section 188 of the Act. |
| Heritage North East Pvt. Ltd (HNE)                    | Receipt of lease rentals for letting two bungalows to HNE during the financial year ended 31st March 2016 | From 1st April 2015 to 31st March 2016                | Transaction of Rs. 2 lacs for the financial year ended 31st March 2016 on account of receipt of annual lease rental from HNE for use of two bungalows at Sangsua and Gatoonga Tea Estates                                                                                                    | The Company has two bungalows at Sangsua and Gatoonga Tea Estates which has been leased to HNE for conducting its tourism activity which have been continuing for years. Since the Bungalows are located amidst the tea gardens, market rate for the lease rentals are not available.                                                                                                                                       | 31st July 2015                              | Nil                           | As above                                                                                                                                                  |
| Kaziranga Golf Club Pvt. Ltd (KGCL)                   | Temporary advance made.                                                                                   | From 1st April 2015 to 31st March 2016                | Transaction of Rs. 30 lacs for the financial year ended 31st March 2016 on account of temporary advance                                                                                                                                                                                      | The Company's golf course in Sangsua Tea Estate is operated by KGCL. To meet the exigencies of KGCL the company makes temporary advance from time to time repayable by KGCL on demand.                                                                                                                                                                                                                                      | 31st July 2015                              | Nil                           | As above                                                                                                                                                  |



## 2. Details of (\*) material contracts or arrangements or transactions at arm's length basis

| Name of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts/ arrangements/transactions including value, if any | Date(s) of approval by the Board, if any | Amount paid as advance if any |
|------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------|-------------------------------|
| (a)                                                  | (b)                                             | (c)                                                   | (d)                                                                               | (e)                                      | (f)                           |
| Not applicable                                       | Not applicable                                  | Not applicable                                        | Not applicable                                                                    | Not applicable                           | Not applicable                |

\*Transactions with a related party is construed as material if the transaction/transactions to be entered individually or taken together with previous transactions entered during the financial year exceeds ten percent of the annual consolidated turnover of the company

For and on behalf of the Board of Directors

Kolkata  
May 28, 2016

**Somnath Chatterjee**  
Managing Director

**Anjan Ghosh**  
Director

## SECRETARIAL AUDIT REPORT

## FORM MR-3

## ANNEXURE - D

(For the period 01-04-2015 to 31-03-2016)

**[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 of  
B&A Limited

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

Based on our verification of the 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 ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the audit period ended on 31st March, 2016 according to the provisions of :
  - I. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. Secretarial Standards as prescribed by the Institute of Company Secretaries of India.
  - VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the company:-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - d. 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;
    - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
    - g. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase scheme) Guidelines, 1999;
    - h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
    - i. The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015;

The laws which are specifically applicable to the industry to which the Company belongs, as identified by the management is verified, that is to say:

- a. The Standards of Weights and Measures (Enforcement) Act, 1985
- b. Food Safety and Standards Act, 2006.
- c. Factories Act, 1948

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

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



2. 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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
  - d. The Company has obtained all necessary approvals under the various provisions of the Act; and
  - e. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement, Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.
  - f. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
3. We further report that based on the information received and records maintained 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.

Date: 18th May, 2016  
Place: Kolkata

For T. Chatterjee & Associates  
**Tarun Chatterjee**  
**Membership No: 17195**  
**COP No. : 6935**

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

**To The Members of  
B&A Limited**

**Annexure A'**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 18th May, 2016  
Place: Kolkata

For T. Chatterjee & Associates  
**Tarun Chatterjee**  
**Membership No: 17195**  
**COP No. : 6935**

## ANNEXURE TO DIRECTORS' REPORT

## ANNEXURE -E

**Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo**  
**(Pursuant to clause (m) of sub-section (3) of section 134 of the Act and Rule 8(3)**  
**of the Companies (Accounts) Rules, 2014)**

**(A) Conservation of Energy-**

The company accords great importance to conserve energy utilised in its operations. It has continued its efforts to find possible and feasible means and methods by which it can further improvise optimization of energy apart from continuing with the current measures to conserve energy. It has laid its formal strategy for better use of energy in its gardens, factories and offices by close monitoring of consumption of electricity, gas, diesel and water; close monitoring of electricity consumption based on load factor; optimisation of electricity, gas, diesel and water by reducing process cycle time in the factory. A committed group of managers are poised to usurp the benefits of superior energy management tools and techniques.

**(1) Steps taken or impact on conservation of energy:**

- i) Replacement of old electrical motors by new energy efficient motors in phased manner. These energy efficient motors consume less electricity compared to conventional motors.
- ii) Purchase of energy efficient farm equipments (JCVs).
- iii) Replacement of incandescent lamps, halogen and sodium vapour lamps with CFLs and LEDs.
- iv) Installation of energy efficient equipments and battery charging systems at all offices.
- v) Adoption of policy of having heating and cooling equipment serviced regularly.
- vi) Phased replacement of old gensets.
- vii) Replacement of old air conditioners with new air conditioners.
- viii) Optimizing factory running hours and machinery usage to achieve high load factor and avail minimum tariff rates.
- ix) Replacement of old electrical equipments, computers and printers.

**(2) Steps taken by the company for utilising alternate source of energy:**

The company's operation extends to large tea growing areas where usage of alternative energy is rather difficult. However, the company has undertaken feasibility study for utilising solar energy in its factories.

**(3) The capital investment on energy conservation equipments:** The Company did not spend any capital expenditure during the year under review on energy conservation equipments.**B. Technology Absorption-**

- i) Efforts, made towards technology absorption: Seminar and training programs were held for the managerial staff in additions to periodic discussion with Advisors.



- ii) Benefits derived as a result of the above efforts: Increase in productivity and cost reduction by optimization of input.
- iii) No import of technology was carried out during the last 3 years from the beginning of the financial year under review.
- iv) The company incurred Rs. 6,12,348/- (Previous year Rs. 6,83,408/-) for the financial year ended 31st March, 2016 on account of Research & Development.

### C. Foreign Exchange Earnings and Outgo -

The company has not earned any foreign exchange during the year. The foreign exchange outgo during the year was Rs. NIL (Previous year NIL).

For and on behalf of the Board of Directors

Kolkata  
May 28, 2016

**Somnath Chatterjee**  
Managing Director

**Anjan Ghosh**  
Director

# Management Discussion and Analysis

## 1.1. State of Indian Economy:

India's GDP grew by an annual rate of 7.4 per cent in the July-to-September quarter 2015, putting it way ahead of other countries including China, where growth slowed to 6.9 per cent during the same period. The key driver of GDP growth in 2015 was falling oil and other commodity prices which improved corporate margins and household purchasing power, while also improving government tax collections and lowering the subsidy bill. However, continued weakness in global demand and the second consecutive poor monsoon-season have hurt growth dynamics and it is expected that real growth during the FY 2016 could be 1 to 2 percentages lower than the estimated growth of 7.5 percent.

## 1.2. Indian Tea Industry, Structure:

India has acquired an exalted status on the global tea map by building on a proud legacy of enterprise that spanned nearly two and half centuries. India is the second largest tea producer in the world with production of 1191 million kgs in 2015 tea season. It also ranks among the top two consumer of black tea in the world with the domestic market consuming 992 million kgs of tea during 2014-15. India has ranked fourth in terms of tea exports, which reached 217 million kgs during 2014-15. All varieties of tea are produced in India. While CTC accounts for around 80 percent of the total production, orthodox/green and instant tea account for the remaining 20 percent. In 2014-15, North India production accounted for 964 million kgs while the South accounted for 227 million kgs. As per December 2014 estimates, India has around 567 thousand hectares of area under tea cultivation which led by Assam and followed by West Bengal, Tamil Nadu and Kerala. Tea Industry being the second largest employer in India, employs over 3.5 million people across some 1,686 tea estates where women constitute 50% of the workforce.

## 1.3 Indian Tea Industry, Developments:

Season 2015 opened on a muted note due to significant additional floating surplus (going with the wobbly back end quality) as it meant destinations had ample stocks and the pipeline too had substantial visible quantity. With the progress of the season, demand & levels perked up as the major blenders significantly upped their off take and crop intakes in Kenya began showing a massive slide. Export was higher by 10 mkgs compared to season 2014. North India crop was marginally lower. Assam crop was higher, while it was lower in Cachar, Dooars and Terai. South India crop was lower by 15 mkgs. Price concertina between the good and the rest expectedly widened with non-quality teas struggling throughout the season whilst the opposite was the scenario for those Producers in the Quality segment. Auction prices continued to remain benchmark. Around 49% of the total production of India was sold through public auction.

## 1.4 Indian Tea Industry, Opportunities:

Tea is the most popular beverage in the world and as per figures published by the International Tea Committee, global consumption of tea has jumped 60% between 1993 to 2010. As per 2015 estimates India accounts for 24% of global tea production and ranks 2nd among 35 tea producing countries, ahead of Kenya and Sri Lanka and just behind of China. However, tea is consumed worldwide and per capita consumption of tea has been rising steadily both in the global front as well as indigenously.



Indian Tea Industry witnessed successive price escalations over the years due to shortage of global production and the market has remained buoyant for all quality of teas. Market became stable from 2014 onwards due to stabilization of global demand and supply of tea.

Industry experts feel that the sectoral outlook is not very bullish as tea is globally-driven commodity; still quality tea producing entities will improve in revenue due to market preference for premium blends. The strengths and opportunities of this industry could be exemplified from the following table;

| Strengths                                        |                                                                |                                            |                           | Opportunities            |                       |                     |                               |
|--------------------------------------------------|----------------------------------------------------------------|--------------------------------------------|---------------------------|--------------------------|-----------------------|---------------------|-------------------------------|
| Very old Industry. Experienced Management Staff. | Manpower driven. Requires soft technical skills among workmen. | Global product. World's most popular drink | Adequate research support | Quality and Brand Equity | Good Export Potential | Big Domestic Market | Financial Institution support |

### 1.5. Indian Tea Industry, Challenges:

The economic and social importance of tea production is significant as it provides a vital source of export earning and employment in the poorest regions of the country and a vast chain of people are associated with this industry as growers, buyers, traders and sellers impacting on the lives and well being of millions of people. However, as the global tea sector faces some unprecedented challenges, recent studies in the tea sector have identified the following major threats which could affect the future of tea industry.

**Demographic changes;** the size and make-up of the global population is undergoing profound change and the growing population including that in India, will drive demand for food which is predicted to increase by 50% by 2030. And this, coupled with urbanization will put pressure on available agricultural land and tea will increasingly have to compete with other food crops to access land for production.

**Resource Constraints;** Tea processing being energy intensive a number of tea producing countries including India and Africa, are experiencing frequent outages and unreliable power supplies. Although tea cultivation requires lesser water than other crops, the use of irrigation in the tea sector, especially in Assam, has been increasing due to the changes in weather patterns.

**Climate Change;** Tea plants are very delicate and sensitive to changes in temperature and precipitation. In recent years, in Assam, the major tea growing States in India, rainfall has reduced substantially and minimum temperature has risen. Likewise, other tea growing states are also experiencing either warmer climate or more intense rainfall. These changed climatic conditions are leading to drought damage and soil losses which are adversely affecting the crop both in quality as well as quantity. Climate change is also expected to increase pest activity in tea plants.

**Availability of Labour;** Growing and harvesting of tea is labour intensive, but younger generations are choosing to leave the tea plantation areas and move to city-based jobs. Despite regular wage revisions several gardens face stiff labour shortages in peak seasons.

## 2. Product wise operational performance:

The Company produces CTC teas in its seven tea estates located in upper Assam. The performance of the company has remained steady for the last five financial years. Average price realization of company's made tea from own leaf was higher than the industry averages during the year. Teas manufactured in Mokrung, Gatoonga and Salkathoni tea estates fetched premium prices and ranked within top thirteen tea estates in terms of average auction prices fetched during April to December 2015. The following charts will illustrate the impressive growth trends of the company and how the company's teas commanded premium in the market:

| Operational Performance vis a vis growth trends                            |         |         |         |         |         | Average Prices                                    |                 |                                        |
|----------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------------------------------------------------|-----------------|----------------------------------------|
| Particulars                                                                | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | Year                                              | B&A Ltd (Rs/kg) | Auction Averages (North India) (Rs/kg) |
| Production (lac kgs)                                                       | 52.33   | 55.34   | 56.77   | 53.55   | 56.41   | 2013-14                                           | 207             | 138                                    |
| Sales (lac kgs)                                                            | 51.36   | 55.06   | 54.37   | 51.87   | 54.65   | 2014-15                                           | 218             | 142                                    |
| Average Price (Rs/kg)                                                      | 162.00  | 182.00  | 185.00  | 197.00  | 201.00  | 2015-16                                           | 231             | 145                                    |
| Average Price realisation from combined sale of own and bought tea leaves. |         |         |         |         |         | B&A Ltd prices represent tea sold from own leaves |                 |                                        |

The company has invested considerable amount on garden development over the years and continues to avail Tea Board's replanting/rejuvenation subsidy schemes for replacement of old plantation. The effort over the years have resulted in consistent improvement in the yield and unswerving improvement in the quality of teas manufactured.

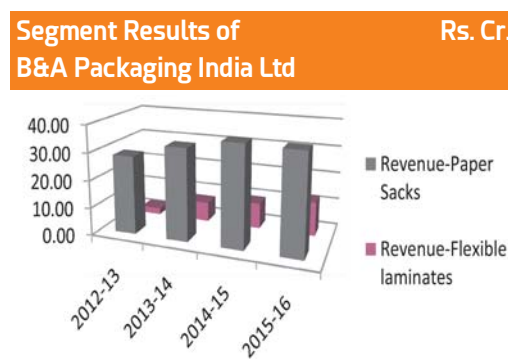
**3.1 Outlook Tea:** The tea industry has seen strong growth right across the globe, but the way tea is produced and consumed has changed radically over the years. Large scale mechanization and technology dominate tea production and processing and drive to sustain year round harvesting has led to increased use of fertilizers and pesticides. The pursuit of new areas of tea land has been a challenge for every tea producing entity. Tea Board of India has mandated usage of pesticides to ensure health and safety. Public Tea Auction has been recognized as the most effective route for selling bulk teas at most competitive prices. Introduction of e-auction in every auction centre with settlement banking system, a few years ago has strengthened the system. Further, with proposed introduction of 'Pan India Auctions' with effect from June 2016 whereby buyers/sellers will be able to operate in any auction centre through e-platform, it is expected that there will be more competition which will result improved price realization. However, impact of mounted operational cost particularly due to frequent increase in wages and other input costs coupled with erratic weather conditions as it being witnessed during last few seasons are adversely affecting crop both in terms of quality and quantity and has been a concern for the tea industry as a whole.

**3.2 Leisure Resort:** Kaziranga Golf Resort is a unique and breathtakingly beautiful golfing retreat initiated by the company located in the middle of its Sangsua Tea Estate continues to be a popular destination for domestic and international travelers. The resort has 14 luxurious cottage rooms overlooking the golf course which is the 1st International standard championship golf course in North East India and is the first of its kind in the world with a panoramic view of lush tea gardens, a premium suite, a clubhouse and a conference room which boasts all modern amenities. Several golf tournaments of international standard were organized during the period under review. The Resort has now completed its 3rd year of operation and expected to break even its cost in next few years.



**3.3 Subsidiary Company:** B&A Packaging India Ltd, the subsidiary company, which is engaged in the production of high quality paper sacks and flexible laminates, completed yet another successful year of operation. The performance of the company has improved in years which will be evident from the following charts:

| Growth Trends of B&A Packaging India Ltd |         |         |         |         | Rs. Cr. |
|------------------------------------------|---------|---------|---------|---------|---------|
| Particulars                              | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
| Net Sales                                | 29.33   | 30.89   | 40.52   | 46.28   | 48.55   |
| PBT                                      | 2.50    | 0.45    | 2.43    | 3.66    | 4.84    |



#### 4.1 Risks and Concerns:

Indian tea industry is exposed to some major risks that might have a profound impact on the growing, distribution and marketing of tea. Responding to these risks in a judicious manner is a major challenge to the industry in order to provide a competitive market for consumers. The major weaknesses and threats of the Indian Tea Industry are highlighted in the following table:

| Weaknesses          |                                           |                               | Threats                                 |                                                   |                                                              |
|---------------------|-------------------------------------------|-------------------------------|-----------------------------------------|---------------------------------------------------|--------------------------------------------------------------|
| Stagnant Production | Inflationary trends in several input cost | Variation in Production Cycle | Increasing competition in global market | Cost disavantage to other CTC producing countries | Consumers preference towards coffee and other soft beverages |

#### 4.2 Risk Mitigation System:

The Company had adopted a 'Policy on Risk Management' and identified the risk prone areas of its operation. This policy facilitates management of risks associated with the activities of the company and minimizes the impact of undesired and unexpected events. A risk cell comprising of the senior management staff has been constituted to assess risk prone areas of operations, plans to mitigate the perils and implementation of the plans. Periodical review report highlighting garden operations, production, crop, quality, weather, important developments and compliance calendar are regularly placed before the Audit Committee and Board of Directors who after necessary evaluation advises the risk cell to synchronize its effort to alleviate potential risks. The Risk Management Policy and the constitution of risk cell are available in the company's website at <https://www.barooahs.com>.

#### 5. Internal Financial Control System & Adequacy:

The Company has adequate internal financial control system commensurate with its size and nature of business. The objective is to ensure efficient usage and protection of the Company's resources, accuracy in recording and reporting of operational and financial data and timely compliance of statues. The ERP system which provides for stringent procedure check ensures structured work instructions and clearly laid down principles for authorization and approval of sales, purchases, payments and receipts. Further computerized system provides for custodial control with identified persons at all levels. The pre-audit and post-audit checks and reviews carried out by Internal Auditors ensure follow up on the observations made by them. The Audit Committee of Directors in its periodic

meetings reviews the internal audit reports to ensure adequacy of internal control systems. CFO is responsible for the authenticity of the quarterly and annual financial statements. These financial statements are closely monitored by the Audit Committee of Directors to evaluate the adequacy of internal financial controls with respect to these statements. The Audit Committee also periodically monitors adherence to the company's various policies.

## 6. Human Resources:

People power is one of the pillars of success of the company since it has engaged large number of personnel across its gardens and offices. The Company employs around 3816 individuals who share a passion for excellence. The Human Resource Management System puts emphasis on rewarding merit based performance and raising the skill level of employees. During the year the company carried out restructuring exercise at different levels to ensure improvement in its plantation areas. Various workshops and training programme were conducted for managers at regular intervals. Group activities like sports, outdoor visits and cultural events were organized to instigate fellowship and team building. Despite of remote and isolated locations of its gardens the company has been able to keep the morale of its managers and employees high. The employee-management relations remained cordial throughout the year and employee attrition has remained very low.

## 7. Financial performance and analysis:

The shareholders fund as on 31st March 2016 was Rs. 78.48 cr. comprising of Rs. 3.10 cr. as equity share capital and Rs. 75.38 cr. as reserves. The Board of Directors have recommended a final equity dividend of 30 % i.e. Rs. 3 per share of Rs. 10 each. During the year under review the profit before tax stood at Rs. 10.20 cr. compared to Rs. 9.41 cr. registered in the previous financial year. The following table will portray the financial parameters of the company for the last five financial years.

| Financial Parameters vis a vis Performance |         |         |         |         | Rs. Cr. |
|--------------------------------------------|---------|---------|---------|---------|---------|
| Particulars                                | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
| Shareholders Fund                          | 49.80   | 57.42   | 65.94   | 70.73   | 78.40   |
| Net profit after tax                       | 7.47    | 8.83    | 9.92    | 7.84    | 7.43    |
| Net Cash from operations                   | 11.02   | 12.74   | 4.09    | 11.75   | 13.19   |
| Dividend (%)                               | 20      | 25      | 30      | 30      | 30      |

Though the company is projecting positive cash flows for the last five years, accelerating wages cost, sharp increase in the cost of power, fuel and fertilizers and occasional crop loss due to adversities are adversely impacting the liquidity position of the company. The company is constantly practicing cost control measures to put a curb on the diminishing margins.

## 8. Cautionary Statement:

The Statements in the report of the Board of Directors and Management Discussion and Analysis describing company's projections, estimates, expectations and predictions are forward looking statements within the meaning of the applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the company's operations are influenced by many external and internal factors beyond the control of the management. Further tea industry being vulnerable to the whims of the nature any adverse climatic condition will have volatile impact over the performance of the company.

For and on behalf of the Board of Directors

Kolkata  
May 28, 2016

**Somnath Chatterjee**  
Managing Director

**Anjan Ghosh**  
Director



# Corporate Governance Report

## Philosophy of the Company

Transparency and Accountability are the two basic tenets of Corporate Governance. At B&A we feel proud to belong to a company whose visionary founder Late Hemendra Prasad Barooah laid the foundation stone of good governance long back by meeting expectations of the employees, stakeholders and investors of the company. The Board of Directors is responsible for and committed to sound principles of corporate governance in the company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders.

## I. Board of Directors

- i) **Composition and Changes:** The Board of Directors as on 31st March 2016 consisted of nine members, comprising of:
- five independent directors
  - three non-executive rotational directors
  - one whole time director

Mrs. Anuradha Farley, non-executive director is the Chairman of the Board. The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015. The particulars of the Directorate and change in the composition during the financial year ended 31st March 2016 are summarised below:

| Name of the Director   | Date of Appointment /Reappointment | Particulars of appointment/ reappointment                                    |
|------------------------|------------------------------------|------------------------------------------------------------------------------|
| Mrs. Anuradha Farley   | September 15, 2015                 | Reappointed as Roational Director in the Annual General Meeting              |
| Mr. Amit Chowdhuri     | September 27, 2014                 | Reappointed as Roational Director in the Annual General Meeting              |
| Mr.B.K. Goswami        | September 27, 2014                 | Appointed as Independent Director in the Annual General Meeting for 5 years. |
| Mr. L. Rahman          | September 27, 2014                 | Appointed as Independent Director in the Annual General Meeting for 5 years. |
| Mr. B.K. Mahanta       | September 15, 2015                 | Appointed as Rotational Director                                             |
| Mr. Anjan Ghosh        | September 15, 2015                 | Appointed as Independent Director in the Annual General Meeting for 5 years. |
| Mr. R.K. Bhuyan        | September 15, 2015                 | Appointed as Independent Director in the Annual General Meeting for 5 years. |
| Mr. P.K. Datta         | September 15, 2015                 | Appointed as Independent Director in the Annual General Meeting for 5 years. |
| Mr. Somnath Chatterjee | April 1, 2013                      | Reappointed as Managing Director for 5 years.                                |

- ii) **Meetings of the Board:** During the financial year 2015-16 six board meetings were held on 26th May 2015, 31st July 2015, 6th November 2015, 5th December 2015, 9th February 2016 and 22nd March 2016. In terms of section 149 of the Companies Act' 2013 read with schedule IV of the Act' and Regulation 25 (3) of SEBI (LODR) Regulations, 2015, a separate meeting of the independent directors of the company was held on 9th February 2016 to discuss on the points as enumerated in the said schedule. The composition of the Board of Directors, attendance of the directors in

the Board and Annual General Meeting and shareholding particulars in the company during the Financial Year 2015-16 are summarised below:

| Name                   | Designation                          | Board meetings attended | Independent Director's meeting attended | Whether attended AGM | Directorship in other Indian Companies | Committee Membership/ Chairmanship in other Indian Companies |          | No of Share held in the Company |
|------------------------|--------------------------------------|-------------------------|-----------------------------------------|----------------------|----------------------------------------|--------------------------------------------------------------|----------|---------------------------------|
|                        |                                      |                         |                                         |                      |                                        | Member                                                       | Chairman |                                 |
| Mrs. Anuradha Farley   | Non-Executive Promoter Director      | 3                       | NA                                      | No                   | 1                                      | NIL                                                          | NIL      | 4,800                           |
| Mr. Latifur Rahman     | Non-Executive & Independent Director | 5                       | Yes                                     | No                   | NIL                                    | NIL                                                          | NIL      | NIL                             |
| Mr. B.K.Goswami *      | Non-Executive & Independent Director | 3                       | Yes                                     | No                   | 7                                      | 4                                                            | 1        | NIL                             |
| Mr. Anjan Ghosh        | Non-Executive & Independent Director | 6                       | Yes                                     | Yes                  | 1                                      | 1                                                            | 1        | NIL                             |
| Mr. R.K. Bhuyan        | Non-Executive & Independent Director | 5                       | Yes                                     | No                   | 1                                      | NIL                                                          | 1        | NIL                             |
| Mr. P.K.Datta          | Non-Executive & Independent Director | 6                       | Yes                                     | Yes                  | NIL                                    | NIL                                                          | NIL      | NIL                             |
| Mr. A.Chowdhuri        | Non-Executive Director               | 5                       | NA                                      | Yes                  | 1                                      | 1                                                            | 1        | NIL                             |
| Mr. Somnath Chatterjee | Managing Director                    | 6                       | NA                                      | Yes                  | 2                                      | 2                                                            | NIL      | NA                              |
| Mr. B.K.Mahanta        | Non-Executive Director               | 6                       | NA                                      | Yes                  | NIL                                    | NIL                                                          | NIL      | 250                             |

Notes: The Directorship/Committee Membership/Chairmanship in other Companies excludes private limited cos', foreign cos' and companies formed under section 8 of the Companies Act' 2013. Committee Membership/Chairmanship in other companies includes Audit Committee and Stakeholder's Relationship Committee only. \*Mr. B.K. Goswami serves the Board of Directors in 4 listed companies as Independent Director.

- iii) **Letter of appointment:** Formal Letter of appointment to Independent Directors has been issued by the Company and is available at the website of the company under the weblink: <http://www.barooahs.com>
- iv) **Familiarization programme:** The Independent Directors have been familiarized through various programme of their roles, rights, responsibilities in the company, nature of the industry in which the company operates etc. Details of these programmes are available at the website of the company under the weblink: <http://www.barooahs.com>
- v) **Woman Director:** In terms of Regulation 17(1) of the SEBI (LODR) Regulations, 2015, Mrs. A Farley continues as a woman director on the Board.
- vi) **Code of Conduct:** The Company has formulated a Code of Conduct for its Directors and Senior Management Staff which include Code for Independent Directors as stipulated under Schedule IV of the Companies Act' 2013. As required under Regulation 26 (3) of the SEBI (LODR) Regulations



2015, affirmation to the compliance with the code from all Directors and Senior Management Personnel has been obtained for the financial year ended 31st March 2016 and a declaration from the Managing Director to this effect forms part of this Annual Report. The Code is available at the website of the company under the weblink: <http://www.barooahs.com>

- vii) **Materially significant business relationship:** As required under Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006, transactions with related parties have been furnished under clause 10 of Note 27 to the Notes to the Accounts appended to the Balance Sheet for the year ended 31st March 2016. There was no transaction of material nature with the Promoter, Directors or their relatives, etc. that may have potential conflict with the interest of the company, other than those, disclosed in the said note.
- viii) **Disclosure of relationship between directors inter-se:** None of the Directors are related with each other in terms of Section 2 (77) of the Companies Act' 2013.
- ix) **Key Managerial Personnel:** Mr. Somnath Chatterjee, Managing Director, Mr. D. Chowdhury, Company Secretary continues to hold the position of key managerial personnel in terms of section 203 of the Companies Act' 2013. The Board of Directors has appointed Mr. Tapas Kumar Chatterjee as Chief Financial Officer of the company with effect from 1st November 2015.

## II. COMMITTEES OF THE BOARD

### 1. AUDIT COMMITTEE

- a. **Terms of reference:** The Audit Committee of the company constituted in terms of section 177 of the Companies Act' 2013 is in conformity with the provisions of SEBI (LODR) Regulations 2015. The primary objective of the Audit Committee of Directors is to discharge responsibilities relating to overseeing the financial reporting process, surveillance of internal controls and initiate, regulate, monitor the Internal, Statutory and Cost Audit functions of the company and inter alia performs the following functions:
  - (i) Recommending appointment, remuneration and terms of appointment of auditors of the company.
  - (ii) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
  - (iii) Reviewing and examining the annual and quarterly financial statements and the auditor's report thereon.
  - (iv) Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
  - (v) Approve or modify subsequently any transactions of the company with related parties.
  - (vi) Scrutinize inter corporate loans and investments.
  - (vii) Initiate valuation of the undertakings or assets of the company, wherever it is necessary.
  - (viii) Evaluate of internal financial controls and risk management systems.
  - (ix) Monitoring the end use of funds raised through public issues and other offers and related matters.
  - (x) Review with the management performance of Statutory and Internal Auditors, adequacy of the internal control systems and reviewing adequacy of internal audit functions.

- (xi) Review the substantial defaults in the payment to depositors, debenture holders and shareholders of the company.
- (xii) Review of the functioning of the whistle blower mechanism.
- (xiii) Such other functions that may be delegated by the Board to the Committee from time to time.

- b. Composition, Meetings and Attendance:** The Audit Committee comprises of three Directors, all of them are independent. Mr. Anjan Ghosh, Chartered Accountant, acts as the Chairman of the Committee. Audit Committee met four times during Financial Year 2015-16 on 25th May 2015, 31st July 2015, 6th November 2015, and 9th February 2016. The composition of the Audit Committee and attendance of the members during financial year 2015-16 are as follows:

| Name of the Member | Category of Directorship  | Number of meetings attended |
|--------------------|---------------------------|-----------------------------|
| Mr. Anjan Ghosh    | Non-Executive Independent | 4                           |
| Mr. B.K.Goswami    | Non-Executive Independent | 3                           |
| Mr. Latifur Rahman | Non-Executive Independent | 4                           |

The Company Secretary acts as the 'Secretary' to the Audit Committee. The Managing Director, Chief Financial Officer, Head of Garden Operations, Internal & Statutory Auditors are invited to attend the Audit Committee Meetings. The Chairman of the Audit Committee was present in the Annual General Meeting held on 15th September 2015.

## 2. NOMINATION AND REMUNERATION COMMITTEE

- a. Terms of reference:** The Nomination and Remuneration Committee of the Directors constituted in terms of section 178 of the Companies Act' 2013 is in agreement with SEBI (LODR) Regulations, 2015. The role of the Nomination and Remuneration Committee inter alia includes recommending to the Board appointment, removal and compensation of the Directors and Key Managerial Personnel.
- b. Composition, Meetings and Attendance:** The Nomination and Remuneration Committee comprises of three Directors all of them are non-executive and majority of them are independent. Mr. Anjan Ghosh acts as the Chairman of the Committee. In the FY 2015-16 two committee meetings were held on 31st July 2015 and 6th November 2015. The Chairman of the committee attended the annual general meeting held during the year. The composition of the Committee and attendance of the members during financial year 2015-16 are as follows:

| Name of the Member | Category of Directorship  | Number of meetings attended |
|--------------------|---------------------------|-----------------------------|
| Mr. Anjan Ghosh    | Non-Executive Independent | 2                           |
| Mr. B.K.Goswami    | Non-Executive Independent | 1                           |
| Mr. A. Chowdhuri   | Non-Executive             | 2                           |

Mr. D. Chowdhury, Company Secretary acts as the Secretary of the Committee.

- c. Remuneration Policy:** A nomination and remuneration policy as recommended by Nomination and Remuneration Committee of Directors and approved by the Board had been formulated. The said policy is available at the website of the company at <https://www.barooahs.com>

- d. **Performance evaluation of Independent Directors:** The criteria for performance evaluation of Independent Directors as recommended by Nomination and Remuneration Committee of Directors is available at the website of the company under the weblink: <https://www.barooahs.com>
- e. **Details of Remuneration Paid to the Directors:** During the financial year 2015-16, Non-Executive Directors of the Company were paid sitting fees of Rs. 10,000/- for attending each meeting of the Board of Directors and Audit Committee and Rs. 6,000/- for attending meetings of Investor Grievances Committee, Nomination and Remuneration Committee, Share Transfer Committee and Corporate Social Responsibility Committee. Besides sitting fees, the Non-Executive Directors of the company were not paid any other remuneration or commission except reimbursement of conveyance expenses. Mr. Somnath Chatterjee, Managing Director was paid monthly remuneration as approved by the shareholders. Mr. Chatterjee serves under service contract which expires on the close of business hours on 31st March 2018. His notice period is 3 months. He is not entitled for any severance fees. Mr. L. Rahman waived his sitting fees for the financial year 2015-16. None of the Directors or Key Managerial Personnel was offered any stock option during the financial year.

The details of the payments made to the Directors during the financial year ended 31st March 2016 are given below-

| Name of the Director   | Designation                        | Sitting fees<br>(Rs.) | Salary &<br>Perquisites<br>(Rs.) | Commission<br>(Rs.) | Total<br>(Rs.) |
|------------------------|------------------------------------|-----------------------|----------------------------------|---------------------|----------------|
| Mrs. Anuradha Farley   | Non-Executive Director             | 30,000                | -                                | -                   | 30,000         |
| Mr. B.K. Goswami       | Non-Executive Independent Director | 76,000                | -                                | -                   | 76,000         |
| Mr. A. Chowdhuri       | Non-Executive Director             | 92,000                | -                                | -                   | 92,000         |
| Mr. R. K. Bhuyan       | Non-Executive Independent Director | 60,000                | -                                | -                   | 60,000         |
| Mr. Latifur Rahman     | Non-Executive Independent Director | -                     | -                                | -                   | -              |
| Mr. Anjan Ghosh        | Non-Executive Independent Director | 1,58,000              | -                                | -                   | 1,58,000       |
| Mr. B. K. Mahanta      | Non-Executive Director             | 60,000                | -                                | -                   | 60,000         |
| Mr. P. K. Datta        | Non-Executive Independent Director | 88,000                |                                  |                     | 88,000         |
| Mr. Somnath Chatterjee | Managing Director                  | -                     | 32,42,384                        | -                   | 32,42,384      |

- f. **Particulars of Remuneration:** Managing Director and the other Key Managerial Personnel are paid monthly remuneration as approved by the Board on the recommendation made by the Nomination and Remuneration Committee and in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force and approved by the shareholders and Central Government, wherever required.

In terms of rule 5 of the Companies (Appointment & Remuneration) Rules, 2014 the following statement depicts the necessary disclosure with regards to remuneration paid to Directors and Key Managerial Personnel vis-à-vis compensation of the employees and market performance of the company's securities:

- i. Ratio of the remuneration of Managing Director to the median remuneration of the employees of the company for the financial year 2015-16, the percentage increase in the remuneration of the Managing Director, Company Secretary and Chief Financial Officer during the financial year 2015-16.

| Name of the Director/KMP   | Designation             | Ratio of remuneration to each Director to median remuneration of employees | Percentage increase in Remuneration |
|----------------------------|-------------------------|----------------------------------------------------------------------------|-------------------------------------|
| Mr. Somnath Chatterjee     | Managing Director       | 11:1                                                                       | 27%                                 |
| Mr. Debdeep Chowdhury      | Company Secretary       | 4:1                                                                        | 15%                                 |
| Mr. Tapas Kumar Chatterjee | Chief Financial Officer | 1:1                                                                        | N.A.                                |

- Notes:
- Non-executive Directors of the company are entitled for sitting fees and ratio of remuneration and percentage increase for non-executive directors are not considered for the abovementioned purpose. The Managing Director received a one time incentive of Rs. 4.50 lacs during the financial year which is variable in nature.
  - Employees for the above purpose include employees and executives of the company excluding employees governed under wage agreement.
- The percentage increase in the median remuneration of general employees of the company other than garden managers and executives for the financial year ended 31st March 2016 was 15%. The garden managers and executives received an average increment in salary of 22% during the year under review.
  - The Company has 3816 permanent employees on the rolls as on 31st March 2016.
  - No employee not being a director has received remuneration higher than the Managing Director during the financial year ended 31st March 2016.
  - Increase in remuneration of the Key Managerial Personnel were in line with the company's performance and its market competitiveness and in conformity with the remuneration policy of the company.
  - The following table depicts the key financial indicators of the company for the financial year ended 31st March 2016.

| SL. No. | Item                            | 31st March 2016 | 31st March 2015 | Variation (%) |
|---------|---------------------------------|-----------------|-----------------|---------------|
| 1       | Market Capitalisation (Rs. Cr.) | 47.86           | 42.40           | 12.89         |
| 2       | Price Earning Ratio             | 6.18            | 5.40            | 14.36         |

- Notes:
- Market capitalization is calculated on the basis of closing prices of equity shares in BSE.
  - Price earnings ratio is calculated on the basis of annual EPS for the respective financial years.
- The closing price of the shares of the company in Bombay Stock Exchange on 31st March 2016 being 154.40 per equity share which is 93% increase over the last public offer for sale (Rs. 80) made in the year 1986.



### 3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

- a. **Description, constitution and terms of reference:** The Board constituted Stakeholders Relationship Committee' in compliance with section 178 of the Companies Act' 2013 and in conformity with SEBI (LODR) Regulations 2015. The Stakeholders Relationship Committee oversees the process of grievance redressal of the company. The committee is presided by Mr. A. Chowdhuri, non-executive director, as Chairman and Mr. Somnath Chatterjee, Managing Director is a member. The shareholder's grievances are handled by the company's RTA in consultation with the secretarial department of the company. Mr. D. Chowdhury, Company Secretary has been appointed as Compliance Officer and is in charge of the shareholder's grievances cell.

- b. **Shareholder's grievance details:**

| Number of compliants received till 31st March 2016 | Number of compliants not solved | Number of pending compliants |
|----------------------------------------------------|---------------------------------|------------------------------|
| 15                                                 | Nil                             | Nil                          |

### 4. SHARE TRANSFER COMMITTEE

The Board has delegated power to a Committee consisting of Mr. Somnath Chatterjee, Mr. Anjan Ghosh and Mr. Amit Chowdhuri, Directors of the company to attend formalities relating to transfer, transmission of shares which are in physical mode and issue of necessary certificates. During the year the Committee met eight times.

### 5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- a. **Description, constitution and terms of reference:** The Board had constituted Corporate Social Responsibility (CSR) Committee in compliance with section 135 of the Companies Act' 2013. Mr. P.K.Datta, an independent director, chairs the committee. The role of CSR Committee includes recommending to the Board the CSR policy, connected CSR activities to be undertaken and proper implementation of the CSR initiatives of the company.
- b. **Composition, Meetings and Attendance:** Corporate Social Responsibility Committee met three times during Financial Year 2015-16 on 26th May 2015, 31st July 2015 and 5th December 2015. The composition of the CSR Committee and attendance of the members during financial year 2015-16 are as follows:

| Name of the Member     | Category                  | Number of meetings attended |
|------------------------|---------------------------|-----------------------------|
| Mr. P. K. Datta        | Non-Executive Independent | 3                           |
| Mr. Anjan Ghosh        | Non-Executive Independent | 3                           |
| Mr. Somnath Chatterjee | Executive Director        | 3                           |

### III. PROFILE OF DIRECTOR SEEKING APPOINTMENT

**Mr. Amit Chowdhuri** born in 1949 is a Hons. Graduate from St. Edmunds College, Shillong. In his 39 years of professional career he has served J. Thomas & Co. Pvt. Ltd, a Kolkata based reputed tea auction house, in several capacities including Chairman and Managing Director. He has been associated with various committees connected with tea and tea auction throughout India and represented various tea delegations in India and abroad. He served the Board of Tengpani Tea Co. Ltd and Grob Tea Co. Ltd. He does not hold any shares in the Company. In terms of section 178 of the Companies Act' 2013 a formal evaluation of the performance of Mr. Chowdhuri on peer review method was carried out by the Nomination & Remuneration Committee of Directors on 27th May 2016. The following table summarised his directorship/committee membership in other companies.

| Name of the Director | Name of the Company       | Designation | Committee Membership                                                                         |
|----------------------|---------------------------|-------------|----------------------------------------------------------------------------------------------|
| Mr. Amit Chowdhuri   | B&A Packaging India Ltd   | Director    | Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee |
|                      | Rockland Realty Pvt. Ltd. | Director    | Nil                                                                                          |

### IV. GENERAL BODY MEETINGS

#### a. Details of the last three Annual General Meetings:

| Date                | Location                                            | Time       | Special Resolutions Passed                                          |
|---------------------|-----------------------------------------------------|------------|---------------------------------------------------------------------|
| 27th August 2013    | Indu Bhawan<br>Mahatma Gandhi Road<br>Jorhat-785001 | 10.30 a.m. | No Special Resolution was passed                                    |
| 27th September 2014 | Indu Bhawan<br>Mahatma Gandhi Road<br>Jorhat-785001 | 10.30 a.m. | 1. Increase in Borrowing Limits<br>2. Mortgage in favour of Lenders |
| 15th September 2015 | Indu Bhawan<br>Mahatma Gandhi Road<br>Jorhat-785001 | 10.30 a.m. | No Special Resolution was passed                                    |

- b. **Postal Ballot:** No special resolution has been passed through postal ballot during the financial year ended 31st March 2016. No special resolution has been proposed in the ensuing Annual General Meeting to be passed through postal ballot scheme.
- c. **Electronic Voting:** In terms of clause 35B of the erstwhile Listing Agreement with Bombay Stock Exchange Ltd read with Rule 20 of Companies (Management & Administration) Rules 2014 as amended, the company extended Electronic Voting (remote e-voting) facility to its shareholders with respect to all resolutions which were proposed in the Annual General Meeting held on 15th September 2015 apart from the facility of ballot voting at the venue of the meeting.

### V. DISCLOSURES

- a. **Related party transactions:** The Company adopted a policy on 'Related Party Transactions' for determining materially significant related party transactions, approval process and review of all related party transactions of the company. The policy is available at the website of the company at the weblink, <https://www.barooahs.com>. All related party transactions are approved by the Audit Committee and/or the Board of Directors. Further Audit Committee reviews on



quarterly basis the details of the transactions entered during the period. During the year there were no transactions of material nature with related parties that had potential conflict with the interests of the company. As required under Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006, transactions with related parties are furnished under clause 10 of Note 27 to the Notes to the Accounts appended to the Balance Sheet for the year ended 31st March 2016.

- b. **Policy for material subsidiary:** The Company adopted 'Policy of Subsidiary' for determining material subsidiaries and related disclosures thereto. The policy is available at the company's website at <http://www.barooahs.com>.
- c. **Details of non-compliance:** No penalties/strictures have been imposed on the company by Bombay Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years.
- d. **Whistle Blower Policy:** The Company had established a vigil mechanism for its Directors and employees to report genuine concern by whistle blowers. The said policy is available at the website of the company at <https://www.barooahs.com>. No person has been denied access to the Audit Committee for issues relating to the policy.
- e. **Commodity Price Risks and hedging activity:** The Company produce and sell one product 'Black Tea' which is not exposed under any commodity price risk as it is mostly traded through Kolkata and Guwahati tea auction centers under a definitive price mechanism and driven by market forces. The company has not carried any hedging activity for its tea.
- f. **Compliance with mandatory requirements:** The Company has complied with the entire mandatory requirements of SEBI (LODR) Regulations, 2015 as specified under regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D, E of the Schedule V of the said Regulations as applicable to the company. During preparation of financial statements for the year under review accounting treatments as prescribed in the Accounting Standards have been followed. Pursuant to part E of the Schedule V of the said Regulations a certificate from Practicing Company Secretary on compliance of Corporate Governance Norms by the company is annexed with the Director's Report and will be sent to the Shareholders as well as Bombay Stock Exchange Ltd.
- g. **Significant changes in the accounting policy:** There were no significant changes in the accounting policies during the year under review except those disclosed in the notes to the accounts appended to the financial statements for the year ended 31st March 2016.
- h. **Adoption of non-mandatory requirements:** The Company had adopted several discretionary requirements of Corporate Governance as prescribed under sub regulation (1) of regulation 27 read with part E of schedule II of the SEBI (LODR) Regulations, 2015. The Company has appointed Chairman of the Board who is a non-executive director and a separate Managing Director. The company has been able to present unqualified financial statements for the year ended 31st March 2016. Further the firm of Chartered Accountants appointed as Internal Auditors of the company reports directly to the Audit Committee of Directors. The Company will disclose in the annual report implementation of any non-mandatory requirements as and when adopted.

## VI. MEANS OF COMMUNICATION

- a. **Quarterly, Half Yearly and Annual Results:** Quarterly, half yearly and annual financial results are being published in English, in "Business Standard" Kolkata and Mumbai editions and in Assamese, in "Dainik Agradoot." Guwahati Edition and 'Amar Asom', Guwahati, Jorhat, Lakhimpur Editions. The results are also displayed in the website of the company at [www.barooahs.com](http://www.barooahs.com).

- b. **Presentation:** No presentation has been made to institutional investors/analysts. Unaudited and audited financial results and official news releases are being disseminated at the web portal of Bombay Stock Exchange Ltd and website of the company at [www.barooahs.com](http://www.barooahs.com). The investors can directly contact the Company Secretary via landline No. 033-40047472 or email at [investorrelations@bandaltd.in](mailto:investorrelations@bandaltd.in).
- c. **Website:** The Company hosts a functional website namely [www.barooahs.com](http://www.barooahs.com) which is maintained by Indigo Graphics, a reputed web vendor. All information pertaining to the company, its products, management, policies, are available in the website. Necessary information as prescribed under regulation 46 of the SEBI (LODR) Regulations, 2015 is also available in the site. Further material events and information and official news releases are also hosted in the website. The Company regularly updates the necessary changes in the content of the website.
- d. **Management Discussion & Analysis:** Management Discussion and Analysis Report is a part of the Annual Report.

## VII. GENERAL SHAREHOLDERS INFORMATION

- a. **Annual General Meeting:**

|                 |                                                                                           |
|-----------------|-------------------------------------------------------------------------------------------|
| Day, Date, Time | Thursday, 29th September, 2016, 10.30 am.                                                 |
| Venue           | Registered Office of the company at<br>Indu Bhawan, Mahatama Gandhi Road, Jorhat- 785 001 |

- b. **Financial Year:** The financial year of the company is 1st April to 31st March. For the year ended 31st March 2016 financial calendar was:

| Event                                                                    | Date of Approval in Board Meeting | Date of Publication in Print Media |
|--------------------------------------------------------------------------|-----------------------------------|------------------------------------|
| Unaudited financial results for 1st Quarter ended 30th June 2015         | 31st July 2015                    | 1st August 2015                    |
| Unaudited financial results for 2nd Quarter ended 30th September 2015    | 6th November 2015                 | 7th November 2015                  |
| Unaudited financial results for 3rd Quarter ended 31st December 2015     | 9th February 2016                 | 10th February 2016                 |
| Audited financial results for 4th Quarter and year ended 31st March 2016 | 28th May 2016                     | 29th May 2016                      |

- c. **Date of Book Closure:** For the purpose of Annual General Meeting the period of book closure is from Friday, 23rd September 2016 to Thursday, 29th September 2016 (both days inclusive).
- d. **Dividend Payment Date:** Dividend for the financial year 2015-16 as recommended by the Board of Directors, if declared by the shareholders in the Annual General Meeting will be paid on or after 5th October 2016.
- e. **Listing on Stock Exchanges, Stock Code & Dematerialization:** The equity shares of the company are listed in Bombay Stock Exchange Ltd (BSE), P.J. Towers, Dalal Street, Mumbai- 400001. The Stock Code of the company in BSE is 508136. The equity shares are traded in 'B' segment of the exchange. The monthly volume of turnover of the stocks in BSE remained around 78,875 shares for the financial year 2015-16. The annual listing fees for the financial year 2015-16 and



2016-17 has been paid to BSE. The annual custodian fees for the financial year 2015-16 have been paid to National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL).

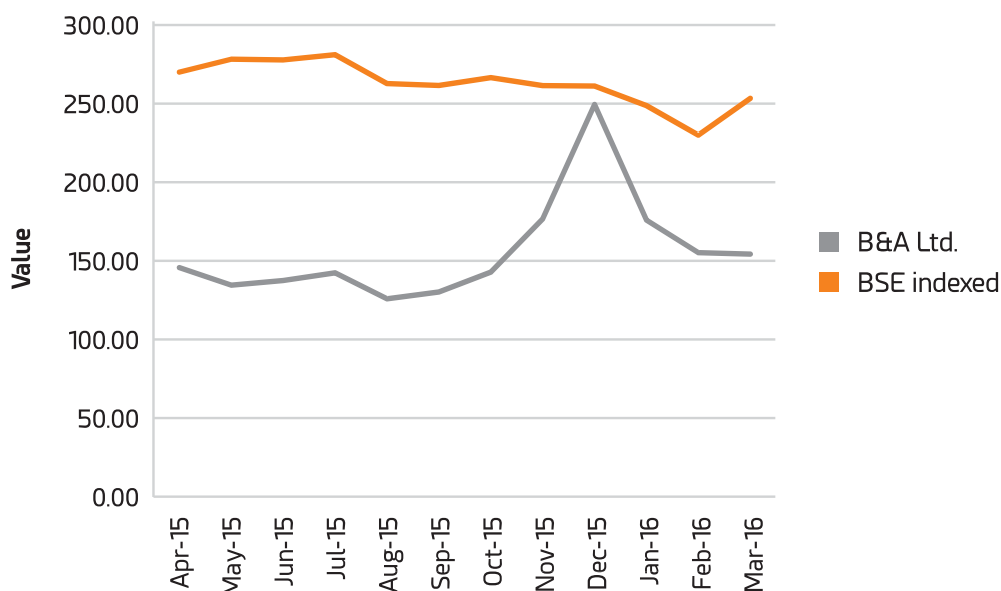
- f. **Market Price Data:** Stock price data for the period 1st April 2015 to 31st March 2016 are detailed below:

| Month  | High Price | Low Price | Month  | High Price | Low Price |
|--------|------------|-----------|--------|------------|-----------|
| Apr-15 | 158.00     | 136.00    | Oct-15 | 149.50     | 130.00    |
| May-15 | 163.90     | 130.00    | Nov-15 | 186.90     | 135.20    |
| Jun-15 | 140.00     | 125.00    | Dec-15 | 265.30     | 169.00    |
| Jul-15 | 158.00     | 132.70    | Jan-16 | 239.90     | 163.90    |
| Aug-15 | 150.00     | 112.80    | Feb-16 | 184.40     | 145.00    |
| Sep-15 | 138.50     | 115.00    | Mar-16 | 174.00     | 152.30    |

Data compiled from official website of Bombay Stock Exchange Ltd.

- g. **Stock Performance against indices:**

#### BSE SENSEX VS B&A SHARE PRICE (INDEXED)



- h. **Registrar and Transfer Agents:** In terms of the directive of SEBI, the company has appointed MCS Share Transfer Agent Ltd as its Registrar and Share Transfer Agent, to handle its entire share related work, both in physical and demat mode. The investors can reach the RTA at the following address:

#### MCS Share Transfer Agent Ltd

12/1/5, Manohar Pukur Road, (Ground Floor), Kolkata- 700026

Tel.: 033 4072- 4051 (3 lines)

Fax: 033 4072- 4050

Email: mcssta@rediffmail.com

- i. **Share Transfer System:** The share transfer process is handled by the company's RTA in consultation with the secretarial department of the company. The Board has delegated power to Share Transfer Committee to ratify the transfers.
- j. **Distribution of shareholding:** The distribution of shareholding of the company as on 31st March 2016 is as follows:

| Share Range    | Number of shareholders | (%) as to total number of holders | Number of shares held | (%) as to total number of shares |
|----------------|------------------------|-----------------------------------|-----------------------|----------------------------------|
| 1-500          | 3,276                  | 90.77                             | 4,44,145              | 14.33                            |
| 501-1000       | 169                    | 4.68                              | 1,32,942              | 4.29                             |
| 1001-2000      | 78                     | 2.16                              | 1,18,452              | 3.82                             |
| 2001-3000      | 29                     | 0.81                              | 74,030                | 2.39                             |
| 3001-4000      | 11                     | 0.30                              | 37,761                | 1.22                             |
| 4001-5000      | 9                      | 0.24                              | 40,220                | 1.30                             |
| 5001-10000     | 15                     | 0.42                              | 1,01,860              | 3.29                             |
| 10001-50000    | 15                     | 0.42                              | 2,89,176              | 9.32                             |
| 50001-100000   | 2                      | 0.06                              | 1,57,375              | 5.07                             |
| 100001 & above | 5                      | 0.14                              | 17,04,039             | 54.97                            |
| <b>Total</b>   | <b>3,609</b>           | <b>100.00</b>                     | <b>31,00,000</b>      | <b>100.00</b>                    |

- k. **Dematerialization of shares and liquidity:** In terms of directive given by SEBI, the equity shares of the company are compulsorily traded in dematerialized form in BSE. The company has custodian arrangements with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) who act as 'Depository' of the company's equity shares. Investors can approach to any depository participant registered with either of the depositories to hold companies shares in demat form. As on 31st March 2016, 93.83% of the company's paid up equity capital representing 29,08,961 shares were held in dematerialized mode.
- l. **ISIN:** The International Securities Identification Number (ISIN) of the company's share in the demat mode as allotted by NSDL and CDSL is INE489D01011.
- m. **Outstanding GDRs/ADRs/Warrants/Convertible instruments:** The Company has not issued any GDRs/ADRs/Warrants/Convertible instruments.
- n. **Commodity price risk or foreign exchange risk and hedging activities:** The Company's product is not exposed under any commodity price risk as it is mostly traded in auction through a definitive price mechanism and driven by market forces. The foreign exchange exposure of the company is negligible in value. The company has not carried any hedging activity.



- o. Plant Locations:** The Company operates seven tea estates namely, Salkathoni, Mokrung, Samaguri, Gatoonga, Barasali, Kuhum and Sangsua, which are all located in Jorhat, Golaghat and Sibsagar districts of Assam. The Company also operates Govindapur Tea Estate of Buragohain Tea Co. Ltd which is under the process of amalgamation with the company. The location of tea factories of the company is as under:

| Plant Location         | Address                                                      |
|------------------------|--------------------------------------------------------------|
| Salkathoni Tea Factory | Salkathoni Tea Estate, P.O. Sapekathi, Dist. Sibsagar, Assam |
| Gatoonga Tea Factory   | Gatoonga Tea Estate, P.O. Gatonga, Assam                     |
| Mokrung Tea Factory    | Mokrung Tea Estate, P.O. Furkating, Assam                    |

- p. Address for correspondence by Shareholders:** Any shareholder's grievance could be directly made to:

Mr. D. Chowdhury, Company Secretary

C/o, B&A Ltd, 113, Park Street, 9th Floor, Kolkata- 700016

☎ 033 40047472

✉ investorrelations@bandaltd.in

- q. Compliance with SEBI (Insider Trading Regulations) 2015:** In compliance with SEBI (Insider Trading) Regulations, 2015, the company adopted two set of policies governing norms for fair disclosure of unpublished price sensitive information and regulating, monitoring and reporting trading by the employees and other connected persons of the company. These two policies namely, 'Code of Fair Disclosure of Unpublished Price Sensitive Information of the Company' and 'Code of Conduct of Insiders of the Company' are available at the website of the company at <https://www.barooahs.com>.
- r. Demat Suspense account/unclaimed suspense account:** No equity shares of the company has been credited to demat suspense account/unclaimed suspense account.
- s. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act' 2013.**

The Company adopted an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act' 2013. The said policy may be viewed at the website of the company at <https://www.barooahs.com>. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is the summary of sexual harassment complaints received and disposed off during the year:

No. of complaints received: Nil

No. of complaints disposed off: Not applicable

**t. Declarations:**

- (i) As provided under Regulation 26 (3) of SEBI (LODR) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company during the year ended 31st March, 2016.
- (ii) The Financial and Cash Flow Statements for the financial year ended 31st March 2016 as appended to the report have been prepared in compliance with the conditions as stipulated in regulation 17 (8) of the SEBI (LODR) Regulations, 2015 read with clause A of Part B of the Schedule II of the said regulations.
- (iii) The company has complied with the conditions as stipulated in regulation 17(8) of the SEBI (LODR) Regulations, 2015 read with clause B, C& D of Part B of the Schedule II of the said regulations.
- (iv) The remuneration paid during the financial year ended 31st March 2016 to the Directors and Key Managerial Personnel were in conformity with the Remuneration Policy of the Company.

Place: Kolkata  
Date: 28th May 2016

For B & A Ltd  
**Somnath Chatterjee**  
*Managing Director*



**CERTIFICATE OF COMPLIANCE ON CORPORATE GOVERNANCE AS STIPULATED UNDER  
REGULATION 27(2) OF SEBI (LISTING OBLIGATIONS AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
The Members of  
B&A LIMITED

We have examined the compliance of conditions of Corporate Governance by B&A Limited, for the year ended 31st March, 2016 as stipulated in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said regulation. 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, and based on the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

Kolkata, 17th May, 2016

For T. Chatterjee & Associates  
Practicing Company Secretary  
Tarun Chatterjee  
Membership No. 17195  
CP No. 6935

# Independent Auditors' Report

## TO THE MEMBERS OF B & A LIMITED

### Report on the Financial Statements

1. We have audited the accompanying standalone financial statements of B&A LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, 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

2. 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 that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and

fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

### Opinion

8. 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, 2016, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', 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 I hereto a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - 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;
  - 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;
  - 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;

- on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act, and
  - our opinion on whether the Company has adequate internal financial controls system in place and whether such controls are operating effectively is given in Annexure II to this report.
11. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed liabilities of a contingent nature and claims not acknowledged by it (refer Note 27-4), the quantum of which, however, are in our opinion, not such as would impact the financial position of the Company.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ghosal, Basu & Ray  
Chartered Accountants  
(Firm Regn. No. : 315080E)  
Apratim Ray

Place : Kolkata,  
Date : 28 May, 2016 (Membership No. 52204) Partner

## Annexure I to Independent Auditors' Report

*[Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of B & A Limited on the standalone financial statements as of and for the year ended 31 March, 2016 ]*

### Matters to be included in the Auditors' Report Under Companies (Auditors' Report) Order, 2016

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets;</p> <p>(b) these fixed assets have been physically verified by the management at reasonable intervals, and, as reported to us, no material discrepancies were noticed on such verification, and</p> <p>(c) the title deeds of the immovable properties appearing in the books of the Company as its assets are held in the Company's name.</p> | <p>(iv) Other than the loan referred to in (iii) above, the Company has not given any loans that attract the provisions of sec. 185 and 186 of the Companies Act, 2013; hence the question of our reporting under this clause does not arise.</p>                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>(ii) Physical verification of inventories was carried out at reasonable intervals by the management and discrepancies between physical and book balances, which were not material, have been properly dealt with in the accounts.</p>                                                                                                                                                                                                                                                        | <p>(v) The Company has not accepted deposits of the nature that attracts the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Hence, the question of our reporting under this clause does not arise.</p>                                                                                                                                                                                                                                                                                                                          |
| <p>(iii) The company has granted unsecured loan to a company covered in the register maintained under section 189 of the Companies Act, 2013, and</p> <p>(a) the terms and conditions of the grant of such loan are not prejudicial to the interests of the Company,</p> <p>(b) the loan is not due for repayment and, as such, the question of whether the loan is overdue does not arise.</p>                                                                                                 | <p>(vi) The Company has made and maintained the cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.</p> <p>(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities;</p> <p>(b) The Company has disputed the following demands raised by government authorities and has preferred appeal before the appellate authority established under the respective taxing laws:</p> |



- |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(i) Rs 12,61,660 under Central Excise Act, 1944.</p> <p>(ii) Rs 1,31,06,857 under Assam Agricultural Income Tax Act, 1939.</p>                                                                                                    | <p>(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.</p> |
| <p>(viii) The Company has not defaulted on the repayment of its borrowings, which have been obtained only from banks.</p>                                                                                                            | <p>(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review; hence the question of our reporting under this section does not arise.</p>                        |
| <p>(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Moneys raised by way of term loans were applied for the purposes for which those were raised.</p> | <p>(xv) The Company has not entered into any non-cash transactions with directors or persons related to any of them and, hence, the question of our reporting under this clause does not arise.</p>                                                                   |
| <p>(x) No fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.</p>                                                                                            | <p>(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.</p>                                                                                                                                                 |
| <p>(xi) Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.</p>                                        | <p style="text-align: right;">For Ghosal, Basu &amp; Ray<br/>Chartered Accountants<br/>(Firm Regn. No. : 315080E)<br/>Apratim Ray<br/>Partner</p>                                                                                                                     |
| <p>(xii) This Company is not a Nidhi Company; hence the question of our reporting under this clause does not arise.</p>                                                                                                              | <p>Place : Kolkata,<br/>Date : 28 May, 2016      (Membership No. 52204)</p>                                                                                                                                                                                           |

## Annexure II to Independent Auditors' Report

*[Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of B & A Limited on the standalone financial statements as of and for the year ended 31 March, 2016 ]*

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

We have audited the internal financial controls over financial reporting of B&A Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial

Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India as well as the Standards on Auditing, also issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent such standards are applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal

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

## Opinion

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

For Ghosal, Basu & Ray  
Chartered Accountants  
(Firm Regn. No. : 315080E)  
Apratim Ray

Place : Kolkata, Partner  
Date : 28 May, 2016 (Membership No. 52204)

**Balance Sheet** as at 31st March, 2016

|                                  | Note.<br>No | As at 31st March, 2016<br>Rs | As at 31st March, 2015<br>Rs. |
|----------------------------------|-------------|------------------------------|-------------------------------|
| <b>I. EQUITY AND LIABILITIES</b> |             |                              |                               |
| (1) Shareholder's Funds          |             |                              |                               |
| Share Capital                    | 2           | 3,10,00,000                  | 3,10,00,000                   |
| Reserves and Surplus             | 3           | 74,26,34,773                 | 67,63,94,677                  |
|                                  |             | 77,36,34,773                 | 70,73,94,677                  |
| (2) Non-Current Liabilities      |             |                              |                               |
| Long-term borrowings             | 4           | 5,37,58,659                  | 6,07,93,015                   |
| Deferred tax liabilities (Net)   | 5           | 2,07,98,964                  | 2,05,17,214                   |
| Long-term provisions             | 6           | 7,45,33,914                  | 7,15,30,028                   |
|                                  |             | 14,90,91,537                 | 15,28,40,257                  |
| (3) Current Liabilities          |             |                              |                               |
| Short-term borrowings            | 7           | 18,39,74,078                 | 18,76,83,597                  |
| Trade Payables                   | 8           | 14,19,54,299                 | 10,60,22,759                  |
| Other current liabilities        | 9           | 5,11,84,032                  | 5,37,59,904                   |
| Short-term provisions            | 10          | 3,43,39,967                  | 3,10,67,246                   |
|                                  |             | 41,14,52,376                 | 37,85,33,506                  |
| <b>TOTAL</b>                     |             | <b>133,41,78,686</b>         | <b>123,87,68,440</b>          |
| <b>II. ASSETS</b>                |             |                              |                               |
| (1) Non-current assets           |             |                              |                               |
| Fixed assets                     |             |                              |                               |
| (i) Tangible assets              | 11          | 85,50,54,699                 | 83,78,67,026                  |
| (ii) Intangible assets           | 11          | 15,24,586                    | 10,92,281                     |
| (iii) Capital work-in-progress   |             | 8,53,72,724                  | 4,87,27,709                   |
|                                  |             | 94,19,52,009                 | 88,76,87,016                  |
| Non-current investments          | 12          | 3,81,45,480                  | 3,81,45,480                   |
| Long Term Loans and Advances     | 13          | 15,39,62,898                 | 15,12,10,770                  |
|                                  |             | 113,40,60,387                | 107,70,43,266                 |
| (2) Current assets               |             |                              |                               |
| Inventories                      | 14          | 7,05,47,556                  | 6,57,28,702                   |
| Trade Receivables                | 15          | 83,93,307                    | 1,21,03,043                   |
| Cash and cash equivalents        | 16          | 4,04,43,890                  | 2,58,78,311                   |
| Short-term loans and advances    | 17          | 7,31,89,155                  | 5,22,41,833                   |
| Other current assets             | 18          | 75,44,391                    | 57,73,285                     |
|                                  |             | 20,01,18,299                 | 16,17,25,174                  |
| <b>TOTAL</b>                     |             | <b>133,41,78,686</b>         | <b>1,23,87,68,440</b>         |

Significant Accounting Policies 1  
Additional notes to the Accounts 27

The Notes to the Accounts referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our Report of even date

For **GHOSAL, BASU & RAY**

Chartered Accountants

FRN:315080E

A RAY

Partner

Membership No. 52204

Kolkata, 28th May, 2016

D. Chowdhury  
Company Secretary

Tapas Chatterjee  
Chief Financial Officer

Somnath Chatterjee  
Managing Director

Anjan Ghosh  
Director



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

|                                                                              | Note.<br>No. | For the year<br>ended 31.03.2016<br>Rs. | For the year<br>ended 31.03.2015<br>Rs. |
|------------------------------------------------------------------------------|--------------|-----------------------------------------|-----------------------------------------|
| Revenue from operations                                                      | 19           | 109,85,90,110                           | 102,17,59,383                           |
| Other Income                                                                 | 20           | 78,02,700                               | 57,31,979                               |
| <b>Total Revenue</b>                                                         |              | <b>110,63,92,810</b>                    | <b>102,74,91,362</b>                    |
| <b>Expenses</b>                                                              |              |                                         |                                         |
| Cost of material consumed                                                    | 21           | 21,58,49,541                            | 21,86,83,770                            |
| Change in Inventories (Stock of Tea)                                         | 22           | (86,55,600)                             | (1,01,96,406)                           |
| Employee benefit expenses                                                    | 23           | 39,81,17,710                            | 33,22,26,912                            |
| Finance Cost                                                                 | 24           | 3,43,20,559                             | 4,33,18,339                             |
| Depreciation and Amortization expenses                                       | 25           | 2,32,68,925                             | 2,75,42,796                             |
| Other Expenses                                                               | 26           | 34,14,86,758                            | 32,17,84,654                            |
|                                                                              |              | <b>100,43,87,893</b>                    | <b>93,33,60,065</b>                     |
| Profit/(Loss) before Taxation                                                |              | 10,20,04,917                            | 9,41,31,297                             |
| Provision for Income Tax (including Rs.2,89,814 in respect of earlier years) |              | (2,42,89,814)                           | (1,55,00,000)                           |
| Provision for Deferred Taxation                                              |              | (2,81,750)                              | (1,57,966)                              |
| <b>Profit/(Loss) after Taxation Carried Forward</b>                          |              | <b>7,74,33,353</b>                      | <b>7,84,73,331</b>                      |
| <b>Earnings per Share(Basic &amp; Diluted)</b>                               |              | <b>24.98</b>                            | <b>25.31</b>                            |
| Significant Accounting Policies                                              | 1            |                                         |                                         |
| Additional notes to the Accounts                                             | 27           |                                         |                                         |

The Notes to the Accounts referred to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit and Loss referred to in our Report of even date.

For **GHOSAL, BASU & RAY**

Chartered Accountants

FRN:315080E

A RAY

Partner

Membership No. 52204

Kolkata, 28th May, 2016

D. Chowdhury  
Company Secretary

Tapas Chatterjee  
Chief Financial Officer

Anjan Ghosh  
Director

Somnath Chatterjee  
Managing Director

**Cash Flow Statement** for the year ended 31st March, 2016

|                                                              | For the year<br>ended 31.03.2016<br>Rs. | For the year<br>ended 31.03.2015<br>Rs. |
|--------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                |                                         |                                         |
| Net Profit before tax and extraordinary items                | 10,20,04,917                            | 9,41,31,297                             |
| Adjustments for:                                             |                                         |                                         |
| Depreciation                                                 | 2,32,68,925                             | 2,75,42,796                             |
| Profit/Loss on Sale of Fixed Assets                          | -                                       | (2,10,935)                              |
| Interest Income                                              | (38,42,480)                             | (37,29,975)                             |
| Dividend                                                     | (26,70,399)                             | (2,093)                                 |
| Interest and Other finance cost                              | 3,43,20,559                             | 4,33,18,339                             |
| Operating Profit before Working Capital Changes              | 15,30,81,522                            | 16,10,49,429                            |
| Adjustments for:                                             |                                         |                                         |
| (Increase)/Decrease in Trade and other Receivables           | (2,02,51,796)                           | (92,05,055)                             |
| (Increase)/Decrease in Inventories                           | (48,18,854)                             | (49,31,945)                             |
| Increase/(Decrease) in Other Current Liabilities             | (27,40,417)                             | (87,94,759)                             |
| Increase/(Decrease) in Trade and other Payable               | 3,26,09,737                             | (2,38,83,705)                           |
| Cash Generated from Operations                               | 15,78,80,192                            | 11,42,33,965                            |
| Income Tax (Net)                                             | (2,58,84,661)                           | 33,13,054                               |
| Net Cash from Operating activities                           | 13,19,95,531                            | 11,75,47,019                            |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>                |                                         |                                         |
| Purchase of Fixed Assets                                     | (7,75,33,918)                           | (8,89,97,225)                           |
| Dividend Received                                            | 26,70,399                               | 2,093                                   |
| Sale of Fixed Assets                                         | -                                       | 9,81,839                                |
| Interest received                                            | 23,33,456                               | 23,91,785                               |
| Net cash used in Investing Activities                        | (7,25,30,063)                           | (8,56,21,508)                           |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                |                                         |                                         |
| Interest Paid                                                | (3,41,56,014)                           | (4,33,18,339)                           |
| Increase/(Decrease) in Long Term Borrowing                   | (70,34,356)                             | (2,05,22,134)                           |
| Increase/(Decrease) in Short term borrowing                  | (37,09,519)                             | 1,72,05,033                             |
| Net Cash used in Financing Activities                        | (4,48,99,889)                           | (4,66,35,440)                           |
| Net increase/(decrease) in Cash and Cash Equivalents (A+B+C) | 1,45,65,579                             | (1,47,09,929)                           |
| Cash and Cash Equivalents (Opening)                          | 2,58,78,311                             | 4,05,88,240                             |
| Cash and Cash Equivalents (Closing)                          | 4,04,43,890                             | 2,58,78,311                             |

Cash and cash equivalents comprise cash and bank balances

Previous year's figures have been rearranged, wherever considered necessary.

This is the Cash Flow Statement referred to in our report of even date.

For **GHOSAL, BASU & RAY**

Chartered Accountants

FRN:315080E

A RAY

Partner

Membership No. 52204

Kolkata, 28th May, 2016

D. Chowdhury  
Company Secretary

Tapas Chatterjee  
Chief Financial Officer

Anjan Ghosh  
Director

Somnath Chatterjee  
Managing Director



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

### NOTE NO.1

#### Significant Accounting Policies

##### a) Basis of Preparation

These financial statements have been prepared in accordance with the historical cost convention on an accrual basis and in conformity with the relevant Accounting Standards as notified under the Companies (Accounts) Rules, 2014 and the Companies Act, 2013.

##### b) Fixed Assets

Fixed assets:-

- i) Fixed Assets are stated at cost of acquisition together with any incidental expenses on acquisition.
- ii) Expenditure on replanting and replacement is capitalised under Leasehold Land & Plantations as per consistent policy of the Company. Tea Board Replanting and Extension Planting Subsidy is deducted from the value of Leasehold Land & Plantations as and when received.
- iii) Capital subsidy received from Government Authorities is treated as capital receipt and shown under Capital Reserve.
- iv) Loss on account of impairment of assets is recognised if and when the carrying amount of Fixed Assets exceeds the recoverable amount i.e higher of net selling price and value in use.

Intangible assets :-

Cost of computer software installed at the company's gardens, corporate office and head office is capitalised.

##### c) Capital work-in-progress

These are stated at cost of assets and services acquired in connection with new project that is awaiting completion.

##### d) Depreciation

- i) Depreciation has been provided on straight line method as per Schedule-II of the Companies Act, 2013
- ii) Depreciation is not provided on leasehold land used for tea plantation since on expiry of Lease period the Lease is renewed.

##### e) Investments

Investments in shares are stated at cost less adjustment for permanent diminution in value thereof. Profit /Loss on disposals of such investments are recognised as income/ expenditure.

##### f) Inventories

Inventories are valued as under:

- Stores and Spare Parts : At lower of cost (determined under weighted average method) or net realisable value.
- Stock of tea : Valued at average cost or net realisable value, whichever is lower.

##### g) Borrowing Cost

Interest and other costs in connection with borrowing of funds by the Company are

recognised as expenses in the period on which they are incurred unless these are attributable to the acquisition and construction of qualifying assets and added to the cost up to the date on which such assets are ready for their intended use.

**h) Taxes on Income**

Current Tax represents the amount computed in respect of current years income in accordance with prevailing taxation laws. Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be adjusted.

**i) Foreign Currency Transactions**

Sales and expenditures in foreign currency are translated at the rupee value at rates prevailing on the date of transactions.

**j) Retirement Benefits**

- i) Gratuity liability is accounted for on the basis of actuarial valuation.
- ii) Provident fund liabilities are accounted for on accrual basis.

**k) Government Grants**

Government grants related to specific fixed assets are deducted from gross values of those assets in arriving at their book value. Government grants related to revenue are recognised in the Profit and Loss Statements.

**l) Sales**

Sales are recognised on completion of auction in the case of auction sales and on passing of property in goods in the case of other sales.

**m) Recognition of Other income and Expenditure**

- i) Incomes are recognised on accrual basis,
- ii) Items of expenditure are recognised on accrual basis.

**n) Research and Development**

Contribution to Tea Research Association is charged to revenue on accrual basis.



## NOTES TO THE ACCOUNTS

### 2. SHARE CAPITAL

|                                                                                          | As at<br>31.03.2016<br>Rs. | As at<br>31.03.2015<br>Rs. |
|------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>Authorised</b>                                                                        |                            |                            |
| 50,00,000 Equity Shares of Rs. 10/- each                                                 | <b>5,00,00,000</b>         | 5,00,00,000                |
| 5,00,000 Redeemable Cumulative Preference Shares of Rs.100/- each.                       | <b>5,00,00,000</b>         | 5,00,00,000                |
|                                                                                          | <b>10,00,00,000</b>        | 10,00,00,000               |
| <b>Issued,Subscribed and Fully Paid up</b>                                               |                            |                            |
| 31,00,000 Equity Shares (P.Year 31,00,000) of Rs. 10/- each fully subscribed and paid up | <b>3,10,00,000</b>         | 3,10,00,000                |

#### (A) Terms / rights attached to Equity Shares:

The company has one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity will be entitled to receive remaining assets of the Company's, after distribution of all preferential amounts, in proportion to their shareholdings.

#### (B) Of the above Shares-

- (1) Shares in the Company held by each Shareholder holding more than 5 percent Shares:  
8,61,918 Shares by Mr H.P Barooah (deceased) (Previous Year 8,61,918 shares) - refer also Note 27-12(A)(a)  
3,16,200 Shares by Mrs S.Shetty (Previous Year 3,16,200 shares) - refer also Note 27-12(A)(b)  
2,42,430 Shares by Mr Somnath Chatterjee (Previous Year 2,42,430 shares) - refer also Note 27-12(A)(c)
- (2) 1,43,210 Equity Shares-(Previous year 1,43,210) of Rs. 10/- each have been allotted as Bonus shares by Capitalisation of Reserves during a period prior to five years immediately preceding the dates as at which the Balance Sheet is prepared.
- (3) Final Call on 30,000 (Previous Year 30,000) Equity Shares amounting to Rs.1,48,425/- were fully paid up by way of Capitalisation of Reserves during a period prior to five years immediately preceding the date at which the balance sheet is prepared.
- (4) 6,47,763 (previous year 6,47,763) equity shares of Rs. 10/-each fully paid up have been allotted for consideration other than cash pursuant to Schemes of Arrangements during a period prior to five years immediately preceding the date as at which the Balance Sheet is prepared.
- (5) There is no change in Share Capital during the year

**NOTES TO THE ACCOUNTS (Contd.)****3. RESERVES AND SURPLUS**

|                                                        | Balance as at<br>31.03.2015<br>Rs. | Additions<br>Rs. | Deductions<br>Rs. | Balance as at<br>31.03.2016<br>Rs. |
|--------------------------------------------------------|------------------------------------|------------------|-------------------|------------------------------------|
| Capital Reserve                                        | 1,24,27,906                        | -                | -                 | 1,24,27,906                        |
| Securities Premium Reserve                             | 10,01,49,818                       | -                | -                 | 10,01,49,818                       |
| Revaluation Reserve                                    | 22,78,06,935                       | -                | -                 | 22,78,06,935                       |
| General Reserve                                        | 3,00,74,266                        | -                | -                 | 3,00,74,266                        |
| Surplus in Profit & Loss<br>Statement (See note below) | 30,59,35,752                       | 6,62,40,096      | -                 | 37,21,75,848                       |
|                                                        | 67,63,94,677                       | 6,62,40,096      | -                 | 74,26,34,773                       |

|                                                | 31.03.2015<br>Rs. | 31.03.2016<br>Rs. |
|------------------------------------------------|-------------------|-------------------|
| <b>Note:-</b>                                  |                   |                   |
| Opening Surplus                                | 25,52,18,985      | 30,59,35,752      |
| Surplus as per Profit & Loss Statement         | 7,84,73,331       | 7,74,33,353       |
| Written down value of fixed assets written off | (1,65,63,307)     | -                 |
| Less: Proposed Dividend on equity shares       | (93,00,000)       | (93,00,000)       |
| Provision for Tax on Proposed Dividend         | (18,93,257)       | (18,93,257)       |
|                                                | 30,59,35,752      | 37,21,75,848      |

|  | As at<br>31.03.2016<br>Rs. | As at<br>31.03.2015<br>Rs. |
|--|----------------------------|----------------------------|
|--|----------------------------|----------------------------|

**4. LONG TERM BORROWINGS****SECURED****Term Loans**

|     |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |             |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| (a) | From United Bank Of India<br>Secured by hypothecation of existing and future tangible assets of the Company (excluding the assets purchased under hire purchase scheme of Tea Board) including tea crop, with United Bank of India and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates and one property at Kolkata of the Company, besides the personal guarantee of Managing Director. (re-payable within, 2020) | 5,33,41,077 | 3,88,68,094 |
| (b) | From Karur Vysya Bank<br>Secured by hypothecation of a Flat of the Company situated at Kolkata. (re-payable within ,2016)                                                                                                                                                                                                                                                                                                                                | —           | 2,03,93,787 |
| (c) | From Banks:<br>Loan For Vehicles<br>(Secured by hypothecation of vehicles under the scheme)                                                                                                                                                                                                                                                                                                                                                              | 4,17,582    | 15,31,134   |
|     |                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 5,37,58,659 | 6,07,93,015 |



## NOTES TO THE ACCOUNTS (Contd.)

|                                                                                                                                                                                                                                 | As at<br>31.03.2016<br>Rs. | As at<br>31.03.2015<br>Rs. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>5. DEFERRED TAX LIABILITY (NET)</b>                                                                                                                                                                                          |                            |                            |
| <b>Deferred Tax Liabilities</b>                                                                                                                                                                                                 | <b>4,81,13,007</b>         | <b>4,54,54,581</b>         |
| Deferred Tax Assets                                                                                                                                                                                                             | (2,73,14,043)              | (2,49,37,367)              |
| Net Deferred Tax Liability                                                                                                                                                                                                      | <b>2,07,98,964</b>         | <b>2,05,17,214</b>         |
| <b>6. LONG TERM-PROVISIONS</b>                                                                                                                                                                                                  |                            |                            |
| Provision for Gratuity                                                                                                                                                                                                          | <b>7,45,33,914</b>         | <b>7,15,30,028</b>         |
|                                                                                                                                                                                                                                 | <b>7,45,33,914</b>         | <b>7,15,30,028</b>         |
| <b>7. SHORT-TERM BORROWINGS</b>                                                                                                                                                                                                 |                            |                            |
| <b>Working Capital Loan</b>                                                                                                                                                                                                     |                            |                            |
| United Bank Of India (Cash Credit Accounts)                                                                                                                                                                                     | <b>18,39,74,078</b>        | <b>18,76,83,597</b>        |
| Secured by hypothecation of existing and future current assets including tea crop, and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates, besides personal guarantee of Managing Director. |                            |                            |
|                                                                                                                                                                                                                                 | <b>18,39,74,078</b>        | <b>18,76,83,597</b>        |
| <b>8. TRADE PAYABLES</b>                                                                                                                                                                                                        |                            |                            |
| Short Term Liabilities (including micro,small and medium enterprises Rs.10,46,943/-P.YearRs. 10,50,040)                                                                                                                         | <b>14,19,54,299</b>        | <b>10,60,22,759</b>        |
|                                                                                                                                                                                                                                 | <b>14,19,54,299</b>        | <b>10,60,22,759</b>        |
| <b>9. OTHER CURRENT LIABILITIES</b>                                                                                                                                                                                             |                            |                            |
| Current Liabilities of Long Term debts                                                                                                                                                                                          | <b>3,85,56,776</b>         | <b>4,51,30,565</b>         |
| Interest accrued but not due on loan                                                                                                                                                                                            | <b>1,64,545</b>            | <b>—</b>                   |
| Loan From Others                                                                                                                                                                                                                | <b>10,801</b>              | <b>10,801</b>              |
| Others                                                                                                                                                                                                                          | <b>19,87,368</b>           | <b>16,29,184</b>           |
| Unpaid Dividend                                                                                                                                                                                                                 | <b>1,04,64,542</b>         | <b>69,89,354</b>           |
|                                                                                                                                                                                                                                 | <b>5,11,84,032</b>         | <b>5,37,59,904</b>         |
| <b>10. SHORT TERM-PROVISIONS</b>                                                                                                                                                                                                |                            |                            |
| Provision for Gratuity                                                                                                                                                                                                          | <b>1,25,54,611</b>         | <b>76,87,043</b>           |
| Provision for Income Tax( Net of Advance Tax)                                                                                                                                                                                   | <b>1,05,92,099</b>         | <b>1,21,86,946</b>         |
| Proposed Dividend                                                                                                                                                                                                               | <b>93,00,000</b>           | <b>93,00,000</b>           |
| Provision for tax on Proposed Dividend                                                                                                                                                                                          | <b>18,93,257</b>           | <b>18,93,257</b>           |
|                                                                                                                                                                                                                                 | <b>3,43,39,967</b>         | <b>3,10,67,246</b>         |

## NOTES TO THE ACCOUNTS (Contd.)

### 11. FIXED ASSETS

| Description of Assets         | G R O S S   B L O C K                                    |                                        |                                                  |                                     | D E P R E C I A T I O N    |                        |                                    |                                                      | N E T   B L O C K                   |                            |                            |
|-------------------------------|----------------------------------------------------------|----------------------------------------|--------------------------------------------------|-------------------------------------|----------------------------|------------------------|------------------------------------|------------------------------------------------------|-------------------------------------|----------------------------|----------------------------|
|                               | Original/<br>Revalued<br>Cost as at<br>01.04.2015<br>Rs. | Additions<br>during the<br>Year<br>Rs. | Sale/<br>Adjustment<br>during the<br>Year<br>Rs. | Total<br>as at<br>31.03.2016<br>Rs. | Up to<br>01.04.2015<br>Rs. | For the<br>Year<br>Rs. | Depreciation<br>Written off<br>Rs. | Disposal/<br>Adjustment<br>during the<br>Year<br>Rs. | Total<br>as at<br>31.03.2016<br>Rs. | As at<br>31.03.2016<br>Rs. | As at<br>31.03.2015<br>Rs. |
| <u>Tangible Assets</u>        |                                                          |                                        |                                                  |                                     |                            |                        |                                    |                                                      |                                     |                            |                            |
| FREE HOLD LAND                | 33,14,431                                                | -                                      | -                                                | 33,14,431                           | -                          | -                      | -                                  | -                                                    | -                                   | 33,14,431                  | 33,14,431                  |
| LEASE HOLD LAND & PLANTATIONS | 42,76,59,223                                             | 2,78,70,372                            | 27,05,787                                        | 45,28,23,808                        | -                          | -                      | -                                  | -                                                    | -                                   | 45,28,23,808               | 42,76,59,223               |
| BUILDINGS                     | 37,90,42,559                                             | 87,75,874                              | -                                                | 38,78,18,433                        | 10,85,53,827               | 76,91,436              | -                                  | -                                                    | 11,62,45,263                        | 27,15,73,170               | 27,04,88,732               |
| PLANT & MACHINERY             | 19,62,24,476                                             | 7,69,051                               | -                                                | 19,69,93,527                        | 10,83,25,840               | 58,85,557              | -                                  | -                                                    | 11,42,11,397                        | 8,27,82,130                | 8,78,98,636                |
| ELECTRICAL INSTALLATION       | 4,87,33,996                                              | 5,98,762                               | -                                                | 4,93,32,758                         | 3,63,92,624                | 17,12,255              | -                                  | -                                                    | 3,81,04,879                         | 1,12,27,879                | 1,23,41,372                |
| VEHICLES                      | 6,61,79,973                                              | 39,84,276                              | -                                                | 7,01,64,249                         | 4,13,01,068                | 49,08,669              | -                                  | -                                                    | 4,62,09,737                         | 2,39,54,512                | 2,48,78,905                |
| OFFICE EQUIPMENT              | 28,19,324                                                | 55,080                                 | -                                                | 28,74,404                           | 23,93,055                  | 1,40,054               | -                                  | -                                                    | 25,33,109                           | 3,41,295                   | 4,26,269                   |
| COMPUTER                      | 70,27,001                                                | 6,83,104                               | -                                                | 77,10,105                           | 53,62,948                  | 14,66,207              | -                                  | -                                                    | 68,29,155                           | 8,80,950                   | 16,64,053                  |
| FURNITURE & FITTINGS          | 2,73,33,562                                              | 3,17,790                               | -                                                | 2,76,51,352                         | 1,81,38,157                | 13,56,671              | -                                  | -                                                    | 1,94,94,828                         | 81,56,524                  | 91,95,405                  |
| <u>Intangible Assets</u>      |                                                          |                                        |                                                  | -                                   |                            |                        |                                    |                                                      |                                     |                            |                            |
| COMPUTER SOFTWARE             | 30,47,077                                                | 5,40,381                               | -                                                | 35,87,458                           | 19,54,796                  | 1,08,076               | -                                  | -                                                    | 20,62,872                           | 15,24,586                  | 10,92,281                  |
| TOTAL                         | 116,13,81,622                                            | 4,35,94,690                            | 27,05,787                                        | 120,22,70,525                       | 32,24,22,315               | 2,32,68,925            | -                                  | -                                                    | 34,56,91,240                        | 85,65,79,285               | 83,89,59,307               |
| Previous Year                 | 111,72,03,164                                            | 4,60,31,625                            | 18,53,167                                        | 116,13,81,622                       | 27,66,10,575               | 3,03,30,696            | 1,65,63,307                        | 10,82,263                                            | 32,24,22,315                        | 83,89,59,307               |                            |

#### Notes:

1. Additions during the year to Lease Hold Land & Plantations include Rs. 2,33,94,871/- (Previous year Rs. 2,24,98,290/-) on account of Replanting & Replacement.
2. A Revaluation (at net of replacement cost) of Land and Plantations, certain Buildings, Plant & Machinery, Electrical Installations and Vehicles situated at Company's Tea Estates carried out by an approved valuer as at 31st December 1993 has resulted in an increase in value by Rs.21,34,64,002 (Land & Plantations Rs.13,25,55,536/-, Buildings Rs.5,32,34,797/-, Plant & Machinery Rs.1,66,74,540/-, Electrical Installations Rs.75,70,432/- and Vehicles Rs.34,28,697/-) over and above Rs.335.28 lacs increase which had arisen as a result of a revaluation of the Company's Land & Plantations, Buildings and Plant & Machinery at Tea Estate on 14.85 at net of replacement basis.
3. Land & Plantation, Buildings, Plant & Machinery, Vehicles, Electrical Installation, Furniture & Fittings and Office Equipments include Rs.3,51,49,219, Rs.60,29,517 Rs.1,46,94,569, Rs. 5,19,594, Rs.8,24,540, Rs. 52,220 and Rs.15,45,219 respectively on account of development of land and other assets being used for golf course.
4. Subsidy received from Tea Board amounting to Rs 27,05,787



## NOTES TO THE ACCOUNTS (Contd.)

|                                                                                                                        | As at<br>31.03.2016<br>Rs. | As at<br>31.03.2015<br>Rs. |
|------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>12. NON - CURRENT INVESTMENTS</b>                                                                                   |                            |                            |
| Other than Trade Investments                                                                                           |                            |                            |
| Investment in Equity Instruments (Quoted)- at Cost                                                                     |                            |                            |
| 455 Equity Shares of Rs.2/-each fully paid up in<br>ICICI Bank Ltd. (Previous year 455 Shares)                         | 4,980                      | 4,980                      |
| Shares (Unquoted at Cost)                                                                                              |                            |                            |
| 250 Equity Shares of Rs.100/-each fully paid up in<br>Assam Financial Corporation (Previous Year 250 Shares)           | 25,000                     | 25,000                     |
| 18,000 Equity Shares of Rs.10/-each fully paid up in<br>Heritage North East Pvt. Ltd (Previous Year 18,000 Shares)     | 3,60,000                   | 3,60,000                   |
| 9,800 Equity Shares of Rs.10/-each fully paid up in<br>Kaziranga Golf Club Pvt.td. (Previous Year 9,800 Shares)        | 98,000                     | 98,000                     |
| Investments in Subsidiary Company                                                                                      |                            |                            |
| Shares (Quoted at Cost)                                                                                                |                            |                            |
| 35,54,829 Equity Shares of Rs.10/-each fully paid up in<br>B & A Packaging India Ltd. (Previous Year 35,54,829 Shares) | 3,76,56,500                | 3,76,56,500                |
| National Savings Certificate (VI Issue)<br>(Lodged With Excise Authorities)                                            | 1,000                      | 1,000                      |
|                                                                                                                        | <b>3,81,45,480</b>         | <b>3,81,45,480</b>         |
| Quoted Investments -Market value of Rs. 11,58,17,519/-<br>(Previous Year Rs. 8,30,77,486/-)                            | 3,76,61,480                | 3,76,61,480                |
| Other Unquoted Investments                                                                                             | 4,84,000                   | 4,84,000                   |
|                                                                                                                        | <b>3,81,45,480</b>         | <b>3,81,45,480</b>         |
| <b>13. LONG-TERM LOANS AND ADVANCES</b>                                                                                |                            |                            |
| (Unsecured, Considered good)                                                                                           |                            |                            |
| Security Deposits                                                                                                      | 95,89,076                  | 72,68,873                  |
| Other Loans and Advances                                                                                               | 14,43,73,822               | 14,39,41,897               |
|                                                                                                                        | <b>15,39,62,898</b>        | <b>15,12,10,770</b>        |
| <b>14. INVENTORIES</b>                                                                                                 |                            |                            |
| [For valuation of Inventories refer to<br>note (f) on Note No.1]                                                       |                            |                            |
| Stock of Tea                                                                                                           | 3,81,31,800                | 2,94,76,200                |
| Stock of Stores at Garden                                                                                              | 3,24,15,756                | 3,62,52,502                |
|                                                                                                                        | <b>7,05,47,556</b>         | <b>6,57,28,702</b>         |
| <b>15. TRADE RECEIVABLES</b>                                                                                           |                            |                            |
| (Unsecured, Considered good)                                                                                           |                            |                            |
| Outstanding for a period exceeding six months                                                                          | 59,49,594                  | 69,49,594                  |
| Others                                                                                                                 | 24,43,713                  | 51,53,449                  |
|                                                                                                                        | <b>83,93,307</b>           | <b>1,21,03,043</b>         |

**NOTES TO THE ACCOUNTS (Contd.)**

|                                                                                                                                    | As at<br>31.03.2016<br>Rs.              | As at<br>31.03.2015<br>Rs.              |
|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>16. CASH AND CASH EQUIVALENTS</b>                                                                                               |                                         |                                         |
| Cash on Hand                                                                                                                       | 29,87,102                               | 6,60,066                                |
| Balance with Scheduled Banks-                                                                                                      |                                         |                                         |
| In Current Accounts                                                                                                                | 1,94,77,348                             | 1,15,19,560                             |
| In Marginal Deposit Accounts                                                                                                       | 1,55,674                                | 1,55,674                                |
| In Unpaid Dividend Accounts                                                                                                        | 12,57,784                               | 10,32,040                               |
| Other Bank Balances-                                                                                                               |                                         |                                         |
| In Fixed Deposits of more than twelve months maturity<br>(Includes Rs 92,06,758 for Unpaid Dividend<br>Previous year Rs.59,57,314) | 1,53,94,816                             | 1,14,93,260                             |
| In Other Term Deposit Accounts                                                                                                     | 11,71,166                               | 10,17,711                               |
|                                                                                                                                    | <b>4,04,43,890</b>                      | <b>2,58,78,311</b>                      |
| <b>17. SHORT-TERM LOANS AND ADVANCES</b>                                                                                           |                                         |                                         |
| Unsecured, Considered good                                                                                                         | 7,31,89,155                             | 5,22,41,833                             |
|                                                                                                                                    | <b>7,31,89,155</b>                      | <b>5,22,41,833</b>                      |
| <b>18. OTHER CURRENT ASSETS</b>                                                                                                    |                                         |                                         |
| Subsidies receivable from Government                                                                                               | 23,84,318                               | 6,47,631                                |
| Deferred Expenditure                                                                                                               | 95,568                                  | 2,31,983                                |
| Interest accrued on Fixed Deposits                                                                                                 | 15,09,024                               | 13,38,190                               |
| Central Excise Duty                                                                                                                | 35,55,481                               | 35,55,481                               |
|                                                                                                                                    | <b>75,44,391</b>                        | <b>57,73,285</b>                        |
|                                                                                                                                    | For the year<br>ended 31.03.2016<br>Rs. | For the year<br>ended 31.03.2015<br>Rs. |
| <b>19. Revenue from Operation</b>                                                                                                  |                                         |                                         |
| Sales (Gross)                                                                                                                      | <b>1,09,85,90,110</b>                   | 1,02,17,59,383                          |
|                                                                                                                                    | <b>1,09,85,90,110</b>                   | <b>1,02,17,59,383</b>                   |
| <b>20. Other Income</b>                                                                                                            |                                         |                                         |
| Interest Received (including Rs 23,22,000/-from subsidiary<br>company - previous year Rs.23,22,000/-)                              | <b>38,42,480</b>                        | 37,29,975                               |
| Dividend Received (including Rs.26,66,122/ from subsidiary<br>company - previous year Rs.Nil )                                     | <b>26,70,399</b>                        | 2,093                                   |
| Sundry Receipts                                                                                                                    | <b>3,54,121</b>                         | 4,36,272                                |
| Rent Received                                                                                                                      | <b>4,04,171</b>                         | 2,85,698                                |
| Profit on sale of assets                                                                                                           | -                                       | 2,10,935                                |
| Liabilities no longer required written back                                                                                        | <b>5,31,529</b>                         | 10,67,006                               |
|                                                                                                                                    | <b>78,02,700</b>                        | <b>57,31,979</b>                        |



## NOTES TO THE ACCOUNTS (Contd.)

|                                                                                                                  | For the year<br>ended 31.03.2016<br>Rs. | For the year<br>ended 31.03.2015<br>Rs. |
|------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>21. Cost of Material consumed</b>                                                                             |                                         |                                         |
| Purchase of Green Leaf                                                                                           | 21,58,49,541                            | 21,86,83,770                            |
| <b>22. Change in Inventories</b>                                                                                 |                                         |                                         |
| Opening Stock of Tea                                                                                             | 2,94,76,200                             | 1,92,79,794                             |
| Less: Closing Stock of Tea                                                                                       | (3,81,31,800)                           | (2,94,76,200)                           |
|                                                                                                                  | (86,55,600)                             | (1,01,96,406)                           |
| <b>23. Employee Benefits</b>                                                                                     |                                         |                                         |
| Salaries, Wages, Bonus and Gratuity                                                                              | 32,32,99,146                            | 26,35,37,785                            |
| Contribution to Provident and Other Fund                                                                         | 2,92,18,936                             | 2,42,95,134                             |
| Labour and Staff Welfare                                                                                         | 4,55,99,628                             | 4,43,93,993                             |
|                                                                                                                  | 39,81,17,710                            | 33,22,26,912                            |
| <b>24. Finance Cost</b>                                                                                          |                                         |                                         |
| Interest and Financial Charges (include interest on<br>on Term Loan Rs.27,97,367/- Previous Year Rs.67,50,860/-) | 3,43,20,559                             | 4,33,18,339                             |
| <b>25. Depreciation and Amortization expenses</b>                                                                |                                         |                                         |
| Depreciation                                                                                                     | 2,32,68,925                             | 3,03,30,696                             |
| Less: Transferred from Revaluation Reserve                                                                       | -                                       | (27,87,900)                             |
|                                                                                                                  | 2,32,68,925                             | 2,75,42,796                             |

**NOTES TO THE ACCOUNTS (Contd.)**

|                                            | For the year<br>ended 31.03.2016<br>Rs. | For the year<br>ended 31.03.2015<br>Rs. |
|--------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>26. Other Expenses</b>                  |                                         |                                         |
| Manufacturing Expenses-                    |                                         |                                         |
| Consumption of Stores and Spare parts      | 7,42,46,335                             | 6,48,65,867                             |
| Repairs to Buildings                       | 1,24,31,546                             | 1,12,20,850                             |
| Repairs to Machinery                       | 1,61,75,525                             | 1,33,26,665                             |
| Power and Fuel                             | 7,97,40,218                             | 7,50,38,432                             |
| Cess on Tea                                | 27,68,574                               | 26,20,317                               |
|                                            | <b>18,53,62,198</b>                     | <b>16,70,72,131</b>                     |
| Selling and Distribution Expenses-         |                                         |                                         |
| Freight, Brokerage and Selling Expenses    | 6,27,69,624                             | 5,90,85,086                             |
| Establishment Expenses-                    |                                         |                                         |
| Rent, Hire and Service Charges             | 19,01,296                               | 15,52,161                               |
| Rates, Taxes and Association Subscriptions | 1,16,15,796                             | 1,65,35,736                             |
| Travelling and Conveyance                  | 92,59,675                               | 63,30,014                               |
| Contribution to political party I.N.C      | —                                       | 15,00,000                               |
| Professional Charges                       | 1,85,47,965                             | 1,67,17,297                             |
| Vehicle Running and Maintenance            | 1,65,21,105                             | 1,92,89,881                             |
| Insurance                                  | 29,73,702                               | 32,15,443                               |
| Miscellaneous Expenses                     | 2,92,26,760                             | 2,96,30,377                             |
| Corporate Social Responsibility Activities | 22,50,817                               | —                                       |
| Directors Fees                             | 5,64,000                                | 5,79,000                                |
| Auditors Remuneration                      | 4,93,820                                | 2,77,528                                |
|                                            | <b>9,33,54,936</b>                      | <b>9,56,27,437</b>                      |
|                                            | <b>34,14,86,758</b>                     | <b>32,17,84,654</b>                     |



## NOTES TO THE ACCOUNTS (Contd.)

### NOTE NO. 27 (Additional Notes to the Accounts)

|      |                                                                                                                                                                                                     | Current<br>Year<br>Rs. | Previous<br>Year<br>Rs. |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------|
| 1.   | Disclosure regarding Micro, Small and Medium Enterprises                                                                                                                                            |                        |                         |
| i)   | The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year:                                                                                           |                        |                         |
|      | Principal                                                                                                                                                                                           | 10,46,943              | 10,50,050               |
|      | Interest                                                                                                                                                                                            | Nil                    | Nil                     |
| ii)  | The amount of interest accrued and remaining unpaid at the end of the year                                                                                                                          | Nil                    | Nil                     |
| iii) | The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond appointed day during the year                                                      |                        |                         |
|      | Principal                                                                                                                                                                                           | Nil                    | Nil                     |
|      | Interest                                                                                                                                                                                            | Nil                    | Nil                     |
| iv)  | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises         | Nil                    | Nil                     |
| 2.   | Estimated amount of contracts remaining to be executed on capital account<br>Rs.1,52,92,030 (Previous year Rs.3,62,72,291)                                                                          |                        |                         |
| 3.   | The Company has only one business segment namely the manufacture and sale of black tea, and hence Accounting Standard No. 17 issued by Institute of Chartered Accountants of India does not apply.. |                        |                         |
| 4.   | Contingent Liabilities/claims against the Company not acknowledged as debts.                                                                                                                        |                        |                         |
|      | - Demand for Excise Duty under appeal.                                                                                                                                                              | 12,61,660              | 11,27,944               |
|      | - Assam Agricultural Income Tax demand contested in appeal                                                                                                                                          | 1,31,06,857            | 1,31,06,857             |
|      | - Demand under Assam Vat Act, 2003 contested in appeal                                                                                                                                              | Nil                    | 2,35,000                |
| 5.   | Auditors' Remuneration:<br>(Including Service Tax)                                                                                                                                                  |                        |                         |
|      | As Auditors- Audit Fees (including consolidation fees)                                                                                                                                              | 2,45,100               | 1,66,854                |
|      | For Other Services:-                                                                                                                                                                                |                        |                         |
|      | Tax Audit Fees                                                                                                                                                                                      | 96,900                 | 50,000                  |
|      | Certifications etc.                                                                                                                                                                                 | 1,51,820               | 60,674                  |
|      |                                                                                                                                                                                                     | 4,93,820               | 2,77,528                |

## NOTES TO THE ACCOUNTS (Contd.)

|                                                                                                         | Current Year |            | Previous Year |            |
|---------------------------------------------------------------------------------------------------------|--------------|------------|---------------|------------|
|                                                                                                         | Value (Rs.)  | Percentage | Value (Rs.)   | Percentage |
| 6. a) Value of stores and spare parts consumed:                                                         |              |            |               |            |
| i) Indigenous                                                                                           | 7,42,46,335  | 100%       | 6,48,65,867   | 100%       |
| ii) Imported                                                                                            | Nil          | Nil        | Nil           | Nil        |
| b) Raw Materials                                                                                        |              |            |               |            |
| i) Green leaf plucked (Value cannot be attributed as the same is produced in the Company's own gardens) |              |            |               |            |

|                                                          | Quantity (Kgs.) | Rs.          | Quantity (Kgs.) | Rs.          |
|----------------------------------------------------------|-----------------|--------------|-----------------|--------------|
| ii) Green leaf purchased (inclusive of Carrying charges) | 1,01,15,505     | 21,58,49,541 | 95,47,271       | 21,86,83,770 |

|                                                                    | Current Year<br>Rs. | Previous Year<br>Rs. |
|--------------------------------------------------------------------|---------------------|----------------------|
| 7. Value of Import Calculated on C.I.F Basis                       | Nil                 | Nil                  |
| 8. Earning in Foreign exchange<br>- Value of Export at F.O.B (Net) | Nil                 | Nil                  |
| 9. Expenditure in Foreign Currency<br>- Foreign Travel             | Nil                 | Nil                  |

## 10. Related Party Disclosures - pursuant to AS 18 of Companies (Accounting Standards) Rules 2006:

**Key Management Personnel:**

Mr Somnath Chatterjee

Mr Debdip Chowdhury

Mr Tapas Kumar Chatterjee (Part of the year)

**Others:**

B&amp;A Packaging India Limited

Heritage North East Pvt.Ltd.

Kaziranga Golf Club Pvt.Ltd.

Barooahs &amp; Associates Pvt.Ltd

Buragohin Tea Company Ltd.

Assam Tea Brokers Pvt. Ltd.

Super Packaging Ltd.

Rockland Realty Pvt. Ltd

Morris Construction Pvt.Ltd.

Hacienda Properties Pvt.Ltd.

Subsidiary Company

Associate Company

Associate Company

Other Related party

Other Related party

Other Related party

Other Related party

Other Related party

Other Related party

Other Related party



## NOTES TO THE ACCOUNTS (Contd.)

Particulars of transaction during the year ended 31st March,2016:

| Particulars                                            | Subsidiary Company           | Key management Personnel | Associate Company      | Other Related Party            |
|--------------------------------------------------------|------------------------------|--------------------------|------------------------|--------------------------------|
|                                                        | Rs.                          | Rs.                      | Rs.                    | Rs                             |
| (A) Purchase of Paper Sacks and sample pouches         | 76,32,867<br>(80,33,361)     | -                        | -                      | -                              |
| (B) Purchase of Green Leaf                             | -                            | -                        | -                      | 3,44,09,410<br>(2,98,98,080)   |
| (C) Rendering of services                              | -                            | -                        | -                      | 2,41,71,434<br>(2,35,71,914)   |
| (D) Remuneration to Key Managerial Personnel           | -                            | 43,06,350<br>(32,43,104) | -                      | -                              |
| (E) Interest                                           | 23,22,000<br>(23,22,000)     | -                        | -                      | -                              |
| (F) Receipt of Rent & Other services                   | 90,000<br>(90,000)           | -                        | 2,00,000<br>(2,00,000) | 38,400<br>(38,400)             |
| (G) Balance outstanding at the year end Debit/(Credit) | 2,29,81,331<br>(2,31,72,689) | -                        | 5,83,075<br>(7,50,000) | 11,81,69,015<br>(11,59,48,320) |

Figures in brackets relates to previous year

11. Due from a Private Limited Company in which one of the Director is interested amounting to Rs.7,50,000 (Previous year Rs.7,50,000)
12. (A) Notes on share capital (Note 2 of the Notes to the accounts):-
  - (a) With regards to 8,61,918 (P.Y 8,61,918) equity shares in the company held by H.P.Baroooah (deceased), proceedings are pending before the Courts.
  - (b) Out of 3,16,200 (P.Y 3,16,200) equity shares shown in the name of Mrs.S Shetty , proceedings are pending in respect of 2,21,230 ( P.Year 2,21,230) equity shares before the Courts.
  - (c) With regards to 2,42,430 (P.Y 2,42,430)equity shares in the company held by Mr. S.Chatterjee proceedings are pending before the courts.
- (B) Investments (Note 12 of the notes to the accounts):-  
The shares of B & A Packaging India Ltd. have been thinly traded in the Stock Exchange from the financial year 2002 onwards till date and therefore valuation as certified by the company's auditor has been taken as market value of shares.

**NOTES TO THE ACCOUNTS (Contd.)**

13. The Company's long term employee benefit Scheme presently consists of gratuity only. Following are the details of amount recognised in the financial Statements in respect of gratuity as per actuarial valuation:

**TABLE 1**

Actuarial calculation for AS 15 (Rev, 2005) for the purpose of Net Assets/Liability, recognised in the Balance Sheet .

| SL.  | Description                                            | 31st March, 2015 | 31st March, 2016     |
|------|--------------------------------------------------------|------------------|----------------------|
| i)   | Present Value of Defined Benefit Obligation            | (7,92,17,071)    | <b>(8,70,88,525)</b> |
| ii)  | Fair value of Plan Assets                              | -                | -                    |
| iii) | Fund Status[Surplus/(Defecit)]                         | (7,92,17,071)    | <b>(8,70,88,525)</b> |
| iv)  | Unrecognised Past Service Cost                         | -                | -                    |
| v)   | Net Assets/(Liability) recognized in the Balance Sheet | (7,92,17,071)    | <b>(8,70,88,525)</b> |

| SCHEDULE III OF THE COMPANIES ACT | 1st April, 2015<br>Rs. | 31st March, 2016<br>Rs. |
|-----------------------------------|------------------------|-------------------------|
|-----------------------------------|------------------------|-------------------------|

Current Liability Division of Defined Obligation

(Current/Non-Current)

|     |                                                                 |             |                    |
|-----|-----------------------------------------------------------------|-------------|--------------------|
| i)  | Current Defined Benefit Obligation at the end of the period     | 76,87,043   | <b>1,25,54,611</b> |
| ii) | Non-Current Defined Benefit Obligation at the end of the period | 7,15,30,028 | <b>7,45,33,914</b> |
|     | Total Defined Benefit Obligation at the end of the period       | 7,92,17,071 | <b>8,70,88,525</b> |

**TABLE 2**  
**GRATUITY FUND**

Actuarial calculation for AS 15 (Rev, 2005) for the purpose of Disclosure of employer expense for the period ending 31st March, 2016

| SL    | Description                                                              | Year<br>2014-2015 | Year<br>2015-2016  |
|-------|--------------------------------------------------------------------------|-------------------|--------------------|
| i)    | Current Service Cost (including risk permium for fully insured benefits) | 55,01,514         | <b>61,38,715</b>   |
| ii)   | Interest Cost                                                            | 57,42,717         | <b>62,36,460</b>   |
| iii)  | Expected Return of Assets (-)                                            | -                 | -                  |
| iv)   | Curtailment Cost (+)                                                     | -                 | -                  |
| v)    | Settlement Cost(+)                                                       | -                 | -                  |
| vi)   | Past Service Cost                                                        | -                 | -                  |
| vii)  | Actuarial Gains(-)/Loss(+)                                               | 38,41,140         | <b>52,16,541</b>   |
| viii) | Appreciation/Depreciation of Plain Assets                                | -                 | -                  |
|       | Total                                                                    | 1,50,85,371       | <b>1,75,91,716</b> |

## NOTES TO THE ACCOUNTS (Contd.)

**TABLE 3**  
**GRATUITY FUND**

Actuarial calculation for AS 15 (Rev, 2005) for the purpose change in obligation/assets in the period ending 31.03.2016.

**A. Change in Obligation in the year ended 31.03.2016**

| SL    | Description                                                              | Year<br>2014-2015 | Year<br>2015-2016  |
|-------|--------------------------------------------------------------------------|-------------------|--------------------|
| i)    | Present value of Defined Benefit Obligation at the beginning of the year | 7,39,22,042       | <b>7,92,17,071</b> |
| ii)   | Employee Service Cost (+)                                                | 55,01,514         | <b>61,38,715</b>   |
| iii)  | Interest Cost (+)                                                        | 57,42,717         | <b>62,36,460</b>   |
| iv)   | Curtailment Cost (+)                                                     | -                 | -                  |
| v)    | Settlement Cost(+)                                                       | -                 | -                  |
| vi)   | Plan Amendments                                                          | -                 | -                  |
| vii)  | Acquisitions                                                             | -                 | -                  |
| viii) | Actuarial Gains(-)/Loss(+)                                               | 38,41,140         | <b>52,16,541</b>   |
| ix)   | Benefit Payments (-)                                                     | (97,90,342)       | <b>(97,20,262)</b> |
| x)    | Present Value of DB obligations at the end of the year                   | 7,92,17,071       | <b>8,70,88,525</b> |

**B. Change in Assets**

| SL   | Change in assets                                       | Year<br>2014-2015 | Year<br>2015-2016 |
|------|--------------------------------------------------------|-------------------|-------------------|
| i)   | Fair value of Plan Assets at the beginning of the year | -                 | -                 |
| ii)  | Acquisition adjustments                                | -                 | -                 |
| iii) | Actual return of Plan Assets (+)                       | -                 | -                 |
| iv)  | Actual Company Contribution (+)                        | -                 | -                 |
| v)   | Benefit Payments (-)                                   | -                 | -                 |
| vi)  | Appreciation/Depreciation of Plan Assets               | -                 | -                 |
| vii) | Fair value for Plan Assets at the end of the year      | -                 | -                 |

## NOTES TO THE ACCOUNTS (Contd.)

**TABLE 4**  
**GRATUITY FUND**

Reconciliation of Net Assets/Liability recognised in the Balance Sheet as at 31st March, 2016

| SL   | Change in assets                                                                     | Year<br>2014-2015 | Year<br>2015-2016    |
|------|--------------------------------------------------------------------------------------|-------------------|----------------------|
| i)   | Net Assets /(Liability) recognised in the Balance Sheet at the beginning of the year | (7,39,22,042)     | <b>(7,92,17,071)</b> |
| ii)  | Employer Expenses                                                                    | 1,50,85,371       | <b>1,75,91,716</b>   |
| iii) | Employer Contribution                                                                | 97,90,342         | <b>97,20,262</b>     |
| iv)  | Acquisitions                                                                         | —                 | —                    |
| v)   | Net Assets /(Liability) recognised in the Balance Sheet at the end of the year       | (7,92,17,071)     | <b>(8,70,88,525)</b> |

**Summary of Membership Date**

| Active Members                       | 31st March<br>2015 | 31st March<br>2016 |
|--------------------------------------|--------------------|--------------------|
| Number of Employees                  | 3,654              | <b>3,720</b>       |
| Total Monthly Salaries (Rs.)         | 24,69,032          | <b>26,00,764</b>   |
| Total Daily Salaries (Rs.)           | 3,67,080           | <b>4,17,342</b>    |
| Avg. Monthly Salary per employees    | 6,267              | <b>6,282</b>       |
| Avg. Daily Salary Per employees (Rs) | 115.00             | <b>126.24</b>      |
| Average past services (yrs.)         | 17.50              | <b>16.23</b>       |
| Average future services (yrs.)       | 15.67              | <b>16.64</b>       |
| Average age at valuation date (yrs.) | 40.96              | <b>41.36</b>       |



## NOTES TO THE ACCOUNTS (Contd.)

14. Earnings Per Share as per AS 20 of Companies (Accounting Standards) Rules 2006.:

|                                                                          | As on 31.03.2016 | As on 31.03.2015 |
|--------------------------------------------------------------------------|------------------|------------------|
| (1) Basic                                                                |                  |                  |
| (a) Numbers of Equity Shares at the beginning of the year                | 31,00,000        | 31,00,000        |
| (b) Numbers of Equity Shares at the end of the year                      | 31,00,000        | 31,00,000        |
| (c) Weighted average number of Equity Shares outstanding during the year | 31,00,000        | 31,00,000        |
| (d) Face Value of each Equity Shares                                     | 10               | 10               |
| (e) Profit /(Loss) for the year                                          | 7,74,33,353      | 7,84,73,331      |
| (f) Basic Earnings per Share                                             | 24.98            | 25.31            |
| (2) Diluted                                                              |                  |                  |
| (a) Dilutive Potential Equity Shares                                     | 31,00,000        | 31,00,000        |
| (b) Diluted Earnings per Share-[Same as (I)(f) above]                    | 24.98            | 25.31            |

15. Value of Green Leaf produced in the Company's own tea estates is not ascertainable. However, cost of material consumed represents only cost of green leaf purchased from other tea growers.

16. Events occurring after the Balance Sheet Date:-

|                                        | Out of the profit<br>for the financial<br>year ended<br>31st March, 2016<br>Rs. | Out of the profit<br>for the financial<br>year ended<br>31st March, 2015<br>Rs. |
|----------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| Proposed Dividend                      | 93,00,000                                                                       | 93,00,000                                                                       |
| Provision for Tax on proposed dividend | 18,93,257                                                                       | 18,93,257                                                                       |

17. Previous year's figures have been regrouped and rearranged wherever considered necessary.

For **GHOSAL, BASU & RAY**

Chartered Accountants

FRN:315080E

A RAY

Partner

Membership No. 52204

Kolkata, 28th May, 2016

D. Chowdhury  
Company Secretary

Tapas Chatterjee  
Chief Financial Officer

Anjan Ghosh  
Director

Somnath Chatterjee  
Managing Director

# Independent Auditor's Report

## TO THE MEMBERS OF B & A LIMITED

We have audited the accompanying Consolidated Financial Statements of B & A Limited ("the Company") and its subsidiary (the Company and its subsidiary constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

The management is responsible for the preparation of these Consolidated Financial Statements on the basis of separate financial statements and other financial information of the constituents of the Group, that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The

procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company'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 the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss 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 aforesaid 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 Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its Subsidiary Company, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Company has disclosed liabilities of a contingent nature and claims not acknowledged by it (refer Note 27-4), the quantum of which, however, are in our opinion, not such as would impact the financial position of the Company.
  - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
  - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

## Opinion

In our opinion and to the best of our information and according to the explanations gives to us and based on the consideration of the reports of the other auditor on the financial statements of the

subsidiary, as mentioned in the 'Other Matter' paragraph below, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2016;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Our opinion on whether the Company has adequate internal financial controls system in place and whether such controls are operating effectively, as required under section 143(3)(i) of the Companies Act, 2013, is given in the Annexure to this report.

## Other Matter

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets (net) of Rs 167,591,436 as at March 31, 2016, total revenues of Rs 491,947,947 and net cash outflow amounting to Rs 3,421,132 for the year then ended. These financial statements have been audited by another auditor whose report has been furnished to us by the Management, and our opinion, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of the said other auditor.

Our opinion is not qualified in respect of this matter.

For Ghosal, Basu & Ray  
Chartered Accountants  
Firm Regn. NO. 315080E

A. Ray

Partner

Place : Kolkata,

Date : 28 May, 2016

Membership No. 52204

## Annexure to Independent Auditor's Report dated 28th May, 2016

*[Referred to in the Independent Auditors' Report of even date to the members of B & A Limited on the consolidated financial statements as of and for the year ended 31 March, 2016 ]*

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of B & A Limited (hereinafter referred to as "the Holding Company") and its subsidiary company which is a company incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial

reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. I / We believe that the audit evidence I / we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.



## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject

to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Ghosal, Basu & Ray  
Chartered Accountants  
Firm Regn. NO. 315080E

A. Ray  
Partner

Place : Kolkata,  
Date : 28 May, 2016

Membership No. 52204

**Consolidated Balance Sheet** as at 31st March, 2016

|                                  | Schedule<br>No. | As at 31st March, 2016<br>Rs. | As at 31st March, 2015<br>Rs. |
|----------------------------------|-----------------|-------------------------------|-------------------------------|
| <b>I. EQUITY AND LIABILITIES</b> |                 |                               |                               |
| <b>Shareholder's Funds</b>       |                 |                               |                               |
| Share Capital                    | 2               | 3,10,00,000                   | 3,10,00,000                   |
| Reserves and Surplus             | 3               | 82,77,23,393                  | 73,93,45,942                  |
|                                  |                 | 85,87,23,393                  | 77,03,45,942                  |
| Forfeited Shares                 |                 | 1,97,500                      | 1,97,500                      |
| <b>Non-Current Liabilities</b>   |                 |                               |                               |
| Long-term borrowings             | 4               | 5,52,05,296                   | 7,45,69,852                   |
| Deferred tax liabilities (Net)   | 5               | 3,62,54,242                   | 3,40,95,595                   |
| Long-term Provisions             | 6               | 7,75,92,582                   | 6,76,71,404                   |
|                                  |                 | 16,90,52,120                  | 17,63,36,851                  |
| <b>Current Liabilities</b>       |                 |                               |                               |
| Short-term borrowings            | 7               | 27,47,51,382                  | 28,33,27,567                  |
| Trade payables                   | 8               | 19,98,93,039                  | 18,02,81,517                  |
| Other current liabilities        | 9               | 6,69,01,278                   | 7,17,83,472                   |
| Short-term provisions            | 10              | 4,38,24,750                   | 4,26,79,136                   |
|                                  |                 | 58,53,70,449                  | 57,80,71,692                  |
| <b>Minority Interest</b>         |                 | 4,57,43,064                   | 3,77,41,953                   |
| <b>TOTAL</b>                     |                 | <b>165,90,86,526</b>          | <b>156,26,93,938</b>          |
| <b>II. ASSETS</b>                |                 |                               |                               |
| <b>Non-current assets</b>        |                 |                               |                               |
| Fixed assets                     |                 |                               |                               |
| Tangible assets                  | 11              | 101,10,42,570                 | 98,82,77,254                  |
| Intangible assets                | 11              | 93,56,717                     | 85,02,326                     |
|                                  |                 | 102,03,99,287                 | 99,67,79,580                  |
| Capital work-in-progress         |                 | 8,90,99,795                   | 5,11,00,550                   |
| Non-current investments          | 12              | 4,88,980                      | 4,88,980                      |
| Long Term Loans and Advances     | 13              | 12,97,97,226                  | 14,24,05,794                  |
|                                  |                 | 1,23,97,85,288                | 1,19,07,74,904                |
| <b>(2) Current assets</b>        |                 |                               |                               |
| Inventories                      | 14              | 16,20,27,364                  | 17,39,42,184                  |
| Trade receivables                | 15              | 11,42,35,454                  | 10,01,53,200                  |
| Cash and cash equivalents        | 16              | 5,09,52,978                   | 3,98,08,532                   |
| Short-term loans and advances    | 17              | 8,45,41,051                   | 5,22,41,833                   |
| Other current assets             | 18              | 75,44,391                     | 57,73,285                     |
|                                  |                 | 41,93,01,238                  | 37,19,19,034                  |
| <b>TOTAL</b>                     |                 | <b>1,65,90,86,526</b>         | <b>1,56,26,93,938</b>         |

Significant Accounting Policies 1  
Additional notes to the Accounts 27

The Schedules referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our Report of even date

For **GHOSAL, BASU & RAY**

Chartered Accountants

FRN:315080E

A RAY

Partner

Membership No. 52204

Kolkata, 28th May, 2016

D. Chowdhury  
Company Secretary

Tapas Chatterjee  
Chief Financial Officer

Anjan Ghosh  
Director

Somnath Chatterjee  
Managing Director



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

|                                                                                     | Note.<br>No. | For the year<br>ended 31.03.2016<br>Rs. | For the year<br>ended 31.03.2015<br>Rs. |
|-------------------------------------------------------------------------------------|--------------|-----------------------------------------|-----------------------------------------|
| Revenue from operations                                                             | 19           | 1,57,65,25,033                          | 1,47,65,81,312                          |
| Other Income                                                                        | 20           | 91,94,735                               | 1,14,22,608                             |
| Total Revenue                                                                       |              | 1,58,57,19,768                          | 1,48,80,03,920                          |
| <b>Expenses</b>                                                                     |              |                                         |                                         |
| Cost of material consumed                                                           | 21           | 51,10,28,725                            | 54,81,86,378                            |
| Change in Inventories of finished goods and work - in progress                      | 22           | 21,79,277                               | (2,19,06,403)                           |
| Employee benefit expenses                                                           | 23           | 44,31,17,474                            | 36,74,39,271                            |
| Finance Cost                                                                        | 24           | 5,40,09,365                             | 6,44,78,603                             |
| Depreciation and Amortization expenses                                              | 25           | 3,22,87,019                             | 3,44,40,331                             |
| Other Expenses                                                                      | 26           | 39,52,52,364                            | 36,46,25,221                            |
|                                                                                     |              | 1,43,78,74,224                          | 1,35,72,63,401                          |
| Profit/(Loss) before Taxation                                                       |              | 14,78,45,544                            | 13,07,40,519                            |
| Provision for Income Tax<br>(including Rs. 11,99,222/- in respect of earlier years) |              | (3,96,99,222)                           | (2,49,00,000)                           |
| Provision for Deferred Taxation                                                     |              | (21,58,647)                             | (29,05,152)                             |
| Profit/(Loss) after Taxation                                                        |              | 10,59,87,675                            | 10,29,35,367                            |
| Add/(Less) Minority Interest                                                        |              | (80,01,110)                             | (60,30,676)                             |
| Add/(Less): Stock Reserve                                                           |              | 1,25,778                                | 1,10,786                                |
|                                                                                     |              | 9,81,12,343                             | 9,70,15,477                             |
| Earnings per Share(Basic & Diluted)                                                 |              | 3165                                    | 3130                                    |

Significant Accounting Policies 1

Additional notes to the Accounts 27

The Notes to Accounts referred to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit and Loss referred to in our Report of even date.

For **GHOSAL, BASU & RAY**

Chartered Accountants

FRN:315080E

A RAY

Partner

Membership No. 52204

Kolkata, 28th May, 2016

D. Chowdhury  
Company Secretary

Tapas Chatterjee  
Chief Financial Officer

Anjan Ghosh  
Director

Somnath Chatterjee  
Managing Director

**Consolidated Cash Flow Statement** for the year ended 31st March, 2016

|                                                        | For the year<br>ended 31.03.2016<br>Rs. | For the year<br>ended 31.03.2015<br>Rs. |
|--------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Net Profit before tax and extraordinary items          | 14,78,45,544                            | 13,07,40,519                            |
| Adjustments for:                                       |                                         |                                         |
| Depreciation                                           | 3,22,87,019                             | 3,44,40,331                             |
| Profit/Loss on Sale of Fixed Assets                    | -                                       | (2,10,935)                              |
| Interest Income                                        | (23,36,495)                             | (22,78,036)                             |
| Interest and other finance cost                        | 5,40,09,365                             | 6,44,78,603                             |
| Operating Profit before Working Capital Changes        | 23,18,05,433                            | 22,71,70,482                            |
| Adjustments for:                                       |                                         |                                         |
| (Increase)/Decrease Trade and other Receivables        | (3,40,34,986)                           | (85,61,298)                             |
| (Increase)/Decrease Inventories                        | 1,20,40,598                             | (2,91,51,765)                           |
| Increase/ (Decrease) Trade Payable                     | 1,40,74,242                             | 1,81,54,672                             |
| Increase/ (Decrease) Other Current Liabilities         | (50,46,739)                             | (1,39,64,310)                           |
| Cash flow before extraordinary items                   | 21,88,38,548                            | 19,36,47,781                            |
| Extraordinary Items (Dividend from Subsidiary )        | 26,66,122                               | -                                       |
| Cash flow after extraordinary items                    | 22,15,04,670                            | 19,36,47,781                            |
| Income Tax Net                                         | (3,54,96,164)                           | (1,55,34,159)                           |
| Net Cash from Operating activities                     | 18,60,08,506                            | 17,81,13,622                            |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>          |                                         |                                         |
| Purchase of Fixed Assets                               | (9,39,66,664)                           | (10,19,12,359)                          |
| Sale of Fixed Assets                                   | 60,694                                  | 9,81,839                                |
| Interest received                                      | 8,27,471                                | 22,78,036                               |
| Net cash used in Investing Activities                  | (9,30,78,499)                           | (9,86,52,484)                           |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>          |                                         |                                         |
| Increase/(Decrease) Proceeds from Long Term Borrowing  | (1,93,64,556)                           | (3,44,58,152)                           |
| Increase/(Decrease) Proceeds from Short term borrowing | (85,76,185)                             | 71,73,940                               |
| Interest Paid                                          | (5,38,44,820)                           | (6,44,78,603)                           |
| Net Cash used in Financing Activities                  | (8,17,85,561)                           | (9,17,62,815)                           |
| Net increase in Cash and Cash Equivalents (A+B+C)      | 1,11,44,446                             | (1,23,01,677)                           |
| Cash and Cash Equivalents (Opening)                    | 3,98,08,532                             | 5,21,10,209                             |
| Cash and Cash Equivalents (Closing)                    | 5,09,52,978                             | 3,98,08,532                             |

Cash and cash equivalents comprise cash and bank balances

This is the Cash Flow Statement referred to in our report of even date.

For **GHOSAL, BASU & RAY**

Chartered Accountants

FRN:315080E

A RAY

Partner

Membership No. 52204

Kolkata, 28th May, 2016

D. Chowdhury  
Company Secretary

Tapas Chatterjee  
Chief Financial Officer

Anjan Ghosh  
Director

Somnath Chatterjee  
Managing Director



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

### NOTE NO. 1

#### 1. Significant Accounting Policies

##### a) Basis of Preparation

These financial statements have been prepared in accordance with the historical cost convention on an accrual basis and in conformity with the relevant accounting standards as notified under the Companies(Accounts) Rules, 2014 and the Companies Act, 2013.

##### b) Fixed Assets

Fixed assets:-

- i) Fixed Assets are stated at cost of acquisition together with any incidental expenses on acquisition.
- ii) Expenditure on Replanting and Replacement are capitalised under Lease Hold Land & Plantations as per consistent policy of the Company, and Tea Board Replanting and Extension Planting Subsidy are deducted from the value of Lease Hold Land & Plantations as and when received.
- iii) Capital subsidy received from Government Authorities is treated as capital receipt and shown under Capital Reserve.
- iv) Loss on account of impairment of assets is recognised if and when the carrying amount of Fixed Assets exceeds the recoverable amount i.e higher of net selling price and value in use.

Intangible assets :-

Cost of computer software installed at the company's gardens, corporate office and head office and Balasore Factory have been capitalised.

##### c) Capital work-in-progress

These are stated at cost of assets and services acquired in connection with new project that is awaiting completion.

##### d) Depreciation

- i) Depreciation has been provided on straight line method as per Schedule-II of the Companies Act, 2013
- ii) Depreciation is not provided on leasehold land used for tea plantation since on expiry of Lease period the Lease is renewed.

##### e) Investments

Investments in Shares are stated at cost less adjustment for permanent diminution in value thereof. Profit /Loss on disposals of such investment are recognised as income/expenditure.

**f) Inventories**

Inventories are valued as under:

- Stores and Spare Parts : At lower of cost (determined under weighted average method) and net realisable value.
- Raw material and material-in-Progress : Valued at a percentage of the cost or realisable price whichever is lower.
- Stock of Tea Finished Goods : Valued at cost or realisable price whichever is lower.

**g) Foreign Currency Transactions**

Sales and expenditures in foreign currency are translated at the rupee value at rates prevailing on the date of transactions.

**h) Retirement Benefits**

- i) Gratuity liability is accounted for on the basis of actuarial valuation.
- ii) Provident funds payments are accounted for on accrual basis.

**i) Sales**

Sales are recognised on completion of auction in the case of auction sales and on passing of property in goods in the case other sales.

**j) Borrowing Cost**

Interest and other cost in connection with borrowing of funds by the Company are recognised as expenses in the period on which they are incurred unless these are attributable to the acquisition and construction of qualifying assets and added to the cost up to the date on which such assets are ready for their intended use.

**k) Taxes on Income**

Current Tax represents the amount computed as per prevailing taxation laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**l) Recognition of income and expenditure in consolidated accounts.**

- i) Incomes are recognised on accrual basis,
- ii) Items of expenditure are recognised on accrual basis.

**m) Research and development**

Contribution to Tea Research Association is charged to revenue on accrual basis.



## NOTES TO THE ACCOUNTS

### 2. SHARE CAPITAL

|                                                                          | As at<br>31.03.2016<br>Rs. | As at<br>31.03.2015<br>Rs. |
|--------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>Authorised</b>                                                        |                            |                            |
| 50,00,000 Equity Shares of Rs. 10/- each                                 | 5,00,00,000                | 5,00,00,000                |
| 5,00,000 Redeemable Cumulative Preference<br>Shares of Rs.100/- each.    | 5,00,00,000                | 5,00,00,000                |
|                                                                          | <b>10,00,00,000</b>        | <b>10,00,00,000</b>        |
| <b>Issued,Subscribed and Fully Paid</b>                                  |                            |                            |
| 31,00,000 Equity Shares of Rs. 10/- each<br>fully subscribed and paid up | <b>3,10,00,000</b>         | <b>3,10,00,000</b>         |

**(A) Terms / rights attached to Equity Shares:**

The company has one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholdings.

**(B) Of the above Shares-**

Shares in the Company held by each Shareholder  
holding more than 5 percent Shares:

8,61,918 Shares by Mr H.P Barooah (deceased) (Previous Year 8,61,918 shares)

3,16,200 Shares by Mrs S.Shetty (Previous Year 3,16,200 shares)

2,42,430 Shares by Mr Somnath Chatterjee (Previous Year 2,42,430 shares)

### 3. RESERVES AND SURPLUS

|                       | Balance as at<br>31.03.2015<br>Rs. | Additions<br>Rs.   | Adjustment<br>Rs. | Balance as at<br>31.03.2016<br>Rs. |
|-----------------------|------------------------------------|--------------------|-------------------|------------------------------------|
| Capital Reserve       | 1,24,27,906                        | -                  | -                 | <b>1,24,27,906</b>                 |
| Securities Premium    | 10,01,49,818                       | -                  | -                 | <b>10,01,49,818</b>                |
| Revaluation Reserve   | 22,78,06,935                       | -                  | -                 | <b>22,78,06,935</b>                |
| General Reserve       | 3,00,74,266                        | -                  | -                 | <b>3,00,74,266</b>                 |
| Profit & Loss Account | 36,88,87,017                       | 8,57,11,329        | 26,66,122         | <b>45,72,64,468</b>                |
|                       | <b>73,93,45,942</b>                | <b>8,57,11,329</b> | <b>26,66,122</b>  | <b>82,77,23,393</b>                |

|                                        | 31.03.2015<br>Rs.    | 31.03.2016<br>Rs.    |
|----------------------------------------|----------------------|----------------------|
| Note:-                                 |                      |                      |
| Opening Surplus                        | 30,28,08,365         | <b>36,88,87,017</b>  |
| Surplus as per Profit & Loss Statement | 9,70,15,477          | <b>9,81,12,343</b>   |
| Adjustment of Depreciation             | (1,67,58,401)        | -                    |
| Adjustment                             | -                    | <b>26,66,122</b>     |
| <b>Less: Proposed Dividend</b>         | <b>(1,17,80,250)</b> | <b>(1,00,02,836)</b> |
| Provision for Tax on Proposed Dividend | (23,98,174)          | <b>(23,98,178)</b>   |
|                                        | <b>36,88,87,017</b>  | <b>45,72,64,468</b>  |

## NOTES TO THE ACCOUNTS (Contd.)

|                                                                                                                                                                                                                                                                                                                                                                                                                                | As at<br>31.03.2016<br>Rs. | As at<br>31.03.2015<br>Rs. |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>4. LONG TERM BORROWINGS</b>                                                                                                                                                                                                                                                                                                                                                                                                 |                            |                            |
| <b>SECURED</b>                                                                                                                                                                                                                                                                                                                                                                                                                 |                            |                            |
| <b>Term Loans</b>                                                                                                                                                                                                                                                                                                                                                                                                              |                            |                            |
| (i) <i>From United Bank Of India</i>                                                                                                                                                                                                                                                                                                                                                                                           | <b>5,47,87,714</b>         | 3,88,68,094                |
| <b>Holding Company</b>                                                                                                                                                                                                                                                                                                                                                                                                         |                            |                            |
| Secured by hypothecation of existing and future tangible assets of the Company (excluding the assets purchased under hire purchase scheme of Tea Board) including tea crop, with United Bank of India and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates and one property at Kolkata of the Company, besides the personal guarantee of Managing Director.<br>(re-payable within, 2020) |                            |                            |
| <b>Subsidiary Company</b>                                                                                                                                                                                                                                                                                                                                                                                                      |                            |                            |
| Secured by hypothecation of Company's stock, receivables and entire Assets both present and future and also collaterally secured by :                                                                                                                                                                                                                                                                                          |                            |                            |
| a) Extension of charge over Factory Land, Building, Plant & Machinery.                                                                                                                                                                                                                                                                                                                                                         |                            |                            |
| b) Equitable mortgage of a property at Kolkata in the name of Barooahs & Associates Pvt. Ltd.                                                                                                                                                                                                                                                                                                                                  |                            |                            |
| c) Corporate Guarantee of Barooahs & Associates Pvt.Ltd.                                                                                                                                                                                                                                                                                                                                                                       |                            |                            |
| (ii) <i>State Bank of India :</i>                                                                                                                                                                                                                                                                                                                                                                                              | —                          | 1,37,76,837                |
| Secured by 1st charge over the entire Plant & Machinery and other fixed Assets pertaining to the Flexible Packaging Material Project and also collaterally secured by :                                                                                                                                                                                                                                                        |                            |                            |
| a) Extension of charge over Factory Land, Building, Plant & Machinery                                                                                                                                                                                                                                                                                                                                                          |                            |                            |
| b) Equitable mortgage of Flat No.1 & 2, 3rd Floor at 55/24 , Bimannagar, Sardarpara ,Kaikhali, P.S.Rajarhat, North 24 Parganas in the name of Barooahs & Associates Pvt. Ltd.                                                                                                                                                                                                                                                  |                            |                            |
| c) Corporate Guarantee of Barooahs & Associates Pvt.Ltd.<br>Terms of Repayment : In Quarterly installments each of Rs. 34.50 Lacs                                                                                                                                                                                                                                                                                              |                            |                            |
| From Karur Vysya Bank                                                                                                                                                                                                                                                                                                                                                                                                          | —                          | 2,03,93,787                |
| Secured by hypothecation of a Flat of the Company situated at Kolkata (re-payable within ,2016)                                                                                                                                                                                                                                                                                                                                |                            |                            |
| Auto Loans                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>4,17,582</b>            | 15,31,134                  |
| (Secured by hypothecation of vehicles under the scheme)                                                                                                                                                                                                                                                                                                                                                                        |                            |                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>5,52,05,296</b>         | 7,45,69,852                |



## NOTES TO THE ACCOUNTS (Contd.)

|                                                                                                                                                                                                                                 | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>5. DEFERRED TAX LIABILITY</b>                                                                                                                                                                                                |                     |                     |
| Deferred Tax (Liabilities)                                                                                                                                                                                                      | 6,49,34,040         | 6,01,23,463         |
| Being tax impact etc.                                                                                                                                                                                                           |                     |                     |
| Deferred Tax (Assets)                                                                                                                                                                                                           |                     |                     |
| Being tax impact etc.                                                                                                                                                                                                           | (2,86,79,798)       | (2,60,27,868)       |
| <b>Net Deferred Tax Liability</b>                                                                                                                                                                                               | <b>3,62,54,242</b>  | <b>3,40,95,595</b>  |
| <b>6. LONG TERM PROVISIONS</b>                                                                                                                                                                                                  |                     |                     |
| Provision for Gratuity                                                                                                                                                                                                          | 7,75,92,582         | 6,76,71,404         |
|                                                                                                                                                                                                                                 | <b>7,75,92,582</b>  | <b>6,76,71,404</b>  |
| <b>7. SHORT-TERM BORROWINGS</b>                                                                                                                                                                                                 |                     |                     |
| <b>Working Capital Loan-</b>                                                                                                                                                                                                    |                     |                     |
| United Bank Of India (Cash Credit Accounts)                                                                                                                                                                                     | 27,47,51,382        | 18,76,83,597        |
| <b>Holding Company</b>                                                                                                                                                                                                          |                     |                     |
| Secured by hypothecation of existing and future current assets including tea crop, and additionally secured by Equitable Mortgage of Fixed Assets situated at the Tea Estates, besides personal guarantee of managing director. |                     |                     |
| <b>Subsidiary Company</b>                                                                                                                                                                                                       |                     |                     |
| Secured by hypothecation of Company's stock, receivables and entire Assets both present and future and also collaterally secured by :                                                                                           |                     |                     |
| a) Extension of charge over Factory Land, Building, Plant & Machinery.                                                                                                                                                          |                     |                     |
| b) Equitable mortgage of a property at Kaikhali, Kolkata in the name of Barooahs & Associates Pvt. Ltd.                                                                                                                         |                     |                     |
| c) Corporate Guarantee of Barooahs & Associates Pvt. Ltd.                                                                                                                                                                       |                     |                     |
| State Bank of India :                                                                                                                                                                                                           | -                   | 9,56,43,970         |
| Secured by hypothecation of Company's stock, receivables and entire Assets both present and future and also collaterally secured by:                                                                                            |                     |                     |
| a) Extension of charge over Factory Land, Buildings, Plant & Machinery                                                                                                                                                          |                     |                     |
| b) Equitable mortgage of the Flat No. 1 & 2, 3rd Floor at 55/24, Bimanagar, Sardarpara, Kaikhali, P.S Rajarhat, North 24 Parganas in the name of Barooahs & Associates Pvt. Ltd.                                                |                     |                     |
| c) Corporate Gurantee of Barooahs & Associates Pvt Ltd.                                                                                                                                                                         | 27,47,51,382        | 28,33,27,567        |

**NOTES TO THE ACCOUNTS** (Contd.)

|                                                 | As at<br>31.03.2016 | As at<br>31.03.2015 |
|-------------------------------------------------|---------------------|---------------------|
| <b>8. TRADE PAYABLES</b>                        |                     |                     |
| Short Term Liabilities                          | 19,98,93,039        | 18,02,81,517        |
| (Refer note 27 (11))                            | 19,98,93,039        | 18,02,81,517        |
| <b>9. OTHER CURRENT LIABILITIES</b>             |                     |                     |
| <b>Current Liabilities on Long - Term Debts</b> |                     |                     |
| Current Liabilities of Long Term Debts          | 5,11,23,755         | 5,92,85,424         |
| Loan From Others                                | 10,801              | 10,801              |
| Deferred Sales Tax                              | 8,23,134            | 8,23,134            |
| Others                                          | 40,24,549           | 46,74,759           |
| Interest accrued but not due on Loan            | 1,64,545            |                     |
| Unclaimed and unpaid dividend                   | 1,07,54,494         | 69,89,354           |
|                                                 | 6,69,01,278         | 7,17,83,472         |
| <b>10. SHORT TERM-PROVISIONS</b>                |                     |                     |
| Provision for Gratuity                          | 1,28,03,575         | 1,40,83,609         |
| Provision for Income Tax                        | 1,86,20,161         | 1,44,17,103         |
| Proposed Dividend                               | 1,00,02,836         | 1,17,80,250         |
| Provision for tax on Proposed Dividend          | 23,98,178           | 23,98,174           |
|                                                 | 4,38,24,750         | 4,26,79,136         |

## NOTES TO THE ACCOUNTS (Contd.)

### 11. FIXED ASSETS

| Description of Assets           | G R O S S B L O C K                                      |                                        |                                                  |                                     | D E P R E C I A T I O N    |                        |                                    |                                                      |                                     | N E T B L O C K            |                            |
|---------------------------------|----------------------------------------------------------|----------------------------------------|--------------------------------------------------|-------------------------------------|----------------------------|------------------------|------------------------------------|------------------------------------------------------|-------------------------------------|----------------------------|----------------------------|
|                                 | Original/<br>Revalued<br>Cost as at<br>01.04.2015<br>Rs. | Additions<br>during the<br>Year<br>Rs. | Sale/<br>Adjustment<br>during the<br>Year<br>Rs. | Total<br>as at<br>31.03.2016<br>Rs. | Up to<br>01.04.2015<br>Rs. | For the<br>Year<br>Rs. | Depreciation<br>Written off<br>Rs. | Disposal/<br>Adjustment<br>during the<br>Year<br>Rs. | Total<br>as at<br>31.03.2016<br>Rs. | As on<br>31.03.2016<br>Rs. | As at<br>31.03.2015<br>Rs. |
| <b><u>Tangible Assets</u></b>   |                                                          |                                        |                                                  |                                     |                            |                        |                                    |                                                      |                                     |                            |                            |
| FREEHOLD LAND                   | 33,14,431                                                | -                                      | -                                                | 33,14,431                           | -                          | -                      | -                                  | -                                                    | -                                   | 33,14,431                  | 33,14,431                  |
| LAND & PLANTATIONS              | 42,88,55,079                                             | 2,78,70,372                            | 27,05,787                                        | 45,40,19,664                        | -                          | -                      | -                                  | -                                                    | -                                   | 45,40,19,664               | 42,88,55,079               |
| BUILDINGS                       | 42,00,76,936                                             | 1,07,50,854                            | -                                                | 43,08,27,790                        | 11,62,52,192               | 82,19,876              | -                                  | -                                                    | 12,44,72,068                        | 30,63,55,722               | 30,38,24,744               |
| PLANT & MACHINERY               | 40,86,18,155                                             | 1,19,05,779                            | 90,817                                           | 42,04,33,117                        | 21,99,49,199               | 1,19,68,711            | -                                  | 30,123                                               | 23,18,87,787                        | 18,85,45,330               | 18,86,68,956               |
| ELECTRICAL INSTALLATION         | 6,34,51,492                                              | 9,30,299                               | -                                                | 6,43,81,791                         | 4,01,48,412                | 30,73,784              | -                                  | -                                                    | 4,32,22,196                         | 2,11,59,595                | 2,33,03,080                |
| VEHICLES                        | 6,77,38,729                                              | 39,84,276                              | -                                                | 7,17,23,005                         | 4,18,43,925                | 50,80,547              | -                                  | -                                                    | 4,69,24,472                         | 2,47,98,533                | 2,58,94,804                |
| OFFICE EQUIPMENT                | 69,04,533                                                | 4,19,255                               | -                                                | 73,23,788                           | 43,09,338                  | 3,14,284               | -                                  | -                                                    | 46,23,622                           | 27,00,166                  | 25,95,195                  |
| COMPUTER                        | 73,97,888                                                | 12,43,556                              | -                                                | 86,41,444                           | 62,94,060                  | 17,72,231              | -                                  | -                                                    | 80,66,291                           | 5,75,153                   | 11,03,828                  |
| FURNITURE & FITTINGS            | 2,94,69,795                                              | 3,90,081                               | -                                                | 2,98,59,876                         | 1,87,52,658                | 15,33,242              | -                                  | -                                                    | 2,02,85,900                         | 95,73,976                  | 1,07,17,137                |
| <b><u>Intangible Assets</u></b> |                                                          |                                        |                                                  |                                     |                            |                        |                                    |                                                      |                                     |                            |                            |
| GOODWILL                        | 66,37,551                                                | -                                      | -                                                | 66,37,551                           | -                          | -                      | -                                  | -                                                    | -                                   | 66,37,551                  | 66,37,551                  |
| COMPUTER SOFTWARE               | 38,46,103                                                | 11,78,735                              | -                                                | 50,24,838                           | 19,81,328                  | 3,24,344               | -                                  | -                                                    | 23,05,672                           | 27,19,166                  | 18,64,775                  |
| TOTAL                           | 144,63,10,692                                            | 5,86,73,207                            | 27,96,604                                        | 150,21,87,295                       | 44,95,31,112               | 3,22,87,019            | -                                  | 30,123                                               | 48,17,88,008                        | 102,03,99,287              | 99,67,79,580               |
| Previous Year                   | 139,15,89,942                                            | 5,65,73,917                            | 18,53,167                                        | 144,63,10,692                       | 39,66,26,743               | 3,72,28,231            | 1,67,58,401                        | 10,82,263                                            | 44,95,31,112                        | 99,67,79,580               |                            |

#### Note :

For Accounting Policies on Depreciation, refer to note No. 1 (d)



**NOTES TO THE ACCOUNTS** (Contd.)

|                                                                                                | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>12. NON CURRENT INVESTMENTS</b>                                                             |                     |                     |
| Other Investments                                                                              |                     |                     |
| Shares (Quoted at Cost)                                                                        |                     |                     |
| 455 Equity Shares of Rs.2/-each fully paid up in<br>ICICI Bank Ltd. (Previous year 455 Shares) | 4,980               | 4,980               |
| Shares (Unquoted at Cost)                                                                      |                     |                     |
| 250 Shares of Rs.100/-each fully paid up in<br>Assam Financial Corporation                     | 25,000              | 25,000              |
| 18000 Equity Shares of Rs.10/-each fully paid up<br>in Heritage North East P Ltd               | 3,60,000            | 3,60,000            |
| 9800 Equity Shares of Rs.10/-each fully paid up<br>in Kaziranga Golf Club Pvt.Ltd.             | 98,000              | 98,000              |
| National Savings Certificate (VI Issue)<br>(Lodged With Excise Authorities)                    | 1,000               | 1,000               |
|                                                                                                | <b>4,88,980</b>     | <b>4,88,980</b>     |
| Quoted Investments -Market value of Rs.1,07,835<br>(Previous Year Rs. 1,13,295/-)              | 4,980               | 4,980               |
| Other Unquoted Investments                                                                     | 4,84,000            | 4,84,000            |
|                                                                                                | <b>4,88,980</b>     | <b>4,88,980</b>     |
| <b>13. LONG-TERM LOANS AND ADVANCES</b>                                                        |                     |                     |
| (Unsecured, Considered good)                                                                   |                     |                     |
| Other Loans and Advances                                                                       | 12,02,08,150        | 13,51,36,921        |
| Security Deposits                                                                              | 95,89,076           | 72,68,873           |
|                                                                                                | <b>12,97,97,226</b> | <b>14,24,05,794</b> |
| <b>14. INVENTORIES</b>                                                                         |                     |                     |
| [For valuation of Inventories refer to note 1(f) ]                                             |                     |                     |
| Stock of Tea                                                                                   | 3,81,31,800         | 2,94,76,200         |
| Stock of Stores at Garden                                                                      | 4,20,21,390         | 4,43,15,833         |
| Raw Materials (paper)                                                                          | 5,26,01,811         | 6,00,42,911         |
| Finished Goods (Paper Sacks)                                                                   | 2,22,35,676         | 2,57,81,074         |
| Work In Progress                                                                               | 70,36,687           | 1,43,26,166         |
|                                                                                                | <b>16,20,27,364</b> | <b>17,39,42,184</b> |



## NOTES TO THE ACCOUNTS (Contd.)

|                                                    | As at<br>31.03.2016 | As at<br>31.03.2015 |
|----------------------------------------------------|---------------------|---------------------|
| <b>15. TRADE RECEIVABLES</b>                       |                     |                     |
| (Unsecured, Considered good)                       |                     |                     |
| Outstanding for a period exceeding six months      | 1,29,76,569         | 1,08,01,939         |
| Others                                             | 10,12,58,885        | 8,93,51,261         |
|                                                    | <b>11,42,35,454</b> | <b>10,01,53,200</b> |
| <b>16. CASH AND CASH EQUIVALENTS</b>               |                     |                     |
| Cash on Hand                                       | 31,58,670           | 8,24,797            |
| Balance with Scheduled Banks                       |                     |                     |
| In Current Accounts                                | 2,44,09,017         | 1,43,76,417         |
| In Marginal Deposit Accounts                       | 1,55,674            | 93,266              |
| In Unpaid Dividend Accounts                        | 15,47,736           | 10,32,040           |
| Other Bank Balances-                               |                     |                     |
| In Fixed Deposits more than twelve months maturity | 2,05,10,715         | 2,24,64,301         |
| In Other Term Deposit Accounts                     | 11,71,166           | 10,17,711           |
|                                                    | <b>5,09,52,978</b>  | <b>3,98,08,532</b>  |
| <b>17. SHORT TERM LOANS &amp; ADVANCES</b>         |                     |                     |
| Unsecured, Considered good                         | 8,45,41,051         | 5,22,41,833         |
|                                                    | <b>8,45,41,051</b>  | <b>5,22,41,833</b>  |
| <b>18. OTHER CURRENT ASSETS</b>                    |                     |                     |
| Subsidies receivable from Government               | 23,84,318           | 6,47,631            |
| Central Excise Duty                                | 35,55,481           | 35,55,481           |
| Deferred Expenditure                               | 95,568              | 2,31,983            |
| Interest Accrued on Fixed Deposits                 | 15,09,024           | 13,38,190           |
|                                                    | <b>75,44,391</b>    | <b>57,73,285</b>    |

**NOTES TO THE ACCOUNTS** (Contd.)

|                                             | For the year<br>ended 31.03.2016 |                | For the year<br>ended 31.03.2015 |                |
|---------------------------------------------|----------------------------------|----------------|----------------------------------|----------------|
|                                             | Rs.                              | Rs.            | Rs.                              | Rs.            |
| <b>19. Revenue from Operation</b>           |                                  |                |                                  |                |
| Sales - Tea- Gross                          |                                  | 1,09,85,90,110 |                                  | 1,02,17,59,383 |
| Sale Paper Sacks -Gross                     | 52,73,81,871                     |                | 49,87,37,177                     |                |
| Less: Excise Duty                           | 4,94,46,948                      |                | 4,39,15,248                      |                |
| Sale Paper Sacks -Net                       |                                  | 47,79,34,923   |                                  | 45,48,21,929   |
|                                             |                                  | 1,57,65,25,033 |                                  | 1,47,65,81,312 |
| <b>20. Other Income</b>                     |                                  |                |                                  |                |
| Interest                                    |                                  | 23,36,495      |                                  | 22,78,036      |
| Sundry Receipts                             |                                  | 59,18,263      |                                  | 76,68,840      |
| Dividend Received                           |                                  | 4,277          |                                  | 2,093          |
| Rent Received                               |                                  | 4,04,171       |                                  | 1,95,698       |
| Profit on sale of assets                    |                                  | -              |                                  | 2,10,935       |
| Liabilities no longer required written back |                                  | 5,31,529       |                                  | 10,67,006      |
|                                             |                                  | 91,94,735      |                                  | 1,14,22,608    |
| <b>21. Cost of Material consumed</b>        |                                  |                |                                  |                |
| Purchase of Green Leaf                      |                                  | 21,58,49,541   |                                  | 21,86,83,770   |
| Raw Materials Consumption- Paper            |                                  | 29,51,79,184   |                                  | 32,95,02,608   |
|                                             |                                  | 51,10,28,725   |                                  | 54,81,86,378   |
| <b>22. Change in Inventories</b>            |                                  |                |                                  |                |
| (Decrease)/increase in stock-Tea            |                                  | 86,55,600      |                                  | 1,01,96,406    |
| (Decrease)/increase in stock-Paper          |                                  | (1,08,34,877)  |                                  | 1,17,09,997    |
|                                             |                                  | (21,79,277)    |                                  | 2,19,06,403    |
| <b>23. Employee Benefits</b>                |                                  |                |                                  |                |
| Salaries,Wages, Bonus and Gratuity          |                                  | 36,29,92,000   |                                  | 29,45,77,426   |
| Contribution to Provident & Other Fund      |                                  | 3,10,92,360    |                                  | 2,56,44,755    |
| Labour and Staff Welfare                    |                                  | 4,90,33,114    |                                  | 4,72,17,090    |
|                                             |                                  | 44,31,17,474   |                                  | 36,74,39,271   |
| <b>24. Finance Cost</b>                     |                                  |                |                                  |                |
| Interest and Financial Charges              |                                  | 5,40,09,365    |                                  | 6,44,78,603    |



## NOTES TO THE ACCOUNTS (Contd.)

|                                                     | For the year<br>ended 31.03.2016 |                     | For the year<br>ended 31.03.2015 |                     |
|-----------------------------------------------------|----------------------------------|---------------------|----------------------------------|---------------------|
|                                                     | Rs.                              | Rs.                 | Rs.                              | Rs.                 |
| <b>25. Depreciation &amp; Amortization expenses</b> |                                  |                     |                                  |                     |
| Depreciation                                        |                                  | 3,22,87,019         |                                  | 3,72,39,231         |
| Less: Transferred from Revaluation Reserve          |                                  | -                   |                                  | (27,98,900)         |
|                                                     |                                  | <b>3,22,87,019</b>  |                                  | <b>3,44,40,331</b>  |
| <b>26. Other Expenses</b>                           |                                  |                     |                                  |                     |
| Manufacturing Expenses:-                            |                                  |                     |                                  |                     |
| Consumption of Stores and Spares parts              | 7,22,33,474                      |                     | 6,18,17,634                      |                     |
| Repairs to Buildings                                | 1,34,78,521                      |                     | 1,15,75,805                      |                     |
| Repairs to Machinery                                | 1,67,38,244                      |                     | 1,37,05,287                      |                     |
| Power and Fuel                                      | 8,69,56,811                      |                     | 8,22,50,699                      |                     |
| Cess on Tea                                         | 27,68,574                        |                     | 26,20,317                        |                     |
|                                                     |                                  | <b>19,21,75,624</b> |                                  | <b>17,19,69,742</b> |
| Selling and Distribution Expenses:-                 |                                  |                     |                                  |                     |
| Freight, Brokerage, commission & Selling Expenses   |                                  | <b>6,63,75,524</b>  |                                  | <b>6,11,87,877</b>  |
| Establishment Expenses:-                            |                                  |                     |                                  |                     |
| Rent, Hire & Service Charges                        |                                  | <b>19,01,296</b>    |                                  | <b>14,62,161</b>    |
| Rates, Taxes & Association Subscription             | 1,26,95,020                      |                     | 1,73,13,041                      |                     |
| Travelling & Conveyance                             | 1,49,09,769                      |                     | 1,06,87,085                      |                     |
| Contribution to I.N.C                               | —                                |                     | 15,00,000                        |                     |
| Professional Charges                                | 2,20,43,276                      |                     | 1,94,72,793                      |                     |
| Vehicle Running & Maintenance                       | 1,65,21,105                      |                     | 1,92,89,881                      |                     |
| Insurance                                           | 44,59,834                        |                     | 43,54,946                        |                     |
| Miscellaneous Expenses                              | 3,93,13,115                      |                     | 3,73,93,551                      |                     |
| Corporate Social Responsibility Activities          | 22,50,817                        |                     | —                                |                     |
| Directors Fees and expenses                         | 9,46,000                         |                     | 8,97,000                         |                     |
| Auditors Remuneration                               | 6,31,105                         |                     | 4,05,001                         |                     |
| Carriage Inward & Outward                           | 65,66,985                        |                     | 63,82,022                        |                     |
| Sales Tax                                           | 1,38,37,112                      |                     | 1,17,70,489                      |                     |
| Bad Debt written off                                | 6,25,782                         |                     | 5,39,632                         |                     |
|                                                     |                                  | <b>13,47,99,920</b> |                                  | <b>13,00,05,441</b> |
|                                                     |                                  | <b>39,52,52,364</b> |                                  | <b>36,46,25,221</b> |

## NOTES TO THE ACCOUNTS (Contd.)

## NOTE NO.27

## 1. Principles of consolidation of financial statements:

- a) The Subsidiary Company considered in the financial statements is as follows:

Name B &amp; A Packaging India Ltd

Percentage of holding : 71.66 %

- b) The Consolidated financial statements of the Company and its subsidiary are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transaction and any unrealised profit included therein.
- c) The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the Parent Company's standalone financial statements except as described in Note no.1.

2. Estimated amount of contracts remaining to be executed on capital account Rs.1,52,92,030/- (Previous year Rs. 3,62,72,291)

|                                                        | Current Year<br>Rs. | Previous Year<br>Rs. |
|--------------------------------------------------------|---------------------|----------------------|
| 3. Contingent Liabilities                              |                     |                      |
| - Liability for Excise Duty                            | 12,61,660           | 11,27,944            |
| - Assam Agricultural Tax demand contested under appeal | 1,31,06,857         | 1,31,06,857          |
| - Demand against Assam VAT Act,2003 under appeal       | -                   | 2,35,000             |
| - Sales tax matter under appeal                        | 1,38,204            | 16,60,852            |
| 4. Value of Stores & Spare parts consumed              |                     |                      |
| - Indigenous                                           | 18,86,26,880        | 28,51,67,587         |
| - Imported                                             | 10,65,52,304        | 22,03,04,238         |
| 5. Earning in Foreign exchange                         |                     |                      |
| Value of Export at F.O.B (Net)                         | -                   | 91,20,124            |
| 6. Expenditure in Foreign Currency                     |                     |                      |
| Foreign Travel                                         | 2,47,679            | Nil                  |
| Subscription                                           | 9,825               | Nil                  |
| Import of Raw Materials (CIF basis)                    | 10,02,33,321        | 13,21,66,656         |
| 7. Green leaf Purchased                                | 21,58,49,541        | 21,86,83,770         |



## NOTES TO THE ACCOUNTS (Contd.)

8. Earnings Per Share as per AS 20 issued by the Companies Accounting Standard Rule, 2006 as of 31st March, 2016

|                                               |             |
|-----------------------------------------------|-------------|
| Profit after taxation (Rs.)                   | 9,81,12,343 |
| No. of Equity Shares                          | 31,00,000   |
| Earnings per Share (Rs.)<br>(Basic & diluted) | 31.65       |

9. Related Party Disclosures - pursuant to AS 18 of Companies (Accounting Standards) Rules 2006:

### Key Management Personnels

Mr Somnath Chatterjee  
Mr Debdip Chowdhury  
Mr Siddharth Gupta

### Part of the Year

Mr C. Nandy  
Mr Tapas Kumar Chatterjee  
Mr Gunjan Kumar Chaurasia

### Others

|                               |                     |
|-------------------------------|---------------------|
| Heritage North East Pvt.Ltd.  | Associate Company   |
| Kaziranga Golf Club Pvt.Ltd.  | Associate Company   |
| Barooahs & Associates Pvt.Ltd | Other Related party |
| Buragohin Tea Company Ltd.    | Other Related party |
| Assam Tea Brokers Pvt. Ltd.   | Other Related party |
| Super Packaging Ltd.          | Other Related party |
| Rockland Realty Pvt. Ltd      | Other Related party |
| Morris Construction Pvt.Ltd.  | Other Related party |
| Hacienda Properties Pvt.Ltd.  | Other Related party |

Particulars of transaction during the year ended 31st March,2016:

| Particulars                                            | Key Management Personnel<br>Rs. | Associate Company<br>Rs. | Other Related Party<br>Rs. |
|--------------------------------------------------------|---------------------------------|--------------------------|----------------------------|
| (A) Purchase of Green Leaf                             | -                               | -                        | 3,44,09,410                |
|                                                        |                                 |                          | (2,98,98,080)              |
| (B) Sale of Paper Sacks                                | -                               | -                        | 14,46,654                  |
|                                                        |                                 |                          | (9,04,654)                 |
| (C) Rendering of Services                              | -                               | -                        | 2,41,71,434                |
|                                                        |                                 |                          | (2,35,71,914)              |
| (D) Remuneration to Key Managerial Personnel           | 63,34,079                       | -                        | -                          |
|                                                        | (36,74,424)                     | -                        | -                          |
| (E) Receipt of Rent and Other services                 | -                               | 2,00,000                 | 38,400                     |
|                                                        | -                               | (2,00,000)               | (38,400)                   |
| (F) Balance outstanding at the year end Debit/(Credit) | -                               | 5,83,075                 | 11,81,69,015               |
|                                                        | -                               | (7,50,000)               | (11,59,48,320)             |

Figures in brackets relates to previous year

**NOTES TO THE ACCOUNTS** (Contd.)

10. Heritage North East Pvt.Ltd and Kaziranga Golf Club Pvt.Ltd are related parties of B & A Limited in terms of Accounting Standard 18 read with section 2(76) of the Companies Act 2013 (the Act'). They have been grouped as 'Associate Companies' in line with the definition made in Accounting Standard 18 in the abovementioned notes to the accounts but they do not qualify to become "Associate Companies" in terms of section 2(6) of the Act' as the percentage of share holding of B & A Limited in the said companies are less than the minimum threshold of twenty percent in total share capital as prescribed in the said section.

|                                                                                                                                                                                                |           | Current Year<br>Rs. | Previous Year<br>Rs. |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------|----------------------|
| 11. Disclosure regarding Micro,Small and Medium Enterprises                                                                                                                                    |           |                     |                      |
| i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year:                                                                                   |           |                     |                      |
|                                                                                                                                                                                                | Principal | 12,50,412           | 11,10,344            |
|                                                                                                                                                                                                | Interest  | 7879                | 8484                 |
| ii) The amount of interest accrued and remaining unpaid at the end of the year                                                                                                                 |           | Nil                 | Nil                  |
| iii) The amount of interest paid in terms of Section 16,along with the amount of payment made to the supplier beyond appointed day during the year                                             |           |                     |                      |
|                                                                                                                                                                                                | Principal | Nil                 | Nil                  |
|                                                                                                                                                                                                | Interest  | Nil                 | Nil                  |
| iv) The amount of further interest remaining due and payable even in the succeeding years,until such date when the interest dues as above are actually paid to the Micro and Small Enterprises |           | Nil                 | Nil                  |
| 12. Minority Interest                                                                                                                                                                          |           |                     |                      |
| Interest in Share Capital                                                                                                                                                                      |           | 1,40,56,710         | 1,40,56,710          |
| Add:                                                                                                                                                                                           |           |                     |                      |
| Interest in Reserve and Surplus                                                                                                                                                                |           | 55,21,435           | 55,21,435            |
| Interest in Profit and Loss Cr Balance                                                                                                                                                         |           | 1,70,65,088         | 1,10,34,411          |
| Interest in Revenue Reserve                                                                                                                                                                    |           | 10,98,721           | 10,98,721            |
| Share of Profit /(Loss)                                                                                                                                                                        |           | 80,01,110           | 60,30,676            |
|                                                                                                                                                                                                |           | 4,57,43,064         | 3,77,41,953          |



## NOTES TO THE ACCOUNTS (Contd.)

### 13. Report on Consolidated Segment Revenue and Results

| SL. No. | Particulars                               | Tea<br>Rs.       | Packaging<br>Rs. | Total<br>Rs.     |
|---------|-------------------------------------------|------------------|------------------|------------------|
| A.      | <b>Segment Revenue</b>                    |                  |                  |                  |
|         | Gross Turnover                            | 1,09,85,90,110   | 53,50,14,738     | 1,63,36,04,848   |
|         |                                           | (1,02,17,59,383) | (50,67,70,538)   | (1,52,85,29,921) |
|         | Less Excise Duty                          | —                | 4,94,46,948      | 4,94,46,948      |
|         |                                           | —                | (4,39,15,248)    | (4,39,15,248)    |
| B.      | Net Turnover                              | 1,09,85,90,110   | 48,55,67,790     | 1,58,41,57,900   |
|         |                                           | (1,02,17,59,383) | (46,28,55,290)   | (1,48,46,14,673) |
|         | <b>Segment Results</b>                    |                  |                  |                  |
|         | Profit/(Loss) before Tax and Finance Cost | 13,63,25,476     | 7,05,17,555      | 20,68,43,031     |
|         |                                           | (13,74,49,636)   | (6,00,91,487)    | (19,75,41,123)   |
| C.      | Less : Finance Cost                       | 3,43,20,559      | 2,20,10,806      | 5,63,31,365      |
|         |                                           | (4,33,18,339)    | (2,34,82,264)    | (6,68,00,603)    |
|         | Profit/(Loss) Before Tax                  | 10,20,04,917     | 4,85,06,749      | 15,05,11,666     |
|         |                                           | (9,41,31,297)    | (3,66,09,223)    | (13,07,40,520)   |
|         | <b>Segment Assets and Liabilities</b>     |                  |                  |                  |
|         | Assets                                    | 1,33,41,78,686   | 38,69,40,733     | 1,72,11,19,419   |
|         |                                           | (1,23,87,68,440) | (38,27,43,054)   | (1,62,15,11,494) |
|         | Liabilities                               | 56,05,43,913     | 22,53,19,638     | 78,58,63,551     |
|         |                                           | (53,13,73,763)   | (24,93,57,233)   | (78,07,30,996)   |

\* Figures in brackets represents for previous year

## NOTES TO THE ACCOUNTS (Contd.)

14. The Company's long term employee benefit Scheme presently consists of gratuity only. Following are the details of amount recognised in the financial Statements in respect of gratuity as per actuarial valuation:

TABLE 1

Actuarial calculation for AS 15 (Rev, 2005) for the purpose of Net Assets/Liability, recognised in the Balance Sheet.

| SL   | Description                                            | 31st March, 2015       | 31st March, 2016        |
|------|--------------------------------------------------------|------------------------|-------------------------|
| i)   | Present Value of Defined Benefit Obligation            | (8,17,55,013)          | (9,03,96,157)           |
| ii)  | Fair value of Plan Assets                              | —                      | —                       |
| iii) | Fund Status[Surplus/(Defecit)]                         | (8,17,55,013)          | (9,03,96,157)           |
| iv)  | Unrecognised Past Service Cost                         | —                      | —                       |
| v)   | Net Assets/(Liability) recognized in the Balance Sheet | (8,17,55,013)          | (9,03,96,157)           |
|      |                                                        | 1st April, 2015<br>Rs. | 31st March, 2016<br>Rs. |

## SCHEDULE III OF THE COMPANIES ACT

## Current Liability Division of Defined Obligation

## (Current/Non-Current)

|                                                                |                                                                 |                    |                    |
|----------------------------------------------------------------|-----------------------------------------------------------------|--------------------|--------------------|
| i)                                                             | Current Defined Benefit Obligation at the end of the period     | 77,63,181          | 1,28,04,575        |
| ii)                                                            | Non-Current Defined Benefit Obligation at the end of the period | 7,39,91,832        | 7,75,92,582        |
| <b>Total Defined Benefit Obligation at the end of the year</b> |                                                                 | <b>8,17,55,013</b> | <b>9,03,97,157</b> |

TABLE 2

## GRATUITY FUND

Actuarial calculation for AS 15 (Rev, 2005) for the purpose of Disclosure of employer expense for the period ending 31st March, 2016

| SL                                                                     | Description                                                              | Year<br>2014-2015  | Year<br>2015-2016  |
|------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------|--------------------|
| i)                                                                     | Current Service Cost (including risk premium for fully insured benefits) | 58,21,615          | 65,60,833          |
| ii)                                                                    | Interest Cost                                                            | 59,16,900          | 64,55,669          |
| iii)                                                                   | Expected Return of Assets (-)                                            | —                  | —                  |
| iv)                                                                    | Curtailment Cost (+)                                                     | —                  | —                  |
| v)                                                                     | Settlement Cost(+)                                                       | —                  | —                  |
| vi)                                                                    | Past Service Cost                                                        | —                  | —                  |
| vii)                                                                   | Actuarial Gains(-)/Loss(+)                                               | 40,40,596          | 53,44,904          |
| viii)                                                                  | Appreciation/Depreciation of Plain Assets                                | —                  | —                  |
| <b>Total</b>                                                           |                                                                          | <b>1,57,79,111</b> | <b>1,83,61,406</b> |
| <b>Total employer expenses recognized in Profit &amp; Loss Account</b> |                                                                          | <b>1,57,79,111</b> | <b>1,83,61,406</b> |



## NOTES TO THE ACCOUNTS (Contd.)

**TABLE 3**

### GRATUITY FUND

Acturial calculation for AS 15 (Rev, 2005) for the purpose change in obligation/assets in the period ending 31.03.2016.

#### A. Change in Obligation in the year ended 31.03.2016

| SL    | Description                                                              | Year<br>2014-2015 | Year<br>2015-2016 |
|-------|--------------------------------------------------------------------------|-------------------|-------------------|
| i)    | Present value of Defined Benefit Obligation at the beginning of the year | 7,60,28,975       | 8,17,55,013       |
| ii)   | Employee Service Cost (+)                                                | 58,21,615         | 86,76,657         |
| iii)  | Interest Cost (+)                                                        | 59,16,900         | 64,55,669         |
| iv)   | Curtailment Cost (+)                                                     | -                 | -                 |
| v)    | Settlement Cost(+)                                                       | -                 | -                 |
| vi)   | Plan Amendments                                                          | -                 | -                 |
| vii)  | Acquisitions                                                             | -                 | -                 |
| viii) | Acturial Gains(-)/Loss(+)                                                | 40,40,596         | 53,44,904         |
| ix)   | Benefit Payments (-)                                                     | (1,00,53,073)     | (97,20,262)       |
| x)    | Present Value of DB obligations at the end of the year                   | 8,17,55,013       | 9,25,11,981       |

#### B. Change in Assets

| SL   | Change in assets                                       | Year<br>2014-2015 | Year<br>2015-2016 |
|------|--------------------------------------------------------|-------------------|-------------------|
| i)   | Fair value of Plan Assets at the beginning of the year | -                 | -                 |
| ii)  | Acquisition adjustments                                | -                 | -                 |
| iii) | Actual return of Plan Assets (+)                       | -                 | -                 |
| iv)  | Actual Company Contribution (+)                        | -                 | -                 |
| v)   | Benefit Payments (-)                                   | -                 | -                 |
| vi)  | Appreciation/Depreciation of Plan Assets               | -                 | -                 |
| vii) | Fair value of Plan Assets at the end of the year       | -                 | -                 |

**TABLE 4**

### GRATUITY FUND

Reconciliation of Net Assets/(Liability) recognised in the Balance Sheet as at 31st March, 2016

| SL   | Change in assets                                                                     | Year<br>2014-2015 | Year<br>2015-2016 |
|------|--------------------------------------------------------------------------------------|-------------------|-------------------|
| i)   | Net Assets /(Liability) recognised in the Balance Sheet at the beginning of the year | (7,60,28,975)     | (8,15,55,013)     |
| ii)  | Employer Expenses                                                                    | 1,57,79,111       | 1,83,61,406       |
| iii) | Employer Contribution                                                                | 1,00,53,073       | 97,20,262         |
| iv)  | Acquisitions                                                                         | -                 | -                 |
| v)   | Net Assets /(Liability) recognised in the Balance Sheet at the end of the year       | (8,17,55,013)     | (9,03,96,157)     |

## NOTES TO THE ACCOUNTS (Contd.)

## Summary of Membership Date

| Active Members                       | 31st March<br>2015 | 31st March<br>2016 |
|--------------------------------------|--------------------|--------------------|
| Number of Employees                  | 3,750              | 3,816              |
| Total Monthly Salaries (Rs.)         | 31,63,772          | 32,95,504          |
| Total Daily Salaries (Rs.)           | 3,67,080           | 4,17,342           |
| Avg. Monthly Salary per employees    | 13,504             | 13,519             |
| Avg. Daily Salary Per employees (Rs) | 122.65             | 133.89             |
| Average past services (yrs.)         | 25.15              | 38.73              |
| Average future services (yrs.)       | 38.17              | 39.14              |
| Average age at valuation date (yrs.) | 76.46              | 76.36              |

|                                                        | 31st March<br>2015 | 31st March<br>2016 |
|--------------------------------------------------------|--------------------|--------------------|
| 15. Auditors' Remuneration:<br>(Including Service Tax) |                    |                    |
| As Auditors- Audit Fees (including consolidation fees) | 2,56,742           | 3,36,700           |
| For Other Services                                     |                    |                    |
| Tax Audit Fees                                         | 61,236             | 1,10,640           |
| Certifications etc.                                    | 87,023             | 1,83,765           |
|                                                        | 4,05,001           | 6,31,105           |

## 16. Events occurring after the Balance Sheet Date:-

|                                        | Out of the profit<br>for the financial<br>year ended<br>31st March, 2016<br>Rs. | Out of the profit<br>for the financial<br>year ended<br>31st March, 2015<br>Rs. |
|----------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| Proposed Dividend                      | 1,00,02,836                                                                     | 1,17,80,250                                                                     |
| Provision for Tax on proposed dividend | 23,98,178                                                                       | 23,98,174                                                                       |

## 17. Previous Year's figures have been regrouped and rearranged, wherever considered necessary.

For GHOSAL, BASU &amp; RAY

Chartered Accountants

FRN:315080E

A RAY

Partner

Membership No. 52204

Kolkata, 28th May, 2016

D. Chowdhury  
Company SecretaryTapas Chatterjee  
Chief Financial OfficerAnjan Ghosh  
DirectorSomnath Chatterjee  
Managing Director



## FORM AOC-1

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

Statement containing salient features of the financial statement of  
Subsidiaries/Associate Companies/ Joint Ventures

### Part "A": Subsidiaries

1. SL No. :-- Not applicable
2. Name of the subsidiary:-- B & A PACKAGING INDIA LIMITED
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period:-- Reporting period for both Companies are 1st April,2015 to 31st March,2016.
4. Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries:-- N.A
5. Share Capital:-- Rs. 4,98,02,500
6. Reserves & Surplus:-- Rs.11,18,18,595
7. Total Assets:-- Rs. 38,69,40,733
8. Total Liabilities:-- Rs. 38,69,40,733
9. Investments:--Rs. Nil
10. Turnover:-- Rs. 49,19,47,947
11. Profit before taxation:--Rs. 4,85,06,749
12. Provision for taxation:--Rs. 1,72,86,305
13. Profit after taxation:--Rs. 3,12,20,444
14. Proposed Dividend:--Rs. 24,80,250
15. % of shareholding :- 71.66%
  - i) Names of subsidiaries which are yet not commence operations :- Nil
  - ii) Names of subsidiaries which have been liquidated or sold during the year:- Nil

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

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

- (i) The company has no associate company in terms of section 2(6) of the companies Act. The company has no joint ventures.
- (ii) Names of associates or joint ventures which are yet to commence operations :- Not applicable.
- (iii) Names of associates or joint ventures which have been liquidated or sold during the year :- Not applicable.



**B & A. Ltd**

CIN: L01132AS1915PLC000200

Registered Office: Indu Bhawan, Mahatma Gandhi Road Jorhat, Assam - 785001

Corporate Office : 113, Park Street, 9th Floor, Kolkata - 700016

Phone: (033)22657389 & (033)40047472, Fax: 0332265 1388

Email: investorrelations@bandaltd.in, Website: www.barooahs.com

**ECS MANDATE FORM**

To

MCS Share Transfer Agent Ltd.

12/1/5, Manohar Pukur Road (Ground floor) Kolkata 700026

Phone: 033 4072-4051 (3 lines)

Fax: 033 40724050, Email: mcssta@rediffmail.com

Ref : Payment of Dividend

Please Tick One :

- ☐ I wish to participate in the Electronic Clearing Service (ECS) introduced by Reserve Bank of India.
- ☐ I do not wish to participate in the ECS. However, kindly print the bank particulars given below on the Dividend Warrant being sent to me.

- 1) Name of the Holder (in block letter) : .....
- 2) Regd. Folio No. : .....
- 3) Particulars of Bank :
- a) Name of Bank : .....
- b) Branch Address : .....
- c) 9 digit Code Number of the Bank & Branch as appearing in the MICR 

|  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|

  
Cheque issued by the Bank  
(Please attach a photocopy or blank cancelled cheque issued by your Bank relating to your above account for verifying accuracy of the Code No.)
- d) Account Type (Please Tick) : ☐ Savings ☐ Current ☐ Cash Credit
- e) Ledger Folio No. of your Bank Account (if any) :
- f) Account No. :

I hereby declare that the particulars above given are correct and complete. I undertake to inform any subsequent changes in my above particulars before the relevant book closure dates. If the payment is delayed or not effected at all for any reason(s) beyond the control of the Company, I would not hold the Company responsible.

Place :

Date:

\_\_\_\_\_  
Signature of the First Holder

NOTES :

- Please ensure that the details submitted by you are correct as any error therein could result in the dividend payment to be credited to a wrong account.
- Attach a xerox copy of a cheque or blank cancelled banks name, branch name and code number.
- The 9 digit code number of your bank and branch is mentioned on the MICR band next to the Cheque number.
- Members desirous to participate in ECS / to get bank particulars printed in the dividend warrants, are requested to complete this form and send to the Registrar at the above mentioned address on or before 22nd September, 2016.
- Member should note that ECS instructions will supersede the instructions regarding Bank details given by the members earlier.



## APPEAL TO MEMBERS

The Companies Act 2013 and allied rules framed thereunder has prescribed paperless compliances by the companies by allowing service of documents to shareholders through electronic mode.

Enclosed a form requesting the members to register their electronic address (email addresses) or any changes therein and help us to move towards a paperless regime.

Place: Kolkata  
Date: 28th May 2016

For B & A. Ltd  
**(D. Chowdhury)**  
Company Secretary

----- TEAR HERE -----

## SUBMISSION OF E-MAIL ADDRESS

To  
The Company Secretary  
B & A Limited  
113, Park Street, 9th Floor  
Kolkata-700016

DP ID/CLIENT ID \_\_\_\_\_ Regd. Folio No. (In case of physical shares) \_\_\_\_\_

Name of Sole/First registered Shareholder \_\_\_\_\_

Registered Address of Shareholder \_\_\_\_\_

Declaration: [select whichever is applicable by ticking ☒ in the box]

1. ☐ I/We shareholder(s) of B & A Limited agree to receive all communications through electronic mode.
2. ☐ I/We would like to register the e-mail ID with the Company.

E-mail ID: \_\_\_\_\_

Place:

Date:

\_\_\_\_\_  
**Signature [Sole/First Holder]**

### Notes:

1. On registration to receive communication through electronic mode, all the communications will be sent to the registered e-mail ID,
2. Shareholders are requested to keep the company informed as and when there is any change in the e-mail address. Unless the e-mail ID once registered is changed by you by sending another communication in writing to the company, the company will continue to send the communications to your registered e-mail ID.



## NOTES







*If undelivered please return to:*

**B&A LIMITED**

113, Park Street, 9th Floor  
Kolkata - 700 016