

# Annual Report

2015 - 2016





**BOARD OF DIRECTORS**

Mr. Sandeep Kumar Jalan (*Additional Director w.e.f. 27.07.2015*)  
 Mr. Vijendra Kumar  
 Mr. Dharendra Kumar  
 Mr. Golam Momen - *Independent Director*  
 Mr. Ghanshyam Das Gupta - *Independent Director*  
 Mrs. Divya Jalan  
 Mr. Hemant Kumar Agrawal  
 Mr. Alok Krishna Agarwal (*Additional Director w.e.f. 27.07.2015*)  
 Mr. Naveen Bansal - *Independent Director*  
 Mr. Sankar Kumar Basu Sarbadhikary - *Director Finance and Whole-time Director*

**KEY MANAGERIAL PERSONNEL**

Mr. Sankar Kumar Basu Sarbadhikary - *Director Finance and Whole-time Director*  
 Mr. Hari Kishan Rajbhar - *Chief Financial Officer*  
 Ms. Priyanka Sharma - *Company Secretary & Compliance Officer*

**BOARD COMMITTEES****AUDIT COMMITTEE**

Mr. Ghanshyam Das Gupta - *Chairman*  
 Mr. Golam Momen  
 Mr. Naveen Bansal

**NOMINATION & REMUNERATION COMMITTEE**

Mr. Naveen Bansal - *Chairman*  
 Mr. Golam Momen  
 Mr. Ghanshyam Das Gupta

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Mr. Golam Momen - *Chairman*  
 Mr. Ghanshyam Das Gupta  
 Mr. Naveen Bansal

**AUDITORS**

SINGHI & CO  
 161, Sarat Bose Road  
 Kolkata - 700 026

**TEA ESTATE**

Heeleakah Tea Estate  
 P.O. Kharikatia  
 Dist : Jorhat (Assam)

**ESTATE GENERAL MANAGER**

Mr. K.N.Singh

**BANKERS**

UNITED BANK OF INDIA

**39<sup>th</sup> ANNUAL GENERAL MEETING**

Date : 22<sup>nd</sup> July, 2016  
 Day : FRIDAY  
 Time : 11:30 A.M.  
 Place : GYAN MANCH  
 11, Pretoria Street  
 Kolkata-700071  
 Book Closure : 16th July, 2016  
 to 22nd July, 2016  
 (Both days inclusive)

**REGISTERED OFFICE**

1, CROOKED LANE, KOLKATA - 700 069  
 (CIN) : L01132WB1977PLC031175  
 Ph : (033) 2248-7062, 2242-8865, Fax : (033) 2210-0089  
 Email : scotishassam@gmail.com  
 Website : www.scotishassam.com

**REGISTRAR**

ABS Consultant Pvt. Ltd.  
 "Stephen House", Room No. 99, 6th Floor  
 4 B. B. D. Bagh (East), Kolkata - 700 001  
 Ph : (033) 2230-1043, Fax : (033) 2243-0153

**STOCK EXCHANGE WHERE SHARES ARE LISTED**

Calcutta Stock Exchange Ltd.

CONTENTS	PAGE NO.
Notice of Annual General Meeting	1
Report of the Directors	9
Secretarial Audit Report	18
Independent Auditors' Report	27
Balance Sheet	32
Statement of Profit & Loss	33
Cash Flow Statement	34
Notes to Financial Statements	36
Proxy Form	
Ballot Paper	



NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of **THE SCOTTISH ASSAM (INDIA) LIMITED** will be held at **GYAN MANCH**, 11, Pretoria Street, Kolkata-700071 on Friday **22nd July, 2016 at 11.30 A.M.** to transact the following business:-

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Accounts and Report of the Directors and the Auditors of the Company for the year ended 31st March, 2016.
2. To declare Dividend for the year 2015-2016.
3. To appoint Director in place of Mrs. Divya Jalan (DIN 00016102), who retires by rotation and being eligible offers herself for re-appointment.
4. To re-appointment of Auditor Messrs. Singhi & Co., Chartered Accountants, and to fix their remuneration.

\*Resolved that re-appointment of Messrs. Singhi & Company, Chartered Accountants (Firm Registration No.302049E) be and is hereby re-appointed as Auditors of the Company from the conclusion of this meeting till the conclusion of the next Annual General Meeting at remuneration as may be decided by the Board of Directors.\*

**SPECIAL BUSINESS:**

**Item No. 5**

To consider, and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution for Regularization of Additional Director .

**\*RESOLVED THAT** pursuant to 160 & 161 of the Companies Act, 2013 and any other applicable provision ( including any modification or re-enactment thereof ), if any, of the Companies Act, 2013, Mr. Sandeep Kumar Jalan (DIN- 00015836) who was appointed as an Additional Director in the meeting of the Board of Directors held on July 27, 2015 and whose term expires at the ensuing Annual General Meeting of the Company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the director be and is hereby appointed as director of the Company.\*

**Item No. 6**

To consider, and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution for Regularization of Additional Director .

**\*RESOLVED THAT** pursuant to 160 & 161 of the Companies Act ,2013 and any other applicable provision ( including any modification or re-enactment thereof ), if any, of the Companies Act, 2013, Mr. Alok Krishna Agarwal (DIN- 00127273) who was appointed as an Additional Director in the meeting of the Board of Directors held on July 27, 2015 and whose term expires at the ensuing Annual General Meeting of the Company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the director be and is hereby appointed as director of the Company.\*



**Item No. 7**

Consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to Section 196, 197 and other applicable provision, if any, of the Companies Act 2013, read with section 198 and Schedule V of the said Act, and in accordance with Article 80 of the Article of Association of the Company and on the recommendations by Nomination and Remuneration Committee, approval of the Board be and is hereby granted to the re-appointment of Mr. Sankar Kumar Basu Sarbadhikary, as Whole-time Director of the Company, not liable to retire by rotation, designated as Director-Finance for a further period of 1 (one) year with effect from 1st April, 2016 subject to the approval of shareholders in general meeting'.

**Registered Office:**  
1, Crooked Lane,  
Kolkata - 700 069  
The 14<sup>th</sup> day of May, 2016.

**By order of the Board**

(Dhirendra Kumar)

Director

Din : 00153773





**NOTES :**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote, instead of him/her. A proxy need not be a member of the Company. In order to be effective, the instrument appointing proxy must reach the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the Paid up Capital of the Company carrying voting rights. A member holding more than ten percent of the Paid up Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Members are requested to notify to the Registrar of the Company, M/s. ABS CONSULTANT PVT. LTD., Stephen House, 6th Floor, Room No. 99, 4, B.B.D. Bag (East), Kolkata – 700 001, any change in their address.

2. The Register of Members and Equity Share Transfer Registers will remain closed from **16th July, 2016 to 22nd July, 2016 (both days inclusive)**.
3. **Voting through electronic means**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and clause 35B of the Listing Agreement, Members are provided with the facilities to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system provided by **Central Depository Services (India) Ltd. (CDSL)**.

The notice of the **39th Annual General Meeting (AGM)** of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. The e-Voting particulars are provided at the bottom of the Attendance Slip for the **39th Annual General Meeting (AGM)**:

The e-voting period begins on 19.07.2016 from 9.00 A.M. and ends on 21.07.2016 till 5.00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off/entitlement date of 15.07.2016** may cast their vote electronically. The e-voting module shall be disabled by **CDSL** for voting thereafter.

Members also have the option to vote through Ballot Form. However, the duly completed Ballot Form should reach the Scrutinizer at 9, Crooked Lane, 3rd Floor, Room No 19, Kolkata – 700 069, not later than 21.07.2016 (5.00P.M.) (i.e. closing date of E-Voting). Ballot form received after this date will be treated as invalid. If member casts votes by both modes, then voting done through E-voting shall prevail and Ballot Form shall be treated as invalid.

**The Instructions for E-Voting are as under:**

- a) Log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- b) Click on "Shareholders" tab
- c) Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip alongwith **"THE SCOTTISH ASSAM (INDIA) LIMITED"** from the drop down menu and click on "SUBMIT".
- d) Now Enter your User ID (as mentioned in the Attendance Slip) :
  - i. For CDSL: 16 digits beneficiary ID,
  - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e) Next enter the Image Verification as displayed and Click on Login.
- f) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.





- g) However, if you are a first time user, please use the e-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes:
- h) After entering these details appropriately, click on 'SUBMIT' tab.
- i) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.
- j) 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.
- k) For Members holding shares in physical form, the details in **Attendance Slip** can be used only for e-voting on the resolutions contained in this Notice.
- l) Click on the relevant EVSN "**THE SCOTTISH ASSAM (INDIA) LIMITED**" for which you choose to vote.
- m) 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.
- n) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- o) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- p) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- q) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- r) If Demat account holder has forgotten the **changed password** then enter the User ID and image verification code click on Forgot Password & enter the details as prompted by the system.
- s) **For Non – Individual Shareholders and Custodians:**
- Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - 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.
  - The list of accounts linked in the login 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.
  - A 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 scrutinizer to verify the same.
- I. 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@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.
- III. **Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cutoff date of i.e. 16.07.2016, may contact the Company for Login ID and other e-voting related details.**



- IV. The voting rights of shareholders shall be in proportion of their shares of the paid up equity share capital of the Company as on the **cut-off/entitlement date of 16.07.2016**.
- V. Mr. Pravin Kumar Drolia, Practicing Company Secretary, (Membership No.2366) of Drolia & Co. has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding 48 hours (2)working days from the conclusion of E voting unblock the votes in the presence of at least two (2) 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 after the 39th Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be communicated to **CDSL and The Calcutta Stock Exchange Limited** within 24.07.2016.

- 4) The dividend, as recommended by the Board, if sanctioned at the meeting, will be paid on or after **01.08.2016** to those members of the Company holding shares in physical form whose name appear on the Register of Members as at the end of **15.07.2016**, in respect of shares held in electronic form, the dividend will be paid to the beneficial owners of the shares as at the end of 15.07.2016, as per details provided by the Depositors for this purpose.
- 5) Members desirous of getting any information on account of operations of the Company is requested to forward his queries to the Company's Registered Office **at least seven days prior** to the Meeting so that the required information can be made available at the Meeting.
- 6) Members are hereby informed that Dividends which remain unpaid or unclaimed over a period of 7 years have to be transferred by the Company to Investor Education & Protection Fund (IEPF) constituted by the Central Government under Section 205A of the Companies Act, 1956 (124 & 125 of the Companies Act, 2013) and no claim shall lie for the unclaimed dividend from IEPF or from the Company by the Shareholders. Accordingly unclaimed Equity Dividend for the financial year 2007-2008 has been transferred to such Investor Education and Protection Fund (IEPF). The due dates of transfer of the following dividends to the Fund are as under:

Dividends for the year	Date of declaration of dividend	Due date of transfer to the Fund
2008-2009	03.09.2009	10.10.2016
2009-2010	13.09.2010	20.10.2017
2010-2011	29.09.2011	05.11.2018
2011-2012	07.09.2012	14.10.2019
2012-2013	31.07.2013	07.09.2020
2013-2014	29.08.2014	06.10.2021
2014-2015	27.07.2015	03.09.2022

- 7) Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend lying with the Company as on the date of Finalisation of Notice for the General Meeting of the shareholders on the website of the Company ([www.scottishassam.com](http://www.scottishassam.com)) and on the website of the Ministry of Corporate Affairs.





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

**Item No. 5**

The Board, at its meeting held on July 27, 2015 appointed Mr. Sandeep Kumar Jalan as an additional director of the Company with effect from July 27, 2015, pursuant to section 161 of the Companies Act, 2013. Hence he will hold office up to the date of the ensuing Annual General Meeting.

Under section 160 of Companies Act 2013, a notice in writing has been received from M/s Nirvan Commercial Company Limited proposing Mr. Sandeep Kumar Jalan for directorship of the Company along with a deposit of Rs. 1 Lac/- each as required under the aforesaid section.

**The Company has received the following from Mr. Sandeep Kumar Jalan :**

- (i) Consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.
- (ii) Intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail their services as Directors.

**Item No. 6**

The Board, at its meeting held on July 27, 2015 appointed Mr. Alok Krishna Agarwal as an additional director of the Company with effect from July 27, 2015 pursuant to section 161 of the Companies Act, 2013. Hence he will hold office up to the date of the ensuing Annual General Meeting.

Under section 160 of Companies Act 2013, a notice in writing from M/s SPBP Investments Private Limited proposing Mr. Alok Krishna Agarwal for directorship of the Company along with a deposit of Rs. 1 Lac/- each as required under the aforesaid section.

**The Company has received the following from Mr. Alok Krishna Agarwal :**

- (i) Consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.
- (ii) Intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that they are not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

The Board considers that their association would be of immense benefit to the Company and it is desirable to avail their services as Directors.

Accordingly, the Board recommends the resolution Nos. 5 & 6, in relation to appointment of Mr. Sandeep Kumar Jalan and Mr. Alok Krishna Agarwal as Directors, respectively, for the approval by the shareholders of the Company. All documents concerning these items are available for inspection at the Registered Office of the Company from 11 A.M. to 1 P.M. on all working days till the date of the forthcoming Annual General Meeting of shareholders.

Except Mr. Sandeep Kumar Jalan in case of resolution no.5 and Mr. Alok Krishna Agarwal in case of resolution no.6, none of the Directors of the Company is in any way concerned or interested in the resolution.

**Item No. 7**

Pursuant to the recommendation of the Nomination and Remuneration Committee the Board of Directors of the Company vide resolution passed on 6th February, 2016 approved appointment of Mr. Sankar Kumar Basu Sarbadhikary, Director – Finance, designated as Whole-time Director of the Company in accordance with the provisions contained in Section 196 and 197 read with Section 203 of the Companies Act, 2013 and that Mr Sankar Kumar Basu Sarbadhikary shall hold office for 1 (one) year (till the Board/ committee decide for reappointment) and shall be eligible for election subject to the approval of the shareholders at this Annual General meeting.



Approval of the members is required by way of Ordinary Resolution for appointment and payment of remuneration.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The remuneration payable to Mr. Sankar Kumar Basu Sarbadhikary are within the limits and the terms and conditions of the appointment are given below:

**Terms and conditions and the remuneration as detailed below:**

- a) **Salary:** The amount of basic salary payable to him during the period from 1st April 2016 to 31st March 2017, will be decided by the Board with a further authority to the Board to revise the monthly basic salary up to a maximum of Rs. 60,000/- (Rupees sixty thousand only) per month during the remaining period of his tenure.
- b) **Perquisites:** In addition to above remuneration Mr. Sankar Kumar Basu Sarbadhikary shall also be entitled to Gratuity, and other perquisites up to the amount with a ceiling of Rs. 1,00,000/- per year. However, this is subject to approval of Board of Directors. He will also be entitled to one month's paid leave per year. However, he can encash the leave, if not availed.
- c) **Other Condition:** Mr. Sankar Kumar Basu Sarbadhikary shall be subject to the superintendence, control and other directions of the Board and or Committee of the Directors to perform such duties and exercise such powers which have been or may from time to time be entrusted or vested on him by the Board and or Committee. The agreement of appointment will also set out the mutual rights and obligation of the concerned parties and other administrative details. The appointment and remuneration of Mr. Sankar Kumar Basu Sarbadhikary as Whole-time Director requires the approval of the members of the Company in General Meeting as per section 196, 197 read with Schedule V of Companies Act, 2013.

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

**I. GENERAL INFORMATION**

1. Nature of Industry	Cultivation of Tea and manufacturing of Tea
2. Date of commencement of commercial production	The Company is in manufacturing operation since 1977
3. In case of new companies, expected date of commencement of activities as per project approved by financial Institution appearing in the prospectus	Not Applicable
4. Financial performance based on given Indicator	As per Audited Financial Results for the year ended :

Particulars	31.03.2016 (Rs. in Lacs)	31.03.2015 (Rs. in Lacs)
Revenue from operations (Net)	2840.99	3052.46
Profit / (Loss) before interest, depreciation & tax (PBIOTA)	340.78	280.56
Interest (Net)	45.26	57.93
Profit / (Loss) before Depreciation & Tax (PBDT)	295.52	222.63
Depreciation / Amortization	(53.21)	(53.46)
Profit / (Loss) before Tax (PBT)	242.31	169.17
Provision for Tax	(54.47)	(24.92)
Profit / (Loss) after Tax (PAT)	187.84	144.25

5. Foreign Investment or collaborators, if any :	Not Applicable
--	----------------

## II. INFORMATION ABOUT THE APPOINTEES:

### Mr. Sankar Kumar Basu Sarbadhikary

#### 1. Background details :

Mr. Sankar Kumar Basu Sarbadhikary aged about 76 years, holds a Bachelor degree in Commerce along with LLB, Cost Accountant, Computer Programming from Regional Computer centre (Javampur), Diploma in Management (IIM Ranchi). The Board in its meeting held on 15th December, 2000 appointed Mr. Sankar Kumar Basu Sarbadhikary as Director - Finance designated as Whole-time Director of the Company.

#### 2. Past remuneration:

Remuneration paid during last 3 years:

2013-14	₹ 5,16,000/-
2014-15	₹ 5,46,000/-
2015-16	₹ 6,12,000/-

#### 3. Job profile and suitability:

Mr. Sankar Kumar Basu Sarbadhikary is entrusted with the powers and authorities to manage the affairs of the Company on a day to day basis subject to superintendence, direction and control of the Board of Directors. He has an extensive knowledge of tea industry. His experience at various levels has helped him to successfully manage the affairs of the Company for last several years.

#### 4. Remuneration Proposed :

The proposed remuneration is within the limit set out under Section 196, 197, 203 read with Schedule V of the Companies Act, 2013.

#### 5. Comparative remuneration profile with respect to industry, size of the Company, profile of the Position and person :

Remuneration of Chief Executive Officers in the industry in general has gone up manifold in past few years. It is not possible to find out comparative remuneration in the industry with respect to profile of the position with respect to activities of the Company in tea. The remuneration to Mr. Sankar Kumar Basu Sarbadhikary is purely based on merits.

#### 6. Pecuniary relationship directly or indirectly with the Company relationship with the managerial personnel:

Mr. Sankar Kumar Basu Sarbadhikary has no pecuniary relationship with the Company other than his remuneration as Whole Time Director.

By order of the Board

Registered Office:

1, Crooked Lane,  
Kolkata - 700 069

The 14<sup>th</sup> day of May, 2016.

(Dhirendra Kumar)

Director

Din : 00153773





REPORT OF THE DIRECTORS

For the financial year ended 31st March, 2016

Dear Shareholders,

We present the 39th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

REVIEW OF PERFORMANCE

Particulars	For the year	For the year
	Ended 31.03.2016 (₹ in Lacs)	Ended 31.03.2015 (₹ in Lacs)
Profit from operation	146.77	162.06
Other Income	38.52	109.12
Increase/(Decrease) in Stock	110.23	(48.55)
Profit before Depreciation & Taxation:	295.52	222.63
Less: Depreciation for the year	(53.21)	(53.46)
Profit/(Loss) before taxation	242.31	169.17
Less: Provision for taxation - Income Tax-Current Year	(58.50)	(22.50)
- Earlier year	0.32	(8.78)
- Deferred Tax	3.71	6.36
Profit/(Loss) after Taxation	187.84	144.25
Add: Balance brought forward from last year	157.71	89.41
Amount available for appropriation	345.55	233.66
The Director recommend disposal as follows:-		
Dividend on Equity Shares @ 35% (earlier year @30 %)	28.00	24.00
Tax (Including surcharge & education cess)	2.28	1.95
Tax@20.357647% on proposed dividend (Last year @20.357647%)		
Transfer to General Reserve	50.00	50.00
Balance to be carried forward to next year	265.27	157.71
	345.55	233.66



## EQUITY DIVIDEND

The Board is pleased to recommend the distribution of dividend of ₹ 3.5/- per share for the year ended 31st March, 2016.

## TRANSFER TO RESERVES

The Company proposes to transfer ₹ 50.00 lacs to General Reserve out of the amount available for appropriations and an amount of ₹ 265.27 lacs is proposed to be retained in the Profit and Loss Account.

## PERFORMANCE

This year the tea industry has gone through a poor phase due to uneven rainfall and severe drought which resulted in the dramatic fall in tea crops produced during the year. Our tea estate was also affected by this.

Our tea estate already bracing for low production owing to lack of rainfall during the first flush, has also been hit by pest attacks during the year. Production from own leaf was lower during the current year which was partially recovered during the year through bought leaf.

The final production for the year was 16,54,295 kgs. (both own & bought leaf) against previous year's figure of 16,96,970 kgs (both own & bought leaf).

The average price realization for the year was ₹ 185.90 per kg. against last year's ₹ 180.96 per kg.

## PROSPECT

Present year the rainfall is uneven from the starting of crop season of the year 2016, resulted the production slightly below average. This is in line with the conditions prevailing in the entire tea producing areas of Upper Assam.

In addition to the above phenomena, expenditure during the year has also shot up, particularly in the area of wages of the workers and food grains. The wage rise is up to 22 per cent from 01.01.2015 and again up to 10 per cent from 01.01.2016 in the current year. Food grain prices is revised due to withdrawal of subsidy by government from food grains and shot up the prices more than double the cost per kg tea made. This will have a big impact in the future years also.

Your directors are taking all possible measures to control the situation.

## CORPORATE GOVERNANCE

As per the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirement) Regulations, 2015 (previously Listing Agreement) introduced a uniform code of corporate governance by executing uniform agreement for all types of securities listed on stock exchange. This becomes operational within the financial year ending March 31, 2016. Your Company has executed the new uniform agreement with Calcutta Stock Exchange (CSE) as shares of your Company are listed on CSE.

Regulation 17(7), 17(8) and Regulation 27 of new SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (relates to Clause 49 of old Listing Agreement) is of Corporate Governance which is applicable on companies whose paid up share capital is ₹ 3 crore or above and Net worth is ₹ 25 crore or above. Since your company is having paid up share capital of ₹ 80 Lakhs, implementation and compliance of requirements as per SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (as amended Clause 49 of old Listing Agreement) with Calcutta Stock Exchange, is not mandatory.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per section 135 of Companies Act, 2013 a company whose Net Worth is ₹ 500 crore or more or Turnover ₹ 1000 crore or more or Net profit of ₹ 5 crore or more during any financial year shall have to abide the rules of Corporate Social Responsibility. Since your company does not fall in the above mentioned category, hence your Company does not have to follow the rules of CSR.





## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors would like to inform members that the audited accounts containing the financial statements for the year 2015-16 are in conformity with the requirements of the Companies Act and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. The Statutory Auditors, Messrs Singhi & Co., Chartered Accountants, Kolkata have audited these financial statements.

Based on the same, your Directors further confirm that according to their information:

- i. In the preparation of the annual accounts, applicable accounting standards have been followed and there are no material departures.
- ii. The accounting policies selected by directors are consistently followed and applied and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The annual accounts have been prepared on a going concern basis.
- v. That there is adequate proper internal financial controls with reference to the financial statement have been laid down for the Company and such internal financial controls are adequate and were operating effectively.
- vi. That proper system has been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## PARTICULARS OF EMPLOYEES

The prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure-1 to this report. The information as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are given in the Annexure – 1 forming part of the Report.

## PUBLIC DEPOSITS

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

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year Company invested some of its surplus earnings in Mutual Funds and is getting reasonable returns on its investments.

## GOING CONCERN STATUS

No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operation in the future.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

There are no contracts/arrangements/transactions entered by the Company during the financial year with related parties in the ordinary course of business.

## RISK MANAGEMENT

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. The Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures, which shall be responsible for framing, implementing and monitoring the risk management plan of the Company.



## **DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY ETC.**

Necessary information pursuant to sub-section (3) of section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is presented in Annexure-2 to this Report.

## **ENVIRONMENT AND SAFETY**

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

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013, the Company has an internal policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the year under review, no complaints were reported to the Board.

## **COST AUDIT**

The provisions of Section 148 of Companies Act, 2013 read with (Cost Records and Audit) Rules, 2014, are not applicable on the Company as your company does not fall in the eligibility criterion of the same.

## **INTERNAL AUDIT**

The Company continued to engage reputed firms of Chartered Accountants as its internal auditors at its Head Office and Tea Estate. Their scope of work and the plan for audit is approved by the Audit Committee. The report submitted by them is regularly reviewed and their findings are discussed with the process owners and suitable corrective action taken on an ongoing basis to improve efficiency in operations.

## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Pravin kumar Drolia of Drolia & Co. Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit is annexed herewith as Annexure-3 and forms part of the Directors' Report. There is no qualification or reservation or adverse remark or disclaimer made by the Secretarial Auditor in the Report.

## **INSURANCE**

Adequate insurance cover has been taken for properties of the Company including buildings, plant and machineries and stocks against fire, earthquake and other risks as considered necessary.

## **DIRECTORS & KEY MANAGERIAL PERSONNEL**

As per provisions of Section 152 of the Companies Act, 2013, Mrs. Divya Jalan (DIN 00016102) is liable to retire by rotation in the ensuing Annual General Meeting and being eligible offer herself for reappointment. The Board recommends her reappointment.

The tenure of Mr. Sankar Kumar Basu Sarbadhikary, Director Finance designated as Whole-time Director, is due to expire on 31st March 2016. Looking to the valuable contributions being made by him for development of the Company, the Board as per recommendation of the Nomination and Remuneration Committee has proposed to reappoint him as Whole-time Director of the Company for a further period upto 31st March 2017.

Approval of the members is sought for the above Resolution.

The Board appointed Mr. Sandeep Kumar Jalan (DIN 00015836) as an Additional Director on 27th July, 2015 who shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a member proposing his appointment as a director. Based on the recommendation of Nomination & Remuneration Committee, the Board desired that Mr. Sandeep Kumar Jalan having all round experience in various fields be appointed as Director. A resolution has been included in the Agenda of the ensuing Annual General Meeting of the Company.



Approval of the members is sought for the said appointment.

The Board appointed Mr. Alok Krishna Agarwal (DIN 00127273) as an Additional Director on 27th July, 2015 who shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a member proposing his appointment as a director. Based on the recommendation of Nomination & Remuneration Committee, the Board desired that Mr. Alok Krishna Agarwal having all round experience in various fields be appointed as an Independent Director. A resolution has been included in the Agenda of the ensuing Annual General Meeting of the Company.

The Company has received declarations from the Independent Director of the Company confirming that he meet the criteria of Independence as prescribed under the Companies Act 2013.

The Board appointed Ms. Priyanka Sharma as Company Secretary and Compliance Officer as per requirements of section 2 (24), section 203 of Companies Act, 2013 read with rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year.

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed the policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Committee has also framed the criteria for performance evaluation of every Director and accordingly has carried out the performance evaluation.

Based on the recommendation of the Nomination and Remuneration Committee, the appointment of Chief Financial Officer and Company Secretary as Key Managerial Person was formalized during the year.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

There is a Vigil Mechanism or Whistle Blower policy as per section 177(9) of Companies Act, 2013 prevails as per the size and operations of the Company. Protected disclosures can be made by a whistle blower to the management of the Company.

#### **OTHER DISCLOSURES**

##### **EXTRACT OF ANNUAL RETURN**

The details for the financial year ended 31st March, 2016 forming part of the extract of the annual return is enclosed as Annexure-4.

##### **NUMBER OF BOARD MEETINGS**

The Board of Directors met five times during the year ended 31st March, 2016. The details of the Board meetings and the attendance of Directors are provided in latter sheets.

##### **CHANGES IN SHARE CAPITAL**

During the year ended 31st March, 2016 there is no change in the issued and subscribed capital of your Company. The outstanding capital as on 31st March, 2016 is ₹ 80,00,000/- comprising of 8,00,000 equity shares of ₹ 10/- each.

##### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

As stipulated by the Code of Independent Directors under Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 6th February, 2016 to review the performance of Non Independent Directors including the Chairman and the Board as whole. The independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

## COMPOSITION OF COMMITTEE OF DIRECTORS

The Board has constituted the following Committees of Directors:

**(a) Audit Committee**

The Audit Committee comprises Independent Directors namely Mr. Ghanshyam Das Gupta (Chairman), Mr. Golam Momen and Mr. Naveen Bansal as other members. All the recommendations made by the Audit Committee were accepted by the Board.

**(b) Nomination & Remuneration Committee**

The Nomination and Remuneration Committee comprises Independent Directors namely Mr. Naveen Bansal (Chairman), Mr. Ghanshyam Das Gupta and Mr. Golam Momen as other members.

**(c) Stakeholder relationship Committee**

The Stakeholders Relationship Committee comprises Independent Directors namely Mr. Golam Momen (Chairman), Mr. Ghanshyam Das Gupta and Mr. Naveen Bansal as other members.

## EVALUATION OF BOARD'S PERFORMANCE

The Company has a system of Formal Annual Evaluation of performance of Board, its Committees & Individual Directors as per the size and operations of the Company.

During the year, the Board formulated and adopted a Board Evaluation Framework for evaluating the performance of the Board as a whole, Committees of the Board and the Individual Directors on the Board.

Pursuant to the said Evaluation Framework, the Board evaluated the performance of the Board, its Committees and the Individual Directors for the financial year 2015-16.

The Board was of the view that the performance of the Board as a whole was adequate and fulfilled the parameters stipulated in the evaluation framework in its pro growth activity and facing challenging operational, climatic and economic adversities during the year. The Board also ensured that the Committees functioned adequately and independently in terms of the requirements of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and at the same time supported as well as coordinated with the Board to help in its decision making. The individual Directors' performance was also evaluated and the Board was of the view that the Directors fulfilled their applicable responsibilities and duties as laid down by the listing agreement and the Companies Act, 2013 and at the same time contributed with their valuable knowledge, experience and expertise to grab the opportunity and counter the adverse challenges faced by the Company during the year.

## AUDITOR'S REPORT & ACCOUNTS

The auditors Messrs Singhi & Co., Chartered Accountants, Statutory Auditors of the Company were reappointed as Auditors in the Annual General Meeting held on 27th July, 2015 for the period until the conclusion of the 39th Annual General Meeting of the Company at remuneration to be fixed by the Board from time to time. Further the Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under section 141(3) the Companies Act, 2013 and that they are not disqualified for re-appointment.



## Annexure 1 to the Directors' Report

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

#### (i) Remuneration to the Director/Key Managerial Personnel of the Company:

Name of Director / KMP	Remuneration for the financial year	Remuneration for the financial year	% Change	Ratio to mean Remuneration
	2015-16	2014-15		
	(₹)	(₹)		
Mr. Vijendra Kumar	-	-	-	N.A.
Mr. Dharendra Kumar	-	-	-	N.A.
Mr. Sandeep Kumar Jalan	-	-	-	N.A.
Mr. Ghanshyam Das Gupta	-	-	-	N.A.
Mrs. Divya Jalan	-	-	-	N.A.
Mr. Hemant Kumar Agrawal	-	-	-	N.A.
Mr. Golam Momem	-	-	-	N.A.
Mr. Alok Krishna Agarwal	-	-	-	N.A.
Mr. Naveen Bansal	-	-	-	N.A.
Mr. Sankar Kumar Basu Sarbadhikary	6,12,000	5,46,000	12.08	16.19:1
Mr. Hari Kishan Rajbhar	3,92,350	12,434*	N.A.	10.38:1
Ms. Priyanka Sharma	2,84,503**	N.A.	N.A.	7.52:1

\* For Part of the year.

\*\* For Part of the year (July, 2015 to March, 2016)

## Annexure 2 to the Directors' Report

### THE INFORMATION UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2016 IS GIVEN HERE BELOW AND FORMS PART OF THE DIRECTORS' REPORT.

Statement of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo forming part of Directors' Report for the year ended 31<sup>st</sup> March 2016. Necessary information required by Companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 for conservation of energy, technology absorption and foreign exchange earnings and outgo enumerated below:

**FORM A**

Form of Disclosure of particulars with respect to conservation of energy :-

**A) POWER AND FUEL CONSUMPTION**

<u>Particulars</u>	<u>Current Year</u>	<u>Previous Year</u>
	<u>2015-2016</u>	<u>2014-2015</u>
1. Electricity		
a) Purchased (Unit)	12,24,264	11,19,509
Total Amount (₹)	1,00,50,388	84,31,964
Rate/Unit (₹)	8.21	7.53
b) Own Generation		
i) Through Diesel (Unit)	2,17,252	2,49,417
Units per litrs. of Diesel	2.55	2.66
Cost/Unit (₹)	23.83	22.71
2. Gas		
Quantity (Scum)	6,90,694	6,66,515
Total Amount (₹)	1,06,47,277	91,38,888
Rate per 1000 Scum	15,415	13,711

**B) CONSUMPTION PER UNIT OF PRODUCTION****Standards (if any)**

Products – Made Tea (Kgs)	16,54,295	16,96,970
Electricity (in units)/per Kg	0.87	0.81
Gas (in Scum)/per Kg	0.42	0.39

**FORM-B**

Form of disclosure of particulars with respect to Absorption, Research and Development (R &amp; D)

1. Specified area in which R & D carried out by the Company
2. Benefits derived as a result of above R & D
3. Future Plan of action
4. Expenditure on R & D
  - a) Capital R & D
  - b) Recurring
  - c) Total
  - d) Total R & D expenditure as a percentage of total turnover

The Company subscribes to Tea Research Association which is registered under Section 35(i)(ii) of the Income Tax Act, 1961



### Technology absorption, adaptation and innovation

- |  |   |
|--|---|
| 1. Efforts in brief, made towards technology absorption, adaptation and innovation                                       | Continuous efforts are being made towards absorption, adaptation and Innovation of technology absorption maintaining close liaison with advisory officer of Tocklal Experimental Station. |
| 2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, import substitution etc. | Increase in Productivity and cost reduction by optimization of inputs.  |

### Foreign Exchange Earning and outgo

- |                                      |   |             |
|--------------------------------------|---|-------------|
| 1. Foreign Exchanged Earned (F.O.B.) | - | Nil         |
| 2. Foreign Exchanged used            | - | ₹8,93,172/- |

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Mr. S.K.JALAN (DIN : 00015836)

Mrs. DIVYA JALAN (DIN : 00016102)

Mr. G. MOMEN (DIN : 00402662)

Mr. G. D. GUPTA (DIN : 00174114)

Mr. NAVEEN BANSAL (DIN : 00720211)

Mr. H. K. AGRAWAL (DIN : 00355116)

Director

Registered Office:

1, Crooked Lane  
Kolkata – 700069

The 14<sup>th</sup> day of May, 2016.

S. SARBADHIKARY (DIN : 00941840)

Director-Finance  
& Whole-time  
Director

## ANNEXURE 3 TO THE DIRECTOR'S REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To  
The Members,  
The Scottish Assam (India) Ltd,  
1, Crooked Lane,  
Kolkata - 700 069

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Scottish Assam (India) Limited (L01132WB1977PLC031175) (hereinafter called "the Company"). The Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of 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, and authorised representatives during the conduct of **Secretarial Audit**, whereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing;
- V. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - d) The SEBI Listing (Listing obligation and disclosure requirements <LODR>) Regulations 2015.

**[The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company for the financial year ended 31-03-2016:-**

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and



- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

VI. The following Industry Specific laws:

- a) Tea Act, 1953
- b) The Tea Waste (Control) Order, 1959
- c) The Tea Warehouse (Licensing) Order, 1989
- d) The Tea (Marketing) Control Order, 1984
- e) Tea (Distribution and Export) Control Order, 2005
- f) FSAAI (Food Safety and Standards Authority of India) Act, 2006

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

- (i) The Listing Agreement or SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (LODR) entered into by the Company with The Calcutta Stock Exchange Limited.
- (ii) Secretarial Standards issued by the Institute of Company Secretaries of India.

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

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. 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 and LODR.

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.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management. All decisions of the Board were unanimous and the same was captured and recorded as part of the Minutes.

We further report that during the audit period, the Company has not made any:

- (i) Public/Right/ Preferential Issue of Shares/Debentures/Sweat Equity or any other Security.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/ Amalgamation/ Reconstruction etc.
- (v) Foreign technical collaborations.

For **DROLIA & COMPANY**  
(Company Secretaries)

Place : **9, Crooked Lane**  
**Kolkata – 700 069**

**Pravin Kumar Drolia**  
Proprietor  
CP No. 1362

Date : **The 7th day of May, 2016**

### ANNEXURE 3 TO THE DIRECTOR'S REPORT(CONT.)

To,  
The Members,  
The Scottish Assam (India) Limited,  
1, Crooked Lane, Kolkata 700069

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

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

For **DROLIA & COMPANY**  
(Company Secretaries)

Place : 9, Crooked Lane  
Kolkata – 700 069

**Pravin Kumar Drolia**  
Proprietor

Date : The 7th day of May, 2016

CP No. 1362



## ANNEXURE 4 TO THE DIRECTOR'S REPORT

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED 31ST MARCH, 2016  
 (Pursuant to section 92(3) of the Companies Act, 2013 and Rule No. 12(1) of the Companies  
 (Management and Administration) Rules, 2014)

## I. REGISTRATION AND OTHER DETAILS

(i)	CIN	L01132WB1977PLC031175
(ii)	Registration Date	27th September, 1977
(iii)	Name of the Company	THE SCOTTISH ASSAM (INDIA) LTD
(iv)	Category/Sub-Category of the Company	TEA
(v)	Address of the Registered Office	1, Crooked Lane, Kolkata – 700 069
(vi)	Whether Listed Company	Listed
(vii)	Name, Address and contact details of Registrar	ABS Consultant Pvt. Ltd. "Stephen House" Room No.-99, 6th Floor, 4, B.B.D. Bag (East) Kolkata – 700 001 Ph. : (033) 2230-1043

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The principal business activity of the Company is of manufacturing and sale of TEA. It comprises 100% of total turnover of the Company

## III. HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES

GANGA STEEL & ALLOYS LIMITED

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

## (i) Table I - Category-wise Share Holding

Category of Shareholding	No. of Share held as on 31.03.2016				No. of Share held as on 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoters & Promoter Group	552850	47150	600000	75%	546500	53500	600000	75%	
B Public	94822	105178	200000	25%	93122	106878	200000	25%	
C Non Promoter - Non Public	-	-	-	-	-	-	-	-	-
i) Shares Underlying DRs	-	-	-	-	-	-	-	-	-
ii) Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>647672</b>	<b>152328</b>	<b>800000</b>	<b>100%</b>	<b>639622</b>	<b>160378</b>	<b>800000</b>	<b>100%</b>	

(ii) Table II - Statement showing shareholding pattern of the Promoter and Promoter Group and changes during the year

Name	No. of Shares held as on 31.03.2016		No. of Shares held as on 31.03.2015		% Change during the year	Shares held in physical	Shares in Demat
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares			
1) INDIAN							
a) Individual / HUF							
Vijendra Kumar	100	0.01	100	0.01	-	-	100
Hemant Kumar Agarwal	300	0.04	300	0.04	-	-	300
Smita Agarwal	400	0.05	400	0.05	-	-	400
Alaka Jalan	500	0.06	500	0.06	-	-	500
Narendra Kumar	-	-	725	0.09	-	-	-
Mayank Kumar Agarwal	-	-	750	0.09	-	-	-
Sandhya Agarwal	800	0.10	800	0.10	-	-	800
Smita Saraf	800	0.10	800	0.10	-	-	800
Manish Kumar	1525	0.19	800	0.10	0.09	-	1525
Pramod Rani	800	0.10	800	0.10	-	-	800
Ila Rani Agarwal	800	0.10	800	0.10	-	-	800
Prabha Rani Agarwal	819	0.10	819	0.10	-	-	819
Arvind Kumar Agarwal	900	0.11	900	0.11	-	-	900
Mudit Kumar	1000	0.13	1000	0.13	-	-	1000
Bajrang Prasad Jalan	-	-	1025	0.13	-	-	-
Rajendra Kumar Agarwal	1151	0.14	1151	0.14	-	-	1151
Ritika Kumar	7950	0.99	7950	0.99	-	-	7950
Divya Jalan	10402	1.30	10402	1.30	-	-	10402
Sandeep Kumar Jalan	11925	1.49	10900	1.36	0.13	-	11925
Mayank Kumar	-	-	5600	0.70	-	-	-
Divyaa Kumar	6350	0.79	-	-	0.79	-	6350
Shashi Kumar	13288	1.66	13288	1.66	-	-	13288
Pradip Kumar Khaitan (In the capacity of trustee of Tea Trust created by existing promoters)	120000	15.00	120000	15.00	-	6750	113250
<b>Total</b>	<b>179810</b>	<b>22.46</b>	<b>179810</b>	<b>22.46</b>	<b>1.01</b>	<b>6750</b>	<b>173060</b>
b) Central Govt. / State Govt.							
c) Financial Institution / Banks							
d) Any other (specify) Bodies Corporate							
Supriya Finance Ltd.	300	0.04	300	0.04	-	-	300
Sandeep Investments Ltd	400	0.05	400	0.05	-	-	400
Shreyans Inv Pvt. Ltd.	400	0.05	400	0.05	-	400	-
Punushottam Inv Pvt. Ltd.	22447	2.81	22447	2.81	-	-	22447
Arohi Holdings Pvt. Ltd.	15800	1.98	15800	1.98	-	-	15800
Shree Durga Agencies Ltd.	83020	10.38	83020	10.38	-	-	83020
Innovation Handicrafts (India) Pvt. Ltd.	22765	2.85	22765	2.85	-	-	22765
SPBP Inv Pvt. Ltd.	45000	5.63	45000	5.63	-	-	45000
Nirvan Commercial Co. Ltd.	86963	10.87	86963	10.87	-	-	86963
SIVPL Products Pvt. Ltd.	13130	1.64	13130	1.64	-	-	13130
Aryavrat Trading Pvt. Ltd.	10075	1.26	10075	1.26	-	-	10075
SPBP Tea Plantation Ltd.	34600	4.33	34600	4.33	-	-	34600
Maryada Advisory Services Pvt. Ltd.	45290	5.66	45290	5.66	-	-	45290
Aarvee Trading Co. Pvt. Ltd	40000	5.00	40000	5.00	-	40000	-
<b>Total</b>	<b>420190</b>	<b>52.55</b>	<b>420190</b>	<b>52.55</b>	<b>-</b>	<b>40400</b>	<b>379790</b>



Name	No. of Shares held as on 31.03.2016		No. of Shares held as on 31.03.2015		% Change during the year	Shares held in physical	Shares in Demat
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares			
Mutual Fund	-	-	-	-	-	-	-
Trust	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Sub Total (A)(1)</b>	<b>600000</b>	<b>75%</b>	<b>600000</b>	<b>75%</b>	-	<b>47150</b>	<b>552850</b>
2) FOREIGN							
a) NRI / Foreign Individuals	-	-	-	-	-	-	-
b) Foreign Govt. Promoter	-	-	-	-	-	-	-
c) Foreign Inst. Invest. (FIs)	-	-	-	-	-	-	-
d) Foreign Portfolio Investor	-	-	-	-	-	-	-
e) Any Other (specify) Foreign Company	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-
Foreign Bank	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>							
<b>Total Shareholding of Promoter and Promoter Group (A) =(A)(1) + (A)(2)</b>	<b>600000</b>	<b>75%</b>	<b>600000</b>	<b>75%</b>	-	<b>47150</b>	<b>552850</b>

(iii) Table III - Statement showing shareholding pattern of the Public Shareholder

Name	No. of Share held as on 31.03.2016				No. of Share held as on 31.03.2015			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
1) Institutions								
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-
b) Venture Capital Funds	-	-	-	-	-	-	-	-
c) Alternate Invest Fund	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Investor	-	-	-	-	-	-	-	-
e) Foreign Portfolio investor	-	-	-	-	-	-	-	-
f) Financial Institution / Banks	-	-	-	-	-	-	-	-
g) Insurance Companies	-	-	-	-	-	-	-	-
h) Provident Fund / Pension Funds	-	-	-	-	-	-	-	-
i) Any other (specify)	-	-	-	-	-	-	-	-
Foreign Inst. Invest. (FIs)	-	-	-	-	-	-	-	-
<b>Sub Total (B)(1)</b>								
2) Central Govt. / State Govt./								
President of India	-	-	-	-	-	-	-	-
<b>Sub Total (B)(2)</b>								
3) Non-institutions :								
a) Individuals								
i) Indv. Shareholders holding nominal share capital upto ₹ 2 lakh	105178	50322	155500	19.44	106878	48622	155500	19.44



Name	No. of Share held as on 31.03.2016				No. of Share held as on 31.03.2015			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
ii) Indv. Shareholders holding nominal share capital in excess of ₹ 2 lakhs	-	-	-	-	-	-	-	-
b) NBFC registered with RBI	-	-	-	-	-	-	-	-
c) Employees Trust	-	-	-	-	-	-	-	-
d) Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-
i) Holding 1% and above :	-	-	-	-	-	-	-	-
1) Octal Credit Capital Limited	-	21398	21398	2.67	-	21398	21398	2.67
2) Mittal Sales Private Limited	-	21399	21399	2.67	-	21399	21399	2.67
ii) Holding less than 1%	-	1053	1053	0.13	-	1053	1053	0.13
Non Resident Indian	-	-	-	-	-	-	-	-
i) Holding 1% and above	-	550	550	0.07	-	550	550	0.07
ii) Holding less than 1%	-	-	-	-	-	-	-	-
Foreign National	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-
Foreign Banks	-	-	-	-	-	-	-	-
Trust	-	-	-	-	-	-	-	-
Custodian A/c	-	-	-	-	-	-	-	-
1 Jagdish P Gandhi	-	100	100	0.01	-	100	100	0.01
<b>Total</b>	<b>105178</b>	<b>94822</b>	<b>200000</b>	<b>25%</b>	<b>48622</b>	<b>151378</b>	<b>200000</b>	<b>25%</b>

V Shareholding of Directors and Key Managerial Personnel

Name	No. of Shares held as on 31.03.2016		No. of Shares held as on 31.03.2015		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Mr. Sandeep Kumar Jalan	11925	1.49	10900	1.36	0.13
Mrs. Divya Jalan	10402	1.30	10402	1.30	-
Mr. Vijendra Kumar	100	0.01	100	0.01	-
Mr. Dharendra Kumar	-	-	-	-	-
Mr. Hemant Kumar Agrawal	300	0.04	300	0.04	-
Mr. Ghanshyam Das Gupta	100	0.01	100	0.01	-
Mr. Golam Momen	800	0.10	800	0.10	-
Mr. Naveen Bansal	-	-	-	-	-
Mr. Alok Krishna Agarwal	-	-	-	-	-
Mr. Sankar Kumar Basu Sarbadhikary	-	-	-	-	-
Mr. Hari Kishan Rajbhar	-	-	-	-	-
Ms. Priyanka Sharma	-	-	-	-	-
<b>Total</b>	<b>23627</b>	<b>2.95</b>	<b>22602</b>	<b>2.82</b>	<b>0.13</b>





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

Particulars	Secured Loans excluding deposits (₹)	Unsecured Loans (₹)	Deposits (₹)	Total Indebtedness (₹)
	Indebtedness at the beginning of the financial year			
(i) Principal Amount	68,41,343	-	-	68,41,343
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>68,41,343</b>	<b>-</b>	<b>-</b>	<b>68,41,343</b>
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	59,41,343	-	-	59,41,343
<b>Net Change</b>	<b>59,41,343</b>	<b>-</b>	<b>-</b>	<b>59,41,343</b>
Indebtedness at the end of the financial year				
(i) Principal Amount	9,00,000	-	-	9,00,000
(ii) Interest due but not paid	24,109	-	-	24,109
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>9,24,109</b>	<b>-</b>	<b>-</b>	<b>9,24,109</b>

## VII Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Name	No. of Shares held as on 31.03.2016		No. of Shares held as on 31.03.2015		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Mittal Sales Pvt Ltd	21399	2.67	21399	2.67	-
Octal Credit Capital Ltd	21398	2.67	21398	2.67	-
Mahendra Girdharlal	2100	0.26	2100	0.26	-
Bimla Rani Jain	1100	0.14	1100	0.14	-
Prahlad Rai Jain	1900	0.24	1900	0.24	-
Nataraj Ravi Shankar	1200	0.15	1200	0.15	-
Renu Gupta	1200	0.15	1200	0.15	-
Seema Sogani	1100	0.14	1100	0.14	-
Mahendra Kr. Bagrodia	800	0.10	-	-	0.10
Ajay Manhartal Jtly. Nilesh Manhartal	800	0.10	-	-	0.10
<b>Total</b>	<b>52997</b>	<b>6.62</b>	<b>51397</b>	<b>6.42</b>	<b>0.20</b>

**VIII Remuneration of directors and Key Managerial Personnel**

All the Directors of your Company are entitled to Sitting Fees only except Mr. Sankar Kumar Basu Sarbadhikary and other details are as under :-

Name	Designation	Details of Remuneration	Current Financial Year (₹)
Mr. Sankar Kumar Basu Sarbadhikary	Director - Finance designated as Whole-time Director	Salary as per Income Tax.	6,12,000
Mr. Hari Kishan Rajbhar	Chief Financial Officer		3,92,350
Ms. Priyanka Sharma	Company Secretary		2,84,503*
** For the part of the year (Joined in the month of July, 2015)			

**IX Meetings of the Board & Remuneration to the Directors :**

Name of the Directors	No. of Board Meetings		Attended Last AGM	Remuneration paid as sitting fees (₹)
	Held	Attended	held on 27.07.2015	
Mr. Vijendra Kumar	5	3	YES	15,000
Mr. Dharendra Kumar	5	5	YES	25,000
Mr. Sandeep Kumar Jalan	5	4	YES	20,000
Mrs. Divya Jalan	5	2	NO	10,000
Mr. Golam Momen	5	5	YES	25,000
Mr. Ghanshyam Das Gupta	5	5	YES	25,000
Mr. Naveen Bansal	5	4	YES	20,000
Mr. Raghvendra Mohta	5	0	NO	-
Mr. Hemant Kumar Agrawal	5	0	NA	-
Mr. Sankar Kumar Basu Sarbadhikary	5	5	YES	NA

**X Meetings of the Committees**

Name of the Directors	No. of Audit Committee Meetings		No. of Stakeholders Relationship Committee Meetings		No. of Nomination & Remuneration Committee Meetings	
	Held	Attended	Held	Attended	Held	Attended
Mr. Golam Momen	4	4	2	2	2	2
Mr. Ghanshyam Das Gupta	4	4	2	2	2	2
Mr. Naveen Bansal	4	4	2	2	2	2

**XI Remuneration to other directors:****L Independent Directors :**

The Independent Directors of your Company are not entitled to any other kind or type of remuneration except sitting fees.

**XII Penalties / Punishment / Compounding of Offences : None**





## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

TO THE MEMBERS OF THE SCOTTISH ASSAM (INDIA) LIMITED

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **THE SCOTTISH ASSAM (INDIA) LIMITED ('the Company')**, which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and 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 FINANCIAL STATEMENTS

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

### AUDITORS' RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.





## EMPHASIS OF MATTER

We draw attention to the following matter in the Notes to the financial statements:

Attention is drawn to Note No. 2.10 regarding carry forward of Deferred Tax Asset amounting to Rs. 8,33,720/- on carryover capital losses as on 31st March, 2016 based on future taxable income projected by the management.

Our opinion is not modified in respect of this matter.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
  - g. With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its financial statements [Refer Note 2.23.a];
    - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;
    - iii. There has been delay of 11 days in transferring Rs. 48,518/- relating to financial year 2007-08, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SINGHI & CO,  
Chartered Accountants  
Firm's Registration No.302049E

(ADITYA SINGHI)  
Partner

Membership No. : 305161

Place: Kolkata

The 14<sup>th</sup> day of May, 2016





**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of The Scottish Assam (India) Limited for the year ended 31 March 2016, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, the fixed assets of the company have been physically verified by the management during the year based on a phased manner and no material discrepancies between book records and physical inventory have been noticed. In our opinion, the frequency is reasonable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory (excluding stocks with third parties) has been physically verified at reasonable intervals during the year by the Management. In respect of inventory lying with third parties, these have been substantially confirmed by them. The discrepancies noticed on verification between the physical stock and the book stocks, wherever ascertained were not significant and have been properly dealt in the books of accounts.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Company has neither issued any guarantee nor has provided any security on behalf of any party.
- v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.
- vi. The maintenance of cost records prescribed under sub-section (1) of Section 148 of the Act is not applicable to the Company during the year.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2016 which have not been deposited on account of dispute. The particulars of dues of income tax as at 31st March, 2016 which have not been deposited on account of dispute are as under:



Name of the Statute	Nature of the dues	Amount in Rs. Lakhs	Period	Forum where dispute is pending
Income Tax Act	Income Tax Demand	4.11	A.Y. 2012-13	Commissioner of Income Tax Appeals

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to banks as at the balance sheet date.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money through initial public offer/ further public offer (including debt instruments) and the term loans during the year hence the clause (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration during the financial year which is within the limits prescribed under provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SINGHI & CO,  
Chartered Accountants  
Firm's Registration No.302049E

(ADITYA SINGHI)

Partner

Membership No. : 305161

Place: Kolkata

The 14<sup>th</sup> day of May, 2016



## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of The Scottish Assam (India) Limited for the year ended 31 March 2016, we report that:

We have audited the internal financial controls over financial reporting of The Scottish Assam (India) Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **OPINION**

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

For SINGHI & CO,  
Chartered Accountants  
Firm's Registration No. 302049E

(ADITYA SINGHI)  
Partner

Membership No. : 305161

Place: Kolkata

The 14<sup>th</sup> day of May, 2016





## BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As At March 31, 2016		As At March 31, 2015	
		₹	₹	₹	₹
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2.1	80,00,000		80,00,000	
Reserves & Surplus	2.2	<u>22,10,68,587</u>		<u>20,53,12,897</u>	
			22,90,68,587		21,33,12,697
<b>NON-CURRENT LIABILITIES</b>					
Long-Term Borrowings	2.3			46,94,083	
Long-Term Provisions	2.4	<u>40,500</u>		<u>40,500</u>	
			40,500		47,34,583
<b>CURRENT LIABILITIES</b>					
Short-Term Borrowings	2.5	3,02,49,386		3,69,40,979	
Trade Payables	2.6				
Total outstanding dues of micro enterprises and small enterprises					
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,29,55,802		1,07,70,090	
Other Current Liabilities	2.7	77,34,459		78,12,981	
Short-Term Provisions	2.4	<u>2,20,47,019</u>		<u>1,24,68,163</u>	
			7,29,86,666		6,79,92,213
			<u>30,20,95,753</u>		<u>28,60,39,493</u>
<b>TOTAL-EQUITY AND LIABILITIES</b>					
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Fixed Assets	2.8				
Tangible		2,33,70,818		2,32,28,110	
Intangible		10,413			
Capital Work In Progress		1,50,000		8,61,468	
Non-Current Investments	2.9	23,64,31,325		23,04,31,325	
Deferred Tax Assets (Net)	2.10	7,76,251		4,04,753	
Long-Term Loans and Advances	2.11	<u>73,11,196</u>		<u>76,57,977</u>	
			26,80,50,003		26,25,63,633
<b>CURRENT ASSETS</b>					
Inventories	2.12	2,67,01,888		1,57,27,914	
Trade Receivables	2.13	10,28,724		8,85,461	
Cash and Bank Balances	2.14	29,36,560		33,83,820	
Short-Term Loans and Advances	2.11	33,45,199		34,30,045	
Other Current Assets	2.15	<u>33,379</u>		<u>28,620</u>	
			3,40,45,750		2,34,55,860
			<u>30,20,95,753</u>		<u>28,60,39,493</u>
<b>TOTAL-ASSETS</b>					

**Significant Accounting Policies**

The accompanying notes are an integral part of the Financial Statements

As per our report of even date annexed

For and on behalf of the Board of Directors

For SINGHI & CO.  
Chartered Accountants  
Firm Registration No. 302049E

(ADITYA SINGHI)  
Partner  
Membership No. : 305161  
Place : Kolkata  
Date : The 14<sup>th</sup> day of May, 2016.

Mr. DHIRENDRA KUMAR (DIN : 00153773)  
Mr. S.K.JALAN (DIN : 00015836)  
Mrs. DIVYA JALAN (DIN : 00016102)  
Mr. G. MOMEN (DIN : 00402662)  
Mr. G. D. GUPTA (DIN : 00174114)  
Mr. NAVEEN BANSAL (DIN : 00720211)  
Mr. H. K. AGRAWAL (DIN : 00355116)

Director

Mr. S. SARBADHIKARY (DIN : 00941840) - Director-Finance  
Ms. PRIYANKA SHARMA - Company Secretary  
Mr. H. K. RAJBHAR - Chief Financial Officer





## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
	No.	₹	₹
<b>INCOME</b>			
Revenue from Operations	2.16	28,40,98,860	30,52,45,928
Other Income	2.17	38,51,893	1,09,12,395
<b>Total Income</b>		<b>28,79,50,753</b>	<b>31,61,58,323</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	2.18	4,58,14,508	4,40,69,078
(Increase)/Decrease in Inventories of Finished Goods	2.19	(1,10,22,999)	48,54,444
Employee Benefits Expense	2.20	10,83,94,922	9,49,93,608
Finance Costs	2.21	45,25,535	57,92,749
Other Expenses	2.22	11,06,86,301	14,41,85,861
<b>Total Expenses</b>		<b>25,83,98,267</b>	<b>29,38,95,740</b>
<b>Profit before Tax and Depreciation</b>		<b>2,95,52,486</b>	<b>2,22,62,583</b>
Depreciation		53,21,378	53,46,313
<b>Profit before Tax</b>		<b>2,42,31,108</b>	<b>1,69,16,270</b>
<b>Tax Expense:</b>			
Current Tax		58,50,000	22,50,000
Tax Related to Earlier Years		(31,394)	8,77,653
Deferred Tax		(3,71,498)	(6,35,630)
<b>Profit for the year</b>		<b>1,87,84,000</b>	<b>1,44,24,247</b>
Basic & Diluted Earnings Per Share [nominal value ₹ 10/-]		23.48	18.03
Weighted Average of Equity Shares		8,00,000	8,00,000
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date annexed

For and on behalf of the Board of Directors

For SINGHI & CO.  
Chartered Accountants  
Firm Registration No. 302049E

(ADITYA SINGHI)  
Partner  
Membership No. : 305161  
Place : Kolkata  
Date : The 14<sup>th</sup> day of May, 2016.

Mr. DHIRENDRA KUMAR (DIN : 00153773)  
Mr. S.K.JALAN (DIN : 00015836)  
Mrs. DIVYA JALAN (DIN : 00016102)  
Mr. G. MOMEN (DIN : 00402662)  
Mr. G. D. GUPTA (DIN : 00174114)  
Mr. NAVEEN BANSAL (DIN : 00720211)  
Mr. H. K. AGRAWAL (DIN : 00355116)

Director

Mr. S. SARBADHIKARY (DIN : 00941840) - Director-Finance  
Ms. PRIYANKA SHARMA - Company Secretary  
Mr. H. K. RAJBHAR - Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	For the year ended 2015-16		For the year ended 2014-15	
	(₹)	(₹)	(₹)	(₹)
<b>A. Cash Flow from Operating Activities :</b>				
Net profit before Tax and Extraordinary items		2,42,31,108		1,69,16,270
<b>Adjustments for :</b>				
Depreciation	53,21,378		53,46,313	
Finance Cost	45,25,535		57,92,749	
Interest Received	(37,088)		(1,69,335)	
(Profit)/Loss on sale/discard of fixed assets(net)	-		(3,932)	
Unclaimed balances written back	(49,291)		(54,056)	
Bad Debts Written off	-		28,236	
(Profit)/loss on sale of Investment (net)	(37,40,770)		(1,03,64,978)	
<b>Operating Profit before Working</b>				
<b>Capital Changes</b>		<u>3,02,50,872</u>		<u>1,74,91,267</u>
Adjustments for -				
Trade & Other Receivables	(2,79,486)		6,86,386	
Trade Payables, Provisions & Others	1,09,65,081		11,16,490	
Inventories	(1,09,73,974)		35,88,308	
<b>Cash generated from/(used in)operations</b>		<u>2,99,62,493</u>		<u>2,28,82,451</u>
Direct taxes (paid)/refund		<u>(34,03,709)</u>		<u>(63,67,848)</u>
<b>Net Cash from/(used in) operating activities</b>		<u>2,65,58,784</u>		<u>1,65,14,603</u>
<b>B. Cash Flow from Investing Activities :</b>				
Purchase of Fixed Assets/Capital work in Progress	(51,48,591)		(60,47,348)	
Sale of Fixed Assets	-		21,832	
(Purchase)/Sale of Non Current Investments(net)	(22,59,230)		(61,41,019)	
Interest Received	37,088		1,68,865	
<b>Net Cash from/(used in) Investing Activities</b>		<u>(73,70,733)</u>		<u>(1,19,97,670)</u>





**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	For the year ended 2015-16		For the year ended 2014-15	
	(₹)	(₹)	(₹)	(₹)
<b>C. Cash Flow from Financing activities :</b>				
Proceeds of long term borrowings	(50,41,343)			
Repayments of long term borrowings	(9,00,000)		(21,47,260)	
Proceeds from Working capital borrowings (net)	(66,91,593)		66,18,996	
Dividend including dividend tax paid	(25,95,434)		(25,63,152)	
Finance Cost paid	(45,01,426)		(57,33,740)	
<b>Net cash from / (Used in) financing activities</b>		<b>(1,97,29,796)</b>		<b>(38,25,156)</b>
Net increase/(decrease) in cash and cash equivalent (A+B+C)		<b>(5,41,745)</b>		<b>6,91,417</b>
Cash and cash equivalents as at 01.04.2015*		<b>28,57,343</b>		<b>21,65,926</b>
Cash and cash equivalents as at 31.03.2016*		<b>23,15,598</b>		<b>28,57,343</b>
		<b>(5,41,745)</b>		<b>6,91,417</b>

\* Cash and cash equivalent consist of :-

**Cash & Cash Equivalents**

	As at 31.03.2016	As at 31.03.2015
Cash, cheques, drafts in hand etc.	13,329	8,40,578
Balance & Fixed Deposits with Banks	23,02,269	20,16,765
Cash and Cash equivalent	<b>23,15,598</b>	<b>28,57,343</b>

The aforesaid statement is prepared on indirect method.

The figures of the previous year have been reclassified to conform to current year classification

**As per our report of even date annexed**

For SINGHI & CO.  
Chartered Accountants  
Firm Registration No. 302049E

(ADITYA SINGHI)

Partner

Membership No. : 305161

Place : Kolkata

Date : The 14<sup>th</sup> day of May, 2016.

For and on behalf of the Board of Directors

Mr. DHIRENDRA KUMAR (DIN : 00153773)

Mr. S.K.JALAN (DIN : 00015836)

Mrs. DIVYA JALAN (DIN : 00016102)

Mr. G. MOMEN (DIN : 00402662)

Mr. G. D. GUPTA (DIN : 00174114)

Mr. NAVEEN BANSAL (DIN : 00720211)

Mr. H. K. AGRAWAL (DIN : 00355116)

Director

Mr. S. SARBADHIKARY (DIN : 00941840)

Ms. PRIYANKA SHARMA

Mr. H. K. RAJBHAR

- Director-Finance

- Company Secretary

- Chief Financial Officer





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

## 1) Significant Accounting Policies:

## a) Convention

The financial statements have been prepared in accordance with applicable Accounting Standards in India and in accordance with the relevant provisions of the Companies Act, 2013. A summary of important accounting policies which have been applied consistently is set out below.

## Use of Estimates

The preparation of financial statements require judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known / materialized.

## b) Basis of Accounting

The Financial Statements are prepared under the Historical Cost Convention, on an accrual basis and in accordance with the generally accepted accounting principles, (GAAP) in India and the provisions of The Companies Act, 2013.

## c) Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties, taxes, incidental expenses related to acquisition less accumulated depreciation and impairment loss, if any.

Capital Work-in-progress is stated at cost of acquisition.

## d) Depreciation

i) Depreciation on tangible fixed assets other than leasehold land and development is provided on written down value method at the rate determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013.

ii) Intangible Assets are being amortized over a period of three years.

## e) Impairment of Assets

A tangible fixed asset is impaired if its carrying amount exceeds the amount to be recovered through use or sale of the asset. An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is measured as the higher of net selling price and value in use.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or has decreased.

## f) Investments

i) Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

ii) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.

iii) Long-Term Investments are stated at cost. Provision for diminution is made if the decline in value, in the opinion of the management, is other than temporary.

iv) Current Investments are stated at lower of cost or fair value.

## g) Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost is determined on weighted average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition and includes appropriate overheads. Provision is made for obsolete and slow moving stocks, wherever necessary.



Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale. Materials and other items held for use in production of inventories are not written down below the cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

**h) Recognition of Income and Expenditure**

Items of income and expenditure are recognised on accrual basis except insurance & other claims which on ground of prudence are accounted upon certainty of ultimate collection. Dividend income is recognized as and when the right to receive dividend is established.

**i) Employee benefits**

**i) Short Term Employee Benefits:-**

The undiscounted amount of short term employee benefit expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee render service. This benefit includes salary, wages, short term compensatory absences and bonus.

**ii) Long Term Employee Benefits:-**

**Defined Contribution Scheme:** - This benefit includes contribution to Provident Fund Schemes. The contribution is recognized during the period in which the employee renders services.

**Defined Benefit Schemes:** - For defined benefit scheme the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each balance sheet date. The retirement benefit obligation recognized in the balance sheet represents the value of defined benefit obligation as reduced by the fair value of planned assets. Actual gains and losses are recognized in full during the period in which they occur.

**Other Long Term Benefits:** - Long term compensation absence is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method as at the date of Balance Sheet.

**j) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are being capitalized as part of the cost of those assets and other borrowing costs are recognized as expense in the year in which they are incurred.

**k) Taxation**

Current tax is determined on the basis of the amount of tax payable for the year under Income Tax Act and Agricultural Income Tax of the respective state. Deferred Tax liabilities and assets are recognized at substantively enacted tax rates and is recognized on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

**l) Provisions, Contingent Liabilities & Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities, if material, are disclosed by way of notes on accounts. Contingent Assets are neither recognized nor disclosed in the financial statement.





**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

As At 31.03.2016

As At 31.03.2015

₹

₹

**2.1: SHARE CAPITAL**

**Authorised -**

20,00,000 Shares of ₹10/- each 2,00,00,000 2,00,00,000

**Issued, Subscribed & Paid-up**

8,00,000 Equity Shares of ₹10/- each 80,00,000 80,00,000

- There has been no change/movements in number of shares outstanding at the beginning and at the end of the reporting period.
- The Company has only one class of issued shares i.e. Equity Shares having par value of ₹10 per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
- The Company does not have any Holding Company/Ultimate Holding Company.
- Details of shareholders holding more than 5% shares in the Company:

Ordinary Equity Shares of ₹10/- each fully paid up	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	%	No. of Shares	%
Pradip Kumar Khaitan (in the capacity of Trustee of Tea Trust)	1,20,000	15.00	1,20,000	15.00
Nirvan Commercial Company Ltd.	86,963	10.87	86,963	10.87
Shree Durga Agencies Ltd.	83,020	10.38	83,020	10.38
Maryada Advisory Services Pvt. Ltd.	45,290	5.66	45,290	5.66
SPBP Investments Ltd.	45,000	5.63	45,000	5.63

- Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the date as at which the Balance Sheet is prepared - Nil
- No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- No shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- No securities convertible into Equity/Preference shares issued by the Company during the year.
- No calls are unpaid by any Director or Officer of the Company during the year.





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As At 31.03.2016 ₹	As At 31.03.2015 ₹
<b>2.2 : RESERVES AND SURPLUS</b>		
<b>Capital Reserves</b>		
As per the last Financial Statements	<u>31,12,321</u>	<u>31,12,321</u>
<b>General Reserve</b>		
As per the last Financial Statements	18,64,29,038	18,17,00,000
Less : Adjustment due to transitional provision of Schedule II of the Companies Act, 2013 (net of deferred tax of ₹ 1,21,167/-)	-	2,70,962
Add: Transferred from Surplus	<u>50,00,000</u>	<u>50,00,000</u>
	<u>19,14,29,038</u>	<u>18,64,29,038</u>
<b>Surplus</b>		
As per the last Financial Statements	1,57,71,338	89,42,525
Add : Profit for the year	<u>1,87,84,000</u>	<u>1,44,24,247</u>
	<u>3,45,55,338</u>	<u>2,33,66,772</u>
<b>Less : Appropriations</b>		
Proposed Dividend	28,00,000	24,00,000
Corporate Dividend Tax	2,28,110	1,95,434
General Reserve	<u>50,00,000</u>	<u>50,00,000</u>
<b>Net Surplus</b>	<u>2,65,27,228</u>	<u>1,57,71,338</u>
<b>Total Reserves and Surplus</b>	<u>22,10,68,587</u>	<u>20,53,12,697</u>

	Non-Current Portion		Current Maturities	
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹

**2.3 : LONG-TERM BORROWINGS****Secured**

Term Loan from a Bank	-	9,00,000	9,00,000	18,00,000
Term Loan under Tea Board Special Purpose Tea Fund Scheme	-	37,94,083	-	3,47,260
<b>Total Secured Borrowings</b>	<u>-</u>	<u>46,94,083</u>	<u>9,00,000</u>	<u>21,47,260</u>
Amount disclosed under the head "Other Current Liabilities" (Note 2.7)	-	-	9,00,000	21,47,260
<b>Total</b>	<u>-</u>	<u>46,94,083</u>	<u>-</u>	<u>-</u>

**Security**

- i) Term Loan from the Bank is secured by equitable mortgage of Heeleakah Tea Estate and repayable by June'2016 (in one installment).



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	Long-term		Short term	
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>2.4 : PROVISIONS</b>				
<b>Provision for Employee Benefits</b>				
Bonus	-	-	1,13,25,491	93,49,428
Gratuity	-	-	57,47,127	5,23,301
<b>Other Provisions</b>				
Provisions for Taxation (Net of advance)	40,500	40,500	19,46,291	-
Proposed Dividend	-	-	28,00,000	24,00,000
Corporate Dividend Tax*	-	-	2,28,110	1,95,434
	<u>40,500</u>	<u>40,500</u>	<u>2,20,47,019</u>	<u>1,24,68,163</u>

\* In view of favourable order from Hon'ble High Court at Kolkata in case of other Tea Company, the liability for dividend distribution tax has been provided to the extent of 40% of the proposed dividend.

**2.5: SHORT TERM BORROWINGS****Working Capital Borrowings (Secured)**

From a Bank	3,02,49,386	3,69,40,979
	<u>3,02,49,386</u>	<u>3,69,40,979</u>

**Security :**

- i) Secured by way of hypothecation of current assets including stock of finished goods, green leafs & export benefits related to Heeleakah Tea Estate and also by way of hypothecation of all movable plant & machinery & other movable fixed assets, all present and future. The loan is further secured by way of deposit of title deeds of Heeleakah Tea Estate.

	As at 31.03.2016 ₹	As at 31.03.2015 ₹

**2.6: TRADE PAYABLES****For Goods and Services**

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,29,55,802	1,07,70,090
(Refer Note No 2.23b for details of due to Micro, Small & Medium Enterprises)		
	<u>1,29,55,802</u>	<u>1,07,70,090</u>

**2.7 : OTHER CURRENT LIABILITIES**

Current Maturities of Long Term Debt (See Note 2.3)	9,00,000	21,47,260
Interest accrued and due	24,109	-
Unpaid and unclaimed dividends (Amount not due to be deposited as on Balance Sheet date)	6,20,962	5,26,477
Statutory Dues	23,53,623	15,90,585
Advances Received from Customers	2,14,962	2,81,370
Employee Related Liability	36,20,803	28,81,729
Liability for Capital Goods	-	3,85,560
	<u>77,34,459</u>	<u>78,12,981</u>





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

## 2.8 FIXED ASSETS

FIXED ASSETS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	Cost as on 31-3-2015	Additions	Sold/ Adjusted	Total As at 31-3-2016	Up to 31-3-2015	For the Year	On Assets Sold/Disposed	Total as at 31-3-2016	As at 31-3-2015	As at 31-3-2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Leasehold Land & Development (Pre-Amalgamation)	3,71,621	-	-	3,71,621	-	-	-	-	-	3,71,621
Garden Building & Machinery (Pre-Amalgamation)	41,92,147	-	-	41,92,147	39,82,540	-	-	39,82,540	-	2,09,607
Buildings	2,14,85,453	26,08,097	-	2,40,93,550	1,49,00,701	6,46,431	-	1,55,47,132	-	85,46,418
Plant & Machinery	5,30,76,729	27,59,136	-	5,58,35,865	3,93,76,502	38,72,582	-	4,32,49,084	-	1,37,00,227
Vehicles (includes cars, trailers, tractors etc.)	92,13,069	-	-	92,13,069	71,30,453	6,61,955	-	77,92,408	-	20,82,616
Furniture & Fittings	9,88,261	-	-	9,88,261	8,60,446	33,699	-	8,94,145	-	1,27,815
Office equipments	5,15,447	94,266	-	6,09,713	3,63,975	1,04,124	-	4,68,099	-	1,41,614
Total Tangible	8,98,42,727	54,61,499	-	9,53,04,226	6,66,14,617	53,18,791	-	7,19,33,408	-	2,33,70,818
Intangible Assets	-	13,000	-	13,000	-	2,587	-	2,587	-	10,413
Total Intangible	-	13,000	-	13,000	-	2,587	-	2,587	-	10,413
Total	8,98,42,727	54,74,499	-	9,53,17,226	6,66,14,617	53,21,378	-	7,19,35,995	-	2,33,81,231
Previous Year	8,45,91,070	61,74,236	9,22,579	9,98,42,727	6,17,80,854	57,38,442	9,04,679	6,66,14,617	2,32,28,110	2,28,10,216
Capital Work in progress	-	-	-	-	-	-	-	-	-	1,50,000

- Note: 1) Leasehold Land and development could not be bifurcated between freehold and leasehold in absence of necessary details.  
2) The Assam Government acquired approximately 412 Hectares of land of Tea Estate under Assam Fixation of Ceiling of Land Holding Act, 1956 in earlier years. As the amount of compensation has not been finalised, it will be accounted for as and when received.  
3) As per the requirements of Accounting Standard-28 on "Impairment of Assets", the Company has assessed the carrying amount of the tangible fixed assets vis a vis their recoverable values and no impairment has been envisaged at the balance sheet date.





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	Face Value ₹	As at 31.03.2016		As at 31.03.2015	
		No. of units	Amount ₹	No. of units	Amount ₹
<b>29 NON-CURRENT INVESTMENTS</b>					
<b>INVESTMENTS (At cost, unless otherwise stated)</b>					
<b>Long term (Other than Trade)</b>					
<b>Fully Paid-Up Shares/Securities</b>					
<b>Unquoted :</b>					
20 Nos 5% Non Redeemable Registered Mortgage					
Debenture Stock of ₹ 100/- each of					
Woodlands Hospital & Medical Research Centre Ltd.	100	20	2,000	20	2,000
100 Equity Shares of ₹ 10/- each of ABC Tea					
Workers Welfare Service	10	100	1,000	100	1,000
			<u>3,000</u>		<u>3,000</u>
<b>Units in MUTUAL FUNDS(Quoted)</b>					
Birla Sunlife Dynamic Bond Fund	10	6,79,329	1,30,00,000	6,40,157	1,20,00,000
Birla Sunlife Income Plus (G)	10	2,34,966	1,20,00,000	2,34,966	1,20,00,000
UTI Bond Fund Growth Plan Regular	10	3,46,575	1,21,00,000	3,46,575	1,21,00,000
HDFC Balance Fund Growth	10	2,74,250	1,60,00,000	2,74,250	1,60,00,000
ICICI Prudential Income Opportunities Growth	10	8,28,242	1,24,01,261	8,28,242	1,24,01,261
IDFC Dynamic Bond Fund	10	5,44,754	1,20,00,000	5,44,754	1,20,00,000
Birla Sunlife '95 Fund - Growth	10	19,897	56,59,013	19,897	56,59,013
ICICI Prudential Income Plan Growth	10	-	-	2,22,634	80,00,000
Reliance Income Fund Growth Plan	10	2,67,757	1,00,00,000	2,67,757	1,00,00,000
Kotak Bond Fund	10	6,18,730	2,00,00,000	6,18,730	2,00,00,000
Reliance Equity Opportunities Growth	10	92,860	55,00,000	92,860	55,00,000
Reliance Regular Savings Balance Fund	10	6,94,541	1,60,00,000	6,94,541	1,60,00,000
HDFC Prudence Fund-Growth	10	75,010	1,53,68,051	75,010	1,53,68,051
ICICI Prudential Balance Advantage Fund Regular (G)	10	7,98,293	1,50,00,000	10,64,391	2,00,00,000
Birla Sunlife Frontline Equity Fund (G)	10	49,200	83,00,000	49,200	83,00,000
DSP Blackrock India T.L.G.E.R. Fund Growth	10	33,896	20,00,000	33,896	20,00,000
Franklin India Prima plus Growth	10	17,816	80,00,000	17,816	80,00,000
HDFC Top 200 Fund Growth	10	21,085	65,00,000	21,085	65,00,000
HDFC Midcap Opportunities Fund Growth	10	87,933	25,00,000	87,933	25,00,000
ICICI Prudential Dynamic Regular Plan Growth	10	29,982	50,00,000	29,982	50,00,000
ICICI Prudential value Discovery Fund Growth	10	67,956	60,00,000	67,956	60,00,000
L & T Equity Fund Growth	10	1,17,282	76,00,000	1,17,282	76,00,000
UTI Equity Fund Growth	10	70,953	75,00,000	70,953	75,00,000
L & T Prudence Fund Growth	10	4,82,238	90,00,000	-	-
TATA Balance Fund Growth	10	56,928	90,00,000	-	-
<b>Total</b>			<u>23,64,28,325</u>		<u>23,04,28,325</u>
<b>Long term (Trade)(Unquoted)</b>					
Ganga Steel & Alloys Limited	10	9,30,000	93,00,000	9,30,000	93,00,000
Less: Provision for diminution in value of investment			93,00,000		93,00,000
<b>Grand Total</b>			<u>23,64,31,325</u>		<u>23,04,31,325</u>
Book value of Unquoted Investments			3,000		3,000
Book value of Quoted Investments			<u>23,64,28,325</u>		<u>23,04,28,325</u>
Market Value of Quoted Investments			<u>31,39,42,298</u>		<u>31,04,45,862</u>





**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>2.10 DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Assets</b>		
Arising on account of :		
Carryover Capital Losses	8,33,720	7,98,876
Section 43B of Income-tax Act	24,879	20,625
Less : Deferred Tax Liabilities		
Arising on account of :		
Accumulated Depreciation	<u>82,348</u>	<u>4,14,748</u>
<b>Deferred Tax Assets (Net)</b>	<b><u>7,76,251</u></b>	<b><u>4,04,753</u></b>

**Note:**

- i) Deferred tax assets and deferred tax liabilities have been offset as they relate to same governing tax law.
- ii) Deferred tax on carryover capital losses has been carried forward on the certainty of reversal of the same based on the projected availability of future taxable income.

	Long-term		Short-term	
	As at 31.03.2016 ₹	As at 31.03.2015 ₹	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>2.11 LOANS &amp; ADVANCES</b>				
<b>Security Deposits</b>				
Unsecured and considered good	28,61,575	27,39,750	-	-
<b>Other Loans and Advances</b>				
(Unsecured, Considered good unless otherwise mention)				
Advance Tax and TDS (Net of provisions)	44,49,621	49,18,227	-	-
Advance against supply of Goods and Services	-	-	28,817	6,33,984
Prepaid Expenses	-	-	5,30,175	4,32,522
Loan/Advance to Employees	-	-	3,85,000	6,900
Balances with Government & Statutory Authorities	-	-	208	1,03,637
Income Tax Refund Receivable	-	-	4,78,570	4,78,570
Receivable under Tea Board SPTF Scheme	-	-	-	3,82,844
Other Deposits and Advances	-	-	<u>19,22,429</u>	<u>13,91,588</u>
	<u>44,49,621</u>	<u>49,18,227</u>	<u>33,45,199</u>	<u>34,30,045</u>
	<u>73,11,196</u>	<u>76,57,977</u>	<u>33,45,199</u>	<u>34,30,045</u>

**2.12 : INVENTORIES**

(As valued and certified by the Management)

Finished Goods	1,49,57,839	39,34,840
Stores in Transit	-	4,18,231
Stores and Spares	<u>1,17,44,049</u>	<u>1,13,74,843</u>
	<u>2,67,01,888</u>	<u>1,57,27,914</u>
<b>Details of Inventories :</b>		
Tea (Finished Goods)	<u>1,49,57,839</u>	<u>39,34,840</u>

**2.13 : TRADE RECEIVABLES**

(Unsecured and considered good)

Outstanding for a period exceeding six months	41,515	57,757
Other Receivables	<u>9,87,209</u>	<u>8,27,704</u>
	<u>10,28,724</u>	<u>8,85,461</u>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	For the Year Ended 31.03.2016 ₹	For the Year Ended 31.03.2015 ₹
<b>2.14 : CASH AND BANK BALANCES</b>		
<b>Balances With Banks :</b>		
In Current Account	23,02,269	20,16,765
Cash on hand	13,329	8,40,578
<b>Other Bank Balances :</b>		
Unpaid Dividend Account	6,20,962	5,26,477
	<u>29,36,560</u>	<u>33,83,820</u>
<b>2.15 : OTHER CURRENT ASSETS</b>		
Other Receivables	33,379	28,620
	<u>33,379</u>	<u>28,620</u>
<b>2.16 : REVENUE FROM OPERATIONS</b>		
Sale of Finished Goods	28,40,98,860	30,34,20,942
<b>Other Operating Revenues</b>		
Subsidies	-	18,24,986
	<u>28,40,98,860</u>	<u>30,52,45,928</u>
<b>DETAILS OF SALE OF FINISHED GOODS</b>		
Tea	28,40,98,860	30,34,20,942
	<u>28,40,98,860</u>	<u>30,34,20,942</u>
<b>2.17 : OTHER INCOME</b>		
Interest Income on others	37,088	1,69,335
Profit on sale of Long-term Investments (Net)	37,00,053	71,54,992
Profit on sale of Short-term investments (Net)	40,717	32,09,986
Profit on sale of Fixed Assets (Net)	-	3,932
Unclaimed Balances Written Back	49,291	54,056
Miscellaneous Income	24,744	3,20,094
	<u>38,51,893</u>	<u>1,09,12,395</u>
<b>2.18 : COST OF MATERIALS CONSUMED</b>		
Green Leaf	4,58,14,508	4,40,69,078
<b>2.19 : (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods (Tea)	39,34,840	87,89,284
<b>Inventories at the end of the year</b>		
Finished Goods (Tea)	1,49,57,839	39,34,840
	<u>(1,10,22,999)</u>	<u>48,54,444</u>
<b>2.20 : EMPLOYEE BENEFIT EXPENSE</b>		
Salaries & Wages	8,69,18,116	7,88,98,872
Managerial Remuneration	6,12,000	5,46,000
Contribution to Provident Fund and Others	73,86,726	63,24,487
Contribution to Gratuity Fund	57,47,127	20,09,946
Staff Welfare Expenses	77,30,953	72,14,303
	<u>10,83,94,922</u>	<u>9,49,93,608</u>





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

	For the Year Ended 31.03.2015 ₹	For the Year Ended 31.03.2014 ₹
<b>2.21 : FINANCE COST</b>		
<b>Interest Expenses</b>		
To Bank & Others		
On Working Capital Loan	37,66,574	39,16,604
On Term Loan	3,06,632	8,77,887
On Others	1,932	3,21,592
<b>Other Borrowing Cost</b>		
Other Financial Charges	4,50,397	6,76,666
	<u>45,25,535</u>	<u>57,92,749</u>
<b>2.22 : OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Stores, Spare Parts & Packing Materials Consumed	4,97,76,884	8,66,10,111
Power & Fuel	2,67,07,088	2,42,68,670
Repairs to Buildings	29,48,764	26,79,555
Repairs to Machinery	31,37,624	81,08,569
Repairs to Vehicles	30,10,580	32,13,124
Repairs to Other Assets	8,78,751	4,48,923
	<u>8,64,59,691</u>	<u>12,33,28,952</u>
<b>Selling and Administration Expenses</b>		
Freight & Cartage	57,10,878	48,11,694
Insurance	4,15,129	4,04,359
Commission, Brokerage & Discount etc.	46,47,371	44,52,305
Warehousing and other selling expenses	16,00,832	14,12,746
Rates & Taxes (Duty & Cess)	39,90,574	37,83,140
Travelling and Conveyance	15,60,368	7,67,003
Auditors' Remuneration-		
Statutory Audit Fees	1,50,000	1,50,000
Tax Audit Fees	30,000	30,000
Issue of Certificates	1,00,000	75,000
Service Tax on above	40,350	31,518
Legal & Professional Charges	16,19,633	9,41,685
Bad Debts / advances & Claims written off.	16,514	28,236
Directors' Fees	3,20,000	2,20,000
Other Miscellaneous Expenses	40,24,961	37,49,223
	<u>2,42,26,610</u>	<u>2,08,56,909</u>
	<u>11,06,86,301</u>	<u>14,41,85,861</u>







## DISCLOSURES AS PER ACCOUNTING STANDARD - 15

PARTICULARS	2015-16	2014-15
	Gratuity Plan (₹)	Gratuity Plan (₹)
<b>A EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31ST MARCH, 2016</b>		
i Current Service Cost	28,39,688	21,48,969
ii Interest Cost	17,70,195	17,10,930
iii Expected return on Plan Assets	(17,29,553)	(18,21,268)
iv Actuarial (Gain) / Losses	28,66,797	(28,685)
v Past Service Cost		
vi Expenses recognized in the Statement of Profit & Loss	57,47,127	20,09,946
<b>B NET (ASSETS) / LIABILITIES RECOGNIZED IN BALANCE SHEET AS AT 31ST MARCH, 2016</b>		
i Present Value of the Defined Benefit Obligation	2,93,17,755	2,27,92,653
ii Fair Value of Plan Assets	2,35,70,628	2,22,69,352
iii Net (Assets)/Liabilities recognized in Balance Sheet	57,47,127	5,23,301
<b>C CHANGES IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION DURING THE YEAR ENDED 31ST MARCH, 2016</b>		
i Present Value of Defined Benefit Obligation as at 1st April, 2015	2,27,92,653	2,13,60,381
ii Current Service Cost	28,39,688	21,48,969
iii Interest Cost	17,70,195	17,10,930
iv Past Service Cost		
v Actuarial (Gain) / Losses	35,71,696	(9,86,949)
vi Benefits Paid	(16,56,477)	(14,40,678)
vii Present value of obligation as at 31st March, 2016	2,93,17,755	2,27,92,653
<b>D CHANGES IN FAIR VALUE OF PLAN ASSETS DURING THE YEAR ENDED 31ST MARCH, 2016</b>		
i Fair value of Plan Assets as at 1 <sup>st</sup> April, 2016	2,22,69,352	2,14,47,028
ii Expected return on Plan Assets	17,29,553	18,21,268
iii Actuarial Gain/(Losses)	7,04,899	(9,58,264)
iv Benefits paid	(16,56,477)	(14,40,678)
v Contributions	5,23,301	14,00,000
vi Fair value of Plan Assets as at 31 <sup>st</sup> March, 2016	2,35,70,628	2,22,69,352
vii Actual return on Plan Assets	24,34,452	8,63,004
<b>E PRINCIPLE ACTUARIAL ASSUMPTIONS USED</b>		
i Discount rates as at 31st March, 2016	8.10%	7.75%
ii Expected Return on Plan Assets	8.00%	8.00%
iii Expected Salary increase rates	5% for first 2 years & 4% thereafter	8.00%
iv Mortality rates	LIC (2006-08) Ultimate Table	LIC (2006-08) Ultimate Table
<b>F WITHDRAWAL RATE</b>	1% to 2% depending on age	1% to 2% depending on age
<b>G MAJOR CATEGORIES OF PLAN ASSETS AS A PERCENTAGE OF FAIR VALUE OF PLAN ASSETS. INSURED MANAGED FUNDS</b>	100%	100%





**Notes :**

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply & demand in the employment market.
- The expected rate of return on Plan Assets is determined based on the portfolio of assets, existing investments along with the Strategic changes in the portfolio and market scenario. The Plan Assets are diversified reasonable to maximize the return within acceptable risk parameters.
- The Company expects to contribute ₹30,00,000/- to its gratuity fund in 2016-17.
- The amounts for the current annual period and previous four annual periods are as follows:

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
	(₹)	(₹)	(₹)	(₹)	(₹)
Present value of defined obligation	2,93,17,755	2,27,92,653	2,13,60,381	2,07,17,082	1,94,99,590
Fair Value of Plan Assets	2,35,70,628	2,22,89,352	2,14,47,026	2,05,95,321	1,96,14,095
Excess of obligation over Plan Assets	57,47,127	5,23,301	(86,645)	1,21,761	(1,14,505)

e) **Segment Reporting:**

Based on the guiding principles given in the Accounting Standard on Segment Reporting (AS17) as notified by the Company Accounting Standard Rules 2006, the Company is a single segment company engaged in the manufacture of tea.

f) **Related Party Disclosures:**

**List of Related Parties**

i) **Parties where control exists:**

Ganga Steel and Alloys Ltd. - Associate.

ii) **Key Managerial Personnel:**

- 1) Mr. S. Sarbadhikary - Director (Finance)  
Managerial Remuneration paid - ₹6,12,000/- (P.Y. ₹5,46,000/-)
- 2) Mr. H. K. Rajbhar - CFO  
Remuneration paid - ₹3,92,350/- (P.Y. ₹12,434/-\*)
- 3) Mrs. Priyanka Sharma - Company Secretary.  
Remuneration paid - ₹2,84,503/-\*\*

\* For part of the year (joined on 30.03.2015)

\*\* For part of the year (joined on 08.07.2015)

g) **Expenditure in foreign currency**

	2015-16	2014-15
Travelling	₹8,93,172/-	Nil

h) **The amount of borrowing cost capitalized during the year is ₹ NIL**





i) Value of Raw materials and Spares Consumed

	Raw Materials Consumed				Spares-Parts Consumed			
	2015-16		2014-15		2015-16		2014-15	
	Value(₹)	%	Value(₹)	%	Value(₹)	%	Value(₹)	%
Imported	-	-	-	-	-	-	-	-
Indigenous	4,58,14,508	100.00	4,40,69,078	100.00	18,58,116	100.00	47,19,843	100.00
<b>Total</b>	<b>4,58,14,508</b>	<b>100.00</b>	<b>4,40,69,078</b>	<b>100.00</b>	<b>18,58,116</b>	<b>100.00</b>	<b>47,19,843</b>	<b>100.00</b>

j) Earnings Per Share :

	Year ended 31.03.2016	Year ended 31.03.2015
Profit after Taxation as per statement of Profit & Loss(₹)	1,87,84,000	1,44,24,247
Weighted average number of equity shares outstanding at the year end	8,00,000	8,00,000
Basic and diluted earnings per share of face value of ₹10/-	23.48	18.03

k) Previous year figures have been regrouped or rearranged wherever considered necessary.

As per our report of even date annexed

For and on behalf of the Board of Directors

For SINGHI & CO.  
Chartered Accountants  
Firm Registration No. 302049E

(ADITYA SINGHI)  
Partner  
Membership No. : 305161  
Place : Kolkata  
Date : The 14<sup>th</sup> day of May, 2016.

Mr. DHIRENDRA KUMAR (DIN : 00153773)  
Mr. S.K.JALAN (DIN : 00015836)  
Mrs. DIVYA JALAN (DIN : 00016102)  
Mr. G. MOMEN (DIN : 00402662)  
Mr. G. D. GUPTA (DIN : 00174114)  
Mr. NAVEEN BANSAL (DIN : 00720211)  
Mr. H. K. AGRAWAL (DIN : 00355116)

Director

Mr. S. SARBADHIKARY (DIN : 00941840) - Director-Finance  
Ms. PRIYANKA SHARMA - Company Secretary  
Mr. H. K. RAJBHAR - Chief Financial Officer

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3)(c) of the Companies (Management and Administration) Rules, 2014]



### The Scottish Assam (India) Limited

Regd. Off.: 1, Crooked Lane, Kolkata - 700069

CIN: L01132WB1977PLC031175

Website : www.scottishassam.com E-mail : scottishassam@gmail.com

Name of the member (s) :

Registered address :

E-mail Id :

Folio No / Client Id :

DP ID :

I/We, being the member (s) of.....Shares of the above named company, hereby appoint

1. Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him
2. Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him
3. Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on the 22nd day of July, 2016 at 11:30 a.m. at Gyan Manch, 11, Pretoria Street, Kolkata - 700071 and at any adjournment thereof in respect of such resolutions as are indicated below :

Ordinary Business		
Ordinary Resolutions	For	Against
1. Receive, Consider and adopt Audited Account and Report of Board of Directors and Auditors.		
2. Declaration of Dividend for the year 2015-16.		
3. Re-appointment of Mrs. Divya Jalan who retires by rotation.		
4. Re-appointment of Auditors and fixing their remuneration.		
Special Business		
Ordinary Resolutions		
5. Approval of Appointment of Mr. Sandeep Kumar Jalen, as regular Director.		
6. Approval of Appointment of Mr. Alok Krishna Agarwal as Independent Director.		
7. Approval of Appointment of Mr. Sankar Kumar Basu Sarbadhikary as Whole-time Director.		

Signed this.....day of.....2016

Affix  
Revenue  
Stamp

(Signature of the shareholder)

Signature of Proxy holder(s)

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**FORM NO. MGT - 12**  
**Polling Paper**

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies  
(Management and Administration) Rules, 2014]



**The Scottish Assam (India) Limited**

Regd. Off.: 1, Crooked Lane, Kolkata - 700069  
CIN: L01132WB1977PLC031175

Website : www.scottishassam.com E-mail : scottishassam@gmail.com

**BALLOT PAPER**

S. No.	Particulars	Details
1.	Name of the First Named Shareholders (In block letters)	
2.	Postal address	
3.	Registered folio No./ *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary / Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Ordinary Business	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Resolutions				
1.	Receive, Consider and adopt Audited Account and Report of Board of Directors and Auditors.			
2.	Declaration of Dividend for the year 2015-16.			
3.	Re-appointment of Mrs. Divya Jalan who retires by rotation.			
4.	Re-appointment of Auditors and fixing their remuneration.			
Special Business				
Ordinary Resolutions				
5.	Approval of Appointment of Mr. Sandeep Kumar Jalan, as regular Director.			
6.	Approval of Appointment of Mr. Alok Krishna Agarwal as Independent Director.			
7.	Approval of Appointment of Mr. Sankar Kumar Basu Sarbadhikary as Whole-time Director.			

Place :

Date :

(Signature of the shareholder)