

THE CHAMONG TEA COMPANY LIMITED

**INCORPORATED 30th MAY, 1901, IN INDIA
CIN No. L01132WB1901PLC001494**

Board of Directors

**Mr. S.K. Pasari
Mr. S. Jatia
Mr. A. Pasari
Mrs. S. Pasari**

Whole Time Director

Mr. C.K. Pasari

Auditors

**Salarpuria Jajodia & Co.
Chartered Accountants
7, C. R. Avenue
Kolkata 700 072**

Bankers

**HDFC Bank Ltd
Axis Bank Ltd
Oriental Bank of Commerce**

Unit A

**Duflating Tea Estate & Factory
P.O. Titabar
Jorhat(Assam)
Phone : 03771-245545**

Unit B

**Titabar Tea Factory
P.O. Titabar
Jorhat (Assam)
Phone : 03771-245545**

Registered Office

**12, Govt. Place East
Kolkata- 700 069
Phone : 033 -2210-2600
E-mail : sales@duflating.com**

NOTICE OF ANNUAL GENERAL MEETING

TO THE SHARE HOLDERS

Notice is hereby given that the One hundred fourteenth Annual General Meeting of The Chamong Tea Co. Ltd will be held at its registered office 12, Govt. Place East, Kolkata-700 069 on Thursday 17th day of September 2015 at 11A.M to transact the following business.

AS ORDINARY BUSINESS

1. To receive and adopt the Director's Report and Audited Profit and Loss account for the year ended 31st March, 2015 and the Balance Sheet as on that date.
2. To appoint a Director in place of Shri. A. Pasari(DIN No. 00105629) who retires by rotation and being eligible, offers himself for re appointment.
3. To appoint Auditors and to fix their remuneration.

By order of the Board
For The Chamong Tea Co.Ltd.

C. K. PASARI

Kolkata,
the 17th day of August 2015

Wholetime Director

Notes :

1. MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy should however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
2. The register of Members and share transfer books of the company will remain closed from 15th September 2015 to 17th September 2015 (both days inclusive).

REPORT OF THE DIRECTORS

The directors have pleasure in presenting the Annual Report and Audited Accounts of the Company for the year ended 31st March, 2015.

FINANCIAL RESULTS	Year Ended 31st March 2 0 1 5	Year Ended 31st March 2 0 1 4
Turnover (Gross)	250,361,755	255,562,418
Profit / (Loss) before finance Cost, tax depreciation and extraordinary items	15,282,654	26,535,747
Less: Finance Cost	1,120,689	1,836,866
Profit/(Loss) before tax , depreciation	14,161,965	24,698,881
Less: Depreciation	10,103,987	6,913,699
Profit/(Loss) before extraordinary items	4,057,978	17,785,182
Add: Other Income	3,100,533	2,016,657
Profit / (Loss) before tax	7,158,511	19,801,839
Less: Current Tax	(3,275,000)	(5,200,000)
Income Tax for earlier year	(226,713)	-
Profit / (Loss) after tax	3,656,798	14,601,839

2. DIVIDEND

No Dividend was declared for the current financial year due to insufficient profit.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared, the provisions of Section 125 of the Companies Act, 2013 do not apply.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

During the year under review, your Company's saleable production was 14.20 lakh kgs of tea as compared to 15.03 lakh kgs in the previous year. Unfortunate weather, with Drought during early months and deficit rainfall with very hot dry and dry days in April and May contributed towards the decline in crop.

The estimate production for 2015-16 from own leaf and bought leaf 15.25 Lakh kgs.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure-A** and is attached to this report.

7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence is very minimal.

8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, guarantees or investments made under Section 186 is furnished in **Annexure-B** and is attached to this report.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 186 is furnished in **Annexure-C** and is attached to this report.

11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualifications, reservations or adverse remarks made by the either by the Auditors or by the Practicing Company Secretary in their respective reports.

12. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

13. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure D** and is attached to this Report.

14. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 6 (Six) Board meetings during the financial year under review.

15. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts, for the year ended 31.03.2015 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period ended 31st March 2015;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

17. DEPOSITS

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

18. DIRECTORS

There was no Director who got re-elected / re-appointed during the year under review.

Mrs. Shradha Pasari who was appointed as Non- Executive Director on 23/03/2015 as per the provisions introduced by the Companies Act, 2013 of India, which states mandatory inclusion of at least one woman director to the Board of Directors.

Mr. A Pasari retire at this Annual General Meeting and being eligible offer themselves for re election.

19. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

20. STATUTORY AUDITORS

M/s. Salarpuria Jajodia & Co, Chartered Accountants, 7, C R Avenue, Kolkata 700 072 were appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 21/08/2014 Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

21. SECRETARIAL AUDITOR

The Board has appointed CS Mahabir Prasad Kabra of M. P Kabra & Co, Company Secretaries of 79, Deshbandhu Nagar Road, Hindmotor, Dist – Hooghly, West Bengal 712 233 to conduct Secretarial Audit for the Financial Year 2014-2015. The Secretarial Audit Report for the year ended 31st March 2015 is annexed herewith marked as Annexure E to this Report. The secretarial Audit Report does not contain any qualification, reservation and adverse remark.

22. RISK MANAGEMENT POLICY

The Company has adopted and implemented a Risk Management Policy after identifying various risks which the Company encounters with during the course of its business none of which in the opinion of the Board may threaten the very existence of the Company itself. The Company has taken adequate measures to mitigate various risks encouraged by the Company.

23. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

24. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

25. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to Section 22 of the Sexual Harassment of Women at workplace (prevention, prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said Act has confirmed that no complaint / case has been filed / pending with the Company during the year.

26. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of Board

12, Govt. Place East
Kolkata- 700069
Dated, 17th day of August 2015

C.K. PASARI	Whole Time Director
S.K. PASARI	Director
A. PASARI	Director
S. JATIA	Director

THE CHAMONG TEA COMPANY LIMITED

Annexure-A

THE CHAMONG TEA COMPANY LIMITED

Information as per section 134 (3)(m) forming part of the Directors Report

		Current Year Ended 31-03-2015	Previous Year Ended 31-03-2014
(A) POWER AND FUEL CONSUMPTION			
1. ELECTRICITY			
(a) Purchase Unit	(KWH)	824,970	926,199
Total Amount	(₹)	7,303,501	7,646,686
Rate/Unit	(₹/KWH)	8.85	8.26
Own Gen. Set Unit	(KWH)	454,160	284,312
Unit Per Ltr. Of Diesel Oil	(KWH)	2.88	2.35
Fuel Cost Per Unit		20.98	22.83
2. GAS (Volume)			
Total Amount		658,769	612,422
Average Rate/SCUM		10,100,241	8,668,125
		15.33	14.15
3. OTHERS			
(i) H.S.D. Oil For Transport & Material Handling & Irrigation			
Quantity	(K.ltr.)	29,046	31,673
Total Cost	(₹)	1,668,868	1,709,328
Rate/Unit	(₹/K.ltr.)	57.46	53.97
(ii) Petrol For Transport & Material Handling etc.			
Quantity	(K.ltr.)	12,243	12,155
Total Cost	(₹)	864,413	890,386
Rate/Unit	(₹/K.ltr.)	70.60	73.25
B. CONSUMPTION PER UNIT OF PRODUCTION			
Production - Tea	(Gross Kgs)	1,455,913	1,531,659
Energy Use:			
Electricity including own			
Generator set	(KWH/Kg.)	0.90	0.79
Manufacturing Gas		0.46	0.46
Coal Coke/Rom		0.03	0.04
Others:			
HSD Oil	(Ltr./Kgs.)	—	—

Disclosure of Particulars with respect to Research & Development Technology Absorption.

THE CHAMONG TEA COMPANY LIMITED

RESEARCH & DEVELOPMENT (R & D)

- 1) Specific area in which R & D carried out by company.

The company subscribes to Tea Research Association (TRA) which registered Under Section 35(1)(ii) of the Income Tax Act, 1961. TRA'S findings are experimentally tried out under local conditions for final adoption by the company.

- 2) Benefits Derived as a Result of the above R & D.

Ultimately, findings are utilized by the company for maximising yield and improving quality.

- 3) Future Plan for Action: Present Programs are Proposed to Continue.

- 4) Expenditure on R & D.

	Current Year Ended 31-03-2015 (₹)	Previous Year Ended 31-03-2014 (₹)
a) Capital	Nil	Nil
b) Recurring	Nil	Nil
c) Total R & D expenditures as a percentage of total number	Nil	Nil

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION :

- 1) Efforts, in brief, made towards Technology, Adoption and Innovation. Seminars and training programmes were held for managerial staff in addition to periodic discussion with advisers. Circulars were also issued from time to time to update the technical knowledge of the staff.
- 2) Benefit Derived as a Result of the above Efforts:-
Increase in Productivity and cost reduction by optimisation inputs.

Annexure - B

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

Name of the Party	Principal Amount Outstanding As on 3/31/2015 (₹)	Interest Accrued & Due Outstanding As on 3/31/2015 (₹)	Total Outstanding As per Balance Sheet Note No. 13 (₹)
Babcock Borsig Ltd 4, Mangoe Lane Kolkata 700 001	20,000,000	621,370	20,621,370
Surana Mercantiles Pvt Ltd 45, Shakespeare Sarani Kolkata 700 017	15,000,000	—	15,000,000
	<u>35,000,000</u>	<u>621,370</u>	<u>35,621,370</u>

Annexure-C

Related Party Disclosures : As required under Accounting standard 18: Related Party Disclosures

Key Management personnel	Sri C. K. Pasari Sri S. K. Pasari Sri A. Pasari Sri S. Jatia
Enterprises over which Key Management Personnel Shareholders/ Relatives have significant influence	India Automobiles (1960) Ltd. Supreme Products Pvt. Ltd. Regent Estates Ltd. Pasari Merchants Pvt. Ltd. Radhika Industrial Investments Ltd Esskay Leasing & Finance Pvt. Ltd Pasari Charity Trust

Related Party Disclosures :

Nature of Transaction	With (a) (₹)	With (b) (₹)
Loan Taken during the year	--	10,500,000
	--	(20,700,000)
Interest Payment	--	349,644
	--	(932,340)
Salary/Remuneration	1,500,000 (1,500,000)	-- --
Director's Sitting Fess	13,200 (14,300)	-- --
Rent Expenses	--	8,088 (8,088)
Rent Income	--	2,328 (2,328)
Balances Receivable(As per Note 15)	--	28,350 (4,804)

THE CHAMONG TEA COMPANY LIMITED

Annexure-D

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

i) CIN	CIN No. L01132WB1901PLC001494
ii) Registration Date	30th May 1901
iii) Name of the Company	THE CHAMONG TEA COMPANY LIMITED
iv) Category/Sub-category of the Company	Public Company; Company having share capital
v) Address of the Registered office & contact details	12, Government Place East, Kolkata 700 069, Ph. 033 2210 2600
vi) Whether listed company	Yes
vii) Name , Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Pvt Ltd, C-444, Bagri Market, 4th Floor, 71, BRB Basu Road, Kolkata 700 001, Phone No. 2235 7271

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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Cultivation, Manufacture & Sale of Tea	01271;10791;46306	100%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLI- CABLE SECTION
N/A					

ANNEXURE – E

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, read with the Guidance Note on Secretarial Audit (Release-1.2) of the Institute of Company Secretaries of India]

**To,
The Members,
The Chamong Tea Co Ltd
12, Government Place East
Kolkata-700069**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THE CHAMONG TEA CO LTD, [CINL01132WB1901PLC001494] (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us as a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extend of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [No incidence during the audit period, hence not applicable]
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [No incidence during the audit period, hence not applicable]
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [No incidence during the audit period, hence not applicable]
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [No incidence during the audit period, hence not applicable]
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

THE CHAMONG TEA COMPANY LIMITED

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Delisting of Equity Shares of the Company is under process.
- (h) The Securities and Exchange Board of India Buyback of Securities) Regulations, 1998; [No incidence during the audit period, hence not applicable]
- (vi) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
 - a) Assam Tea Employees Plantation Provident Fund Act 1968(Relating to Tea Gardens)
 - b) Employees' Group Gratuity Scheme Act 1972
 - c) The Factories Act,1948
 - d) The Payment of Wages Act,1936
 - e) The Tea Waste (Control) Order,1959
 - f) The Tea (Marketing) Control Order 1984

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not Applicable)
- (ii) The Listing Agreement entered into by the Company with The Calcutta Stock Exchange Ltd, The Company is generally regular in giving respective intimations under various clauses of The Listing Agreement;

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

We further report that

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

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

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

On the basis of information provided, we further report that during the audit period there were no instances of:

- (i) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/amalgamation/reconstruction, etc.
- (v) Foreign technical collaborations.

Name of Company Secretary in practice / Firm
M.P.KABRA & CO.
Company Secretaries

MAHABIR PRASAD KABRA
Proprietor
FCS No. 3791; CP No. 7618

Place : HINDMOTOR
Date : 17/08/2015

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of **The Chamong Tea Company Limited** (“the company”) which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit & Loss and 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 Financial Statements

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

Auditor’s Responsibility

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

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

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

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

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

Opinion

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Companies Act,2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations as at 31st March, 2015 which would impact its financial position.
 - ii) The company did not have any long term contracts including derivative contract as at 31st March, 2015.
 - iii) There was no amount which was required to be transferred to the investor education protection fund by the company.

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

Firm ICAI Reg. No.302111E

Anand Prakash

Partner

Membership No. 56485

Place : 7, C.R. Avenue
Kolkata - 700 072
Date : 17th August, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- 1) (a) The Company has generally maintained proper records showing particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 2) (a) As explained to us, inventories have been physically verified during the year at reasonable intervals by the management.
(b) The procedures explained to us, which are followed by the management for physical verification of inventories, are in our opinion reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the inventory records of the Company, we are of the opinion that, the Company is maintaining proper records of its inventory. No material discrepancies were noticed on physical verification of inventory.
- 3) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. So the comment on clause 3(a) and 3(b) is not applicable.
- 4) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of Inventory and Fixed Assets and for the sale of goods and services. During the course of our previous assessment, no weakness in internal control system had come to our notice.
- 5) According to the information and explanations given to us, there is no such deposits, taken by the Company, for which 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 and the rules framed there under, are required.
- 6) We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of Company's product to which the said rules are made applicable, and are of the opinion that, prima-facie, the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the same.
- 7) (a) According to the records of the Company and as per the information and explanations given to us, the Company is regular in depositing undisputed Statutory Dues like Provident Fund, Tax deducted at Source, Sales Tax/VAT, Service Tax, Interest and damages, if any, etc, within due date with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other Statutory Dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

THE CHAMONG TEA COMPANY LIMITED

- (b) According to information and explanation given to us by the management, there are no statutory dues, which have not been deposited with appropriate authorities on account of any dispute.
- (c) There is no amount payable to investor education and protection fund as at 31st March 2015.
- 8) Company has not incurred cash losses during the financial year or in the immediately preceding financial year;
- 9) On the basis of records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks or to a Financial Institution.
- 10) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from Banks or Financial Institutions.
- 11) To the best of our knowledge and belief and according to the information and explanations given to us, Term Loan facility availed by the Company during the year has been applied for the purpose for which the loans were obtained.
- 12) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanation given to us, we have neither come across instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Place : 7, C.R. Avenue
Kolkata - 700 072
Date : 17th August, 2015

For SALARPURIA JAJODIA & CO.
Chartered Accountants
Firm ICAI Reg. No.302111E
Anand Prakash
Partner
Membership No. 56485

THE CHAMONG TEA COMPANY LIMITED

BALANCE SHEET AS AT 31.03.2015

	Note No.	As at 31.03.2015 (₹)	As at 31.03.2014 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
Share Capital	2	2,519,100	2,519,100
Reserves and Surplus	3	92,268,999	89,913,689
		94,788,099	92,432,789
(2) Non-Current Liabilities			
Long-term borrowings	4	1,499,988	-
		1,499,988	-
(3) Current Liabilities			
Short-term borrowings	5	9,154,708	21,562,297
Trade payables	6	283,076	383,789
Other current liabilities	7	12,002,156	7,175,671
		21,439,940	29,121,757
Total		117,728,027	121,554,546
II. ASSETS			
(1) Non-current assets			
Fixed assets			
(i) Tangible assets	8	50,674,161	54,479,523
Non-current investments	9	103,940	103,940
Long term loans and advances	10	6,199,432	4,159,932
		56,977,533	58,743,395
(2) Current assets			
Inventories	11	13,477,028	14,416,529
Trade receivables	12	1,632,835	1,473,386
Cash and Cash equivalents	13	3,099,424	4,395,227
Short-term loans and advances	14	40,038,071	42,363,878
Other current assets	15	2,503,136	162,131
		60,750,494	62,811,151
Total		117,728,027	121,554,546

Summary of Significant Accounting Policies & Notes to Accounts

1 & 24

The accompanying Notes are an integral part of the Financial Statement

For SALARPURIA JAJODIA & CO.

Chartered Accountants

ANAND PRAKASH

Partner

Membership No. 56485

C. K. PASARI *Whole Time Director*

S. K. PASARI *Director*

A. PASARI *Director*

S. JATIA *Director*

Place : Kolkata

Date : 17th August, 2015

THE CHAMONG TEA COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Note No.	For the Year Ended 31st March 2015 (₹)	For the Year Ended 31st March 2014 (₹)
I. Revenue from operations	16	251,082,810	256,342,861
Less : Excise Duty(cess)		721,055	780,443
		<u>250,361,755</u>	<u>255,562,418</u>
II. Other Income	17	3,100,533	2,016,657
III. Total Revenue (I + II)		<u>253,462,288</u>	<u>257,579,075</u>
IV. Expenses:			
Cost of materials consumed & other manufacturing expenses	18	121,723,689	122,889,285
Changes in inventories of finished goods and stock-in-trade	19	815,540	(231,199)
Employee benefit expenses	20	47,735,125	42,981,981
Finance costs	21	1,120,689	1,836,866
Depreciation expenses	22	10,103,987	6,913,699
Other expenses	23	64,804,747	63,386,604
Total Expenses		<u>246,303,777</u>	<u>237,777,236</u>
V. Profit/ (Loss) before exceptional items and tax (III - IV)		7,158,511	19,801,839
VI. Exceptional Items		--	—
VII. Profit/(Loss) before tax (V - VI)		7,158,511	19,801,839
VIII. Tax expense:			
(1) Current tax		3,275,000	5,200,000
(2) Income tax for earlier years		226,713	—
		<u>3,501,713</u>	<u>5,200,000</u>
IX. Profit/(Loss) after tax (VII - VIII)		3,656,798	14,601,839
X. Earning per equity share:			
Basic/Diluted		14.52	57.96

Summary of Significant Accounting Policies & Notes to Accounts

1 & 24

The accompanying Notes are an integral part of the Financial Statement

For SALARPURIA JAJODIA & CO.

Chartered Accountants

ANAND PRAKASH

Partner

Membership No. 56485

C. K. PASARI

Whole Time Director

S. K. PASARI

Director

A. PASARI

Director

S. JATIA

Director

Place : Kolkata

Date : 17th August, 2015

THE CHAMONG TEA COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

	Year Ended 31.03.2015 (₹)	Year Ended 31.03.2014 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	7,158,511	19,801,839
Adjustment for:		
Depreciation	10,103,987	6,913,699
Interest Expenses	1,076,934	1,836,866
Interest income	(1,916,038)	(1,055,568)
Dividend received	(1,830)	(1,464)
(Profit)/Loss on sale of Fixed Assets	(567,339)	(54,306)
Operating Profit before Working Capital changes	15,854,225	27,441,066
Movements In Working Capital :		
Increase/(Decrease) in Trade Payables	(100,713)	(64,866)
Increase/(Decrease) in Other Current Liabilities	3,826,477	(440,063)
Decrease/(Increase) in Inventories	939,501	5,648,047
Decrease/(Increase) in Trade Receivable	(159,449)	(17,145)
Decrease/(Increase) in Long- Term Loans and Advances	(2,039,500)	(34,000)
Decrease/(Increase) in Short - Term Loans and Advances	(350,212)	1,368,404
Decrease/(Increase) in Other Current Assets	(2,337,341)	149,379
Cash generated from operations/(used in) Operations	15,632,988	34,050,822
Income Taxes Paid	(3,442,202)	(4,090,306)
Net Cash from Operating activities	12,190,786	29,960,516
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase Of Fixed Assets	(8,682,774)	(9,944,170)
Sale Of Fixed Assets	1,650,000	56,000
Inter corporate loan given(net of repayment)	2,616,508	(28,061,822)
Interest received	1,912,374	1,054,107
Dividend received	1,830	1,464
Net Cash from Investing activities	(2,502,062)	(36,894,421)

THE CHAMONG TEA COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015 (Contd)

	Year Ended 31.03.2015 ₹	Year Ended 31.03.2014 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Paid	(1,076,934)	(1,836,866)
Proceeds/ (Repayment) from Long term Borrowings	2,499,996	(92,582)
Proceeds/ (Repayment) from Short term Borrowings	(12,407,589)	3,417,762
Net Cash from Financing activities	(10,984,527)	1,488,314
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(1,295,803)	(5,445,591)
Cash and Cash Equivalents at the beginning of the period	4,395,227	9,840,818
Cash and cash Equivalents at the end of the period	3,099,424	4,395,227
Balances with Banks		
– On Current Account	345,543	1,721,277
– In Investment Deposit Account	12,554	12,621
– In Gratuity Fund Account	5,095	5,106
Cash on Hand	2,736,232	2,656,223
	3,099,424	4,395,227

Note:

- Previous year's figures have been regrouped / recasted wherever necessary.
- The above cash flow has been prepared under "Indirect Method" as prescribed under Accounting Standard 3 "Cash Flow Statement".

The accompanying Notes are an integral part of the Financial Statement

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

ANAND PRAKASH

Partner

Membership No. 56485

C. K. PASARI

Whole Time Director

S. K. PASARI

Director

A. PASARI

Director

S. JATIA

Director

Place : Kolkata

Date : 17th August, 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

NOTE : 1 – SIGNIFICANT ACCOUNTING POLICIES

i. BASIS OF PREPARATION

These Financial Statements have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis. These Financial Statements have been prepared to comply in all material aspects with the Accounting Standards and the other relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii. USE OF ESTIMATES

The preparation & presentation of the Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii. FIXED ASSETS & DEPRECIATION/AMORTIZATION

a. TANGIBLE FIXED ASSETS

Fixed assets are stated at acquisition cost, net of accumulated depreciation. The cost comprises of purchase cost, borrowing costs if capitalization criteria are met and other directly attributable cost of bringing the assets to its working conditions for intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The depreciation of assets has been calculated on the basis of reducing balance method, as per life and rates specified in Schedule II of the Companies Act, 2013.

b. INTANGIBLE ASSETS

Intangible Assets are capitalized where it is expected to provide future enduring economic benefits. Intangible Assets are stated at cost or initial recognition after which same are stated at cost less accumulated amortization and accumulated impairment loss, if any.

c. CAPITAL WORK IN PROGRESS

Capital Work in progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation.

iv. INVESTMENTS

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. Provision for diminution is made if the decline in value of Long Term Investments is other than temporary in nature.

NOTES TO FINANCIAL STATEMENTS

NOTE : 1 (Contd.)

v. **INVENTORIES**

Finished Goods and Stock in Trade are stated at lower of cost and net realizable value. Stores and Spares are valued at cost. Cost is determined on weighted Average Cost basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes appropriate overheads.

vi. **REVENUE RECOGNITION**

Income is accounted on accrual basis except those for which the quantum cannot be correctly ascertained and which are accounted for on the basis of settlement.

Sale of Goods: Sales are recognized when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognized net of trade discounts/allowance, sales return and sales taxes/value added tax.

Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognized when the right to receive dividend is established.

Subsidies: Replantation subsidy received from Tea Board is considered as income and is credited to statement of Profit and Loss on actual basis. Subsidy received from Tea Board against manufacturing of Orthodox Tea is considered as income and credited to Statement of Profit and Loss on accrual basis.

vii. **EMPLOYEE BENEFITS**

Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

Provident Fund: the company makes a contribution to employees provident fund scheme at the rates prescribed by the relevant act and paid to the concerned authorities of the central govt.

Gratuity: Defined benefit plans like Gratuity is also maintained by the Company. The Company contributes to Gratuity Fund and such contribution is determined by the Actuary at the end of the year. Actuarial gains & losses are recognized in the Statement of Profit & Loss. The Company recognizes in the Statement of Profit & Loss gains or losses on curtailment or settlement of a defined benefit plan as and when the curtailment or settlement occurs.

viii. **BORROWING COSTS**

Borrowing costs are attributable to the acquisition of a qualifying asset are capitalized as part of cost of such asset till the time of asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

ix. **FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities related to foreign currency transactions remaining unsettled

NOTES TO FINANCIAL STATEMENTS

NOTE : 1 (Contd.)

at the end of the year are translated at year-end exchange rates. Gains/losses arising out of fluctuations in the exchange rates are recognised in the Statement of Profit and Loss in the period in which they arise. Exchange Differences arising on settlement of transactions are dealt with in the Statement of Profit & Loss.

x. TAXES ON INCOME

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 and under the respective state Agricultural Income Tax Acts.

Deferred taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years.

Deferred Tax assets subject to consideration of Prudence are recognized and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date.

xi. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable value.

xii. CESS ON FINISHED GOODS

Cess on finished goods manufactured is accounted for on clearance of goods from factory premises.

xiii. PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognized when there is a present obligation as a result of a past event and is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Contingent Liabilities are the possible obligation of the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for but are disclosed by way of Notes to Accounts. Contingent Assets are not disclosed.

THE CHAMONG TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
Note : 2 SHARE CAPITAL		
Authorised Shares		
Equity shares		
4,00,000 (4,00,000) shares of Rs. 10/- each	4,000,000	4,000,000
Cumulative Redeemable Preference Shares		
20,000 (20,000) shares of Rs. 100/-each	2,000,000	2,000,000
	<u>6,000,000</u>	<u>6,000,000</u>
Issued, Subscribed & Paid-Up Shares		
2,24,620 (2,24,620) shares of Rs. 10/- each fully Paid-Up in Cash	2,246,200	2,246,200
27,290 (27,290) shares of Rs. 10/- each allotted as fully Paid-Up, pursuant to contract without payment being received in cash.	272,900	272,900
Total	<u>2,519,100</u>	<u>2,519,100</u>

Terms/Rights attached to Equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuing Annual general Meeting, except in case of interim dividend. In the event of Liquidation, The Equity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts, in the proportion of their shareholding.

a. Reconciliation of shares outstanding at the beginning & at the end of the reporting period

Equity Shares	Nos.	As at 31-03-2015 (₹)	Nos.	As at 31-03-2014 (₹)
At the beginning of the period	251,910	2,519,100	251,910	2,519,100
Issued during the period	—	—	—	—
Outstanding at the end of the period	<u>251,910</u>	<u>2,519,100</u>	<u>251,910</u>	<u>2,519,100</u>

b. The company does not have any Holding Company, ultimate Holding Company or Subsidiary Company.

c. Details Of Shareholders holding more than 5% Shares in the Company.

Particulars	Nos.	As at 31-03-2015 % Holding in the class	Nos.	As at 31-03-2014 % Holding in the class
Equity Shares of Rs. 10 Each				
Chandra Kant Pasari	142,985	56.76	142,985	56.76
Shradha Pasari	33,500	13.30	33,500	13.30
Sushila Devi Pasari	28,100	11.15	28,100	11.15

d. No Shares have been reversed for issue underoptions and contracts/commitments for the sale of Shares/ disinvestment as at the Balance Sheet date.

e. For the period of five years immediately preceding the date as at Balance Sheet is prepared:

No Shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash.

No Shares have been allotted as fully paid up by way of bonus shares.

No Shares have been bought back by the company.

THE CHAMONG TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE 3 : RESERVE & SURPLUS		
a) Capital Reserve :		
Opening Balances	4,220,912	4,220,912
Addition	-	-
Deduction	-	-
Closing Balance	<u>4,220,912</u>	<u>4,220,912</u>
b) Share Premium Reserve:		
Opening Balance	4,114,530	4,114,530
Addition	-	-
Deduction	-	-
Closing Balance	<u>4,114,530</u>	<u>4,114,530</u>
c) General Reserve:		
Opening Balance	5,238,000	5,238,000
Addition	-	-
Deduction	-	-
Closing Balance	<u>5,238,000</u>	<u>5,238,000</u>
d) Surplus/ (Deficit) in the Statement of Profit & Loss:		
Opening Balance	76,340,247	61,738,408
Profit/(Loss) During The year	3,656,798	14,601,839
Less: Transitional Effect Of Depreciation	(1,301,488)	-
Closing Balance	<u>78,695,557</u>	<u>76,340,247</u>
Total	<u>92,268,999</u>	<u>89,913,689</u>

NOTE 4 : LONG TERM BORROWINGS

Secured		
- Vehicle Loan from BMW Financial Services *	2,499,996	-
Less : Current Maturity of Vehicle Loan being transferred to Other Current Liabilities (Refer Note 7)	(1,000,008)	-
Total	<u>1,499,988</u>	<u>-</u>

*Vehicle loan from bank is secured against hypothecation of car.

NOTE : 5 SHORT TERM BORROWING

Secured:		
Cash credit from Bank**	9,154,708	21,562,297
Total	<u>9,154,708</u>	<u>21,562,297</u>

**Cash credit from HDFC Bank is secured against-

Primary Security: Hypothecation by way of first and exclusive charges on all present & future current assets inclusive of all stock and book debts.

THE CHAMONG TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
--	--------------------------	--------------------------

Collateral Security:

Equitable Mortgage of Duflating Tea Estate.

Personal Guarantee:

The loan has been guranteed by the personal gurantee of one director of the company.

NOTE : 6 TRADE PAYABLES

Sundry Creditors for Goods and Services

– Goods	233,026	361,949
– Services	50,050	21,840
Total	283,076	383,789

The company has not received information from vendors regarding the status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence no disclosures thereof for outstandings are made in this account.

NOTE : 7 OTHER CURRENT LIABILITIES

Statutory Dues*	747,186	254,827
Payable to employees	9,400,731	6,046,791
Other Payables	854,231	874,053
Current Maturity of Long Term Borrowings (Refer Note 3)	1,000,008	-
Total	12,002,156	7,175,671

*Details of Statutory Dues

Tax deducted at sources	106,223	143,943
Provident Fund	60,442	67,866
Professional Tax	14,900	13,250
Taxation on green leaf	10,174	22,602
CST payable	-	1,738
Central Excise Duty(cess)	1,440	3,097
Income Tax Payable	554,007	-
Service tax Payable	-	2,331
Total	747,186	254,827

NOTES TO FINANCIAL STATEMENTS

NOTE : '8' – FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As At 01.04.2014 ₹	Addition During the Year ₹	Sold/Adj. During the Year ₹	Total As At 31.03.2015 ₹	Upto 31.03.2014 ₹	For the Year ₹	Sold/Adj. During the Year ₹	Transit ional Effect ₹	Total Upto 31.03.2015 ₹	As At 31.03.2015 ₹	As At 31.03.2014 ₹
I) Tangible assets:											
Tea Estate (Leasehold)	5,646,740	-	-	5,646,740	-	-	-	-	-	5,646,740	5,646,740
Land	15,000	-	-	15,000	-	-	-	-	-	15,000	15,000
Building	55,365,687	197,456	-	55,563,143	31,221,205	1,881,970	-	1,177,969	34,281,144	21,281,989	24,144,482
Machinery	75,705,383	410,310	50,000	76,065,693	57,619,609	4,892,534	49,997	28,160	62,480,306	13,575,387	18,085,774
Transport Motor Vehicles & Tractors	17,823,254	7,995,228	4,742,448	21,076,034	12,218,993	2,934,203	3,659,790	110	11,493,516	9,582,518	5,604,261
Furniture, Fixtures & Other Equipments	5,543,896	79,780	-	5,623,676	4,560,630	395,280	--	95,249	5,051,159	572,517	983,266
Total Assets -	160,099,960	8,682,774	4,792,448	163,990,286	105,620,437	10,103,987	3,709,787	1,301,488	113,316,125	50,674,161	54,479,523
Previous Year	150,623,992	13,526,301	4,050,333	160,099,960	99,173,245	6,913,699	466,507	-	105,620,437	54,479,523	-

- 720.4 Acres of Land have been acquired by the Govt. of Assam for which no adjustment has been made in the account, compensation receivable. If any will be accounted for as and when received.
- Building includes cost of free hold property in Land & Buildings ₹ 2,57,112/- (₹ 2,57,112/-). It is not possible to segregate cost of Land and building Individually.
- Depreciation is provided during the year on written down value method at the life specified in Schedule II to the Companies Act, 2013
- Pursuant to the enactment of Companies Act, 2013 the company has effectively from 01.04.2014, reviewed and revised the estimated useful lives of its fixed assets, generally in accordance with provisions of schedule II of the Act. The consequential impact on depreciation is higher by ₹ 29,62,012/- and the written down value of the Fixed Assets whose lives has expired as at 01.04.2014 amounting to ₹ 13,01,488/-, has been charges to Reserve & Surplus.

THE CHAMONG TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	Face Value ₹	As at 31-03-2015		As at 31-03-2014	
		No. of Shares/ Units	Value ₹	No. of Shares/ Units	Value ₹
NOTE -9 : NON-CURRENT INVESMENT : At Cost					
OTHER INVESTMENTS-					
I) Investment in Equity Instruments					
a) Quoted Shares					
- Tirupati Tyres Ltd	10	400	4,000	400	4,000
- Tata Steel Ltd.	10	183	28,440	183	28,440
b) Unquoted Shares (Associate Company)					
- I.A Technical Services Ltd.	10	1,000	5,000	1,000	5,000
- India Automobiles (1960) Ltd.	10	6,500	65,000	6,500	65,000
II) Investment in Debentures					
- Woodland Medical Centre Ltd.(Non-Redeemable)		1	500	1	500
III) Investment in Govt. Securities (Unquoted)					
- National Savings Certificates (Deposited with Excise Department as Security deposit against B-2 Bond Account)		-	-	-	-
Total			1,000		1,000
			103,940		103,940

	As At 31.03.2015		As At 31.03.2014	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate Value of Quoted Investments	32,440	61,984	32,440	76,093
Aggregate Value of Unquoted Investments	71,500	-	71,500	-
Total	103,940	61,984	103,940	76,093

*For Companies whose market value is not available, book value has been considered as market value.

Note 10 LONG TERM LOANS AND ADVANCES

Advance recoverable in Cash or in kind :

Unsecured, considered good :

Security Deposit	6,199,432	4,159,932
Total	6,199,432	4,159,932

Note : 11 INVENTORIES Finished goods (Made Tea)

Stores in transit	1,854,386	2,669,926
Stores & Spare Parts	-	8,195
Nursery Stock	7,561,413	8,147,045
Total	4,061,229	3,591,363
	13,477,028	14,416,529

Notes:

1. Inventories are Taken and certified by the management.
2. Stores and spare parts are valued at Weighted Average Cost.
3. Finished goods are valued at cost or Net Realisable value whichever Is Lower.
4. Nursery Stock are valued at cost.

NOTES TO FINANCIAL STATEMENTS

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE : 12 TRADE RECEIVABLES		
Outstanding for a period exceeding six months from due date:		
Unsecured, considered good :	1,561,381	1,277,795
Others :		
Unsecured, considered good :	71,454	195,591
Total	1,632,835	1,473,386

**NOTE : 13 CASH & BANK BALANCE
CASH AND CASH EQUIVALENTS :**

Balances with banks-		
On Current Account	345,543	1,721,277
In Investment deposit Account	12,554	12,621
In Gratuity Fund Account	5,095	5,106
	363,192	1,739,004
Cash on Hand	2,736,232	2,656,223
Total	3,099,424	4,395,227

NOTE : 14 SHORT TERM LOANS & ADVANCES

Advance recoverable in Cash or in kind :

Unsecured Considered Good:

Inter corporate Loan	35,621,370	38,237,878
Advance Income tax (Net of Provisions of ₹ 32,75,000 (₹ 1,37,50,000))	559,516	619,027
Prepaid Expenses	702,438	931,572
Balance with Excise Department	5,043	3,915
Staff & Labour Advance	404,887	357,588
Advance to supplier	2,081,173	1,641,292
Deposit with NABARD	33,800	33,800
Other Advances	629,844	538,806
Total	40,038,071	42,363,878

THE CHAMONG TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE : 15 OTHER CURRENT ASSETS		
Subsidy receivable	52,002	49,266
Interest receivable	88,082	84,418
Amount Receivable from Related Party*	28,350	4,804
Income Tax Refund receivable	1,322,855	23,643
Other Receivables	1,011,847	-
Total	2,503,136	162,131
* Name of related parties		
Supreme Products Pvt. Ltd.	5,670	2,882
Radhika Industrial Investment Ltd.	3,780	1,922
Pasari Charity Trust	18,900	-
Total	28,350	4,804
NOTE : 16 REVENUE FROM OPERATIONS		
Sale of Finished Goods (Black Tea)	251,082,810	256,342,861
Less : Excise Duty(Cess)	721,055	780,443
Total	250,361,755	255,562,418
NOTE : 17 OTHER INCOME		
Forex Exchange Gain	-	25,842
Grow More Food	22,781	21,400
Rent	18,948	21,948
Profit on Sale of Fixed Asset	567,339	54,306
Dividend from Long term Investment	1,830	1,464
Insurance Claim on Damaged Teas	24,596	555,705
Provision for doubtful written back	-	201,597
Interest Received	1,916,038	1,055,568
Subsidy Received	228,905	69,711
Interest On Income Tax Refund	248,031	-
Miscellaneous receipts & adjustments (Net)	72,065	9,116
Total	3,100,533	2,016,657

THE CHAMONG TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE : 18 COST OF MATERIALS CONSUMED & OTHER MANUFACTURING EXPENSES		
Cost of Green Leaf Purchased	70,926,127	69,979,553
Stores & Spare Parts Consumed		
– Cultivation	22,311,630	20,423,479
– Manufacturing	23,519,124	25,526,304
– Manuring	3,895,329	5,863,824
– Replanting	1,071,479	1,096,125
Total	121,723,689	122,889,285
NOTE : 19 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS		
Inventories at the end of the year		
Finished Goods (Black Tea)	1,854,386	2,669,926
	1,854,386	2,669,926
Inventories at the beginning of the year		
Finished Goods (Black Tea)	2,669,926	2,438,727
	2,669,926	2,438,727
Total	815,540	(231,199)
NOTE : 20 EMPLOYEE BENEFIT EXPENSES		
Salary, Wages, Bonus & Allowances	27,128,747	25,599,467
Contribution to Provident Fund & Other Fund	5,318,785	5,566,487
Contribution to Group Gratuity Fund	3,669,174	1,422,808
Staff Welfare Expenses	11,618,419	10,393,219
Total	47,735,125	42,981,981
NOTE : 21 FINANCE COST		
Interest Expenses (Bank)	720,354	903,958
Interest Expenses (Other)	356,580	932,908
Interest On Income Tax	43,755	-
Total	1,120,689	1,836,866
NOTE : 22 DEPRECIATION EXPENSE		
Depreciation	10,103,987	6,913,699
Total	10,103,987	6,913,699

THE CHAMONG TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE : 23 OTHER EXPENSES		
Power & Fuel	27,184,850	23,149,063
Consumption of Packing Materials	2,045,253	2,072,699
Repairs & Maintenance :		
– Building	8,048,597	4,219,658
– Machinery	5,611,943	6,390,274
– Others	1,554,021	2,359,305
Rent	135,686	241,991
Printing & Stationery	301,341	243,042
Postage & Telegram	176,060	207,431
Rates & Taxes	1,515,389	1,585,664
Insurance	964,065	706,767
Keymen's Insurance	50,000	50,000
Travelling Expenses		
– Foreign travelling	-	167,774
– Inland travelling	336,695	798,257
Loss on Foreign Exchange Flatuation	1,400	
Payment to Auditors :		
– As Auditors	73,034	73,034
– For Taxation matter	28,090	16,854
– For VAT Audit	42,698	-
– For Other	2,809	-
Directors' Sitting Fees	13,200	14,300
Director's Remuneration	1,500,000	1,500,000
Professional Tax	2,500	2,500
Vehicle Running Expenses	79,796	172,059
Police Security	9,120	9,120
Professional & Consultancy Fees	288,575	420,282
Telephone Expenses	215,020	181,750
Bank Charges	134,838	155,221
Discount on Draft	544,960	549,200
Selling & Distribution Expenses :		
– Brokerage and Other Selling Charges	4,937,184	6,003,844
– Transporting Charges	5,706,201	6,008,786
– Warehousing Charges	1,400,398	1,632,920
– Advertisement & Sales Promotion	135,031	287,136
Charity & Donation	-	366,400
Subscription	557,354	553,448
– Sponsorship Expenses	-	100,000
Preparing of Map & services of surveyor	-	1,959,269
Baddebts	-	201,597
Miscellaneous Expenses	1,208,639	986,959
Total	64,804,747	63,386,604

NOTES TO FINANCIAL STATEMENTS

24. NOTES TO ACCOUNTS :

- (i) Some balances shown in Sundry Debtors, Sundry Creditors, and advances are subject to confirmation from the respective parties.
- (ii) **EXPENDITURE IN FOREIGN CURRENCY :**
- | | | |
|---------------------|-----------|---------------|
| | 2014-2015 | 2013-2014 |
| Travelling Expenses | (₹) — | (₹) 167,774 |
- (iii) Total Stores and Spare-Parts consumed (All indigenous) ₹ 3,71,20,788/- (Previous Year ₹ 3,05,48,057/-) included under various heads.
- (iv) Salary, Wages & Allowance does not include ₹ 3,07,15,203 /- (Previous Year ₹ 3,23,33,372/-) included under various heads.
- (v) Raw Material consumed 6,491,145 Kgs. (previous year 6,860,330 Kgs.) of Green Leaves including 3,798,982 Kgs. (previous year 3,759,078 Kgs.) purchased from outside. As the production of Green Leaf (Raw Material) from Companies Own Garden involved integrated processes having various states, such as Nursery, Replanting etc., details regarding its value could not be ascertained and the disclosure of value has been exempted vide Company Law Board notification addressed to Plantation Association of India.
- (vi) The Company has no amount due to supplier under the Micro, Small and Medium Enterprise Development Act 2006 (MSMED) as at 31st March, 2015. The above information has been determined to the extent such parties have been identified on the basis of information available with the company.
- (vii) Related Party Disclosures : As required under Accounting standard 18: Related Party Disclosures

- | | |
|---|---|
| a) Key Management personnel | Sri C. K. Pasari
Sri S. K. Pasari
Sri A. Pasari
Sri S. Jatia |
| b) Enterprises over which Key Management Personnel Shareholders/ Relatives have significant influence | India Automobiles (1960) Ltd.
Supreme Products Pvt. Ltd.
Regent Estates Ltd.
Pasari Merchants Pvt. Ltd.
Radhika Industrial Investments Ltd
Esskay Leasing & Finance Pvt. Ltd
Pasari Charity Trust |

b) Related Party Disclosures :

Nature of Transaction	With (a) (₹)	With (b) (₹)
Loan Taken during the year	-	10,500,000
Interst Payment	-	(20,700,000)
	-	349,644
	-	(932,340)
Salary/Remuneration	1,500,000	-
	(1,500,000)	-

THE CHAMONG TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

Director's Sitting Fess	13,200	(14,300)
Rent Expenses	-	8,088
	-	(8,088)
Rent Income	-	2,328
	-	(2,328)
Balances Receivable(As per Note 15)	-	28,350
	-	(4,804)

In respect of above parties there is no provision for doubtful debts as on 31st March,2015 and no amount has been written off/or written back during the year in respect of debts due from/to them.

viii Earning Per Share	2014-2015	2013-2014
(a) Net Profit for the Period attributable to Equity Shareholders	3,656,798	14,601,839
(b) Weighted Average member of Equity Share outstanding	251,910	251,910
(c) Basic and diluted earnings per share (face value of ₹ 10/- each) (a/b)	14.52	57.96

ix Accounting for Taxes on Income :

As a matter of prudence no deferred tax assets has been created for the current year and also for previous year in the absence of virtual certainty of realising such assets in accordance with the Accounting Standard 22 "Accounting for Inome on Taxes".

x The Previous Year's figures have been accordingly regrouped/reclassified to confirm the current year's figures.

xi. Defined Benefit Plan

Reconciliation Statement of Gratuity Plan

Report Under AS-15 (Revised 2005) for year ended 31.03.2015

In respect of : **THE CHAMONG TEA COMPANY LIMITED GRATUITY FUND**
MP NO.23996

1 Assumptions	As at	As at
	31-03-2015	31.-03-2014
Discount Rate	8.00%	8.0%
Salary Escalation	6.50%	6.50%
2 Table showing changes in present value of obligations		
Present value of obligations as at beginning of year	19,815,049	19,549,312
Interest cost	1,585,204	1,563,945
Current Service Cost	1,180,456	1,116,123
Benefits Paid	(2,281,905)	(2,656,304)
Actuarial (Gain)/Loss on obligations	2,548,746	241,973
Present value of obligations as at end of year	22,847,550	19,815,049
3 Table showing changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	18,162,809	17,615,220
Expected return on plan assets	1,645,232	1,499,233
Contributions	1,320,003	1,704,660
Benefits paid	(2,281,905)	(2,656,304)
Actuarial (Gain)/Loss on Plan assets	-	-
Fair value of plan assets at the end of year	18,846,139	18,162,809

NOTES TO FINANCIAL STATEMENTS

	As at 31-03-2015	As at 31.-03-2014
4 Table showing fair value of plan assets		
Fair value of plan assets at beginning of year	18,162,809	17,615,220
Actual return of plan assets	1,645,232	1,499,233
Contributions	1,320,003	1,704,660
Benefits paid	(2,281,905)	(2,656,304)
Fair value of plan assets at the end of year	18,846,139	18,162,809
Funded Satus	(4,001,411)	(1,652,240)
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
5 Actuarial Gain/Loss recognised		
Actuarial (Gain)/Loss on - Obligations.	2,548,746	241,973
Actuarial (Gain)/Loss for the year - Plan assets	-	-
Actuarial (Gain)/Loss on - Obligations.	2,548,746	241,973
Actuarial (Gain)/Loss recognized in the year	2,548,746	241,973
6 The amounts to be recognized in the balance sheet and statements of Profit and Loss		
Present value of obligations as at the end of year	22,847,550	19,815,049
Fair value of plant assets as at the end of the year	18,846,139	18,162,809
Funded status	(4,001,411)	(1,652,240)
Net Assets/(Liability) recognized in balance sheet	(4,001,411)	(1,652,240)
7 Expenses Recognised in statement of Profit & Loss		
Current Service Cost	1,180,456	1,116,123
Interest Cost	1,585,204	1,563,945
Expected return on plan assets	(1,645,232)	(1,499,233)
Net Actuarial (Gain)/Loss recognized in the year	2,548,746	241,973
Expenses recognized in statement of Profit & Loss	3,669,174	1,422,808

The accompanying Notes are an integral part of the Financial Statement

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

ANAND PRAKASH

Partner

Membership No. 56485

C. K. PASARI

Whole Time Director

S. K. PASARI

Director

A. PASARI

Director

S. JATIA

Director

Place : Kolkata

Date : 17th August, 2015