



THE PERIA KARAMALAI TEA AND PRODUCE  
COMPANY LIMITED

102<sup>nd</sup>

ANNUAL REPORT

2014-2015





THE PERIA KARAMALAI TEA AND PRODUCE  
COMPANY LIMITED

CIN: L01132TZ1913PLC000350

CORPORATE INFORMATION

**Board of Directors** : Shri L.N. Bangur - Chairman  
Smt. Alka Bangur - Managing Director  
Shri Shreeyash Bangur - Deputy Managing Director  
Shri R.L. Gaggar  
Shri H.M. Parekh  
Shri P.R. Ramakrishnan  
Shri N. Swaminathan

**Corporate Management Team** : Smt. Alka Bangur - Managing Director  
Shri Shreeyash Bangur - Deputy Managing Director  
Shri Rohan Jhavar - Principal Executive  
Shri S.K.Singh - Chief Executive Officer  
Shri R.V.Sridharan - Chief Financial Officer &  
Company Secretary

**Registered Office** : 286, Race Course Road  
Coimbatore - 641 018 Tamil Nadu

**Statutory Auditors** : M/s. S. Krishnamoorthy & Co  
Chartered Accountants  
ICAI Regn. No. 001496S  
Coimbatore

**Secretarial Auditors** : M.D. Selvaraj  
MDS & Associates,  
Company Secretary in Practice, Coimbatore

**Bankers** : Union Bank of India  
Yes Bank Limited  
HDFC Bank Limited  
State Bank of India

**Registrar & Share  
Transfer Agents** : M/s. SKDC Consultants Ltd.  
Kanapathy Towers  
1391/A-1, III Floor  
Sathy Road, Ganapathy  
Coimbatore - 641 006  
Tel No. +91 (422) 6549995, 2539835, 2539836  
Fax No. +91 (422) 2539837  
Email: info@skdc-consultants.com



<b>Contents</b>	<b>Page</b>
Notice to Shareholders .....	3
Directors' Report .....	10
Management Discussion & Analysis.....	34
Report on Corporate Governance .....	36
Independent Auditors' Report .....	46
Financial Statements .....	49
Notes to Financial Statements .....	53
Consolidated Financial Statements .....	73

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The equity shares of the company has been listed and admitted to dealings on the National Stock Exchange of India Limited (NSE) with effect from 19th August 2015.



## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 102nd Annual General Meeting of the Company will be held on, Monday, the 28th September 2015 at 11.00 A.M. at "The Indian Chamber of Commerce & Industry, 732, Avinashi Road, Coimbatore – 641 018 to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company along with Consolidated Financial Statements for the financial year ended 31st March, 2015 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a director in place of Smt Alka Bangur (holding DIN 00012894), who retires by rotation and being eligible offers herself for re-appointment.
4. To ratify the appointment of the Auditors and to fix their remuneration and in this regard pass with or without modification, the following resolution as on **Ordinary Resolution.**

**RESOLVED THAT** pursuant to the provisions of Section 139(1) and 142 (1) of the Companies Act, 2013, the appointment of M/s.S.Krishnamoorthy & Co., (having Firm Registration No.001496S), Chartered Accountants, Coimbatore as the Statutory Auditors of the Company for the financial year 2015-16 be and is hereby ratified on such remuneration as may be determined by the Board of Directors of the Company in consultation with the Auditors.

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following resolution as **Ordinary Resolution.**

**"RESOLVED THAT** subject to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, if any, the consent of the Company be and is hereby accorded for the re-appointment of Shri Shreeyash Bangur (holding DIN 00012825) as Deputy Managing Director of the Company for a period of five years with effect from 5th November 2015 as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors on the following terms and conditions."

**Salary:** Rs.1,00,000/- (Rupees one lakh only) per month with such increments as may be determined by the Board of Directors of the Company from time to time.

**Commission:** Commission on net profits of the Company in each year computed in accordance with Section 198 of the Companies Act, 2013 subject to such limit as may be determined by the Board of Directors.

### Perquisites:

- a) In addition to salary and commission, Shri Shreeyash Bangur, Deputy Managing Director shall also be entitled to perquisites which shall not exceed 100% of his salary.
- b) Leave in accordance with the rules applicable to the managerial staff of the Company. Encashment of unavailed leave as per rules of the Company.
- c) Use of Company's car for official purposes, cell phone, laptop/tablets and telephone at residence, encashment of unavailed leave at the end of tenure, contribution to Provident Fund, Superannuation Fund and Gratuity Fund will not be considered as perquisites. Gratuity payable shall not exceed half a month's salary for each completed year of service or at the rate as may be modified from time to time.

**RESOLVED FURTHER THAT** in any financial year during the aforesaid period, the Company has no profits or its profits are inadequate, the above remuneration payable to Shri Shreeyash Bangur shall be treated /payable as minimum remuneration

By Order of the Board

**R.V. SRIDHARAN**  
Chief Financial Officer &  
Company Secretary

Kolkata,  
3rd August 2015.

### NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself and the proxy need not be a member of the Company.**



**The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office not less than 48 hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.**

**A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.**

2. Members/Proxies should bring the attendance slips duly filled and signed to attend the meeting.
3. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the notice is annexed herewith.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
5. Pursuant to Clause 49 of the Listing Agreement and Secretarial Standards-2 (SS2) on General Meetings, details of directors seeking appointment /reappointment at the Annual General Meeting are furnished which forms part of the notice.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
7. The Register of Contracts or Arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 22.09.2015 to 28.09.2015 (both days inclusive) as per Clause 16 of the Listing Agreement.
9. Members holding shares in electronic form may note that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agent, M/s.SKDC Consultants Limited cannot act on request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members. Members holding shares in physical form and desirous of registering bank particulars against their respective folios for payment of dividend are requested to write to the Registrar and Share Transfer Agent of the Company.
10. Members holding shares in physical form are requested to notify immediately any change in their address along with respective address proof and bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA.
11. As per the green initiative taken by the Ministry of Corporate Affairs, members are advised to register their email address with the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in demat form to enable the Company to serve documents in electronic form.
12. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward their queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
13. The dividend when declared will be paid within a period of 30 days from the date of declaration to those members whose name appears on the Register of Members as on 21st September 2015.
14. In respect of shares held in electronic form, dividend will be paid on the basis of beneficial ownership of the shares as on the closing business hours on 21st September 2015 as per details furnished by NSDL and CDSL for this purpose.
15. Members wishing to claim dividends which remain unclaimed are requested to correspond with the Company Secretary/Register and Share Transfer Agents of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund.
16. Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares.



17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account (s). Members holding shares in physical form can submit their PAN details to the Company or to M/s.SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006
18. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members may file nomination forms in respect of their physical shareholdings. Any members wishing to avail this facility may submit to the Company's Registrar and Share Transfer Agent in the prescribed statutory form. Should any assistance be desired, members should get in touch with the Company's Registrar & Share Transfer Agent.
19. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
20. Electronic copy of the Annual Report, notice of the Annual General Meeting, along with attendance slip and proxy form are being sent to all the members whose e-mail addresses are registered with the Company/Depository Participant (s) unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of annual report and notice for 2014-15 are being sent through the permitted mode.
21. Members may also note that notice of the 102nd Annual General Meeting and the Annual Report 2014-15 will be available on the Company's website [www.periatea.com](http://www.periatea.com). The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on any working day.
22. Members are requested to note that the venue of the 102nd Annual General Meeting is " The Indian Chamber of Commerce & Industry, 732, Avinashi Road, Coimbatore – 641 018 situated opposite to Police Recruits School (PRS) and the route map containing the complete particulars of the venue is attached to this notice.

#### **Voting through Electronic Means:**

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read Rule 20 of the Companies

(Management and Administration) Rules, 2014 and Clause 35 of the Listing Agreement the Company is pleased to provide its members the facility to exercise their right to vote at the 102nd Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited(CDSL).

- b) The facility for voting, either through electronic voting system or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting may exercise their vote through polling paper at the meeting.
- c) Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for members for voting electronically are as under:

- i. The voting period begins on Friday, the 25th September 2015 at 09.00 A.M. and ends on Sunday, the 27th September 2015 at 05.00 P.M. During this period shareholders of the Company holding shares either in physical form or in dematerialised form as the cut off date (record date) of 21st September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Log on to the e-voting website [www.evotingindia.co.in](http://www.evotingindia.co.in)
- iii. Click on "Shareholders" tab.
- iv. Now enter your user ID
  - a) For CDSL : 16 digits beneficiary ID
  - b) For NSDL : 8 character DP ID followed by 8 digit client ID
  - c) Members holding shares in physical form should enter folio number registered with the Company.
- v. Next enter the Image Verification as displayed and click on login
- vi. If you are holding shares in Demat form and had logged on to [www.evotingindia.co.in](http://www.evotingindia.co.in) and casted your vote earlier for any company, then your existing password is to be used.



viii. If you are a first time user, follow the steps given below:

<b>For Members holding shares in Dematerialised Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha numeric PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number printed on the attendance slip enclosed indicated in the PAN field.</p>
<b>DOB</b>	<p>Enter the date of birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format</p>
<b>Dividend bank details</b>	<p>Enter the dividend bank details as recorded in your demat account or in the Company's records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or Company please enter the member ID / folio number in the dividend bank details field as mentioned in instruction (iv)</p>

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then reach directly company screen. However, members holding shares in demat form will now reach "password creation" menu wherein they are required to mandatorily enter their login password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.

- xii. Click on the relevant EVSN – The Peria Karamalai Tea & Produce Co.Ltd on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change you vote, click o "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting by you by clicking on "Click here to print" option on the voting page.
- xviii. If demat account holder has forgotten the changed password then enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Non-Individual Shareholders and Custodians
  - a) Non Individual Shareholders (other than individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - e) Scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any should be uploaded in PDF format in the system for the scrutiniser to verify the same.





In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdlsindia.com](mailto:helpdesk.evoting@cdlsindia.com)

The voting rights of shareholders shall be in proportionate to their shares of the paid up equity share capital of the Company as on the cut off date (record date) of 21st September 2015.

MDS & Associates, Company Secretaries in Practice, Coimbatore has been appointed as the Scrutiniser to scrutinize the e-voting and polling process in a fair and transparent manner.

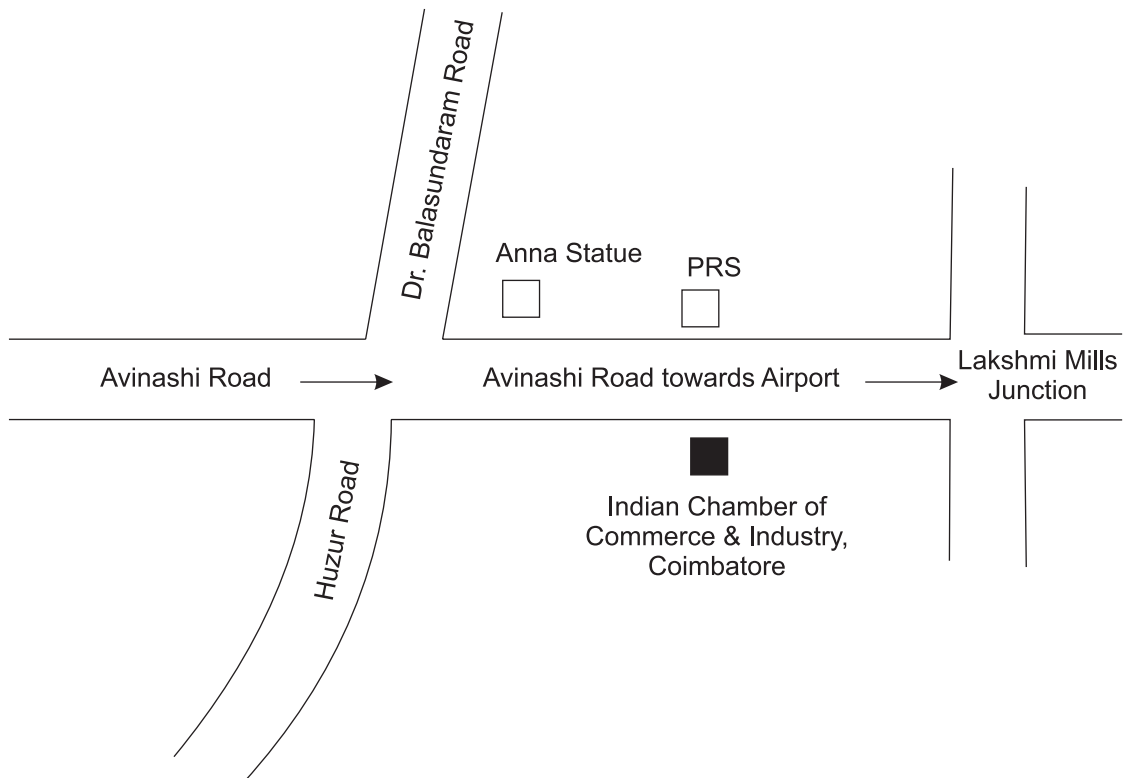
The scrutinizer shall immediately after the conclusion of the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through

remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The results shall be declared within 3 days of the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website [www.periatea.com](http://www.periatea.com) and on the website of CDSL within (3) three days of passing of the resolutions at the Annual General Meeting and communicated to the Stock Exchanges where the Company's shares are listed.

**The notice of the Annual General Meeting and this communication are also available on the website of the Company [www.periatea.com](http://www.periatea.com) and of the Registrar & Share Transfer Agent [www.skdc-consultants.com](http://www.skdc-consultants.com)**

### Venue of the 102nd Annual General Meeting - Route Map







## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No.5

The present term of Shri Shreeyash Bangur as Deputy Managing Director of the Company expires on 4th November 2015. The Board of Directors of the Company at its meeting held on 3rd August 2015 approved the re-appointment of Shri Shreeyash Bangur as Deputy Managing Director of the Company for a further term of five years with effect from 5th November 2015 and also the remuneration payable to him on the recommendation of the Nomination and Remuneration Committee. The re-appointment of Shri Shreeyash Bangur as Deputy Managing Director is subject to the approval of the members at the Annual General Meeting.

Shri Shreeyash Bangur has been the Deputy Managing Director of your Company for the past three years. He has rich and varied experience and has led the company with his charismatic leadership and entrepreneurial ability. Considering the dedication and excellent work done by Shri Shreeyash Bangur and his relentless pursuit in taking the company to global heights during his tenure as Deputy Managing Director, the Board of Directors has reappointed him as Deputy Managing Director for a further term of 5 years on the remuneration and perquisites as set out in item No.5 of this notice. His re-appointment as Deputy Managing Director of the Company would be greatly beneficial for the future growth of the Company.

The Board recommends the ordinary resolution as set out in item No.5 of the notice for the approval of the members.

Except Shri L.N.Bangur, Smt. Alka Bangur and Shri Shreeyash Bangur, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested financial or otherwise in the resolution.

Kolkata,  
3rd August 2015.

By Order of the Board  
**R.V. SRIDHARAN**  
Chief Financial Officer &  
Company Secretary



## Details of Directors seeking reappointment at the ensuing Annual General Meeting

(Pursuant to Clause 49 (VIII) (E) of the Listing Agreement and Secretarial Standards 2 (SS 2) on General Meetings)

Name	Smt Alka Bangur	Shri Shreeyash Bangur
DIN	00012894	00012825
Date of Birth / Age	28.11.1954 / 60 years	01.06.1980 / 35 years
Nationality	Indian	Indian
Date of appointment on the Board	17.09.1993	05.11.2012
Qualification	MA (English)., MA (Hindi)., MBA	Graduate in Accounting & Management Master of Science in Engineering Business Management
Expertise	Possesses two decades of experience as an Industrialist	Has more than 10 years of experience as an Industrialist
No. of Shares held	Holds 37,638 Equity Shares of Rs.10/- each	Does not hold any share in the Company
Relationship with other Directors	Shri L.N.Bangur – Husband Shri Shreeyash Bangur - Son	Shri L.N.Bangur – Father Smt Alka Bangur - Mother
List of Directorships held in other companies	1.Maharaja Shree Umaid Mills Limited 2.Rupa & Company Limited	1. Kiran Vyapar Limited 2. Navjoti Commodity Management Services Limited 3. Sidhidata Tradecomm Limited 4. Sidhidata Solar Urja Limited 5. Jubilee Hills Residency Limited
Other Committee Membership	Nil	Nil
Terms and conditions of re-appointment	The terms and conditions of re-appointment are same as stated in the resolution passed by the members at the 101st Annual General Meeting of the Company held on 22.09.2014.	The terms and conditions of re-appointment are stated in the agenda to the notice of the 102nd Annual General Meeting of the Company as Item No.5
Remuneration sought to be paid per annum	Rs.42.08 Lakhs (Including contribution to Provident Fund and Superannuation Fund)	Rs. 27.24 lakhs (Including contribution to Provident Fund and Superannuation Fund)
Remuneration last drawn per annum	Rs. 41.09 lakhs	Rs. 38.43 lakhs
Number of meetings of the Board attended during the year	4	5



## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 102nd Annual Report for the year ended 31st March 2015.

### FINANCIAL RESULTS

₹ in lakhs

	2014-15	2013-14
Profit / (Loss) before interest, depreciation and tax	<b>(115.72)</b>	383.16
Interest	51.85	31.60
Profit/(Loss) before depreciation	(167.57)	351.56
Depreciation	230.90	156.43
Profit/(Loss) before Tax	<b>(398.47)</b>	195.13
Provision for tax:		
Current tax	12.00	50.00
Deferred tax liability	2.35	(1.24)
<b>Profit after tax</b>	<b>(412.82)</b>	146.37
Add: Balance brought forward from previous year	1399.05	1314.33
<b>Profit available for appropriation</b>	<b>986.23</b>	1460.70
<b>APPROPRIATIONS</b>		
Proposed Dividend @ Rs.0.75 /- per share	23.22	46.44
Tax on proposed dividend	4.73	7.89
Transfer to General Reserve	—	7.32
Surplus carried to Balance Sheet	958.28	1399.05
<b>Total</b>	<b>986.23</b>	1460.70

### Operations

#### Production

During the financial year 2014-15, the Company harvested a crop of 35,80,624 kg of made tea as against 37,72,001 kg harvested in 2013-14. Erratic weather and Tea Mosquito Bug infestation was the major reason for reduction in the crop. Due to this, the whole Annamallai region reported 7% drop in production while the company reported only 5% reduction during the year under review.

#### Price & Sales

Your company's average tea price dropped to Rs.91.35 per kg as against Rs.103.82 per kg realized last year. Increase in offering, subdued demand from up country

buyers and bearish trend in the export market has contributed to the fall in price realization. Tea price declined sharply in Mombasa Auction due to mis-match in supply and demand and surplus tea production in Kenya.

The Company has made a total sales realization of Rs. 3034.44 lakhs compared to Rs. 3658.48 lakhs last year.

#### Wind Turbines

During the year under review, the Wind Mills generated 45,74,885 units as against 46,98,607 units generated during the same period last year.

#### Dividend

The Board of Directors is pleased to recommend a dividend of Re. 0.75 /- per share (last year Rs.1.50/- per share) for the year ended 31st March 2015 out of previous year's profit subject to the approval of the shareholders.

#### Transfer to Reserves

No amount has been transferred to the General Reserve in the year 2014-15 due to loss incurred by the Company.

#### Share Capital

The paid up capital of the Company as at 31st March 2015 stood at Rs. 3,09,58,790/- During the year under review, the Company has not made any fresh issue of shares

#### Transfer of unclaimed dividend to Investor Education and Protection Fund

Unclaimed or unpaid dividend relating to the financial year 2007-08 is due for remittance in September 2015 to the Investor Education and Protection Fund established by the Central Government.

#### Extract of Annual Return

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is furnished in **Annexure A** which forms part of this report.

**Board Meetings and Committee Meetings conducted during the year under review.**

During the year under review, 6 meetings of the Board of Directors, 4 meetings of the Audit Committee, 2 meetings of the Nomination and Remuneration Committee, 2 meetings of the CSR Committee and 22 meetings of the Stakeholders Relationship Committee were held. Further details of the same have been enumerated in the Corporate Governance Report annexed herewith.

**Public Deposits**

During the year has repaid the entire deposits. The company did not accept fresh deposits during the financial year 2014-15.

**Listing**

Your Company's shares are listed in Calcutta Stock Exchange Limited, Kolkata. The Company has paid the Annual Listing Fee for the year 2015-16. The Company has submitted its application to National Stock Exchange of India Ltd. for direct listing of the equity shares and is awaiting approval.

**Directors' Responsibility Statement**

Pursuant to the requirement under Section 134 (3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. in the preparation of annual accounts, all applicable accounting standards have been followed and that there are no material departure from those standards.
2. the Directors had selected such accounting policies and applied consistently and such judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2015 and of the loss of the Company for the year ended on that date.
3. the Directors had 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
4. the Directors had prepared the annual accounts on a going concern basis.
5. the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and

6. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**Details in respect of frauds reported by Auditors under Section 143(12) of the Companies Act, 2013 other than those which are reportable to the Central Government**

There have been no frauds reported by the Auditors pursuant to Section 143(12) of the Companies Act, 2013.

**Declaration by Independent Directors**

The Company has received declarations from all the independent directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange.

**Company's Policy relating to Directors appointment, payment of remuneration and other matters provided under Section 178 (3) of the Companies Act, 2013**

The Board on the recommendation of the Nomination and Remuneration Committee framed a policy for fixing and revising remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and employees of the Company. The Remuneration Policy of the Company is annexed herewith as **Annexure B** and can also be accessed on the Company's website [www.periatea.com](http://www.periatea.com)

**Comments on Auditors' Report**

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors.

With reference to the observations made by the Secretarial Auditors in the Secretarial Audit Report with regard to non-filing of some forms, the Directors wish to state that the company is taking necessary steps to file the forms.

**Particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013**

Details of loan given, investments made, guarantees given and securities provided pursuant to Section 186 of the Companies Act, 2013 have been given in the notes to the financial statements.



### **Particulars of contracts or arrangements with related parties**

All transactions with related parties during the financial year 2014-15 were in the ordinary course of business and on arm's length price. Since there were no transactions which were not on arm's length and material nature, Form AOC 2 not annexed.

The policy on related party transactions as approved by the Board of Directors has been uploaded on the Company's website and may be accessed at [www.periatea.com](http://www.periatea.com)

### **Material changes and commitments affecting the financial position of the Company.**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year as on 31.03.2015 and the date of this report.

### **Conservation of energy, technology absorption, foreign exchange earnings and outgo**

The information on foreign exchange earnings and outgo, technology absorption, conservation of energy stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure C**.

### **Risk Management**

The Company has in place mechanism to identify, assess, monitor and mitigate various risks that may impact key business objectives of your Company. The Company has adopted a Risk Management Policy which is available on the website of the Company [www.periatea.com](http://www.periatea.com)

The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the company's risk management process and to ensure companywide implementation to ensure systematic and uniform assessment of risks and to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices and to assure business growth with financial stability.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory and Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

### **Annual Evaluation of the Board's performance and of the Individual Directors**

On the advice of the Board of Directors and the Nomination and Remuneration Committee, the Company formulated criteria for evaluation of the performance of the Board of Directors, its committees, Independent Directors, Non-Independent Directors and the Managing Directors. Based on those criteria, performance evaluation has been done. The Independent Directors of the Company have also convened a separate meeting for this purpose. All the results and evaluation has been communication

### **Directors and Key Managerial Personnel**

During the year, members have approved the appointment of Mr.R.L.Gaggar, Mr.H.M.Parekh, Mr.P.R.Ramakrishnan and Mr.N.Swaminthan as Independent Directors of the Company for a period of 5 years.

Smt.Alka Bangur, Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

The present term of Shri Shreeyash Bangur as Deputy Managing Director of the Company expire on 4th November 2015. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 3rd August 2015 has given its approval for the re-appointment of Shri Shreeyash Bangur for a further term of five years subject to the approval of the Company in the General Meeting.

Necessary resolution in this regard has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the members.

A brief profile of the above directors as stipulated under Clause 49 of the Listing Agreement and Secretarial Standards (SS-2) form part of the Notice of the ensuing Annual General Meeting.

At the Board Meeting held on 29th May 2014 Smt. Alka Bangur, Managing Director, Shri Shreeyash Bangur, Deputy Managing Director and Shri R.V. Sridharan, Chief Financial Officer & Company Secretary, were designated as "Key Managerial Personnel" of the company pursuant to Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial personnel) Rules 2014.

### **Reports on the performance and financial position of each of the subsidiaries, Associates and Joint Venture Companies included in the Consolidated Financial Statements**

The Company has two subsidiaries. Statement pursuant to Section 129 (3) of the Companies Act, 2013 containing the salient features of the financial statements of Subsidiary Companies forms part of this report.



**Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.**

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

**Internal Control Systems and their adequacy**

The Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable rules and regulations. The systems are periodically reviewed for identification of control deficiencies and formulation of the time bound action plans to improve efficiency at all levels. The Audit Committee of the Board constantly reviews internal control systems and their adequacy, significant risk areas, observations made by the internal auditors on control mechanism and operations of the Company and recommendations made for corrective action through the internal audit reports. The Committee reviews the Statutory Auditors' Report, key issues, significant processes and accounting policies.

**Statutory Auditors**

M/s S.Krishnamoorthy & Co, Chartered Accountants, Coimbatore were appointed as Statutory Auditors of the Company for a period of 3 years at the last Annual General Meeting held on 22nd September 2014 as required under Section 139 of the Companies Act, 2013. The Company has obtained written confirmation from the Auditors pursuant to Section 139 of the Companies Act, 2013 that their appointment if made would be in conformity with the provision of the Companies Act, 2013. Members are requested to ratify their appointment.

**Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. M.D.Selvaraj, MDS & Associates, Company Secretary in practice to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditors is annexed herewith as **Annexure D**.

**Industrial Relations**

The relation between management and labour was cordial during the year.

**Particulars of employees**

Statement pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees)

Rules, 1975 and Section 197 (12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure

**Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place policy on Sexual Harassment of Women at workplace in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaint Committee has been set up to redress complaints received. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Committee has not received any complaint from any employee during the financial year 2014-15.

**Corporate Social Responsibility (CSR)**

The Board has constituted a Corporate Social Responsibility Committee comprising of the following directors as its members;

- |                           |   |          |
|---------------------------|---|----------|
| 1. Shri L.N. Bangur       | - | Chairman |
| 2. Shri P.R. Ramakrishnan | - | Member   |
| 3. Shri N. Swaminathan    | - | Member   |

The company has adopted a Corporate Social Responsibility Policy defining therein the CSR activities to be undertaken by the Company in line with the provisions of Schedule VII of the Companies Act, 2013.

The Corporate Social Responsibility Committee is responsible for implementation and effective monitoring of the CSR activities of the Company.

The Company was however not required to spend any expenditure on CSR activities during the year under review as the average net profit of the preceeding 3 financial years was in the negative.

The Annual Report on CSR activities of the company is attached herewith as **Annexure F**.

**Corporate Governance**

A report on Corporate Governance is annexed and forms part of this report. The Company has complied with the conditions relating to Corporate Governance stipulated under Clause 49 of the Listing Agreement.

**Whistle Blower Policy/Vigil Mechanism**

The Company has a Whistle Blower Policy for directors and employees and adopted the Whistle Blower Policy



in terms of Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement to report concerns about unethical behavior, wrongful conduct and violation of company's code of conduct or ethics. The whistle blower policy is available on the company's website [www.periatea.com](http://www.periatea.com)

#### **Managing Directors Certification**

The Managing Director of the Company has certified to the Board on the financial statements and other matters in accordance with Clause 49 of the Listing Agreement pertaining to CEO certification for the financial year ended 31st March 2015.

#### **Acknowledgements**

The Board wishes to thank all the shareholders, customers, vendors, financial institutions, banks and depositors for the support extended by them.

The Board also wishes to place on record their appreciation of the contribution made by the employees at all levels during the year.

For and on behalf of the Board

Kolkata,  
3rd August 2015.

**L.N. Bangur**  
Chairman  
(DIN 00012617)





## Annexure A

## FORM NO. MGT-9

**EXTRACT OF THE ANNUAL RETURN  
as on the Financial year ended 31.03.2015**

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

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN:	<b>L01132TZ1913PLC000350</b>
ii)	Registration Date	5th July 1913
iii)	Name of the Company	<b>The Peria Karamalai Tea and Produce Company Limited</b>
iv)	Category/sub category of the Company	Public Limited Company having share capital
v)	Address of the Registered office and contact details	No.286, Race Course Road Coimbatore – 641 018 Phone: 91-422-2221352 Fax: 91-422-2220380 E-mail ID: periatea@dataone.in Website: www.periatea.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	SKDC Consultants Limited Kanapathy Towers Ganapathy Coimbatore - 641 006 Phone: 91-422-6549995, 2539835, 2539836 Fax: 91-422-2539837 E-mail ID: info@SKDC-Consultants.com

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

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

S. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Tea	09.0230	92%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES  
(No. of Companies for which information is being filled)**

S. No	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Applicable Section
1	PKT Plantations Limited	U01132TZ2009PLC015537	Subsidiary	100%	Section 2(87)(ii)
2	Shivphlal Vinimay Private Limited	U51909WB2011PTC168574	Subsidiary	100%	Section 2(87)(ii)



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

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% 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	105678	19901	125579	4.056	105678	19901	125579	4.056	0
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Government	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	1370811	0	1370811	44.279	1370811	0	1370811	44.0279	0
e) Fis/Banks	0	0	0	0	0	0	0	0	0
f) Any others									
Trust	0	0	0	0	0	0	0	0	0
<b>Sub Total (A)(1)</b>	<b>1476489</b>	<b>19901</b>	<b>1496390</b>	<b>48.335</b>	<b>1476489</b>	<b>19901</b>	<b>1496390</b>	<b>48.335</b>	<b>0</b>
<b>2. Foreign</b>									
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
b) Others - Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	—	—	—	—	—	—	—	—	—
d) Banks / FI	—	—	—	—	—	—	—	—	—
e) Any other...	—	—	—	—	—	—	—	—	—
<b>Sub Total (A)(2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1476489</b>	<b>19901</b>	<b>1496390</b>	<b>48.335</b>	<b>1476489</b>	<b>19901</b>	<b>1496390</b>	<b>48.335</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Fis/Banks	2122	1813	3935	0.127	2122	1813	3935	0.127	—
c) Central Government	9238	18477	27715	0.895	9238	18477	27715	0.895	—
d) State Government	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	360138	—	360138	11.633	360138	—	360138	11.633	—
g) FIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture	—	—	—	—	—	—	—	—	—
Capital Investors									
i) Any Other (specify)	—	—	—	—	—	—	—	—	—
<b>Sub-total (B)(1):-</b>	<b>371498</b>	<b>20290</b>	<b>391788</b>	<b>12.655</b>	<b>371498</b>	<b>20290</b>	<b>391788</b>	<b>12.655</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	—	—	—	—	—	—	—	—	—
i) Indian	69636	16825	86461	2.793	78646	16819	95465	3.084	0.291
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals	—	—	—	—	—	—	—	—	—



Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	483076	423042	906118	290268	479067	404035	883102	280524	(0.744)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	168785	—	168785	5.452	177592	—	177592	5.736	0.284
c) Others (specify)	—	—	—	—	—	—	—	—	—
a) Trusts	224	—	224	0.007	—	—	—	—	-0.007
b) Directors & their relatives	1125	450	1575	0.051	1125	450	1575	0.051	—
c) Foreign Nationals	—	4139	4139	0.134	—	4139	4139	0.134	—
d) Non Resident Indians	6557	6448	13005	0.42	6448	12875	0.416	-0.004	—
e) Clearing Members	1085	—	1085	0.035	3892	—	3982	0.129	0.094
f) Hindu Undivided Families	26309	—	26309	0.85	28971	—	28971	0.936	0.086
<b>Sub-total (B)(2):-</b>	<b>756797</b>	<b>450904</b>	<b>1207701</b>	<b>0.85</b>	<b>775810</b>	<b>431891</b>	<b>1207701</b>	<b>39.01</b>	<b>—</b>
<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>	<b>1128295</b>	<b>471194</b>	<b>1599489</b>	<b>51.665</b>	<b>1147308</b>	<b>452181</b>	<b>1599489</b>	<b>51.665</b>	<b>—</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Grand Total (A+B+C)</b>	<b>2604784</b>	<b>491095</b>	<b>3095879</b>	<b>100</b>	<b>2623797</b>	<b>472082</b>	<b>3095879</b>	<b>100</b>	<b>—</b>

**ii) Shareholding of Promoters**

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Shri Lakshmi Niwas Bangur	50	0.002	—	50	0.002	—	—
Shri Lakshmi Niwas Bangur	250	0.008	—	250	0.008	—	—
Smt Alka Bangur	12396	0.400	—	12396	0.400	—	—
Shri Lakshmi Niwas Bangur	7205	0.233	—	7205	0.233	—	—
Navjoti Commodity	—	—	—	—	—	—	—
Management Services Ltd	6912	0.223	—	6912	0.223	—	—
The General Investment	—	—	—	—	—	—	—
Company Limited	21000	0.678	—	21000	0.678	—	—



Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Kiran Vyapar Limited	470224	15.189	—	470224	15.189	—	—
MB Commercial Co.Ltd	121275	3.917	—	121275	3.917	—	—
Placid Limited	663454	21.430	—	663454	21.430	—	—
Mugneeram Ramcoowar Bangur Charitable & Religious Co.	34500	1114	—	34500	1114	—	—
Shree Krishna Agency Ltd	53446	1.726	—	53446	1.726	—	—
Smt Alka Bangur	25242	0.815	—	25242	0.815	—	—
Shri Lakshmi Niwas Bangur	79176	2.557	—	79176	2.557	—	—
Ms Sheetal Bangur	1260	0.041	—	1260	0.041	—	—
<b>TOTAL</b>	<b>1496390</b>	<b>48.333</b>	<b>—</b>	<b>1496390</b>	<b>48.333</b>	<b>—</b>	<b>—</b>

### iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	There has been no change in Share holding of the Promoters during the year			
2	Increase / Decrease in Promoters Shareholding during the year				
3	At the end of the year				



**iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADR)**

Sl. No.	For Each of the Top 10 Shareholders Name, Date & Reason of change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Life Insurance Corporation of India				
	At the beginning of the year	207712	6.71%	207712	6.71%
	Transfer of shares during the year				
	At the end of the year	207712	6.71%	207712	6.71%
2	Mahendra Girdharilal				
	At the beginning of the year	115473	3.73%	115473	3.73%
	Transfer of shares on 18.07.2014	-100	0.00%	115373	0.00%
	At the end of the year	115373	3.73%	115373	3.73%
3	The Oriental Insurance Company Limited				
	At the beginning of the year	76354	2.47%	76354	2.47%
	Transfer of shares during the year				
	At the end of the year	76354	2.47%	76354	2.47%
4	United Insurance Company Limited				
	At the beginning of the year	76072	2.46%	76072	2.46%
	Transfer of shares during the year				
	At the end of the year	76072	2.46%	76072	2.46%
5	Sunil Kumar Gupta				
	At the beginning of the year	22200	0.72%	22200	0.72%
	Transfer of shares during the year				
	At the end of the year	22200	0.72%	22200	0.72%
6	Maruti Business Services Limited				
	At the beginning of the year	19650	0.63%	19650	0.63%
	Transfer of shares during the year				
	At the end of the year	19650	0.63%	19650	0.63%
7	Anjali S Ghorpade				
	At the beginning of the year	19000	0.61%	19000	0.61%
	Transfer of shares during the year				
	At the end of the year	19000	0.61%	19000	0.61%
8	Indian Cotton Purchasers Limited				
	At the beginning of the year	17850	0.58%	17850	0.58%
	Transfer of shares during the year				
	At the end of the year	17850	0.58%	17850	0.58%



Sl. No.	For Each of the Top 10 Shareholders Name, Date & Reason of change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Dolly Behram Aryana				
	At the beginning of the year	12112	0.39%	12112	0.39%
	Transfer of shares on 13.06.2014	735	0.02%	12847	0.41%
	Transfer of shares on 18.07.2014	250	0.01%	13097	0.42%
	Transfer of shares on 25.07.2014	936	0.03%	14033	0.45%
	Transfer of shares on 01.08.2014	1401	0.05%	15434	0.50%
	Transfer of shares on 08.08.2014	170	0.01%	15604	0.50%
	Transfer of shares on 14.08.2014	320	0.01%	15924	0.51%
	Transfer of shares on 22.08.2014	40	0.00%	15964	0.52%
	Transfer of shares on 30.09.2014	50	0.00%	16014	0.52%
	Transfer of shares on 10.10.2014	315	0.01%	16329	0.53%
	Transfer of shares on 17.10.2014	200	0.01%	16529	0.53%
	Transfer of shares on 24.10.2014	376	0.01%	16905	0.55%
	Transfer of shares on 31.10.2014	159	0.01%	17064	0.55%
	Transfer of shares on 07.11.2014	1664	0.05%	18728	0.60%
	Transfer of shares on 28.11.2014	662	0.02%	19390	0.63%
	Transfer of shares on 05.12.2014	200	0.01%	19590	0.63%
	Transfer of shares on 12.12.2014	729	0.02%	20319	0.66%
	Transfer of shares on 19.12.2014	700	0.02%	21019	0.68%
	At the end of the year	21019	0.68%	21019	0.68%

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

Sl. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Lakshmi Niwas Bangur	79176	2.557	79176	2.557
2	Amt Alka Bangur	25242	0.815	25242	0.815
3	Smt Alka Bangur	12396	0.4	12396	0.4
4	Shri Lakshmi Niwas Bangur	7205	0.233	7205	0.233
5	Shri Ratanlal Gaggar	1125	0.036	1125	0.036
6	Shri P.R.Ramakrishnan	300	0.01	300	0.01
7	Shri Lakshmi Niwas Bangur	250	0.008	250	0.008
8	Shri N.Swaminathan	150	0.005	150	0.005
9	Shri Lakshmi Niwas Bangur	50	0.002	50	0.002



**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal amount	28,666,838	—	1,358,000	30,024,838
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i + ii + iii)</b>	<b>28,666,838</b>	<b>—</b>	<b>1,358,000</b>	<b>30,024,838</b>
<b>Change in Indebtedness during the financial year</b>				
i) Addition	10,916,885	61,500,000	—	72,416,885
ii) Reduction	31,169,126	7,500,000	1,358,000	40,027,126
iii) Exchange difference	—	—	—	—
<b>Net Change</b>	<b>-2,0252,241</b>	<b>54,000,000</b>	<b>-1,358,000</b>	<b>32,389,759</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal amount	8,414,597	54,000,000	—	62,414,597
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	<b>8,414,597</b>	<b>54,000,000</b>	<b>—</b>	<b>62,414,597</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	Remuneration to Managing Directors		Total Amount
		Smt. Alka Bangur	Shri. Shreeyash Bangur	
1	Gross salary			
	a) Salary u/s 17(1) of the Income Tax Act, 1961	2,194,667	1,693,000	3,887,667
	(b) Value of perquisites u/s Section 17(2) of the Income Tax Act, 1961	1,321,538	1,693,000	3,014,538
	(c) Profits in lieu of salary u/s 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	592,560	457,110	1,049,670
	<b>Total (A)</b>	<b>4,108,765</b>	<b>3,843,110</b>	<b>7,951,875</b>
	Overall ceiling as per the Act	4,200,000	4,200,000	



**(B) Remuneration to other directors**

Sl. No.	Particulars of remuneration	Name of Directors					Total Amount	
		Shri R.L. Gagar	Shri H.M. Parekh	Shri P.R. Ramakrishnan	Shri N. Swaminathan	Shri L.N. Bangur		
1	<b>Independent Directors</b>							
	(a) Fee for attending Board, Committee Meetings	15000	20000	45000	50000		130000	
	Commission	—	—	—	—	—	—	
	Others, please specify	—	—	—	—	—	—	
	<b>Total (1)</b>	<b>15,000</b>	<b>20,000</b>	<b>45,000</b>	<b>50,000</b>		<b>130,000</b>	
2	<b>Other Non-Executive Directors</b>							
	(a) Fee for attending Board, Committee Meetings	—	—	—	—	25000	25000	
	(b) Commission	—	—	—	—	—	—	
	(c) Others, please specify	—	—	—	—	—	—	
	Total (2)	—	—	—	—	—	—	
	Total (B)=(1+2)	15,000	20,000	45,000	50,000	25,000	155,000	
	<b>Total Managerial Remuneration</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>8,106,875</b>	
	Ceiling as per the Act	Sitting fee of Rs. 1,00,000/- per meeting						

**c) Remuneration to Key Managerial Personnel other than MD/WTD/Manager**

Sl. No.	Particulars of Remuneration	Remuneration to Key Managerial Personnel
		Shri R.V. Sridharan, CFO & CS
1	Gross salary	
	a) Salary u/s 17(1) of the Income Tax Act, 1961	1,320,000
	(b) Value of perquisites u/s Section 17(2) of the Income Tax Act, 1961	368,456
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—
2	Stock Option	—
3	Sweat Equity	—
4	Commission	—
	- as % of profit	—
	others, specify...	—
5	Others	356,400
	<b>Total</b>	<b>2,044,856</b>

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

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



## Annexure - B

### NOMINATION AND REMUNERATION POLICY

#### 1. Preamble

Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Section 178 of the Companies Act, 2013 has been made effective from April 1, 2014 by the Central Government by notification no. S.O. 902(E) issued on March 26, 2014. Therefore this Nomination and Remuneration Policy ("the Policy") has been framed in compliance with the provisions of the Act and Rules made under the Act.

The Policy provides a framework for remuneration to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives").

The expression "senior management" means employees of Company who are members of its core management team excluding directors comprising all members of management one level below the executive directors, including the functional heads.

The Members of the Nomination and Remuneration Committee ("the Committee or NRC") shall be appointed by the Board and shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors. Any fraction in the one-half shall be rounded off to one.

This Policy will be called "PK Tea Nomination & Remuneration Policy" and referred to as "the Policy".

The Policy will be reviewed at such intervals as the Nomination and Remuneration Committee will deem fit.

#### 2. Objectives

The objectives of the Policy are as follows:

To set criteria for determining qualifications, positive attributes and independence of a director, and remuneration of the Executives.

To enable the Company to attract, retain and motivate highly qualified members for the Board and other executive level to run the Company successfully.

To enable the Company to provide a well-balanced and performance-related compensation package, taking into

account shareholder interests, industry standards and relevant Indian corporate regulations.

To ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.

To ensure that remuneration to directors, KMP and senior management employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

#### 3. Principles of remuneration

*Support for Strategic Objectives:* Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, and supports and reinforces the achievement of the Company's vision and strategy.

*Transparency:* The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

*Internal equity:* The Company shall remunerate the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.

*External equity:* The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.

*Flexibility:* Remuneration and reward shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other laws.

*Performance-Driven Remuneration:* The Company shall establish a culture of performance-driven remuneration through the implementation of the Performance Incentive System.

*Affordability and Sustainability:* The Company shall ensure that remuneration is affordable on a sustainable basis.



#### 4. Terms of Reference and Role of the Committee

The Terms of Reference and Role of the Committee as set by the Board of Directors are as under:

1. To formulate criteria for:
  - a. determining qualifications, positive attributes and independence of a director;
  - b. evaluation of independent directors and the Board.
2. To devise the following policies on:
  - a. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the board of the Company;
  - b. board diversity laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the Company.
3. To identify persons who are qualified to:
  - a. become directors in accordance with the criteria laid down, and recommend to the Board the appointment and removal of directors;
  - b. be appointed in senior management cadre in accordance with the policies of the Company and recommend their appointment:
    - i. For listed companies – to the board, as the revised Clause 49 requires the NRC to recommend the appointment to the Board.
4. To discuss, approve the appointment and reappointment of executive directors, managing directors and also to fix their remuneration packages and designations;
5. To carry out evaluation of the performance of every director of the Company;
6. To express opinion to the Board that a director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of professional nature.
7. To carry out such other business as may be required by applicable law or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.

*The Committee shall:*

review the ongoing appropriateness and relevance of the Policy;

ensure that all provisions regarding disclosure of remuneration, including pensions, leave encashment, gratuity, etc. are fulfilled;

obtain reliable, up-to-date information about remuneration in other companies;

ensure that no director or executive is involved in any decisions as to their own remuneration.

Without prejudice to the generality of the terms of reference as set out above, the Committee shall:

operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to the Executives including individual limit and make amendments to the terms of such schemes, as the case may be;

liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors.

review the terms of Executives service contracts from time to time.

#### 5. Procedure for selection and appointment of the Board Members

Board membership criteria:

The Committee, along with the Board, shall review on an annual basis, appropriate skills, characteristics and experience required of a Board Member. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

In evaluating the suitability of individual Board members, the Committee shall take into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company.

Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all



the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

The Committee shall evaluate each Director with the objective of having a group that best enables the success of the Company's business.

*Selection of Board Members/ extending invitation to a potential director to join the Board:*

One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

The Board then shall make an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director may be appointed by the Board.

#### **6. Procedure for selection and nomination of KMP and SMPs**

The Chairman and the Managing Director (MD) along with the Chief Executive Officer identify and appoint suitable candidates for appointing them as KMPs (excluding Executive Directors) or SMPs of the Company on the basis of their academic, professional qualifications, relevant work experience, skill and other capabilities suitable to the position of concerning KMP or SMP.

Further, in case of KMP (excluding Executive Director) appointment, approval of the Board of Directors / concerned Committee shall be taken in accordance with provisions of relevant Act, statutes, regulations etc. existing as on that date. The appointment and/or removal of KMPs shall be placed before the NRC and / or Board of Directors at regular intervals.

Further, in case of appointment of SMPs (excluding KMPs), the appointment as approved by the MD and Chief Executive Officer shall be placed before the NRC at regular intervals.

#### **7. Compensation Structure**

*Remuneration to Non-Executive Directors:*

The Non-executive Directors of the Company will be paid remuneration by way of fees only for attending the meetings of the Board of Directors and its Committees. The fees paid to the Non-executive Directors for attending meetings of Board of Directors shall be such as may be determined by the Board within the limit prescribed under the Companies Act, 2013 which is currently Rs. 100,000/- per meeting i.e. Board or Committee. Beside the sitting fees, they are also entitled to reimbursement of expenses and payment of commission on net profits.

The fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees thereof may be modified from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013 and amended from time to time.

An Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the Applicable law.

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

*Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel(s) (SMPs)*

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/ WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs shall be approved by the Board of Directors at a meeting which shall be subject to the approval of members at the next general meeting of the Company and by the Central



Government in case such appointment is at variance to the conditions specified in Schedule V of the Companies Act, 2013. As a policy, the Executive Directors are not paid any fees for attending the Board and/or Committee meetings.

If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

A Director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company may receive any remuneration or commission from any holding or subsidiary company of the Company, subject to its disclosure by the Company in the Board's report.

The remuneration (including revision) of KMPs (excluding Executive Directors) and SMPs shall be determined by Chairman along with the MD and Chief Executive Officer after taking into consideration the academic, professional qualifications, work experience, skill, other capabilities and industry standards.

Further, the remuneration (including revision) of KMPs (excluding Executive Directors) shall also be subject to approval of the Board of Directors/concerned Committees, if stipulated by any Act, statute, regulations etc.

#### **8. Powers of the Committee and Meetings of the Committee**

The Committee shall have inter-alia the following powers:

Conduct studies or authorise studies of issues within the scope of the Committee with full access to all books, records, facilities and personnel of the Company;

Retain or seek advice of consultants and experts for performance of their role under this Policy and the costs relating thereto shall be borne by the Company;

Delegate its powers to any Member of the Committee or any KMP of the Company or form sub-committees to perform any of its functions or role under this Policy.

The Committee shall meet as per the requirements of law or at such larger frequency as may be required. .

#### **9. Approval and publication**

This Policy as framed by the Committee shall be recommended to the Board of Directors for its approval.

The Policy shall form part of Director's Report as required under Section 178(4) of the Companies Act, 2013.

#### **10. Supplementary provisions**

This Policy shall formally be implemented from the date on which it is adopted by the Board of Directors.

Any matters not provided for in this Policy shall be handled in accordance with relevant laws and regulations, the Company's Articles of Association.

The right to interpret this Policy vests in the Board of Directors of the Company.

#### **Annexure - C**

#### **Conservation of Energy, Technology absorption & Foreign Exchange Earnings and Outgo**

##### **A. Conservation of Energy**

##### ***Steps taken for conservation of energy***

Energy conservation is the need of the hour not only to reduce the cost but also to save nature. The Management has initiated various steps to reduce /conserve energy consumption.

- a) Energy efficient motors have been put in place in lieu of normal mechanical motors.
- b) Repeated re-winding of electrical motors done away with.
- c) Firewood consumption is very high and the same is being used for firing fermented tea. Management has replaced two heaters in order to minimise the firewood consumption.
- d) ID fans in with sensors introduced to provide optimum level of oxygen for proper combustion there by reducing excess consumption of fire wood.
- e) Sodium Vapour Lights removed and LED lights put in place to reduce electricity consumption.

##### ***Steps taken by the Company for utilising alternate source of energy***

The Company has got 9 wind mills having total installed capacity of 2.275 MW. 65 to 70% of the power generated by the wind mills is consumed by our own factories.

Due to inadequate evacuation facility, Wind Mills are unable to generate enough power thereby reducing captive consumption sharply.

It is therefore proposed to install 3 MW Solar Power Plant in Tamil Nadu.





## B. Technology Absorption

### i) Efforts made towards technology absorption

The Company is continuously adapting suggestions/recommendations of UPASI Scientists besides its own efforts for improvement in upkeep, productivity, quality, higher yields and energy conservation.

### ii) Benefits derived

Cost reduction, improvement in yield, Quality up-gradation of the field and on the field.

### iii) Import of technology - Nil

## C. Foreign Exchange Earnings and outgo

Particulars are given in the Notes on Financial Statements forming part of accounts.

## Annexure - D

### 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 of Managerial Personnel) Rules, 2014]

To

The Members,  
The Peria Karamalai Tea and Produce Company Limited  
(CIN: L01132TZ1913PLC000350)  
No. 286, Race Course Road,  
Coimbatore - 641 018.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Peria Karamalai Tea and Produce Company Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of The Peria Karamalai Tea and Produce Company Limited'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, I hereby report that in my 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:

I 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 thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Madras Stock Exchange Limited and The Calcutta Stock Exchange Limited.

I report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above subject to the following observations:

- a. Return of changes in shareholding position of top ten shareholders in e-form MGT-10 pursuant to section 93 of the Companies Act 2013 and applicable rules have not been filed on the presumption that it does not exceed 2% of the total paid up share capital of the Company.
- b. The Board of Directors of the Company at their meeting held on 26th March 2015 have passed a resolution for borrowing of Rs.5.40 Crores from Kiran Vyapar Limited for which e-Form MGT-14 pursuant to the provisions of Section 117(3)(g) of the Companies Act 2013 has not yet been filed





- c. Company has not filed e-Form 5 INV for the financial year ending 31st March, 2014 pertaining to uploading of information regarding unclaimed and unpaid amounts lying with the Company.

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

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

requiring compliance thereof by the Company during the financial year and the Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year.

- v) I further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads and Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws and environmental laws.

- vii) I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since

the same have been subject to review by statutory financial audit and other designated professionals.

I further report that

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

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

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

I 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.

I further report that during the audit period, the members have passed a special resolution under Section 180(1) (a) to create charge to secure the Borrowings of the Company. Other than these, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Place : Coimbatore  
Date : 03.08.2015

**M D Selvaraj**  
MDS & Associates  
Company Secretaries  
FCS No.: 960,  
C P No.: 411

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



### **'Annexure A' to Secretarial Audit Report**

To

The Members,  
The Peria Karamalai Tea and  
Produce Company Limited  
(CIN: L01132TZ1913PLC000350)  
No. 286, Race Course Road,  
Coimbatore – 641 018.

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

1. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Coimbatore  
Date : 03.08.2015

**M D Selvaraj**  
MDS & Associates  
Company Secretaries  
FCS No.: 960,  
C P No.: 411

### **Annexure - E**

Statement pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975 and Section 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **Particulars of Employees**

##### **I. Employed throughout the year and was in receipt of remuneration not less than Rs.60 lacs per annum**

There were no employees who were in receipt of remuneration exceeding Rs.60 Lakhs per annum

##### **II. Particulars pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**



a) **The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year is given below:**

Name	Ratio
<b>Executive Directors</b>	
Smt Alka Bangur (Managing Director)	68.34:1
Shri Shreeyash Bangur (Managing Director)	63.92:1
<b>Non Executive Directors</b>	
Shri L.N.Bangur (Director)	0.41:1
Shri R.L.Gaggar (Director)	0.24:1
Shri H.M.Parekh (Director)	0.33:1
Shri P.R.Ramakrishnan (Director)	0.75:1
Shri N.Swaminathan (Director)	0.83:1

**The percentage increase in remuneration of Managing Director, Chief Financial Officer, Company Secretary or Manager**

Name	Category	Percentage
Smt Alka Bangur	Managing Director	8.81%
Shri Shreeyash Bangur	Managing Director	11.90%
Shri R.V.Sridharan	Chief Financial Officer & Company Secretary	4.04%

**Percentage increase in the median remuneration of employees in the financial year: 6.5%**

**Number of permanent employees on the rolls of the Company : 1839**

**Explanation on the relationship between average increase in remuneration and company performance:**

The average increase is based on the wage agreement between the company and the trade unions at state level.

**Comparison of remuneration of Key Managerial Personnel against the performance of the Company**

The Key Managerial Personnel were collectively paid a remuneration of Rs.99.97 lakhs for the financial year 2014-15. This represents 3.26% of the total standalone turnover of Rs.3062.60 lakhs of the Company and (25.09%) of its standalone profits (losses).

The Company believes that the Key Managerial Personnel have been compensated commensurate with their knowledge, experience and contributions notwithstanding the fact that their collective remuneration does not impact the Company's performance significantly.



**Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

Particulars	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
Issued Capital (in Nos)	30,95,879	30,95,879
Market Capitalisation (in Rs.)	41,17,51,907	35,91,21,964
Closing Price at National Stock Exchange (last traded price on 31.07.2014 in Rs.)	133	116
Earnings per Share (in Rs.)	(13.33)	4.73
Price Earnings Ratio as at the closing date	9.98	24.52

Percentage increase over decrease in market quotations of the shares of the company in comparison with the last public offer is not applicable as the last public offer was made many years ago and the data is incomparable.

**Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:**

The Average increase in remuneration is 6.5% for workers and that of the staff 21.5%. Salary increase to staff was given following tripartite agreement entered into between the company, Estates Staff Union of South India and Industry's Associations during the financial year.

**Comparison of the Remuneration Key Managerial Personnel against the performance of the Company**

Name	Designation	Remuneration paid Rs.	Profit / (Loss) before Tax Rs.
Smt. Alka Bangur	Managing Director	41,08,765	(3,96,46,321)
Shri Shreeyash Bangur	Dy. Managing Director	38,43,110	(3,96,46,321)
Shri R V Sridharan	CFO & Company Secretary	20,44,856	(3,96,46,321)

**The key parameters for any variable component of remuneration availed by the Directors**

**Non Executive Directors**

The Company does not pay any variable component of remuneration to the Non-Executive Directors as they are paid only sitting fee for attending the meetings.

**Executive Directors**

Executive Directors are paid annual increments based on the performance of the company and as recommended by the Nomination and Remuneration Committee.

**The ratio of remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year : Not applicable**

**Affirmation that Remuneration paid is as per the Remuneration Policy of the Company**

It is affirmed that the remuneration is paid as per the Remuneration Policy of the Company.

**Annexure F****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES****1) A Brief outline of the Company's CSR policy:**

The Company's CSR Policy and Programmes are directed towards education, basic sanitation facilities, promote gender equality, women empowerment, environmental sustainability, protection of National Heritage, Culture, music, drama, sports, fine arts and rural development projects. The detailed policy on the Corporate Social Responsibility has been posted on the Website of the company : [www.periatea.com](http://www.periatea.com)

**2) Composition of CSR Committee:**

CSR Committee has been constituted with Shri L.N. Bangur as Chairman, Shri P.R. Ramakrishnan and Shri N. Swaminathan as members.

**3) Average Net Profit of the Company For the last three financial years:**

There was net loss for the immediately preceding three financial years.

**4) Prescribed CSR Expenditure (2% of the Average Net Profit):**

The Company was not required to spend on CSR activities as the average net profit of the immediately preceding three financial years of the company was in the negative.

**5) Details of CSR spent during the financial year:**

a) Total amount to be spent for the financial year : The Company was not required to spend any amount on CSR activities.

b) Amount unspent, if any : Nil

c) Manner in which the amount spent during the financial year:

As the Company was not required to spend any amount on CSR activities, the disclosure with regard to the manner in which the amount was spent during the financial year does not arise.

d) Reason for not spending the amount:

The Company was not required to spend on CSR activities as the average net profit of the immediately preceding three financial years of the company was in the negative.

**6) Responsibility Statement by the CSR Committee**

The CSR Committee confirms that the implementation and governance of CSR Programs have been elaborated in the Company's CSR policy. The CSR Committee further confirms that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and policy of the Company.

Place : Coimbatore

Date : 03.08.2015

**N. SWAMINATHAN**

Director

(DIN 02743671)

**L.N. BANGUR**

Chairman, CSR Committee

(DIN 00012617)



## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Overview

India produced 1207 million kg in 2014 compared 1200 million kg in 2013. South Indian Tea industry produced 241.36 million kg compared to 242.6 million kg in 2013. North India produced 965.20 million kg in 2014 compared to 957.44 million kg in 2013.

All India Auction Average price reported reduction of 1.23%. All India auction average stood at Rs.126.88 per kg in 2014 compared to Rs.128.46 per kg in 2013. North India averaged Rs. 143.07 per kg compared to Rs.139.95 per kg in 2013. South Indian Tea averaged Rs. 82.89 per kg compared to Rs.98.75 per kg.

Export of tea from India was 207.44 million kg in 2014 compared to 219.06 million kg in 2013.

### Performance

The tea market remained sluggish throughout the year. The South Indian Tea industry is going through a severe recessionary period. Lack of demand from upcountry buyers and export market slowed down the sale of tea. There was significant drop in the price realization too.

Tea business accounted for 92% of the total revenue of the Company. During the year, production suffered due to Tea Mosquito Bug (TMB) infestation and erratic weather conditions. The Company is taking initiatives to reduce the cost wherever possible and thereby substantially reduce the losses. Labour deployment has been kept at optimum levels and every single mandays spent is closely monitored.

### Future Prospects

Kenya reported shortfall in production in the first quarter particularly in April and May by 50 Million kg. However, the impact of shortfall has not been reflected in South Indian Price. Hopefully, the impact of Kenyan shortfall will reflect once the carry forward stock exhaust. Further, the demand for teas will pick up once the winter season sets in.

In order to generate additional revenue, the Company has launched its own branded tea in a small way in Maharashtra and elsewhere. The response has been

encouraging. To sustain this line of business and to bring more viability, the Company is planning to introduce teas with different blends. The Company is in the process of identifying distributors across the country to strengthen the market outside Tamil Nadu.

### Opportunities

Declaration of tea as a National drink will further boost the domestic consumption. Organic farming holds immense potential for remunerative prices and could be a solution to restore the depleting crop.

Mechanization of all tea operations in the light of labour shortage is imperative for future growth of tea industry. Sharing the social cost by the State Governments will reduce the cost of production and thereby increase the competitive strength of Indian tea. With low cost of labour and availability of virgin soil, acquisition of gardens outside India is the only solution for Tea Industry's survival.

### Challenges

Climate change poses big challenge to the tea industry. Climatic changes have resulted in lower crops as well as higher incidence of pests and diseases. Yields are showing downward and erratic trend. Introduction of plant production code adds up the woes of tea industry. There is acute shortage of labour severely affecting the tea industry.

Declining soil fertility and slower pace of re-plantation of old bushes affect the productivity. High quality and younger Kenyan CTC teas offer tough competition for Indian CTC tea producers. Lack of standardization and quality with respect to packing, pesticide and MRL problems affect export of Indian Teas. Planning/budgeting may not really work in tea industry due to unpredictable weather conditions.

Soaring cost of production and thinning profit margins due to high cost of labour and rise in input costs is a major challenge. It is becoming increasingly difficult for the management to bear the social cost. MGNREG scheme also adds problems to the tea industry.

**Risk Management**

Risk management is an integral part of the business process. With the help of experts, the company mapped the risks at the business processes and enterprise levels and evolved a risk management framework. Risk mitigating measures have been identified in respect of the latter. These would be periodically reviewed by the Board of Directors.

**Internal Control**

The Company has a sound internal control system which ensures that all assets are protected against loss from unauthorized use and all transactions are recorded and reported correctly. The Audit Committee of the Board assures the existence of effective internal control environment.

**Human Resource**

Relationship with employees at all level remains cordial. Training and development of employees continue to be an area of prime importance. The devotion and commitment of employees has enabled the Company to fulfill its targets and deadlines in time. The total number of employees on the rolls of the Company as on 31st March 2015 was 1839.

**Forward looking statements**

Certain statements included above may be forward looking and would involve number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.





## REPORT ON CORPORATE GOVERNANCE

Compliance Report on Corporate Governance as required under Clause 49 of the Listing Agreement is furnished below:

### Company's Philosophy on Corporate Governance

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organisation. Good Corporate Governance with focus on fiduciary and trusteeship role of directors to align and direct the actions of the organisation brings lasting shareholder value and enhances interest of all other stakeholders.

### Board of Directors

#### Composition

The Board consists of seven (7) Directors, out of which five are non-executive directors and two are executive directors. Smt Alka Bangur and Shri Shreeyash Bangur are the Executive Directors and all others are Non-Executive Directors

Name of Director	Category	Other Directorships	Membership of other Board Committees	
			Member	Chairman
Shri L.N.Bangur	Promoter–Non Executive Chairman	9	2	1
Smt.Alka Bangur	Promoter-Managing Director	2	2	—
Shri Shreeyash Bangur	Promoter-Managing Director	5	—	—
Shri R.L.Gaggar	Non-Executive Independent	8	9	
Shri H.M.Parekh	Non-Executive Independent	7	4	5
Shri P.R.Ramakrihsnan	Non-Executive Independent	1	—	—
Shri N.Swaminathan	Non-Executive Independent	1	—	—

#Excludes directorship in private companies.

\*Only Audit Committee and Stakeholders Relationship Committee are considered.

Shri L.N. Bangur, Smt. Alka Bangur and Shri Shreeyash Bangur are related to each other. None of the other directors are related.

As per the disclosures received from the directors, none of the directors serve as member of more than ten committees or chairman of more than five committees as per the requirement of Listing Agreement.

### Meetings of the Board of Directors

During the financial year 2014-15, six meetings of the Board of Directors were held on 29th May 2014, 8th August 2014, 31st October 2014, 11th December 2014, 5th February 2015 and 26th March 2015.

### Attendance of Directors at Board Meetings and Annual General Meeting

The attendance of directors at the meetings of Board of Directors held during the financial year 2014-15 and at the last Annual General Meeting held on 22nd September 2014 were as under:

Name of the Director	Board Meeting		Annual General Meeting
	Held during the year	Attended	
Shri L.N.Bangur	6	4	Yes
Smt.Alka Bangur	6	4	Yes
Shri Shreeyash Bangur	6	5	Yes
Shri R.L.Gaggar	6	3	No



Name of the Director	Board Meeting		Annual General Meeting
	Held during the year	Attended	
Shri H.M.Parekh	6	4	No
Shri P.R.Ramakrishnan	6	3	Yes
Shri N.Swaminathan	6	4	Yes

A brief profile of the Directors seeking appointment/re-appointment as required under Clause 49 (VIII) (E) of the Listing Agreement is annexed in the Notice of the 102nd Annual General Meeting which forms part of the Corporate Governance Report.

### Independent Directors

#### *Familiarisation Program for Independent Directors*

The Independent Directors were regularly provided with documents, reports and other internal policies of the company to familiarize them with the Company's policies, procedures and practices. Periodic presentations are made at the Board/Committee meetings on the Company's business, developments and various statutory compliances.

They were briefed about the manufacturing process, field operations, cultural practices, productivity, labour related matters, overall power consumption, cost savings and environmental protection activities undertaken by the factories. Two of the independent directors are tea professionals and possess considerable experience and knowledge about the tea industry

The appointment letters of Independent Directors has been posted on the Company's website [www.peritea.com](http://www.peritea.com)

#### *Separate meeting of the Independent Directors*

The independent Directors' meeting was held on 26th March 2015 without the attendance of Non-Independent Directors and members of Management and they interalia, reviewed the performance of the Non-Independence Directors and the Board as a whole, reviewed the performance of the Chairman and accessed the quality, quantity and timeliness of flow of information between the company and the Board.

### Committees of the Board

At present, the Board has 4 Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

The Board constitutes the committees and defines their terms of reference. The members of the committees are co-opted by the Board.

### Audit Committee

Three of the members of the Audit Committee are independent and have knowledge of finance, accounts and tea industry. The quorum for Audit Committee meeting is minimum two independent directors.

The role, power and functions of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the Listing Agreement with the Stock Exchanges. The terms of reference of the Audit Committee are as required by SEBI under Clause 49 of the Listing Agreement. Besides having access to all the information within the Company, the Committee can obtain external professional advice whenever required. The committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the statutory and internal auditors and meet with them to discuss their findings, suggestions and other related matters. The committee is empowered to recommend the appointment and remuneration payable to the Statutory Auditors.



### Composition

Audit Committee meetings are attended by the head of internal audit, head of finance, senior management team and representatives of statutory auditor.

The members of the Audit Committee as on 31st March 2015 comprised of:

Name of the Director	Designation	Category
Shri P.R.Ramakrishnan	Chairman	Non-Executive Independent
Shri L.N.Bangur	Member	Non-Executive Promoter
Shri H.M.Parekh	Member	Non-Executive Independent
Shri N.Swaminathan	Member	Non-Executive Independent

All the above members are independent non-executive directors except Shri L.N.Bangur. Shri P.R.Ramakrishnan and Shri H.M.Parekh possess expert Knowledge in finance and accounts.

Shri R.V.Sridharan, Chief Financial Officer and Company Secretary is the Secretary of the Committee.

### Meetings

During the year, the Audit Committee met four (4) times on 26th May 2014, 31st July 2014, 27th October 2014 and 31st January 2015.

Attendance of each member is given below:

Name of the Director	Number of Meetings held	Number of Meetings attended
Shri P.R.Ramakrishnan	4	4
Shri L.N.Bangur	4	0
Shri H.M.Parekh	4	0
Shri N.Swaminathan	4	4

### Nomination & Remuneration Committee

The committee reviews and determines the Company's policy on managerial remuneration and recommends to the Board on the specific remunerations of Executive Directors, so as to ensure that they are fairly rewarded for their individual contributions to the Company's overall performance and their remuneration is in line with the industry standards.

The broad terms of reference to the Compensation and Nomination Committees are to recommend to the Board salary, perquisites and incentive payable to the Company's Executive Directors, to finalise the annual increments payable within the overall ceiling fixed by the Board. The Committee also recommends re-appointments and tenure of office, whether of executive or non executive directors.

The company while deciding the remuneration package of the senior management takes into consideration the following factors: Job profile, skill requirements, prevailing compensation structure in companies of similar size and in the industry, remuneration package of comparable managerial talent in other industries.

The remuneration policy of the Company is annexed to the Board's Report and can also be accessed on the Company's website [www.lnbgroupp.com](http://www.lnbgroupp.com)

### Composition

The members of the Remuneration Committee as on 31st March 2015 comprised of:

Name of the Director	Designation	Category
Shri P.R.Ramakrishnan	Chairman	Non Executive Independent
Shri L.N.Bangur	Member	Non Executive Promoter
Shri H.M.Parekh	Member	Non Executive Independent
Shri N.Swaminathan	Member	Non Executive Independent

**Meeting**

During the year 2014-15, Remuneration Committee met on 31st July 2014 and 27th October 2014.

**Remuneration to Executive Directors**

The details of remuneration paid to Smt. Alka Bangur, Managing Director, and Shri Shreeyash Bangur, Deputy Managing Director during the financial year 2014-15 are given below:

Name	Designation	Total Remuneration (In Rs Lakhs)	Period of Appointment
Smt. Alka Bangur	Managing Director	41.09	3 years with effect from 17.09.2014
Shri Shreeyash Bangur	Dy Managing Director	38.43	3 years with effect from 05.11.2012

The company does not have Employees Stock Option Scheme.

**Payments to Non-Executive Directors**

Name	Sitting Fees Rs.
Shri R.L.Gaggar	15000
Shri H.M.Parekh	20000
Shri P.R.Ramakrishnan	45000
Shri N.Swaminathan	50000

**Shareholding of Non-Executive Directors**

Name	No. of Shares
Shri L.N.Bangur	86681
Shri R.L.Gaggar	1125
Shri H.M.Parekh	Nil
Shri P.R.Ramakrishnan	300
Shri N.Swaminathan	150

**Stakeholders Relationship Committee****Composition**

The members of the Committee as on 31st March 2015 comprised of:

Name of the Director	Designation
Shri L.N.Bangur	Chairman
Shri P.R.Ramakrishnan	Member
Shri N.Swaminathan	Member

The Board has designated Shri R.V. Sridharan, Chief Financial Officer and Company Secretary as Compliance Officer.

The Share Transfers/transmissions approved by the Committee are placed at the Board Meeting from time to time.



The status of complaints received from the investors during the financial year 2014-15 is furnished below:

Complaints pending as on 1st April 2014	Nil
Complaints received during the year	1
Complaints resolved during the year	1
Complaints pending as on 31st March 2015	Nil

### General Body Meetings

*The location and time of the last three Annual General Meetings held are given as under:*

Year	Date	Time	Venue
2011-12	21.07.2012	11.00 a.m.	The Indian Chamber of Commerce & Industry Coimbatore - 641 018
2012-13	07.08.2013	11.00 a.m.	The Residency, Avinashi Road Coimbatore - 641 018
2013-14	22.09.2014	10.30 a.m.	The Indian Chamber of Commerce & Industry Coimbatore - 641 018

*Special Resolutions passed in the previous three Annual General Meetings:*

Date	Description of Special Resolutions passed
22.09.2014	Appointment of Shri R.L. Gaggar as Independent Director of the Company for a period of five years
	Appointment of Shri N. Swaminathan as Independent Director of the Company for a period of five years
	Appointment of Shri H.M. Parekh as Independent Director of the Company for a period of five years
	Appointment of Shri P.R. Ramakrishnan as Independent Director of the Company for a period of five years
	Alteration of Article 155 of the Articles of Association to make the office of Managing Director / Wholetime Director liable for retirement by rotation.
	Partial modification of the resolution approving the terms of appointment of Shri Shreeyash Bangur, Deputy Managing Director that he shall be subject to retirement by rotation.
	Authority to Board of Directors to mortgage or otherwise dispose of or to create or modify charge, hypothecate the whole or substantially the whole of the undertaking of the company.
	Re-appointment of Smt. Alka Bangur as Managing of the Company for a further term of 3 years.

### Postal Ballot

No resolutions were put through postal ballot last year. However, pursuant to Clause 35B of the Listing Agreement, the Company had provided to the shareholders the option to pass the resolutions at the Annual General Meeting through postal ballot.

At present no special resolution is proposed to be passed through postal ballot. However, the procedure laid down under Companies ( Passing of Resolutions by Postal Ballot ) Rules, 2001 would be followed as and when necessary.

**Management Discussion and Analysis Report forms part of this Annual Report.**



### Disclosure on materially significant Related Party Transactions

During the year, there were no transactions of material nature with the Directors and management or relatives that had potential conflict with the interest of the Company.

### Details of non-compliance by the Company

There were no penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### Whistle Blower Policy

The Company has formulated Whistle Blower Policy for the directors, employees, vendors and others.

### Compliance with Accounting Standards

In the preparation of financial statements, the Company has followed the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 as amended and the relevant provisions of the Companies Act.

### Code of conduct for Directors and Senior Executives

The Company has adopted a Code of Business Conduct and Ethics for its Directors and Senior Management Personnel. The same has been posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code of conduct for the year under review.

The Managing Director has given a declaration that all the Directors and concerned Senior Management Personnel have affirmed compliance with the Code of Conduct.

### Code for prevention of Insider Trading

The Company has framed Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors/Officers/Designated Employees. The Code ensures the prevention of dealing in shares by persons having access to the unpublished price sensitive information.

### Compliance with non-mandatory requirements

The Company has complied with the following non-mandatory requirements of Clause 49 of the Listing Agreement.

1. The company has appointed separate person to the post of Chairman and Managing Director.
2. Internal Auditor of the Company reports directly to the Audit Committee.

The Company has not adopted other non-mandatory requirements.

### Means of Communication

Quarterly, half yearly and annual financial results are published in The Hindu-Business Line (English Version) and Dinamalar (Tamil Version) and simultaneously posted on the website of the Company. The company has not made any presentation to Institutional Investors or Analysts.

### General Shareholder Information

	Date & Time	Venue
102nd Annual General Meeting	28.09.2015 11.00 a.m.	The Indian Chamber of Commerce & Industry, Avinashi Road, Coimbatore - 641 018

### Financial Calendar (tentative and subject to change)

Particulars of meeting	On or before
Unaudited Financial Results for the quarter ending 30th June 2015	12th August 2015
Unaudited Financial Results for the quarter ending 30th September 2015	14th November 2015
Unaudited Financial Results for the quarter ending 31st December 2015	14th February 2016
Audited Financial Results for the year ending 31st March 2016	30th May 2016



Date of Book closure for payment of dividend : 22.09.2015 to 28.09.2015  
(Both days inclusive)

Date of Payment of Equity Dividend : 20.10.2015

### Listing on Stock Exchanges

The Company's Shares are listed in the following Stock Exchange:

The Calcutta Stock Exchange Limited  
No.7, Lyons Range  
Kolkata - 700 001

The Company has paid the annual listing fees for the year 2015-16 to the Calcutta Stock Exchange.

### Stock Code

Calcutta Stock Exchange Limited	10026140
ISIN (for demat)	INE 431F01018

### Details of monthly high and low quotations of the equity shares of the company traded on National Stock Exchange under the permitted category during the financial year 2014-15

Month	High	Low
April - 14	124.95	109.85
May - 14	133.35	112.70
June - 14	152.00	120.65
July - 14	153.40	116.00
August - 14	—	—
September - 14	—	—
October - 14	—	—
November - 14	—	—
December - 14	—	—
January - 15	—	—
February - 15	—	—
March - 15	—	—

The Company's equity shares were traded on National Stock Exchange since 30.06.2011 under permitted category in terms of an arrangement with the Madras Stock Exchange Limited. After the closure of Madras Stock Exchange Limited as per SEBI's direction, the arrangement was withdrawn and there was no trading from 1st August 2014 to 31st March 2015.

There was no trading in the equity shares of the Company in Calcutta Stock Exchange during the year.

### Registrar and Transfer Agents

SKDC Consultants Limited  
Kanapathy Towers, 3rd Floor  
1391/A-1, Sathy Road, Ganapathy  
Coimbatore – 641 006  
Tel No +91(422)6549995, 5239835, 2539836  
Fax No +91 (422) 2539837  
Email: info@skdc-consultants.com

**Share Transfer system**

Shares in physical form are processed by the Registrar and Share Transfer Agents, SKDC Consultants Limited and approved by the Stakeholders Relationship Committee of the Company. Share Transfers are processed within a period of 15 days from the date of receipt of documents by the Registrar & Share Transfer Agents, if the documents are complete in all respects. All requests for dematerialisation of shares are processed and confirmed to the depositories, NSDL and CDSL within 15 days..

**Distribution of Equity Shareholding as on 31st March 2015**

Slab of Shareholdings	Shareholders		Shares	
	Number of shareholders	%	Number of Shares	%
1 – 500	4148	90.15	478483	15.46
501 – 1000	267	5.80	182811	5.90
1001 – 2000	122	2.65	162467	5.25
2001 – 3000	22	0.48	53885	1.74
3001 – 4000	8	0.17	25985	0.84
4001 – 5000	2	0.04	8782	0.28
5001 – 10000	13	0.28	98576	3.18
Above 10000	20	0.43	2084890	67.35
Total	4602	100.00	3095879	100.00

**Category of Shareholders as on 31st March, 2015**

S.No.	Category	Number of shares	%
<b>A</b>	<b>Indian Promoters &amp; Promoters Group</b>	<b>1496390</b>	<b>48.333</b>
<b>B</b>	<b>Public Shareholding</b>		
	1. Institutions		
	a) Financial Institutions / Banks	3,935	0.127
	b) Insurance Companies	3,60,138	11.633
	c) Central / State Governments	27,715	0.895
	2. Non Institutions		
	a) Bodies Corporate	95,465	3.084
	b) Individuals	11,12,236	35.926
	<b>Total Public Share holding (1+2)</b>	<b>15,99,489</b>	<b>51.667</b>
	<b>Total (A + B)</b>	<b>30,95,879</b>	<b>100.000</b>




**Dematerialisation of shares as on 31st March, 2015**

Name of the Depository		No. of shares dematerialised	Percentage on Equity Share Capital
A	National Securities Depository Limited	19,95,730	64.464
	Central Depository Services (India) Limited	6,28,067	20.287
<b>Total</b>		<b>26,23,797</b>	<b>84.751</b>
B	Physical	4,72,082	15.248
<b>Total (A+B)</b>		<b>30,95,879</b>	<b>100.000</b>

**No GDRs, ADRs or Warrants have been issued by the Company during the year.**

**Estate Location**

- |   |  |
|---|--|
| 1. Karamalai Estate<br>Karamalai Bazaar Post<br>Valparai - 642 130  | 2. Akkamalai Estate<br>Akkamalai Branch P.O.<br>Valparai - 642 127 |
| 3. Vellamalai Estate<br>Karamalai Bazaar Post<br>Valparai - 642 130 | 4. Nadumalai Estate<br>Valparai - 642 127                          |

**Wind Mill Location**

Aralvaimozhi  
Muppandal, Kanyakumari District  
Tamil Nadu

**Address for correspondence**

The Company Secretary  
The Peria Karamalai Tea & Produce Co. Ltd  
No.286, Race Course Road  
Coimbatore - 641 018

**Email ID for Investor Grievance Redressal** : periatea@dataone.in

**Declaration by the Managing Director**

I hereby affirm and state that all Board Members and Senior Management Personnel of the Company have given a declaration pursuant to Clause 49 (II)(E) of the Listing Agreement and I hereby affirm compliance with the said Code of Conduct for the financial year 2014-15

Kolkatta  
3rd August, 2015

**Alka Bangur**  
Managing Director  
DIN : 00012894



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of  
The Peria Karamalai Tea & Produce Co. Ltd.

We have examined the compliance of conditions of corporate governance by THE PERIA KARAMALAI TEA & PRODUCE CO. LTD for the year ended on 31.03.2015, as stipulated in clause 49 of the listing agreement of the said company, with the stock exchanges.

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 clause. 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 clause 49 of the above mentioned listing Agreement.

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

For **S. KRISHNAMOORTHY & CO**  
Chartered Accountants  
Regn. No. 001496S

Coimbatore,  
3rd August, 2015

**K.N. Sreedharan**  
Partner Auditors  
Membership No. 12026



## INDEPENDENT AUDITORS' REPORT

To the Members of **The Peria Karamalai Tea and Produce Company Limited**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/s. The Periakaramalai Tea and Produce Company Limited ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, and ensuring their operating effectiveness for the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

We have taken into account the provisions of the Act, 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by 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 standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on other Legal and Regulatory Requirements

1. As required by the Companies ( Auditor's Report) Order, 2015 (" the order"), issued by the Central Government of India in terms of the 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 appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 which would impact its financial position in its financial statements
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S. KRISHNAMOORTHY & CO**  
Chartered Accountants  
Registration No: 001496S

**K.N. Sreedharan**  
Partner Auditors  
Membership No. 12026

Coimbatore,  
15th May, 2015



## ANNEXURE TO THE AUDITORS' REPORT

### (Referred to in paragraph 1 of our report on other Legal and Regulatory Requirements)

- |   |  |
|---|--|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) Fixed Assets have been physically verified by the Management at reasonable intervals. No material discrepancies were noticed on such verification;</p> <p>(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;</p> <p>(b) Procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;</p> <p>(c) Company is maintaining proper records of inventory and material discrepancies, if any, noticed on physical verification have been properly dealt with in the books of account;</p> <p>(iii) The company has not granted unsecured loan to parties covered in the register maintained under section 189 of the Companies Act, 2013.</p> <p>(iv) There is 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 audit, no major weakness has been noticed in the internal control system;</p> <p>(v) The Company has not accepted any deposit from the public during the year.</p> <p>(vi) Central Government has not prescribed maintenance of Cost Records u/s.148(1) of the Act, in respect of any of the Company's products or services</p> <p>(vii) (a) The company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty,</p> | <p>Excise Duty, Cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us, no undisputed arrears of statutory dues were outstanding as on 31.3.2015, for a period of more than 6 months from the date they become payable;</p> <p>(b) According to the records of the company, there are no disputed statutory dues remaining unpaid</p> <p>(c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and protection fund by the company.</p> <p>(viii) The Company does not have accumulated losses at the end of the financial year. The Company has incurred cash loss in the current year. It has not incurred cash loss in the immediately preceding financial year;</p> <p>(ix) The company has not defaulted in repayment of dues to financial institution or bank.</p> <p>(x) The Company has not given any guarantee for loans taken by others from bank or financial institutions;</p> <p>(xi) The Company has not availed any term loans during the year;</p> <p>(xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no frauds on or by the company has been noticed or reported during the course of our audit.</p> |
|---|--|

For **S. KRISHNAMOORTHY & CO**  
Chartered Accountants  
Registration No: 001496S

**K.N. Sreedharan**  
Partner Auditors  
Membership No. 12026

Coimbatore,  
15th May, 2015



## FINANCIAL STATEMENTS

**BALANCE SHEET AS AT 31ST MARCH, 2015**

(₹)

	Note No.	31.3.2015	31.3.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	1	30,958,790	30,958,790
(b) Reserves and surplus	2	958,181,350	1,002,257,934
(c) Money received against share warrants		—	—
		<u>989,140,140</u>	<u>1,033,216,724</u>
<b>(2) Share application money pending allotment</b>			
		—	—
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	3	4,727,228	—
(b) Deferred tax liabilities (Net)	4	5,293,890	5,058,853
(c) Long-term provisions	5	424,904	424,904
		<u>10,446,022</u>	<u>5,483,757</u>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	6	54,252,884	30,024,838
(b) Trade payables	7	54,720,492	54,803,140
(c) Other current liabilities	8	6,341,551	3,048,136
(d) Short-term provisions	9	3,484,514	11,635,262
		<u>118,799,441</u>	<u>99,511,377</u>
TOTAL		<u>1,118,385,603</u>	<u>1,138,211,857</u>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	175,164,499	157,171,842
(ii) Intangible assets		70,785	212,623
(iii) Capital Work in Progress		11,211,706	—
(b) Non-current investments	11	119,270,975	100,944,617
(c) Long-term loans and advances	12	15,288,596	21,219,881
		<u>321,006,561</u>	<u>279,548,963</u>
<b>(2) Current assets</b>			
(a) Current investments	13	513,500,000	539,979,883
(b) Inventories	14	72,235,083	51,894,295
(c) Trade receivables	15	23,885,765	34,588,017
(d) Cash and cash equivalents	16	8,452,086	8,656,022
(e) Short-term loans and advances	17	168,433,852	215,987,447
(f) Other current assets	18	10,872,255	7,557,229
		<u>797,379,042</u>	<u>858,662,894</u>
TOTAL		<u>1,118,385,603</u>	<u>1,138,211,857</u>

See accompanying notes to the financial statements

Per our Report of even date attached  
For S. Krishnamoorthy & Co  
Chartered Accountants  
Reg. No. 001496S

**K.N. Sreedharan**  
Partner Auditors, M.No. 12026. Kolkata,  
15th May 2015

For and on behalf of the Board  
**L.N. Bangur**  
Chairman **Alka Bangur**  
Managing Director

**R.V. Sridharan**  
CFO & Company Secretary



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

(₹)

	Note No.	31.3.2015	31.3.2014
I. Revenue from operations	19	<b>306,260,182</b>	369,682,051
II. Other income	20	<b>26,904,814</b>	29,844,326
III. Total Revenue (I + II)		<b>333,164,995</b>	399,526,377
IV. <b>Expenses:</b>			
Cost of materials consumed		<b>39,102,358</b>	40,908,273
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	<b>(22,643,770)</b>	(19,810,000)
Employee benefits expense	22	<b>207,916,282</b>	212,845,227
Finance costs	23	<b>5,184,867</b>	3,160,347
Depreciation and amortization expense		<b>23,089,788</b>	15,642,745
Other expenses	24	<b>119,586,831</b>	127,266,631
<b>Total expenses</b>		<b>372,236,356</b>	380,013,223
V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)		<b>(39,071,361)</b>	19,513,154
VI. Exceptional items - Solar Power Project Expenses		<b>775,590</b>	—
VII. Profit / (Loss) before extraordinary items and tax (V - VI)		<b>(39,846,951)</b>	19,513,154
VIII. Extraordinary Items		—	—
IX. <b>Profit / (Loss) before tax (VII - VIII)</b>		<b>(39,846,951)</b>	19,513,154
X. Tax expense:			
(1) Current tax		<b>1,200,000</b>	5,000,000
(2) Deferred Tax Liability Provided / (Reversed)		<b>235,037</b>	(124,037)
XI. Profit / (Loss) for the period from continuing operations (IX-X)		<b>(41,281,988)</b>	14,637,190
XII. Profit/(Loss) from discontinuing operations (after tax)		—	—
XIII. <b>Profit/(Loss) for the period (XI + XII)</b>		<b>(41,281,988)</b>	14,637,191
XIV. Earnings per equity share:			
(1) Basic		<b>(13.33)</b>	4.73
(2) Diluted		<b>(13.33)</b>	4.73

See accompanying notes to the financial statements

Per our Report of even date attached  
For S. Krishnamoorthy & Co  
Chartered Accountants  
Reg. No. 001496S

**K.N. Sreedharan**  
Partner Auditors, M.No. 12026.

Kolkata,  
15th May 2015

For and on behalf of the Board  
**L.N. Bangur** Chairman  
**Alka Bangur** Managing Director

**R.V. Sridharan**  
CFO & Company Secretary



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹)

	31.3.2015	31.3.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) before Tax and Extraordinary items	(39,071,361)	19,513,154
Adjustments for:		
Depreciation	23,089,788	15,642,745
Loss on sale of asset	601,414	622,984
Profit on sale of investments	(6,635,579)	(4,843,060)
Income from Wind Mill	(2,816,297)	(3,833,510)
Sale of Trees	(1,600,000)	(2,999,360)
Interest received	(16,464,455)	(16,954,603)
Dividend received	(729,190)	(4,258,456)
Interest payments	5,184,867	3,160,347
Operating Profit before working capital charges	(38,440,812)	6,050,241
Adjustments for:		
Trade and other receivables	11,292,790	(45,508,384)
Inventories	(20,340,788)	(20,204,433)
Trade payables	(5,594,956)	13733950
Short term borrowings	25,586,046	(338,212)
Cash generated from operations before extraordinary items	(27,497,720)	(46,266,838)
Exceptional item	(775,590)	—
Direct Taxes paid	2,243,558	4,742,946
Net Cash from operating activities	<b>(30,516,868)</b>	<b>(41,523,892)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(54,809,917)	(9,479,760)
Sale of fixed assets	2,056,190	3,272,382
Purchase of investments	(129,251,534)	(120,649,936)
Sale of investments	144,040,637	195,416,847
Sale of trees	1,600,000	2,999,360
Income from Wind Mill	2,816,297	3,833,510
Interest received	13,087,329	12,238,179
Intercompany loans recovered / (given)	54,000,000	(105,500,000)
Long term borrowing	8,161,713	—
Dividend received	729,190	4,258,456
Net Cash used in investing activities	42,429,905	(13,610,962)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Fixed Deposit repaid	(1,358,000)	(3,519,000)
Interest paid	(5,478,567)	(3,602,174)
Dividend paid including dividend distribution tax	(5,280,406)	(7,012,552)
Net Cash used in financing activities	<b>(12,116,973)</b>	<b>(14,133,726)</b>
Net increase / decrease in Cash and Cash Equivalents	<b>(203,936)</b>	<b>(69,268,580)</b>
Opening Cash and Cash Equivalents	8,656,022	77,924,605
Closing Cash and Cash Equivalents	8,452,086	8,656,022

Per our Report of even date attached  
For S. Krishnamoorthy & Co  
Chartered Accountants  
Reg. No. 001496S

**K.N. Sreedharan**  
Partner Auditors, M.No. 12026.

Kolkata,  
15th May 2015

For and on behalf of the Board

**L.N. Bangur**  
Chairman

**Alka Bangur**  
Managing Director

**R.V. Sridharan**  
CFO & Company Secretary



## NOTES TO FINANCIAL STATEMENTS

(₹)

	31.3.2015	31.3.2014
<b>1. SHARE CAPITAL</b>		
<b>Authorised</b>		
7,500,000 Equity Shares of ₹ 10/- each (Seventy five lakh shares of Rupees ten each)	<b>75,000,000</b>	75,000,000
<b>Issued and Subscribed</b>		
30,95,879 Equity Shares of ₹ 10/- each fully paid	<b>30,958,790</b>	30,958,790
	31.3.2015	31.3.2014
At the commencement of the year	<b>30,95,879</b>	30,95,879
Changes during the year	—	—
At the close of the year	<b>30,95,879</b>	30,95,879
Equity shareholders holding more than 5% shares:		
Placid Ltd.	<b>6,63,454</b>	6,63,454
Kiran Vyapar Ltd.	<b>4,70,224</b>	4,70,224
Life Insurance Corporation of India Ltd	<b>2,07,712</b>	2,07,712
For the period immediately preceding 5 years from 31.03.2015		
Aggregate number and class of shares allotted as fully paid up by way of bonus shares on 31.03.2010	<b>10,31,960</b>	10,31,960
<b>2. RESERVES AND SURPLUS</b>		
<b>a) Reserves</b>		
<b>Capital Subsidy</b>		
As per last Balance Sheet	<b>4,169,108</b>	4,169,108
<b>Securities Premium Account</b>		
As per last Balance Sheet	<b>27,973,700</b>	27,973,700
<b>General</b>		
As per last Balance Sheet	<b>830,210,161</b>	829,478,301
Additions during the year	—	731,860
	<b>830,210,161</b>	830,210,161



## NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2015	31.3.2014
<b>b) Surplus</b>		
Balance in Statement of P&L as per last Balance Sheet	139,904,965	131,432,670
Profit / (Loss) after tax for the year	(41,281,988)	14,637,191
Transfer to General Reserve	—	(731,860)
Proposed Dividend	(2,321,909)	(4,643,819)
Tax on Dividend	(472,687)	(789,217)
	<u>95,828,381</u>	<u>139,904,965</u>
Total	<u>958,181,350</u>	<u>1,002,257,934</u>
<b>3. LONG-TERM BORROWINGS</b>		
Hire Purchase loans for vehicle	4,727,228	—
Note: Repayable in 36 installments of Rs. 3,39,700/- Period & amount of default - Nil		
Total	<u>4,727,228</u>	<u>—</u>
<b>4. DEFERRED TAX LIABILITIES (Net)</b>		
Opening Deferred Tax Liability	5,058,853	5,182,890
Add : Provided / (reversed) during the year	235,037	(124,037)
Closing Deferred Tax Liability	<u>5,293,890</u>	<u>5,058,853</u>
<b>5. LONG-TERM PROVISIONS</b>		
Others (Sales Tax - Disputed)	424,904	424,904
Total	<u>424,904</u>	<u>424,904</u>
<b>6. SHORT-TERM BORROWINGS</b>		
(a) Secured - Loans repayable on demand		
From Bank		
Cash Credit from Union Bank of India	—	28,666,838
From Bank - Yes Bank	252,884	—
(Secured by Exclusive charge on all current assets and movable fixed assets of the Company) Limit - Rs. 7,00,00,000/- interest rate @ 10.75% per annum Period & amount of default - Nil		
(b) Unsecured Loan - From group company		
Kiran Vyapar Limited	54,000,000	—
(Repayable within one month interest rate @11% per annum. Period & amount of default - Rs. Nil)		
(c) Public Deposits - Unsecured	—	1,358,000
(Repaid during the year)		
Total	<u>54,252,884</u>	<u>30,024,838</u>

**NOTES TO FINANCIAL STATEMENTS (Contd..)**

(₹)

	<b>31.3.2015</b>	31.3.2014
<b>7. TRADE PAYABLES</b>		
Sundry Creditors		
Due to Micro Small & Medium Enterprises	—	—
Due to Others	<b>54,720,492</b>	54,803,140
Total	<b>54,720,492</b>	54,803,140
<b>8. OTHER CURRENT LIABILITIES</b>		
(a) Current maturities of long term debt	<b>3,434,485</b>	—
(b) Interest accrued but not due on deposits	—	284,931
(c) Unpaid dividends*	<b>2,839,871</b>	2,687,241
(d) Unclaimed interest*	<b>2,803</b>	11,572
* (No amount is due to be credited to Investors Education and Protection Fund)		
(e) Other Payables		
Customer Credit Balance	<b>64,392</b>	64,392
	<b>6,341,551</b>	3,048,136
<b>9. SHORT-TERM PROVISIONS</b>		
Provision for Employees benefit:		
(a) Gratuity contribution	<b>389,918</b>	5,902,226
(b) Proposed Dividend	<b>2,321,909</b>	4,643,819
(c) Tax on Dividend	<b>472,687</b>	789,217
(d) Wealth Tax	<b>300,000</b>	300,000
	<b>3,484,514</b>	11,635,262



## NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

### 10. FIXED ASSETS

DESCRIPTION OF ASSETS	COST			DEPRECIATION				NET VALUE OF ASSETS		
	As at 01.04.14	Additions during the year	Deductions during the year	As at 31.03.15	As at 01.04.14	For the year	Deductions during the year	As at 31.03.15	As at 31.03.15	As at 31.04.14
<b>I. TANGIBLE ASSET</b>										
Free hold Land & Development	24,246,608	5,291,772	—	<b>29,538,380</b>	—	—	—	—	<b>29,538,380</b>	24,246,608
Buildings	85,050,459	—	—	<b>85,050,459</b>	48,622,648	1,794,336	—	<b>50,416,984</b>	<b>34,633,475</b>	36,427,811
Plant & Equipments	214,733,082	21,409,312	5,014,382	<b>231,128,012</b>	167,100,551	8,241,994	2,356,784	<b>172,985,761</b>	<b>58,142,251</b>	47,632,531
Furniture & Fixtures	21,388,743	671,663	—	<b>22,060,406</b>	6,964,592	2,084,028	—	<b>9,048,620</b>	<b>13,011,786</b>	14,424,151
Vehicles	53,794,194	15,378,584	1,706,693	<b>67,466,085</b>	23,309,833	7,660,076	1,706,687	<b>29,263,222</b>	<b>38,202,863</b>	30,484,361
Computers	6,532,798	772,330	—	<b>7,305,128</b>	2,576,418	3,092,966	—	<b>5,669,384</b>	<b>1,635,744</b>	3,956,380
	405,745,884	43,523,661	6,721,075	<b>442,548,470</b>	248,574,042	22,873,400	4,063,471	<b>267,383,971</b>	<b>175,164,499</b>	157,171,842
<b>II. INTANGIBLE ASSETS</b>										
Computer Software	357,500	74,550	—	<b>432,050</b>	144,877	216,388	—	<b>361,265</b>	<b>70,785</b>	212,623
<b>III. Capital Work in Progress</b>	11,211,706	—	11,211,706	—	—	—	—	<b>11,211,706</b>	—	—
<b>Total</b>	406,103,384	54,809,917	6,721,075	<b>454,192,226</b>	248,718,919	23,089,788	4,063,471	<b>267,745,236</b>	<b>186,446,990</b>	157,384,465
Previous Year	412,917,161	9,479,760	16,293,537	406,103,384	245,474,345	15,642,745	12,398,171	248,718,919	157,384,465	167,442,816



**NOTES TO FINANCIAL STATEMENTS (Contd..)**

**11. NON CURRENT INVESTMENTS**

Particulars	Nominal value of each Share ₹	As at 31-03-2014		During the year				As at 31-03-2015	
		No. of Shares	Amount ₹	Additions		Disposals		No. of Shares	Amount ₹
				No. of Shares	Amount ₹	No. of Shares	Amount ₹		
Non - Trade :									
a) In fully paid Equity Shares at cost :									
Quoted :									
MOIL Limited	10	1,136	426,000	—	—	—	—	1,136	426,000
DPSC Limited	1			650,000	18,326,358	—	—	650,000	18,326,358
Unquoted :									
i) In Associate Companies - at Cost									
Placid Limited	100	93,590	45,064,617	—	—	—	—	93,590	45,064,617
Navjyoti Commodity Management Services Ltd	10	250,000	8,750,000	—	—	—	—	250,000	8,750,000
ii) In Subsidiary Companies :									
PKT Plantations Ltd	10	250,000	2,500,000	—	—	—	—	250,000	2,500,000
Shivpal Vinimay Private Ltd	10	50,000	500,000	—	—	—	—	50,000	500,000
b) In Bonds :									
Tax Free Bonds:									
Power Finance Corporation of India - 8.20% 10 Year	—	28,479	28,479,000	—	—	—	—	—	28,479,000
Indian Railway Finance Corporation - 8.00% 10 year	—	15,225	15,225,000	—	—	—	—	—	15,225,000
			100,944,617	—	18,326,358	—	—	—	119,270,975

	As at 31-03-2014		As at 31-03-2015	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Quoted Investments	44,130,000	45,192,264	62,456,358	58,870,854





## NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	<b>31.3.2015</b>	31.3.2014
<b>12. LONG-TERM LOANS AND ADVANCES</b>		
Unsecured and Considered Good		
(a) Capital Advances	<b>1,758,932</b>	4,432,260
(b) Pre-operative expenses - Solar Power Project	—	687,390
(c) Security Deposits	<b>8,670,564</b>	11,254,131
(d) Others:		
Rent Advance	<b>4,859,100</b>	4,846,100
	<b>15,288,596</b>	21,219,881

### 13. CURRENT INVESTMENTS

Particulars	Balance As at 31-03-2014		During the year				Balance As at 31-03-2015	
	No. of Units	Amount ₹	Additions		Disposals		No. of Units	Amount ₹
			No. of Units	Amount ₹	No. of Units	Amount ₹		
Non - Trade :								
In Mutual Funds at cost :								
Quoted - Mutual Funds								
HDFC Medium Term Opportunity Fund	39,745,277	450,000,000	—	—	—	—	39,745,277	450,000,000
HDFC FRIF STP Wholesale Daily Dividend Plan	139,216	13,298,884	5,858,935	47,167,878	5,998,151	60,466,760	—	—
IDFC Money Manager Fund- Investment Plan - Growth	2,750,744	50,000,000	—	—	2,750,744	50,000,000	—	—
IDFC Money Manager Fund- Investment Plan - DDP	2,649,219	26,681,000	24,982	257,298	2,674,201	26,938,298	—	—
HDFC Capital buider Fund Growth	—	—	317,559	50,000,000	—	—	317,559	50,000,000
IDFC Ultra Short term Fund	—	—	617,451	13,500,000	—	—	617,451	13,500,000
		539,979,883		110,925,176		137,405,058		513,500,000

	As at 31-03-2014						As at 31-03-2015	
	Cost ₹	Market value (₹)					Cost ₹	Market value (₹)
Quoted Investments	539,979,883	629,379,466					513,500,000	662,743,515



## NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2015	31.3.2014
<b>14. INVENTORIES</b>		
(a) Finished Goods		
Tea - valued at net realisable value	57,403,770	34,760,000
(b) Stores and Spare Parts - valued at average cost	12,748,033	15,057,275
(c) Loose Tools - valued at average cost	525,187	827,442
(d) Nursery Stock - valued at average cost	1,558,094	1,249,578
	<u>72,235,083</u>	<u>51,894,295</u>
<b>15. TRADE RECEIVABLES</b>		
Unsecured considered good;		
(a) Outstanding for a period exceeding six months from the date they become due	3,222,319	54,996
(b) Others	20,663,446	34,533,021
	<u>23,885,765</u>	<u>34,588,017</u>
<b>16. CASH AND CASH EQUIVALENTS</b>		
(a) Balance with Banks	4,684,160	2,527,210
(b) Cash on hand	465,303	621,103
(c) Unpaid Dividend Account	2,839,871	2,687,241
(d) Balance with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	462,751	2,820,469
	<u>8,452,086</u>	<u>8,656,022</u>



## NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	<b>31.3.2015</b>	31.3.2014
<b>17. SHORT-TERM LOANS AND ADVANCES</b>		
Unsecured and Considered Good		
(a) Loans and advances to:		
M B Commercial Co. Ltd. - Related party	—	7,500,000
Public Limited Company - others	<b>79,000,000</b>	125,500,000
(b) Others:		
i) Advances recoverable in cash or in kind or for value to be recovered	<b>9,221,003</b>	3,856,849
ii) Balance with Central Excise Authorities	<b>219,215</b>	179,214
iii) Advance payment of Tax (Net of provision)	<b>79,993,635</b>	78,951,385
	<b>168,433,852</b>	215,987,447
<b>18. OTHER CURRENT ASSETS</b>		
(a) Interest accrued on Bank and other deposits	<b>10,872,255</b>	7,495,129
(b) Income receivable - Rent	—	62,100
	<b>10,872,255</b>	7,557,229

**NOTES TO FINANCIAL STATEMENTS (Contd..)**

(₹)

<b>19 REVENUE FROM OPERATIONS :</b>	<b>31.3.2015</b>	31.3.2014
Sales of Products		
Tea	<b>303,070,170</b>	365,848,541
Green leaf	<b>373,715</b>	—
Other Operating Revenues		
Sale of Electricity to TNEB	<b>2,816,297</b>	3,833,510
	<b>306,260,182</b>	369,682,051
Less : Excise Duty	<b>—</b>	—
	<b>306,260,182</b>	369,682,051
<b>20 OTHER INCOME</b>		
Interest on		
Bank Deposit	<b>744,361</b>	1,350,278
Loans and Advances	<b>12,365,390</b>	11,656,239
Other Investments	<b>3,354,704</b>	3,948,086
Dividend Income	<b>729,190</b>	4,258,456
Profit on sale of Investments	<b>6,635,579</b>	4,843,060
Other Non Operating Income:		
Scrap sales	<b>920,506</b>	—
Miscellaneous Receipts	<b>441,334</b>	679,552
Sale of Trees	<b>1,600,000</b>	2,999,360
Debts written off recovered	<b>—</b>	60,000
Insurance Claim	<b>113,750</b>	49,295
	<b>26,904,814</b>	29,844,326
<b>21 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
Opening Stock of Finished Goods		
Tea	<b>34,760,000</b>	14,950,000
Minor Produce	<b>—</b>	—
	<b>34,760,000</b>	14,950,000
Less : Closing Stock of Finished Goods		
Tea	<b>57,403,770</b>	34,760,000
Minor Produce	<b>—</b>	—
Net changes in inventories	<b>(22,643,770)</b>	(19,810,000)



## NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2015	31.3.2014
<b>22 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	171,500,772	171,711,172
Contribution to Provident, Gratuity and Pension Fund	22,477,180	27,063,368
Employees Welfare Expenses	13,938,330	14,070,687
	<u>207,916,282</u>	<u>212,845,227</u>
<b>23 FINANCE COSTS</b>		
Interest expense		
Public Deposits	44,174	315,611
Cash Credit and others	5,140,693	2,844,736
	<u>5,184,867</u>	<u>3,160,347</u>
<b>24 OTHER EXPENSES</b>		
Power and Fuel	37,899,302	40,988,059
Rent	5,521,239	7,707,250
Repairs to Buildings	15,746,450	16,884,397
Repairs to Machinery	11,565,382	13,105,638
Insurance	2,407,437	2,401,072
Rates and Taxes	935,439	1,748,572
Transport	4,817,868	4,948,860
General Charges - Estate	6,341,772	5,206,882
Commission and Brokerage	3,996,008	4,693,139
Selling Expenses	7,589,596	7,717,395
Payments to Auditors for :		
For Statutory Audit fee	125,000	125,000
For Certification	15,000	90,000
For Taxation	225,000	127,500
For Service Tax	29,664	42,333
	<u>394,664</u>	
Payment to Cost Auditors	—	35,000
Travelling Expenses	11,117,191	9,233,812
Miscellaneous Expenses	11,254,485	12,211,721
	<u>119,586,831</u>	<u>127,266,631</u>



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### ACCOUNTING POLICIES

#### A. ACCOUNTING POLICIES

##### 1. *Basis of Accounting*

The financial statements are prepared under historical cost convention and on accrual basis and going concern basis.

##### 2. *Revenue Recognition*

Revenue from sale transaction is recognized as and when significant risks and rewards attached to the ownership in the goods is transferred to the buyer. Revenue from other sources and expenses are recognized on accrual basis.

##### 3. *Fixed Assets*

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All costs relating to acquisition / installation are capitalized. Expenditure on development and new planting are capitalized.

##### 4. *Depreciation*

Depreciation is provided on Straight Line Method adopting the period of useful life and residual value as prescribed under Schedule II to the Companies Act, 2013 in respect of Plant and Machinery, Wind Energy Generators and other assets.

In respect of fixed assets where the remainder of useful life is nil, no depreciation is considered since in all such cases the carrying value is less than 5% of its respective cost as on 31.03.2014.

##### 5. *Investments*

Investments are recorded at cost inclusive of brokerage and stamp duty. Long Term investments are not adjusted for diminution in their market value if, in the opinion of the management, such diminution is temporary in nature.

##### 6. *Inventories*

Stock of plantation produces of tea and pepper are valued at lower of cost and net realizable value. Other inventories are valued at average cost.

##### 7. *Sale of Trees*

Sale of trees given on contract is accounted on realization.

##### 8. *Employee benefits:*

###### I. Short Term

Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

###### II. Post Retirement

Post Retirement benefits comprise of Provident Fund, Superannuation Fund and Gratuity which are accounted as follows:



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### A. Provident Fund

This is defined contribution plan, and contributions are made to the Fund are charged to revenue. The Company has no further obligations for future provident fund benefits other than annual contributions.

### B. Superannuation Fund

This is a defined contribution plan. The company contributes a sum equivalent to defined contribution plan for eligible employees' salary towards superannuation fund administered by the Trustees and managed by Life Insurance Corporation of India. The Company has no further obligations for future superannuation benefits other than its annual contributions and recognizes such contributions as expense in the year incurred.

### C. Gratuity Fund

This is a defined contribution plan. The Company makes annual contributions to a Gratuity Fund administered by Life Insurance Corporation of India through the trust.

### III. Long Term

#### Leave Encashment

This is a defined contribution plan. The Company makes annual contribution to the Fund administered by Life Insurance Corporation of India. The Company has no further obligations for future leave encashment other than its annual contribution and recognizes such contributions as expense in the year incurred.

### 9. *Current Tax*

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961.

### 10. *Deferred Tax*

Deferred tax is recognized on timing differences being difference between the taxable income and the accounting income that originates in one period and capable of reversal in one or more subsequent periods.

### 11. *Impairment of Assets*

Impairment is recognized to the extent that the recoverable amount of assets is less than the carrying value and is charged to Profit & Loss Account.

### 12. *Wind Power*

The value of power generated by Wind Energy Generators and exported to the Grid is treated as reduction in the power charges to the extent it is adjusted in the bills by TNEB and the surplus, if any, as sale of electricity.

## B. OTHER NOTES TO FINANCIAL STATEMENTS

- a) The Company has obtained a stay of proceedings from the Honorable High Court of Madras on 24th March 2006 against a proposition notice from the Commercial Tax Department for levy of sales tax on export sales effected through auction centers. The matter is pending and in common with the other tea planting companies, no account has been taken of the contingent liability.



**NOTES TO FINANCIAL STATEMENTS (Contd..)**

b) No amount is due and payable to any micro, small and medium enterprises as defined under MSME Development Act, 2006. No interest is due and / or has been paid or is payable to such parties.

c) The Company has carried out an exercise to ascertain the impairment, if any in the carrying value of fixed assets. The exercise has not revealed any impairment of assets during the year under review.

d) Deferred Tax:

Deferred tax liability as at 31st March 2015 comprises of:

Particulars	Opening as on 01.04.2014 ₹	Provided during the year ₹	Reversed during the year ₹	Closing as on 31.03.2015 ₹
Deferred tax liability on account of Depreciation	76,04,024	5,73,809	—	81,77,833
Deferred tax asset on account of Section 43B disallowances	25,45,171	13,59,600	(25,45,171)	13,59,000
Deferred tax liability (Net)	50,58,853	(78,57,91)	25,45,171	(68,18,233)

	<b>31.3.2015</b> ₹	31.3.2014 ₹
e) Earnings in Foreign Exchange	<b>Nil</b>	Nil
f) Expenditure in Foreign Currency	<b>2,44,467</b>	<b>Nil</b>
g) All store items consumed indigenously	<b>100%</b>	100%
h) Remuneration to Managing Director & Deputy Managing Director		
Salary	<b>38,87,667</b>	35,32,333
Contribution to Provident Fund/Superannuation Scheme	<b>10,49,670</b>	9,53,730
Perquisites	<b>30,14,538</b>	27,24,600
Commission	<b>—</b>	—
	<b><u>79,51,875</u></b>	<b><u>72,10,663</u></b>

i) For the year under audit, the company has two reportable segment viz. Tea and Wind Energy Generation.

The total production of the segments are as follows:

a. Tea

Particulars of manufacturing of made tea (Kg)

Production	<b>35,74,763</b>	37,72,001
Sales	<b>33,10,409</b>	35,21,902
Opening Stock	<b>4,02,670</b>	1,77,545
Closing Stock	<b>6,37,678</b>	4,02,670
Green leaf from own estates	<b>1,51,35,560</b>	1,60,81,350



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### b. Minor Produce : (Kg)

Pepper

Production

Sales

Opening Stock

Closing Stock

—	—
—	20.5
—	20.5
—	—

31.3.2015

31.3.2014

c. Wind Mill (units)	Units	Value (₹)	Units	Value (₹)
No. of units generated (Net)	45,74,885		46,98,607	
Less : Adjusted in TNEB Bills	32,68,049	2,01,13,448	32,50,147	1,78,75,810
Balance sold to TNEB	10,24,108	28,26,297	11,51,754	31,67,323

The units adjusted have been charged at the tariff as may be levied by the TNEB.

### j) Employee Benefits

#### a) Defined Contribution Plan :

The Company makes contribution towards employees' provident fund and superannuation fund. Under the rules of these schemes, the company is required to contribute a specified percentage of payroll costs. The company during the year recognized Rs. 1,51,86,350/- (Previous year Rs.1,62,47,747/-) as expense towards contribution to the Provident Fund.

Out of the total contribution made for employees' provident fund, Rs.13,16,431/- (previous year Rs.10,63,149/-) is made to the PL Planting Provident Fund while the remainder contribution is made to Provident Fund Plan operated by the Regional Provident Fund Commissioner.

The liability towards superannuation fund for the year ended 31st March 2015 amounting to Rs 18,29,545/- (Previous year Rs.17,43,813/-) has been charged to Statement of Profit and Loss.

There was no liability towards leave encashment for the year ended 31st March 2015 as it was adequately funded and no amount (previous year Rs. Nil) has been charged to Statement of Profit and Loss.

#### b) Defined Benefit Plan:

Gratuity

	31.03.2015	31.03.2014
	₹	₹
<b>1 Changes in Defined Benefit Obligation</b>		
Present Value of Defined Benefit Obligation as at the beginning of the year	10,69,21,418	9,36,34,437
Interest Cost	8553713	74,90,755
Benefits paid	(14526754)	(1,14,32,486)
Current Service Cost	67,12,151	59,87,873
Actuarial (Gain)/Loss	(28,11,541)	1,12,40,839

**NOTES TO FINANCIAL STATEMENTS (Contd..)**

	31.03.2015 ₹	31.03.2014 ₹
Present Value of obligation as at the year end	10,48,48,987	10,69,21,418
<b>2 Changes in fair value of assets</b>		
Fair Value of Plan Assets as at the beginning of the year	10,79,68,530	10,69,33,880
Expected Return on Plan Assets	98,67,575	95,54,406
Contribution by the employer	70,05,583	29,12,730
Benefits paid	(1,45,26,754)	(1,14,32,486)
Actuarial Gain/(Loss)	Nil	Nil
Fair Value of Plan Assets as at the end of the year	11,03,14,934	10,79,68,530
<b>3 Reconciliation of Fair Value of Assets and Obligations</b>		
Fair Value of Plan Assets	11,03,14,934	10,79,68,530
Present Value of Obligation	10,48,48,487	10,69,21,418
Amount recognized in the Balance Sheet (excess of actual)	54,64,947	10,47,112
<b>4 Expenses recognized in the Statement of Profit and Loss</b>		
Current Service Cost	67,12,151	59,87,873
Interest Cost	85,53,713	74,90,755
Expected return on plan asset	(98,67,575)	95,54,406
Net Actuarial (Gain)/Loss recognized in the year	(28,11,541)	1,12,40,839
Expenses recognized in Statement of Profit and Loss	25,86,748	1,51,65,061
<b>5 Principal Actuarial Assumptions</b>		
Rate of Discounting	8%	8%
Expected Return on Plan Assets	8%	8%
Rate of increase in Salaries	6%	7.75%
Mortality Table (LIC)	1994-95	1994-95

k) The Company has taken office buildings on lease and the lease rent amounts to Rs.55,21,239/- (previous year Rs.77,07,250/-) has been charged to Profit & Loss Account. Assets are taken on lease over a period of three years. Future minimum lease payments are as under:

Not Less than one year	:	₹ 21,03,774
Later than one year but not later than five years	:	₹ 52,92,308
More than five years	:	₹ Nil



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### l) Related Party Disclosures

Name of Related Parties and nature of relationship where control exists are as under:

Key Managerial Personnel	Shri L.N. Bangur Smt. Alka Bangur Shri Shreeyash Bangur
Group Companies	M.B.Commercial Company Ltd. Amalgamated Development Ltd. Maharaja Shree Umaid Mills Ltd. Placid Limited The Marwar Textiles (Agency) Pvt.Ltd. Mugneeram Ramcoovar Bangur Charitable & Religious Co. Sree Rama Vaikunth Trust Navjoti Commodity Management Services Ltd. Samay Industries Limited The General Investment Co.Ltd Kiran Vyapar Limited Soul Beauty & Wellness Centre
Wholly owned Subsidiary Companies	PKT Plantations Limited Shivphal Vinimay Private Limited
Relatives of Key Managerial Personnel	Shri L.N.Bangur Ms.Sheetal Bangur Shri.Yogesh Bangur

### m) Transactions during the year with Related Parties

	Nature of transaction	Group Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
		₹	₹	₹
1	Interest receipts			
	a) M.B.Commercial Co.Ltd	1,65,000 (8,24,999)		
	b) General Investment Co.Ltd	2,31,164 (1,32,328)		



**NOTES TO FINANCIAL STATEMENTS (Contd..)**

	Nature of transaction	Group Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
		₹	₹	₹
2	Rent payments			
	a) M.B. Commercial Co. Ltd.	25,200 (25,200)		
	b) Marwar Textiles Agency (P) Ltd.	52,800 (52,800)		
	c) Shree Rama Vaikunt Trust	3,30,000 (3,10,000)		
3	Inter Corporate loans given to			
	M.B.Commercial Co. Ltd	Nil (75,00,000)		
	General Investment Co.Ltd	Nil (Nil)		
4	Inter Corporate loan received from			
	Kiran Vyapar Ltd.	5,40,00,000 (Nil)		
5	Printing			
	Samay Industries Limited (formerly Samay Books Limited)			10,870 (47,155)
6	Remuneration			
	a) Smt. Alka Bangur		41,08,765 (37,76,153)	
	b) Shri. Shreeyash Bangur		38,43,110 (34,34,510)	
7	Rent Receipts			
	Navjyoti Commodity Management Services Ltd	Nil (69,000)		
8	Service received			
	Soul Beauty and Wellness Centre			Nil (3,15,450)
8	Outstandings			
	Receivables	Nil (75,69,000)		
	Payables	5,40,00,000 (Nil)		

Note : Figures in bracket represents previous year's amount.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### n) Earnings Per Share

	31.03.2015	31.03.2014
Profit /(Loss) after tax Rs.	(4,12,81,998)	1,46,37,190
Weighted average No. of shares outstanding	30,95,879	30,95,879
Basic earnings per share ₹ (Nominal value of equity shares ₹10/- per share)	(13.33)	4.73

### o) Financial Highlights

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue from operations	2301.88	2233.74	2263.95	3319.35	4331.26	3321.93	2994.15	4008.93	3696.82	3062.60
Other Income	156.90	186.70	115.95	123.56	191.04	407.70	7732.02	228.44	298.44	269.05
Total Income	2458.78	2420.44	2379.90	3442.91	4522.30	3729.63	10726.17	4237.37	3995.26	3331.65
Total Expenditure	2263.76	2244.51	2212.93	2756.82	3256.81	3216.87	3588.17	4060.14	3800.13	3722.36
Profit before tax	195.03	175.94	166.96	686.09	1265.48	532.83	7138.00	177.22	195.13	-398.47
Profit after tax	158.38	157.88	148.35	635.64	1128.00	481.07	6301.59	142.73	146.37	-412.82
Dividend (%)	10.00	10.00	15.00	30.00	35.00	30.00	50.00	20.00	15.00	7.50
Networth	1832.20	1969.64	2081.78	2668.53	3676.94	4049.35	10169.84	10240.13	10332.17	9891.40
Share Capital	206.39	206.39	206.39	206.39	309.59	309.59	309.59	309.59	309.59	309.59
Reserves & Surplus	1625.81	1763.25	1875.39	2462.14	3367.35	3739.76	9860.25	9930.54	10022.58	9581.81
Investments	492.87	492.87	746.00	756.43	908.48	1041.26	7282.63	7108.49	6409.25	6327.71
Net Fixed Assets	926.21	888.78	930.95	894.80	1001.14	1464.95	1709.56	1674.43	1573.85	1752.35
Current Assets	1096.12	1346.23	1071.36	1866.40	2810.95	2589.03	2077.31	2284.01	3186.83	2838.79
Current Liabilities	235.67	212.31	201.13	421.92	663.82	539.87	929.77	901.23	995.11	1187.99



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### p) Ratios

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Net Profit Margin (%)	8.47	7.88	7.37	20.67	29.22	16.04	23.80	4.42	5.28	-13.01
Current Ratio	4.65	6.34	5.33	4.42	4.23	4.80	2.23	2.53	3.20	2.39
Return on Networth (%)	8.64	8.02	7.13	23.82	30.68	11.88	61.96	1.39	1.42	-4.17
Earnings per share (Rs)	7.67	7.65	7.19	30.80	54.00	15.54	203.55	4.61	4.73	-13.33
Dividend per Share (Rs)	1.00	1.00	1.50	3.00	3.50	3.00	5.00	2.00	1.50	0.75
Dividend Cover (Times)	7.67	7.65	4.79	10.27	15.43	5.18	40.71	2.31	3.15	-17.77
Book Value per share (Rs)	88.77	95.43	100.86	129.29	118.76	130.79	328.48	330.75	333.73	319.49

q) Previous year's figures have been reclassified wherever necessary to conform to this year's classification.

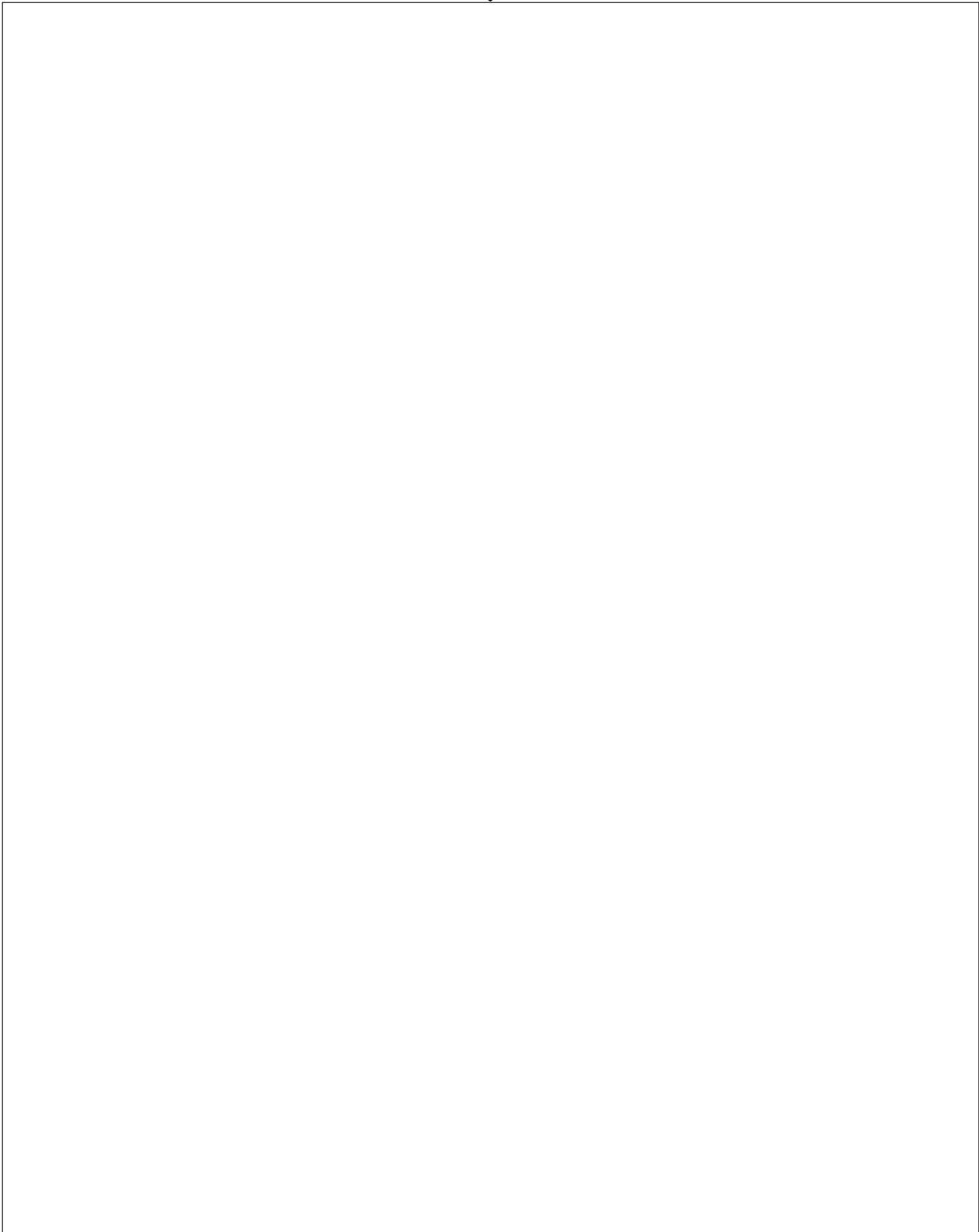
Per our Report of even date attached  
For S. Krishnamoorthy & Co  
Chartered Accountants  
Reg. No. 001496S

**K.N. Sreedharan**  
Partner Auditors, M.No. 12026.  
Kolkata,  
15th May, 2015

For and on behalf of the Board

**L.N. Bangur** **Alka Bangur**  
Chairman Managing Director

**R.V. Sridharan**  
CFO & Company Secretary







CONSOLIDATED FINANCIAL STATEMENTS



## INDEPENDENT AUDITOR'S REPORT

To

The Board of Directors of the  
The Peria Karamalai Tea & Produce Company Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Periakaramalai Tea And Produce Company Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness for the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

#### Other Matters

(a) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs.4,63,988 as at 31st March, 2015, total revenues of Rs. 22,083 and net cash flows amounting to Rs. 3,73,394 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

#### 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 Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies, 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, 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 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, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There were no pending litigations which would impact the consolidated financial position of the Group.
  - ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

For **S. KRISHNAMOORTHY & CO**  
Chartered Accountants  
Registration No: 001496S

**K.N. Sreedharan**  
Partner Auditors  
Membership No. 12026

Coimbatore,  
15th May, 2015



## ANNEXURE TO THE AUDITORS' REPORT

### (Referred to in paragraph 1 of our report on other Legal and Regulatory Requirements)

- |  |   |
|--|---|
| <p>(i) (a) The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) Fixed Assets have been physically verified by the Management at reasonable intervals. No material discrepancies were noticed on such verification;</p> <p>(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;</p> <p>(b) Procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;</p> <p>(c) The Group is maintaining proper records of inventory and material discrepancies, if any, noticed on physical verification have been properly dealt with in the books of account;</p> <p>(iii) The Group has not granted unsecured loan to parties covered in the register maintained under section 189 of the Companies Act, 2013.</p> <p>(iv) In Our Opinion and according to the information and Explanation given to us and reported by the other Auditor who audited the financial statement of the subsidiary, there is an adequate internal control system commensurate with the size of the Holding company and its Subsidiaries, 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 audit and as reported by the other Auditor, no major weakness has been noticed in the internal control system of the Holding Company and its Subsidiaries.;</p> <p>(v) The Group has not accepted any deposit from the public during the year.</p> <p>(vi) Central Government has not prescribed maintenance of Cost Records u/s.148(1) of the Act, in respect of any of the Group's products or services .</p> <p>(vii) (a) According to the records of the holding company and as reported by the Auditors of the subsidiary Company, the Group is regular in depositing</p> | <p>undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities and no undisputed arrears of statutory dues were outstanding as on 31.3.2015, for a period of more than 6 months from the date they become payable;</p> <p>(b) According to the records of the company and as reported by the Auditors of the subsidiary Company, there are no disputed statutory dues remaining unpaid</p> <p>(c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and protection fund by the Group .</p> <p>(viii) The Group does not have accumulated losses at the end of the financial year. The Group has incurred cash loss in the current year. The Group has not incurred cash loss in the immediately preceding financial year;</p> <p>(ix) The Group has not defaulted in repayment of dues to financial institution or bank.</p> <p>(x) The Group has not given any guarantee for loans taken by others from bank or financial institutions;</p> <p>(xi) The Group has not availed any term loans during the year;</p> <p>(xii) Based upon the audit procedures performed and information and explanations given by the management and the Report given by the Auditor of the Subsidiary Company, we report that no frauds on or by the Group has been noticed or reported during the year.</p> |
|--|---|

For **S. KRISHNAMOORTHY & CO**  
Chartered Accountants  
Registration No: 001496S

**K.N. Sreedharan**  
Partner Auditors  
Membership No. 12026

Coimbatore,  
15th May, 2015

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015**

(₹)

	Note No.	31.3.2015	31.3.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	1	<b>30,958,790</b>	30,958,790
(b) Reserves and surplus	2	<b>958,597,455</b>	1,002,534,986
(c) Money received against share warrants		<b>—</b>	—
		<b>989,556,245</b>	<b>1,033,493,776</b>
<b>(2) Share application money pending allotment</b>			
		<b>—</b>	—
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	3	<b>4,727,228</b>	—
(b) Deferred tax liabilities (Net)	4	<b>5,293,890</b>	5,058,853
(c) Long-term provisions	5	<b>424,904</b>	424,904
		<b>10,446,022</b>	<b>5,483,757</b>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	6	<b>54,252,884</b>	30,024,838
(b) Trade payables	7	<b>54,748,582</b>	54,826,736
(c) Other current liabilities	8	<b>6,341,551</b>	3,048,136
(d) Short-term provisions	9	<b>3,484,514</b>	11,635,262
		<b>118,827,531</b>	<b>99,534,973</b>
TOTAL		<b>1,118,829,797</b>	<b>1,138,512,504</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	<b>175,164,499</b>	157,171,842
(ii) Intangible assets		<b>70,785</b>	212,623
(iii) Capital Work In Progress		<b>11,211,706</b>	—
(b) Non-current investments	11	<b>116,270,975</b>	97,944,617
(c) Deferred tax Asset		<b>—</b>	—
(d) Long-term loans and advances	12	<b>15,288,596</b>	21,219,881
		<b>318,006,561</b>	<b>276,548,963</b>
<b>(2) Current assets</b>			
(a) Current investments	13	<b>513,500,000</b>	540,318,077
(b) Inventories	14	<b>72,235,083</b>	51,894,295
(c) Trade receivables	15	<b>23,885,765</b>	34,642,017
(d) Cash and cash equivalents	16	<b>11,832,847</b>	11,497,131
(e) Short-term loans and advances	17	<b>168,396,251</b>	215,953,734
(f) Other current assets	18	<b>10,973,290</b>	7,658,287
		<b>800,823,236</b>	<b>861,963,541</b>
TOTAL		<b>1,118,829,797</b>	<b>1,138,512,504</b>

See accompanying notes to the financial statements

Per our Report of even date attached  
For S. Krishnamoorthy & Co  
Chartered Accountants  
Reg. No. 001496S

**K.N. Sreedharan**  
Partner Auditors, M.No. 12026.

Kolkata,  
15th May, 2015

For and on behalf of the Board  
**L.N. Bangur**  
Chairman  
**Alka Bangur**  
Managing Director

**R.V. Sridharan**  
CFO & Company Secretary



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

(₹)

	Note No.	31.3.2015	31.3.2014
I. Revenue from operations	19	<b>306,260,182</b>	369,736,051
II. Other income	20	<b>27,201,794</b>	30,128,705
III. Total Revenue (I + II)		<b><u>333,461,975</u></b>	<u>399,864,756</u>
IV. <b>Expenses:</b>			
Cost of materials consumed		<b>39,102,358</b>	40,908,273
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	<b>(22,643,770)</b>	(19,810,000)
Employee benefits expense	22	<b>207,916,282</b>	212,845,227
Finance costs	23	<b>5,184,867</b>	3,160,347
Depreciation and amortization expense		<b>23,089,788</b>	15,642,745
Other expenses	24	<b>119,683,181</b>	127,369,184
<b>Total expenses</b>		<b><u>372,332,706</u></b>	<u>380,115,776</u>
V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)		<b>(38,870,731)</b>	19,748,980
VI. Exceptional items		<b>775,590</b>	—
VII. Profit (Loss) before extraordinary items and tax (V - VI)		<b>(39,646,321)</b>	19,748,980
VIII. Extraordinary Items		<b>—</b>	—
IX. <b>Profit / (Loss) before tax (VII - VIII)</b>		<b>(39,646,321)</b>	19,748,980
X. Tax expense:			
(1) Current tax		<b>1,266,000</b>	5,060,000
(2) Deferred Tax Liability Provided / (Reserved)		<b>235,037</b>	(124,037)
(3) Prior year taxes		<b>(4,423)</b>	17,458
XI. Profit/(Loss) for the period from continuing operations (IX-X)		<b>(41,142,935)</b>	14,795,559
XII. Profit/(Loss) from discontinuing operations (after tax)		<b>—</b>	—
XIII. <b>Profit/(Loss) for the period (XI + XII)</b>		<b><u>(41,142,935)</u></b>	<u>14,795,559</u>
XIV. Earnings per equity share:			
(1) Basic		<b>(13.29)</b>	4.78
(2) Diluted		<b>(13.29)</b>	4.78
See accompanying notes to the financial statements			

Per our Report of even date attached  
For S. Krishnamoorthy & Co  
Chartered Accountants  
Reg. No. 001496S

**K.N. Sreedharan**  
Partner Auditors, M.No. 12026.

Kolkata,  
15th May, 2015

For and on behalf of the Board  
**L.N. Bangur** Chairman  
**Alka Bangur** Managing Director

**R.V. Sridharan**  
CFO & Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(₹)

	31.3.2015	31.3.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extraordinary items	(38,870,731)	19,748,980
Adjustments for:		
Depreciation	23,089,788	15,642,745
Loss on sale of asset	601,414	622,984
Profit on sale of investments	(6,635,579)	(4,843,060)
Income from Wind Mill	(2,816,297)	(3,833,510)
Sale of Trees	(1,600,000)	(2,999,360)
Interest received	(16,747,441)	(17,217,472)
Dividend received	(743,184)	(4,279,966)
Interest payments	5,184,867	3,160,347
Operating Profit before working capital charges	(38,537,162)	6,001,687
Adjustments for:		
Trade and other receivables	11,345,481	(35,585,014)
Inventories	(20,340,788)	(20,204,433)
Trade payables	(5,590,462)	13,696,537
Short term borrowings	25,586,046	(338,212)
Cash generated from operations before extraordinary items	(27,536,885)	(36,429,436)
Exceptional Item	(775,590)	
	(28,312,475)	(36,429,436)
Direct Taxes paid	2,299,937	5,327,016
Net Cash from operating activities	<b>(30,612,412)</b>	<b>(41,756,448)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(54,809,917)	(9,479,760)
Sale of fixed assets	2,056,190	3,272,382
Purchase of investments	(129,251,534)	(120,671,446)
Sale of investments	144,378,830	195,466,847
Sale of trees	1,600,000	2,999,360
Income from Wind Mill	2,816,297	3,833,510
Interest received	13,370,338	12,497,899
Intercorporate loans recovered / (given)	54,000,000	(105,500,000)
Long term borrowing	8,161,713	—
Dividend received	743,184	4,279,966
Net Cash used in investing activities	43,065,101	(13,301,241)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Fixed Deposit repaid	(1,358,000)	(3,519,000)
Interest paid	(5,478,567)	(3,602,174)
Dividend paid including dividend distribution tax	(5,280,406)	(7,012,552)
Net Cash used in financing activities	<b>(12,116,973)</b>	<b>(14,133,726)</b>
Net increase / decrease in Cash and Cash Equivalents	<b>335,716</b>	<b>(69,191,415)</b>
Opening Cash and Cash Equivalents	11,497,131	80,688,546
Closing Cash and Cash Equivalents	11,832,847	11,497,131

Per our Report of even date attached  
For S. Krishnamoorthy & Co  
Chartered Accountants  
Reg. No. 001496S

**K.N. Sreedharan**  
Partner Auditors, M.No. 12026. Kolkata,  
15th May, 2015

For and on behalf of the Board  
**L.N. Bangur** **Alka Bangur**  
Chairman Managing Director

**R.V. Sridharan**  
CFO & Company Secretary





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹)

	31.3.2015	31.3.2014
<b>1. SHARE CAPITAL</b>		
<b>Authorised</b>		
7,500,000 Equity Shares of ₹ 10/- each (Seventy five lakh shares of Rupees ten each)	<b>75,000,000</b>	75,000,000
<b>Issued and Subscribed</b>		
30,95,879 Equity Shares of ₹ 10/- each fully paid	<b>30,958,790</b>	30,958,790
	31.3.2015	31.3.2014
At the commencement of the year	<b>30,95,879</b>	30,95,879
Changes during the year	—	—
At the close of the year	<b>30,95,879</b>	30,95,879
Equity shareholders holding more than 5% shares:		
Placid Ltd.	<b>6,63,454</b>	6,63,454
Kiran Vyapar Ltd.	<b>4,70,224</b>	4,70,224
Life Insurance Corporation of India Ltd	<b>2,07,712</b>	2,07,712
For the period immediately preceding 5 years from 31.03.2015		
Aggregate number of equity shares allotted as fully paid bonus shares by capitalisation of Reserve during the year 2019-10.	<b>10,31,960</b>	10,31,960
<b>2. RESERVES AND SURPLUS</b>		
<b>a) Reserves</b>		
<b>Capital Subsidy</b>		
As per last Balance Sheet	<b>4,169,108</b>	4,169,108
<b>Securities Premium Account</b>		
As per last Balance Sheet	<b>27,973,700</b>	27,973,700
<b>General</b>		
As per last Balance Sheet	<b>830,210,161</b>	829,478,301
Additions during the year	—	731,860
	<b>830,210,161</b>	830,210,161





**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)**

(₹)

	<b>31.3.2015</b>	31.3.2014
<b>b) Surplus</b>		
Balance in Statement of P&L as per last Balance Sheet	<b>140,182,016</b>	131,551,353
Profit after tax for the year	<b>(41,142,935)</b>	14,795,559
Transfer to General Reserve	—	(731,860)
Proposed Dividend (Dividend per Share is Rs. 0.75 (Previous year - Rs. 1.50))	<b>(2,321,909)</b>	(4,643,819)
Tax on Dividend	<b>(472,687)</b>	(789,217)
	<b><u>96,244,486</u></b>	<u>140,182,016</u>
Total	<b><u>958,597,455</u></b>	<u>1,002,534,985</u>
<b>3. LONG-TERM BORROWINGS</b>		
Hire Purchase Loan for vehicle (Repayable in 36 installments of Rs. 3,39,700/- interest rate 10.5% per annum. Period and amount of continuing default - Nil.	<b>4,727,228</b>	—
Total	<b><u>4,727,228</u></b>	<u>—</u>
<b>4. DEFERRED TAX LIABILITIES (Net)</b>		
Opening Deferred Tax Liability	<b>5,058,853</b>	5,182,890
Add : Provided / (reserved) during the year	<b>235,037</b>	(124,037)
Closing Deferred Tax Liability	<b><u>5,293,890</u></b>	<u>5,058,853</u>
<b>5. LONG-TERM PROVISIONS</b>		
Others (Sales Tax - Disputed)	<b>424,904</b>	424,904
Total	<b><u>424,904</u></b>	<u>424,904</u>
<b>6. SHORT-TERM BORROWINGS</b>		
Secured - Loans repayable on demand		
(a) From Bank - Cash Credit from Union Bank of India	—	28,666,838
From Bank - Yes Bank Secured by Exclusive charge on all current asset and movable fixed assets of the company) Limit Rs. 7,00,00,000/- interest rate @10.75% per annum Period & amount of default - Nil	<b>252,884</b>	—
(b) Unsecured Loan - From Group Company Kiran Vyapar Limited (Repayable within one month interest rate @ 11% per annum Period & amount of default - Nil.	<b>54,000,000</b>	—
(c) Deposit from Public : (Repaid during the year)	—	1,358,000
Total	<b><u>54,252,884</u></b>	<u>30,024,838</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2015	31.3.2014
<b>7. TRADE PAYABLES</b>		
Sundry Creditors		
Due to Micro Small & Medium Enterprises	—	—
Due to Others	<b>54,748,582</b>	54,826,736
Total	<b>54,748,582</b>	54,826,736
<b>8. OTHER CURRENT LIABILITIES</b>		
(a) Current maturities of long term debt	<b>3,434,485</b>	—
(b) Interest accrued but not due on deposits	—	284,931
(c) Unpaid dividends*	<b>2,839,871</b>	2,687,241
(d) Unclaimed interest*	<b>2,803</b>	11,572
* (No amount is due to be credited to Investors Education and Protection Fund)		
(e) Other Payables		
Customer Credit Balance	<b>64,392</b>	64,392
	<b>6,341,551</b>	3,048,136
<b>9. SHORT-TERM PROVISIONS</b>		
(a) Provision for Employees benefit:		
Gratuity contribution	<b>389,918</b>	5,902,226
(b) Proposed Dividend	<b>2,321,909</b>	4,643,818
(c) Tax on Dividend	<b>472,687</b>	789,217
(d) Wealth Tax	<b>300,000</b>	300,000
	<b>3,484,514</b>	11,635,261



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)**

(₹)

**10. FIXED ASSETS**

DESCRIPTION OF ASSETS	COST			DEPRECIATION				Net Value of Assets		
	As at 01.04.14	Additions during the year	Deductions during the year	As at 31.03.14	As at 01.04.14	For the year	Deductions during the year	As at 31.03.15	As at 31.03.15	As at 31.04.14
<b>I TANGIBLE ASSET</b>										
Free hold Land & Development	24,246,608	5,291,772	—	<b>29,538,380</b>	—	—	—	<b>29,538,380</b>	<b>29,538,380</b>	24,246,608
Buildings	85,050,459	—	—	<b>85,050,459</b>	48,622,648	1,794,336	—	<b>50,416,984</b>	<b>34,633,475</b>	36,427,811
Plant and Equipments	214,733,082	21,409,312	5,014,382	<b>231,128,012</b>	167,100,551	8,241,994	2,356,784	<b>172,985,761</b>	<b>58,142,251</b>	47,632,531
Furniture and Fixtures	21,388,743	671,663	—	<b>22,060,406</b>	6,964,592	2,084,028	—	<b>9,048,620</b>	<b>13,011,786</b>	14,424,151
Vehicles	53,794,194	15,378,584	1,706,693	<b>67,466,065</b>	23,309,833	7,660,076	1,706,687	<b>29,263,222</b>	<b>38,202,863</b>	30,484,361
Computer	6,532,798	772,330	—	<b>7,305,128</b>	2,576,418	3,092,966	—	<b>5,669,384</b>	<b>1,635,744</b>	3,956,380
	405,745,884	43,523,661	6,721,075	<b>442,548,470</b>	248,574,042	22,873,400	4,063,471	<b>267,383,971</b>	<b>175,164,499</b>	157,171,842
<b>II INTANGIBLE ASSETS</b>										
Software	357,500	74,550	—	<b>432,050</b>	144,877	216,388	—	<b>361,265</b>	<b>70,785</b>	212,623
<b>III CAPITAL WORK IN PROGRESS</b>		11,211,706		<b>11,211,706</b>					<b>11,211,706</b>	
<b>Total</b>	406,103,384	54,809,917	6,721,075	<b>454,192,226</b>	248,718,919	23,089,788	4,063,471	<b>267,745,236</b>	<b>186,446,990</b>	157,384,465
Previous Year	412,917,161	9,479,760	16,293,537	406,103,384	245,474,345	15,642,745	12,398,171	<b>248,718,919</b>	<b>157,384,465</b>	167,442,816



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

### 11. NON CURRENT INVESTMENTS

Particulars	Nominal value of each Share ₹	As at 31-03-2014		During the year				As at 31-03-2015	
		No. of Shares	Amount ₹	Additions		Disposals		No. of Shares	Amount ₹
				No. of Shares	Amount ₹	No. of Shares	Amount ₹		
Non - Trade :									
a) In fully paid Equity Shares at cost :									
Quoted :									
MOIL Limited	10	1,136	426,000	—	—	—	—	1,136	426,000
DPSC Limited	1			650,000	18,326,358	—	—	650,000	18,326,358
Unquoted :									
i) In Associate Companies - at Cost									
Digvijay Investments Ltd	100	253,132	38,093,617	—	—	—	—	253,132	38,093,617
Placid Limited	100	30,307	6,971,000	—	—	—	—	30,307	6,971,000
Navjyoti Commodity Management Services Ltd	10	250,000	8,750,000	—	—	—	—	250,000	8,750,000
b) In Bonds :									
Tax Free Bonds:									
Power finance Corporation of India - 8.20% 10 Year	—	28,479	28,479,000	—	—	—	—	—	28,479,000
Indian Railway Finance Corporation - 8.00% 10 year	—	15,225	15,225,000	—	—	—	—	—	15,225,000
			97,944,617	—	18,326,358	—	—	—	116,270,975

	As at 31-03-2014		As at 31-03-2015	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Quoted Investments	44,130,000	45,192,264	62,456,358	58,870,854



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)**

(₹)

**12. LONG-TERM LOANS AND ADVANCES**

Unsecured and Considered Good

	<b>31.3.2015</b>	31.3.2014
(a) Capital Advances	<b>1,758,932</b>	4,432,260
(b) Pre-operative expenses - Solar Power Project	<b>—</b>	687,390
(c) Security Deposits	<b>8,670,564</b>	11,254,131
(d) Others:		
Rent Advance	<b>4,859,100</b>	4,846,100
	<b>15,288,596</b>	21,219,881

**13. CURRENT INVESTMENTS**

Particulars	Balance As at 31-03-2014		During the year				Balance As at 31-03-2015	
	No. of Units	Amount ₹	Additions		Disposals		No. of Units	Amount ₹
			No. of Units	Amount ₹	No. of Units	Amount ₹		
Non - Trade :								
In Mutual Funds at cost :								
Unquoted								
HDFC Cash Management Fund	33,713	338,193			33,713	338,193	—	—
Quoted - Mutual Funds								
HDFC Medium Term Opportunity Fund	39,745,277	450,000,000	—	—	—	—	39,745,277	450,000,000
HDFC FRIF STP Wholesale Daily Dividend Plan	139,216	13,298,884	5,858,935	47,167,878	5,998,151	60,466,760	—	—
IDFC Money Manager Fund- Investment Plan - Growth	2,750,744	50,000,000	—	—	2,750,744	50,000,000	—	—
IDFC Money Manager Fund- Investment Plan - DDP	2,649,219	26,681,000	24,982	257,298	2,674,201	26,938,298	—	—
IDFC Capital buider Fund Growth	—	—	317,559	50,000,000			317,559	50,000,000
IDFC Ultra Short Term Fund	—	—	617,451	13,500,000	—	—	617,451	13,500,000
		540,318,076		110,925,176		137,743,251		513,500,000

	As at 31-03-2014						As at 31-03-2015	
	Cost ₹	Market value (₹)					Cost ₹	Market value (₹)
Quoted Investments	539,979,883	629,379,466					513,500,000	662,743,515

**14. INVENTORIES**

	<b>31.3.2015</b>	31.3.2014
(a) Finished Goods		
Tea - net realisable value	<b>57,403,770</b>	34,760,000
(b) Stores and Spare Parts - valued at average cost	<b>12,748,033</b>	15,057,275
(c) Loose Tools - valued at average cost	<b>525,187</b>	827,442
(d) Nursery Stock - valued at average cost	<b>1,558,094</b>	1,249,578
	<b>72,235,083</b>	51,894,295



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2015	31.3.2014
<b>15. TRADE RECEIVABLES</b>		
Unsecured considered good;		
(a) Outstanding for a period exceeding six months from the date they become due	3,222,319	54,996
(b) Others	<u>20,663,446</u>	<u>34,587,021</u>
	<u>23,885,765</u>	<u>34,642,017</u>
<b>16. CASH AND CASH EQUIVALENTS</b>		
(a) Balance with Banks	4,907,878	2,602,936
(b) Cash on hand	525,976	686,486
(c) Unpaid dividend Account	2,839,871	2,687,240
(d) Balance with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments		
(e) Bank deposits maturing within one year	462,751	2,820,469
Bank deposit maturity more than twelve months	3,096,370	2,700,000
	<u>11,832,847</u>	<u>11,497,131</u>
<b>17. SHORT-TERM LOANS AND ADVANCES</b>		
Unsecured and Considered Good		
(a) Loans and advances to:		
M B Commercial Co. Ltd. - Related party	—	7,500,000
Public Limited Company - others	79,000,000	125,500,000
(b) Others:		
i) Advances recoverable in cash or in kind or for value to be recovered	9,221,003	3,856,849
ii) Balance with Central Excise Authorities	219,215	179,214
iii) Advance payment of Tax (Net of provision)	79,956,033	78,917,672
	<u>168,396,251</u>	<u>215,953,734</u>
<b>18. OTHER CURRENT ASSETS</b>		
(a) Interest accrued on Bank and other deposits	10,973,290	7,596,187
(b) Income receivable - Rent	—	62,100
	<u>10,973,290</u>	<u>7,658,287</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2015	31.3.2014
<b>19 REVENUE FROM OPERATIONS :</b>		
Sales of Products		
Tea	303,070,170	365,848,541
Green leaf	373,715	—
Other Operating Revenues		
Sale of Electricity to TNEB	2,816,297	3,833,510
Others	—	54,000
	<u>306,260,182</u>	<u>369,736,051</u>
Less : Excise Duty	—	—
	<u>306,260,182</u>	<u>369,736,051</u>
<b>20 OTHER INCOME</b>		
Interest on		
Bank Deposit	1,027,347	1,613,147
Loans and Advances	12,365,390	11,656,239
Other Investments	3,354,704	3,948,086
Dividend Income	743,184	4,279,966
Profit on sale of Investments	6,635,579	4,843,060
	<u>24,126,204</u>	<u>26,340,499</u>
Other Non Operating Income:		
Scrap sales	920,506	—
Miscellaneous Receipts	441,334	679,552
Sale of Trees	1,600,000	2,999,360
Debts written off recovered	—	60,000
Insurance Claim	113,750	49,295
	<u>3,075,590</u>	<u>3,788,207</u>
Grand Total	<u>27,201,794</u>	<u>30,128,705</u>
<b>21 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
Opening Stock of Finished Goods		
Tea	34,760,000	14,950,000
Minor Produce	—	—
	<u>34,760,000</u>	<u>14,950,000</u>
Less : Closing Stock of Finished Goods		
Tea	57,403,770	34,760,000
Minor Produce	—	—
	<u>(57,403,770)</u>	<u>(34,760,000)</u>
Net changes in inventories	<u>(22,643,770)</u>	<u>(19,810,000)</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2015	31.3.2014
<b>22 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	171,500,772	171,711,172
Contribution to Provident, Gratuity and Pension Fund	22,477,180	27,063,368
Employees Welfare Expenses	13,938,330	14,070,687
	<u>207,916,282</u>	<u>212,845,227</u>
<b>23 FINANCE COSTS</b>		
Interest expense		
Public Deposits	44,174	315,611
Cash Credit and others	5,140,693	2,844,736
	<u>5,184,867</u>	<u>3,160,347</u>
<b>24 OTHER EXPENSES</b>		
Power and Fuel	37,899,302	40,988,059
Rent	5,521,239	7,707,250
Repairs to Buildings	15,746,450	16,884,397
Repairs to Machinery	11,565,382	13,105,638
Insurance	2,407,437	2,401,072
Rates and Taxes	935,439	1,748,572
Transport	4,817,868	4,948,860
General Charges - Estate	6,341,772	5,206,882
Commission and Brokerage	3,996,008	4,693,139
Selling Expenses	7,589,596	7,717,395
Payments to Auditors for :		
For Statutory Audit fee	150,000	147,360
For Certification	15,000	90,000
For Taxation	237,500	140,000
For Service Tax	34,299	46,237
	<u>436,799</u>	
Payment to Cost Auditors	—	35,000
Travelling Expenses	11,117,191	9,233,812
Miscellaneous Expenses	11,308,700	12,275,510
	<u>119,683,181</u>	<u>127,369,184</u>





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

### 7. ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

#### A. ACCOUNTING POLICIES

##### 1. *Basis of Preparation*

The financial statements are prepared under historical cost convention using accounting policies and in accordance with the generally accepted accounting principles and Accounting Standard 21 on "Consolidated Financial Statements" and are presented to the extent possible in the same manner as the company's separate financial statements except as otherwise disclosed in the Notes to the Accounts.

##### 2. *Principles of Consolidation*

The financial statements of the Company and its subsidiary have been combined on a line by line basis adding together the book value of the like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions.

##### 3. *Method of Accounting*

The financial statements are prepared under historical cost convention and on accrual basis and in accordance with provisions of the Companies Act, 1956 and accounting principles generally accepted in India and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government to the extent possible. The accounting is on the basis of going concern concept.

##### 4. *Revenue Recognition*

Revenue from sale transaction is recognized as and when significant risks and rewards attached to the ownership in the goods is transferred to the buyer. Revenue from other sources and expenses are recognized on accrual basis.

##### 5. *Fixed Assets*

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All costs relating to acquisition / installation are capitalized. Expenditure on development and new planting are capitalized.

##### 6. *Depreciation*

Depreciation is provided on Straight Line basis in accordance with Schedule XIV of Companies Act, 1956 except field machineries which are depreciated over two year period.

##### 7. *Investments*

Investments are recorded at cost inclusive of brokerage and stamp duty. Long Term investments are not adjusted for diminution in their market value if, in the opinion of the management, such diminution is temporary in nature.

##### 8. *Inventories*

Stock of plantation produces of tea and pepper are valued at lower of cost and net realizable value. Other inventories are valued at average cost.

##### 9. *Sale of Trees*

Sale of trees given on contract is accounted on realization.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

### 10. *Employee benefits:*

#### I. Short Term

Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

Post employment and other long term employees benefits are administrated through an approved benefit fund, contributions to which are made in accordance with year end actuarial valuation and charged to the Statement of Profit and Loss of the relevant period.

### 11. *Current Tax*

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961.

### 12. *Deferred Tax*

Deferred tax is recognized on timing differences being difference between the taxable income and the accounting income that originates in one period and capable of reversal in one or more subsequent periods.

### 13. *Impairment of Assets*

Impairment is recognized to the extent that the recoverable amount of assets is less than the carrying value and is charged to Statement of Profit & Loss.

### 14. *Wind Power*

The value of power generated by Wind Energy Generators and exported to the Grid is treated as reduction in the power charges to the extent it is adjusted in the bills by TNEB and the surplus, if any, as sale of electricity.

## B. OTHER NOTES TO FINANCIAL STATEMENTS

Contingent Liabilities and commitments:-

- No amount is due and payable to any micro, small and medium enterprises as defined under MSME Development Act, 2006. No interest is due and / or has been paid or is payable to such parties.
- The Company has carried out an exercise to ascertain the impairment, if any in the carrying value of fixed assets. The exercise has not revealed any impairment of assets during the year under review.

Subsidiary companies considered in the consolidated financial statements.

Name of the Company	Country of Incorporation	% of Voting Power held on 31.03.2015	% of Voting Power held on 31.03.2014
PKT Plantations Limited	India	100%	100%
Shivphal Vinimay (P) Limited	India	100%	100%



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)**

c) Deferred Tax:

Deferred tax liability as at 31st March 2015 comprises of:

Particulars	Opening as on 01.04.2014 ₹	Provided during the year ₹	Reversed during the year ₹	Closing as on 31.03.2015 ₹
On account of depreciation	76,04,024	5,73,809	—	81,77,833
On account of 43 B Disallowances	25,45,171	13,59,600	(25,45,171)	13,59,000
Deferred tax liability (Net)	50,58,853	(7,85,791)	25,45,171	(68,18,233)

d) Earnings in Foreign Exchange

e) Expenditure in Foreign Currency

f) Segment wise revenues, results and other information: (in ₹)

	31.3.2015 ₹	31.3.2014 ₹
d) Earnings in Foreign Exchange	Nil	Nil
e) Expenditure in Foreign Currency	2,44,467	Nil

Particulars	31.03.2015			31.03.2014		
	Tea	Windmill	Total	Tea	Windmill	Total
<b>Revenue</b>						
External Sales	30,34,43,885	28,16,297	30,62,60,182	36,58,48,541	38,33,510	36,96,82,051
Inter segment revenue		2,01,13,448	2,01,13,448		1,78,75,810	1,75,75,810
<b>Total</b>	<b>30,34,43,885</b>	<b>2,29,29,747</b>	<b>32,63,73,630</b>	<b>36,58,48,541</b>	<b>2,17,09,320</b>	<b>38,75,57,861</b>
Less Inter Segment Revenue			2,01,13,448			1,78,75,810
			<b>30,62,59,782</b>			<b>36,96,82,051</b>
<b>Results</b>						
Operating Profit/(Loss)	(8,19,16,292)	2,02,53,044	(6,16,63,248)	(2,42,81,578)	1,70,08,200	(72,73,378)
Less: Interest			(51,84,867)			(31,60,347)
Add: Other Income			2,72,01,794			3,01,82,705
<b>Profit before tax</b>			<b>(3,96,46,321)</b>			<b>1,97,48,980</b>
Provision for taxation			14,96,614			49,53,421
<b>Profit after tax</b>			<b>(4,11,42,935)</b>			<b>1,47,95,559</b>
Other Information						
Segment Assets			48,90,58,822	50,02,40,637	9,175	50,02,49,812
Add: Unallocated assets			62,97,70,795			63,82,62,694
<b>Total</b>			<b>1,11,88,29,797</b>			<b>113,85,12,506</b>
Segment Liabilities	12,92,73,553		12,92,73,553	10,50,18,730		10,50,18,730
Add: Unallocated liabilities			98,95,56,245			103,34,93,776
<b>Enterprise Liabilities</b>			<b>1,11,88,29,798</b>			<b>113,85,12,506</b>
Capital Expenditure	5,48,09,917		5,48,09,917	94,79,760		94,79,760
Depreciation	2,30,52,949	36,839	2,30,89,788	1,56,15,601	27,144	1,56,42,745



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

g) The Company has taken office buildings on lease and the lease rent amounts to Rs. 55,21,239/- (previous year Rs.77,07,250/-) has been charged to Profit & Loss Account. Assets are taken on lease over a period of three years. Future minimum lease payments are as under:

Not Less than one year	:	₹ 21,03,774
Later than one year but not later than five years	:	₹ 52,92,308
More than five years	:	₹ Nil

h) Related Party Disclosures

Name of Related Parties and nature of relationship where control exists are as under:

Key Managerial Personnel	Smt.Alka Bangur Shri Shreeyash Bangur Shri R.V.Sridharan
Group Companies	M.B.Commercial Company Ltd. Amalgamated Development Ltd. Maharaja Shree Umaid Mills Ltd. Placid Limited The Marwar Textiles (Agency) Pvt.Ltd. Mugneeram Ramcoovar Bangur Charitable & Religious Co. Sree Rama Vaikunth Trust Navjoti Commodity Management Services Ltd. Samay Industries Limited The General Investment Co.Ltd Kiran Vyapar Limited Soul Beauty & Wellness Centre
Relatives of Key Managerial Personnel	Shri L.N.Bangur Ms.Sheetal Bangur Shri.Yogesh Bangur



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)**

i) Transactions during the year with Related Parties

	Nature of transaction	Group Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
			₹	₹
1	Interest receipts			
	a) M.B.Commercial Co.Ltd	1,65,000 (8,24,999)		
	b) General Investment Co.Ltd	2,31,164 (1,32,328)		
2	Rent payments			
	a) M.B. Commercial Co. Ltd.	25,200 (25,200)		
	b) Marwar Textiles Agency (P) Ltd.	52,800 (52,800)		
	c) Shree Rama Vaikunt Trust	3,30,000 (3,10,000)		
3	Inter Corporate loans given to			
	M.B.Commercial Co. Ltd	Nil (75,00,000)		
	General Investment Co.Ltd	Nil (Nil)		
4	Inter Corporate loan received from			
	Kiran Vyapar Ltd.	5,40,00,000 (Nil)		
5	Printing			
	Samay Industries Limited (formerly Samay Books Limited)			10,870 (47,155)
6	Remuneration			
	a) Smt. Alka Bangur		41,08,765 (37,76,153)	
	b) Shri. Shreeyash Bangur		38,43,110 (34,34,510)	
7	Rent Receipts			
	Navjyoti Commodity Management Services Ltd	Nil (69,000)		
8	Service received			
	Soul Beauty and Wellness Centre			Nil (3,15,450)



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

	Nature of transaction	Group Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
		₹	₹	₹
8	Outstandings			
	Receivables	Nil (75,69,000)		
	Payables	5,40,00,000 (Nil)		

Note : Figures in bracket represents previous year's amount.

### j) Earnings Per Share

	31.03.2015	31.03.2014
Profit /(Loss) after tax Rs.	(4,11,42,935)	1,47,95,559
Weighted average No. of shares outstanding	30,95,879	30,95,879
Basic earnings per share ₹ (Nominal value of equity shares ₹10/- per share)	(13.29)	4.78

k) Previous year's figures have been reclassified wherever necessary to conform to this year's classification

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)****Form No. AOC - 1 Part A : Subsidiaries**

Pursuant to Section 129 (3) of the Companies Act 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the Financial Statement of Subsidiaries.

Name of the Subsidiary	PKT Plantations Limited	Shivphal Vinimay Private Limited
Reporting Currency	INR	INR
Financial Year of the Subsidiary ended on	31st March 2015	31st March 2015
Exchange Rate		
Share Capital	2,500,000	500,000
Reserves & Surplus	468,970	-52866
Share application money pending allotment		
Total Liabilities	3,046,206	463,988
Total Assets (excluding investments)	3,046,206	463,988
Investments (other than investments in subsidiaries)		
Turnover	274,897	22,083
Profit before tax	220,063	-19,433
Provision for taxation	67,717	6,140
Profit after tax	152,346	-13293
Proposed dividend		
% of Shareholding	100	100

**Part B : Associates and Joint ventures**

Statement pursuant to section 129(3) of the Companies act, 2013 related to Associate Companies and Joint venture

NOT APPLICABLE

**Name of associates / Joint venture**

1. Latest audited Balance Sheet Date
2. Shares of Associates / Joint Ventures held by the company on the year end  
No.  
Amount of Investment in associates / Joint venture
3. Description of how there is significant influence
4. Reason why the associate / Joint venture is not consolidated
5. Net worth attributable to shareholding as per latest audited Balance Sheet
6. Profit / Loss for the year
  - i) considered in consolidation
  - ii) not considered in consolidation
7. Name of associates or joint ventures which are yet to commence operations
8. Names of associates or joint ventures which have been liquidated or sold during the year



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

### Additional Information

Name of the entity in the	Net Assets (Total Assets minus total Liabilities)		Share in profit or loss	
	As % of consolidated Net Assets	Amount	Amount As % of consolidated profit or loss	Amount
1	2	3	4	5
<b>Parent</b>				
The Peria Karamalai Tea & Produce Company Limited	99.65	986,140,140	(41,281,988)	(100.34)
<b>Subsidiaries</b>				
<b>Indian</b>				
1. PKT Plantations Limited	0.30	2,968,970	152,346	0.37
2. Shivphal Vinimay Private Limited	0.05	447,134	(13,293)	(0.03)
<b>Foreign</b>				
Minority Interest in all subsidiaries	—	—	—	—
<b>Associates</b> (Investment as per the equity method)				
Indian	—	—	—	—
Foreign	—	—	—	—
<b>Joint Venture (as per proportionate consolidation/investment as per the equity method)</b>				
Indian	—	—	—	—
Foreign	—	—	—	—
<b>TOTAL</b>	<b>100.00</b>	<b>989,556,244</b>	<b>(41,142,935)</b>	<b>(100.00)</b>

Per our Report of even date attached  
For S. Krishnamoorthy & Co  
Chartered Accountants  
Reg. No. 001496S

**K.N. Sreedharan**  
Partner Auditors, M.No. 12026.  
Kolkata,  
15th May, 2015

For and on behalf of the Board  
**L.N. Bangur** **Alka Bangur**  
Chairman Managing Director

**R.V. Sridharan**  
CFO & Company Secretary



# **THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LIMITED**

**CIN: L01132TZ1913PLC000350**

**Registered Office:** 286, Race Course Road, Coimbatore - 641 018

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