

**Financial Year
2017-18**

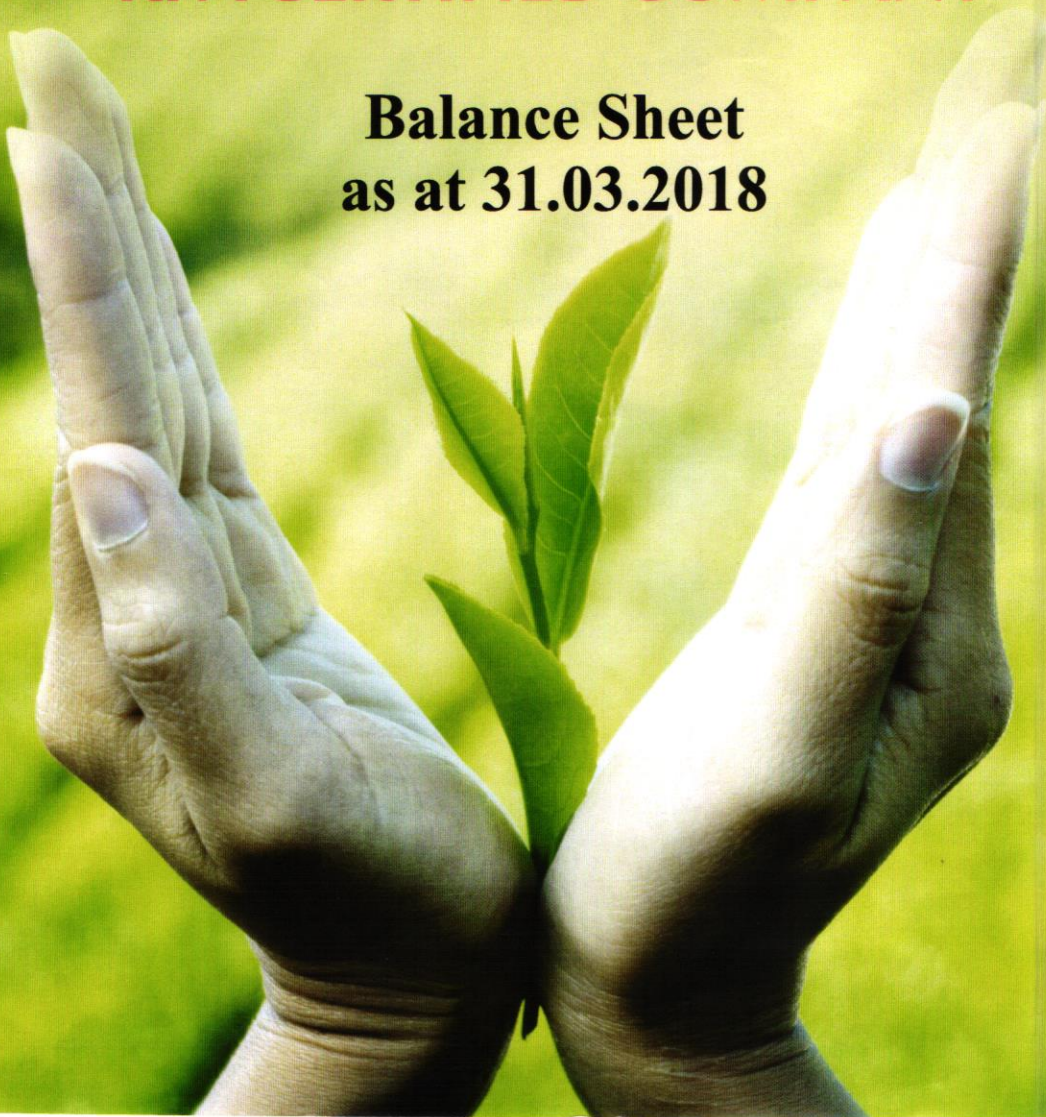


INDONG TEA CO. PVT. LTD.

4/1, Middleton Street, Kolkata - 700 071

**ISO 22000, TRUST TEA &
RFA CERTIFIED COMPANY**

**Balance Sheet
as at 31.03.2018**



Corporate Information

Board of Directors	:	Shri Hariram Garg Shri Madanlal Garg Shri Rajesh Garg " SANJAY MITRAKA.
Chief Financial Officer	:	Shri Manoj Kumar Ganguly
Auditors'	:	D. C. Dharewa & Co. 41, N. S. Road, (Room No – 503) 5 th Floor Kolkata – 700001
Bankers	:	Kotak Mahindra Bank Limited
Registered Office	:	Sikkim Commerce House 5 th Floor 4/1, Middleton Street Kolkata – 700071
CIN No	:	U01122WB1990PTC050506
E-mail	:	indongtea@asiangroup.in
Telephone No.	:	033 4006 3601 / 02
Fax No.	:	033 2280 3101
Tea Garden	:	Indong Tea Estate P.O. - Matelli, Dist- Jalpaiguri (W.B) Pin: 735223
Supt. Manager	:	Shri Rajat Deb

INDONG TEA COMPANY PRIVATE LIMITED

CIN-U01122WB1990PTC050506

DIRECTOR'S REPORT

The Directors are pleased to present the Annual Report together with the Audited Accounts of the company for the year ended 31st March 2018.

<u>FINANCIAL RESULTS:</u>	2017-18	2016-17
Sales & Other Income	13,93,22,953	13,84,37,111
Net Profit/(Loss) for the year	7,88,053	(50,53,839)
Profit / (Loss) after Tax :	(12,26,511)	(53,20,337)
Add : Balance of Profit/(Loss) from previous years	(7,80,70,675)	(7,27,50,338)
Balance carried to Balance Sheet	(7,92,97,186)	(7,80,70,675)

1. DIVIDEND

The Directors' do not recommend any dividend for this year due to loss.

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

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the Financial Year 2017-2018, Your Company reported a Net loss of Rs.12.26 Lacs against Net loss of Rs.53.20 Lacs during the previous year. The Director mentioned that continuous efforts are being made to improve the operation and the overall outlook in the coming years appear to be stable and encouraging.

The total crop (Green leaf) harvested during the year 2017-18 was 3507459 Kg & Green Leaf purchased during the year was 275202Kg purchased from small growers and Total Tea made is 906022 Kg.

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

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

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

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, 2018 is given here below:

A. Conservation of Energy :

- I. In line with the Company's commitment towards conservation of energy, tea estate and units continue with their efforts aimed at improving energy efficiency through improved operational and maintenance practices. The steps taken in this direction at tea estate and unit are as under :
 - Reducing power consumption by providing coal savers, wind ventilators and VFBD driers.
 - Replacement of inefficient motors with energy efficient motors.
 - Upgradation of Machineries and installation of new machineries based on fuel or power efficiency.
 - Maintenance and overhauls of generators to achieve a high unit per ltr. delivery
 - Monitoring the maximum demand and power load factor on daily basis.
 - Installation of adequate power capacitors for efficient utilization of available power.
 - Optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity consumption bills.
- II. Company Proposed for installation of solar pump set for irrigation and street lighting at workers colony as well as factory compound for utilizing alternate source of energy.
- III. The Capital investment on energy conservation equipment was NIL.

B. Technology Absorbtion :

- I. Managerial staff are encouraged to attend seminars and training programmes for agricultural practices in the field and manufacturing process in the factories.
- II. The benefits derived like increase in productivity and cost reduction in tea estate.
- III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – NOT APPLICABLE.
- IV. Expenditure on R&D – Research & Development activities are being carried out as part

of the Company's normal business activities. Hence, no separate expenditure figures are available. In addition, the Company contributes for the activities of Tea Research Association regularly.

The Company has incurred an expenditure of ` 1.75 lakh being amount paid to TRA as above.

C. Foreign Exchange Earnings and Outgo

There was no foreign exchange inflow or Outflow.

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

The Company has adopted necessary measures concerning the development and implementation of a Risk Management Policy after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself.

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

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

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

There was no loan, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

10. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS

There were no qualifications, reservations or adverse remarks made by the Auditors in their Report and therefore need no further explanation.

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

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

12. ANNUAL RETURN

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

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

The Company had 5 (Five) Board meetings during the financial year on 2.06.2017, 18.08.2017, 30.10.2017, 24.01.2018 and 30.03.2018.

14. DIRECTORS RESPONSIBILITY STATEMENT

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

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

15. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

16. DEPOSITS

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

17. DECLARATION OF INDEPENDENT DIRECTORS

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

18. STATUTORY AUDITORS

M/S D.C. Dharewa & Co., CHARTERED ACCOUNTANTS, the retiring Auditors have indicated their willingness to act as Auditors. Their continuance of appointment is to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Board recommends the re-appointment of the existing Auditors.

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

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

20. SHARES

a) BUY BACK OF SECURITIES

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

b) SWEAT EQUITY

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

c) BONUS SHARES

No Bonus Shares were issued during the year under review.

d) EMPLOYEES STOCK OPTION PLAN

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

21. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WORKER AT WORK PLACE (PREVENTION PROHIBITION AND REDRESSAL ACT, 2013)

The Company has formulated and put into practice the suitable policy in view of the above Act for redressal of complaints. Your Directors further state that during the year under review, there was no cases filed pursuant to the said Act.

22. QUALITY UPGRADATION

The Company is continuously trying to improve the quality of the tea and has received quality approval certificates from Trust Tea and SGS 22000. Company has also submitted all the documents required for the registration of Rain Forest Alliance, which is under process.

23. DEVELOPMENT

A) Factory

Substantial work has been done in upgradation & modernisation of Tea Processing Factory.

- i) 3 Old CTC Machine, Rotarvane, Gogies have been replaced by new ones.
- ii) Humidification plant has been installed.
- iii) Sorting room has been extended and equipped with new & modern sorters.
- iv) Workshop has been upgraded.
- v) Substantial no. of roofing sheets have been replaced.
- vi) Filter Machines for Safe drinking water has been installed.
- vii) Washroom, changing rooms, Toilets have been made as per RFA Guidelines.

B) Plantation/ Garden

95 Acres have been replanted with high yielding seed plants. Uprooting of 70 Acres have been done for further replanting. A nursery with a capacity of more than 8 lakhs plants have been created.

C) Organic Manure

It is very much essential to enrich and improve the soil structure. A large set up has been created to produce Vermi Compost manure in house, which will be utilised for new & extended plantations.

D) Dairy Farm

The estate has started a well-planned "Dairy Farm Project" having comfortable accommodation facility for around 70 bovines. About 50% of the "Deshi" Cows have already been brought from Gir, Gujarat which is considered to be the best species available in the country as its Milk, Urine and Cow-dung are repleted with tremendous medicinal properties. The Dairy Farm once starts functioning in full swing, it will generate employment for the eligible dependents of the permanent garden workers.

E) Water Supply And Sanitation:

Three Nos. of Piped Water Supply Scheme has also been Sanctioned for the workers' colonies of this estate by the P.H.E. Department, Government of West Bengal. NOC has already been issued by the garden authority and survey work by the concerned department has been carried out. The work is expected to commence soon.

F) Co-Operate Society:

A co-operative shop is constructed by WB Govt for the availability of essential goods to workers at reasonable price. The estate had given NOC for land.

G) New Buildings:

Pukka Store Godowns for Ration, Fuel, Pesticide and Chemicals, Fertilizers, Sprayers, Stores have been constructed for safe and proper storage.

H) Labour Welfare

- i) Workers Recreation Club has been built for the entertainment / recreation of the labourers.
- ii) One Vocational Training Centre has been built up for giving vocational training to the children of the workers. Already sewing machine & computers are installed for their training.
- iii) Regular periodical Health check-up is organised in the garden Hospital.
- iv) Labour Quarters are constantly under repairs & maintenance.
- v) 100 Toilets have been constructed.
- vi) Pukka Road consisting approx. 6kms has been built up under the PMGSY (Pradhan Mantri Gram Sadak Yojna).

24. EMPLOYEES & EMPLOYERS RELATION

The Management has good repo & relation with its employees and workers.


25. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers **Kotak Mahindra Bank Limited**, business associates, consultants, vendors, brokers and various Government Authorities for their continued support extended to your Companies during the year under review. Your Directors also acknowledge gratefully the shareholders support and confidence reposed on your Company.

Registered Office:
4/1, Middleton Street,
Kolkata - 700 0071

Date: 25th Day of May, 2018

On behalf of the Board of Directors


Hariram Garg
Director
(DIN: 00216053)

'ANNEXURE A'

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018**

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN:	U01122WB1990PTC050506
ii) Registration Date:	28-12-1990
iii) Name of the Company:	INDONG TEA COMPANY PVT LTD
iv) Category / Sub-Category of the Company:	PRIVATE LIMITED
v) Address of the Registered office and contact details :	4/1, MIDDLETON STREET SIKKIM COMMERCE HOUSE, 5 TH FLOOR, KOLKATA -700 071
vi) Whether listed company :	NO
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:	NOT APPLICABLE

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the
1.	TEA PLANTATION AND MANUFACTURING	01132	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1	-	N/A	-	-	-

i) Category-wise Share Holding

[illegible]

(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	5107119	5107119	100	-	5107119	5107119	100	-

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	ASIAN CAPITAL MARKET LIMITED	319087	6.25	Nil	319087	6.25	Nil	0
2	ASIAN TEA & EXPORTS LTD	1637798	32.07	Nil	1637798	32.07	Nil	0
3	AZAMABAD TEA COMPANY PVT LTD	431579	8.45	Nil	431579	8.45	Nil	0
4	MADAN LAL GARG	375579	7.35	Nil	375579	7.35	Nil	0
5	DEBIJHORA TEA COMPANY LTD	185263	3.63	Nil	185263	3.63	Nil	0
6	SRIRAM TOKHARAM TEA VANIJYA PVT LTD	66352	1.30	Nil	66352	1.30	Nil	0
7	RAMESH KUMAR AGARWAL	81421	1.59	Nil	81421	1.59	Nil	0
8	RAMESH KUMAR AGARWAL & SONS (HUF)	18237	0.36	Nil	18237	0.36	Nil	0
9	ANITA AGARWAL	69184	1.35	Nil	69184	1.35	Nil	0
10	SANJAY KUMAR AGARWAL	132421	2.59	Nil	132421	2.59	Nil	0
11	SANJAY KUMAR AGARWAL & SONS	17737	0.35	Nil	17737	0.35	Nil	0
12	INDRA DEVI AGARWAL	67526	1.32	Nil	67526	1.32	Nil	0
13	SOHAN LAL AGARWAL	70553	1.38	Nil	70553	1.38	Nil	0

14	PAWAN KUMAR AGARWAL	101605	1.99	Nil	101605	1.99	Nil	0
15	MANOJ KUMAR AGARWAL	46316	0.91	Nil	46316	0.91	Nil	0
16	GREENEX CHEMICALS PVT LTD	157895	3.09	Nil	157895	3.09	Nil	0
17	IBM FINANCE & INVESTMENT PVT LTD	588516	11.52	Nil	588516	11.52	Nil	0
18	HARIRAM GARG	60000	1.17	Nil	60000	1.17	Nil	0
19	SUNIL GARG	60000	1.17	Nil	60000	1.17	Nil	0
20	RAJESH GARG	60000	1.17	Nil	60000	1.17	Nil	0
21	ASIAN HOUSING & INFRASTRUCTURE	120000	2.35	Nil	120000	2.35	Nil	0
22	BRAHMAPUTRA COMMODITIES PVT	440000	8.62	Nil	440000	8.62	Nil	0
23	CHAMPA DEVI VERMA	5	0.0	Nil	5	0.0	Nil	0.00
24	DURGA KADEL	5	0.0	Nil	5	0.0	Nil	0.00
25	KISHORI VERMA	5	0.0	Nil	5	0.0	Nil	0.00
26	PREMA DEVI SONI	5	0.0	Nil	5	0.0	Nil	0.00
27	SUKH DEO SANJEEV KUMAR (HUF)	5	0.0	Nil	5	0.0	Nil	0.00
28	SUKH DEO VERMA	5	0.0	Nil	5	0.0	Nil	0.00
29	SURESH CHANDRA BINOD KUMAR (HUF)	5	0.0	Nil	5	0.0	Nil	0.00
30	TEJPAL SONI	5	0.0	Nil	5	0.0	Nil	0.00
31	BANSHIDHAR AGARWAL & SONS	5	0.0	Nil	5	0.0	Nil	0.00
32	RINKU AGARWAL	5	0.0	Nil	5	0.0	Nil	0.00

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1					
	At the beginning of the year	N.A.	N.A	N.A.	N.A.
	Increase/ (Decrease) in Promoters Share holding during the year.	Increase in no. of shares - N.A			
	At the End of the year	N.A	N.A	N.A	N.A.

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

Name of the Shareholder:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year				-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/	-	N/A	-	-
	At the End of the year (or on the date of separation, if separated during the year)			-	-

Name of the Shareholder:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year		N/A	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)			-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the company
	For Each of the Directors				
1.	HARIRAM GARG				
	At the beginning of the year	60000	1.17		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/	Increase in no. of shares - 0			
	At the End of the year	60000	1.17	60000	1.17

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors	No. of shares	% of total shares of the	No. of shares	% of total shares of the company
2.	MADAN LAL GARG				
	At the beginning of the year	375579	7.53		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/ transfer/ bonus/	Increase in no. of shares - 0			
	At the End of the year	375579	7.53	375579	7.53
Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors	No. of shares	% of total shares of the	No. of shares	% of total shares of the company
3.	RAJESH GARG				
	At the beginning of the year	60000	1.17		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/ transfer/ bonus/	Increase in no. of shares - 0			
	At the End of the year	60000	1.17	60000	1.17

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	2,30,65,676	6,18,64,616	NIL	8,49,30,292
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total(i+ ii+ iii)	2,30,65,676	6,18,64,616	NIL	8,49,30,292
Change in Indebtedness during the financial year:				
- Addition	4,07,38,791	2,66,09,018	NIL	6,73,47,809
- Reduction	(2,24,64,863)	(85,98,215)	NIL	(3,10,63,078)
Net Change	1,82,73,928	1,80,10,803	NIL	3,62,84,731
Indebtedness at the end of the financial year:				
i) Principal Amount	4,13,39,604	7,98,75,419	NIL	12,12,15,023
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total(i+ii+iii)	4,13,39,604	7,98,75,419	NIL	12,12,15,023

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (Rs.)
			-	-	-	
1.	Gross salary (Rs):					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N/A				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission:					
	- as % of profit					

	- others, specify					
5	Others (LTA and Retirement benefits)					
	Total (A)					
	Ceiling as per the Act(5% of PBT)					

B. Remuneration to other directors:

Sl. no	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors					
	· Fee for attending board committee meetings		N/A			-
	· Commission					-
	· Others, please specify					-
	Total (1)					-
	4. Other Non-Executive Directors					-
	· Fee for attending board committee meetings					-
	· Commission					
	· Others, please specify					-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act (1% of					

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

Sl. no.	Particulars of Remuneration	(Key Managerial Personnel)		
		CEO	Company Secretary & CFO	Total
	Name			
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	N/A	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		

	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		
2	Stock Option	-		
3	Sweat Equity	-		
4	Commission:	-		
	- as % of profit	-		
	- others, specify...	-		
5	Others, please specify	-		
	Total	-		

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For INDONG TEA CO. PVT. LTD.

Director



D. C. DHAREWA & CO. **CHARTERED ACCOUNTANTS**

Independent Auditor's Report

To the Members of Indong Tea Company Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Indong Tea Company Private Limited** ("the Company") which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the 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.

Basis for qualified Opinion

- a) Note No.6 of Accounting Policies regarding treatment of Gratuity Liability on cash basis which is not in accordance with Accounting Standard 15 issued by Institute of Chartered Accountants of India. Amount of Gratuity Liability as on date not ascertained by the management.
- b) Note No.10 of Accounting Policies regarding accounting of certain heads on cash basis.

We have qualified the report on the financial statements for the year ended 31st March, 2018 based on above paragraphs.



Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis for qualified opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2018 and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss dealt with by this report comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014; and
 - e. on the basis of written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms section 164(2) of the Act.
 - f. With respect to adequacy of Internal Financial Control over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in **Annexure B**; and
 - f. 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 does not have any pending litigation which would affect its financial position.
 - (ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts, which were required to be transferred during the year to the Investor Education and Protection Fund by the Company.

D.C.DHAREWA & CO
Chartered Accountants
Firm Registration NO.322617E

(D.C.DHAREWA)
Proprietor
Membership number: 53838

Kolkata, Dated: The 25th Day of May, 2018





ANNEXURE- "A" TO THE AUDITORS' REPORT

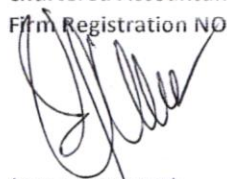
The Annexure referred to in our report to the members of the Company for the year Ended on 31st March 2018. We report that.

- i. (a) The company maintains the proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As per the information and explanation given to us and as verified by us, management has physically verified fixed assets in accordance to the phased programme, designed to cover all items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets.
(c) The title deeds of immovable properties are held in the name of the company.
- ii. As per the information and explanation given to us and as verified by us, the management is verifying inventory at regular intervals, the frequency of verification of which, in our opinion, is reasonable and no material discrepancies were noticed.
- iii. The Company has not granted loans, secured or unsecured, to companies, firms, or other parties covered in the register maintained under section 189. Accordingly, the provisions of clause (iii) (a), (b) & (c) of the order are not applicable to the company.
- iv. The Company has not given any loans, investments, guarantees or securities within the meaning of provisions of section 185 and 186 of the Companies Act, 2013.
- v. The company has not accepted deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. a) According to the information and explanations given to us, no undisputed amounts payables in respect of provident fund, sales tax, wealth tax, service tax, customs duty, value added tax, cess and other material statutory were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable.
- viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. There is no instance of any fraud by the company or on the Company by its officers or employees which has been noticed or reported during the year.
- xi. The Company has not paid /provided for managerial remuneration. Accordingly, paragraph 3 (xi) of the order is not applicable.
- xii. The company under review is not a Nidhi Company and accordingly the provisions of paragraph 3 (xii) of the order are not applicable to the company.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and accordingly the provisions of paragraph 3 (xiv) of the order are not applicable to the company.



- xv. The company has not entered into any non-cash transactions with directors or persons connected with him and accordingly the provisions of paragraph 3 (xv) of the order are not applicable to the company.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D.C.DHAREWA & CO
Chartered Accountants
Firm Registration NO.322617E



(D.C.DHAREWA)
Proprietor
Membership number: 53838

Kolkata, Dated: The 25th Day of May 2018





ANNEXURE – "B" TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Indong Tea Company Private Limited ("the Company") as at 31st March 2018 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 : (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For D.C.DHAREWA & CO
Chartered Accountants
Firm Registration NO.322617E

(D.C.DHAREWA)
Proprietor
Membership number: 53838

Kolkata, Dated: The 25th Day of May 2018



INDONG TEA COMPANY PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in `)

Particulars	Note	AS AT	
		March 31, 2018	March 31, 2017
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholders' Funds</u>			
Share Capital	2	510,71,190	510,71,190
Reserves and Surplus	3	1315,07,729	1326,79,817
Total Shareholders' Funds		1825,78,919	1837,51,007
<u>Non-Current Liabilities</u>			
Long-Term Borrowings	4	138,40,054	74,92,128
Deferred Tax Liabilities	5	67,548	(18,92,593)
Total Non-Current Liabilities		139,07,602	55,99,535
<u>Current Liabilities</u>			
Short-Term Borrowings	6	1073,74,969	774,38,164
Trade Payables	7	136,43,273	242,02,696
Other Current Liabilities	8	133,69,051	306,96,852
Short-Term Provisions	9	52,50,000	45,00,000
Total Current Liabilities		1396,37,293	1368,37,712
Total		3361,23,814	3261,88,254
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
<u>Fixed Assets</u>	10		
Tangible Assets		3102,32,367	2813,37,632
Capital work-in-progress		1,76,128	39,89,211
Long - term loans and advances	11	6,97,736	9,73,046
Other non-current assets	12	23,77,650	23,77,650
Total Non-Current Assets		3134,83,881	2886,77,539
<u>Current Assets</u>			
Inventories	13	168,06,257	335,95,796
Trade receivables	14	1,11,588	1,26,264
Cash and Bank Balances	15	19,78,954	1,42,482
Short-term loans and advances	16	36,85,182	34,86,947
Other Current assets	17	57,952	1,59,226
Total Current Assets		226,39,933	375,10,715
Total		3361,23,814	3261,88,254

Significant Accounting Policies

1

Notes on Financial Statements

2 to 31

As per our Report of even date

FOR, D.C. DHAREWA & CO.
CHARTERED ACCOUNTANTS
 Firm Reg. No. : 322617E

(CA. D.C. DHAREWA)
PROPRIETOR
 Membership No. : 053838

Place: Kolkata

Dated: The 25th day of May 2018

[HARIRAM GARG]

[DIRECTOR]

[DIN - 00216053]

[MADAN LAL GARG]

[DIRECTOR]

[DIN - 00670278]

[RAJESH GARG]

[DIRECTOR]

[DIN - 00471803]

INDONG TEA COMPANY PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in `)

Particulars	Note	YEAR ENDED	
		March 31, 2018	March 31, 2017
INCOME			
Revenue from operations (Gross)	18	1392,79,924	1385,74,513
Less : Excise Duty		1,10,883	4,52,026
		1391,69,041	1381,22,487
Other Income	19	1,53,912	3,14,624
TOTAL REVENUE		1393,22,953	1384,37,111
EXPENDITURE:			
Green Leaf Purchased		60,40,657	142,57,682
Tea Purchased		-	45,42,720
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	17,16,001	(82,96,382)
Employee Benefits Expense	21	748,32,442	751,09,692
Finance Costs	22	129,01,493	116,88,777
Depreciation and Amortization Expense	23	73,13,463	85,64,400
Other Expenses	24	354,81,289	375,38,153
TOTAL EXPENDITURE		1382,85,345	1434,05,042
Profit before exceptional and extraordinary items and tax		10,37,608	(49,67,931)
Exceptional Items		-	-
Profit before extraordinary items and tax		10,37,608	(49,67,931)
Extraordinary Items - Prior Period Expenses	25	2,49,555	85,907
PROFIT BEFORE TAX		7,88,053	(50,53,838)
Tax Expense:			
Deferred tax		19,60,141	2,66,499
Tax for Earlier Years		-	-
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		(11,72,088)	(53,20,337)
PROFIT/(LOSS) FOR THE PERIOD		(11,72,088)	(53,20,337)
Earning per equity share:			
(1) Basic		(0.23)	(1.25)
(2) Diluted		(0.23)	(1.25)
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 31		
As per our Report of even date			
FOR, D.C. DHAREWA & CO.			
CHARTERED ACCOUNTANTS			
Firm Reg. No. : 322617E			
(CA. D.C. DHAREWA)			
PROPRIETOR			
Membership No. : 053838			
Place: Kolkata			
Dated: The 25th day of May 2018			

[Signature]
[HARIRAM GARG]
[DIRECTOR]
[DIN - 00216053]

[Signature]
[MADAN LAL GARG]
[DIRECTOR]
[DIN - 00670278]

[Signature]
[RAJESH GARG]
[DIRECTOR]
[DIN - 00471803]



INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year Ended 31st March, 2018

NOTE: 2: SHARE CAPITAL

(Amount in `)

(a)	PARTICULARS	As at	
		March 31, 2018	March 31, 2017
	AUTHORISED		
	6000000 (2016 2500000@10 EACH) Equity Shares of ` 10/- each	600,00,000	600,00,000
		600,00,000	600,00,000
	ISSUED, SUBSCRIBED & PAID UP CAPITAL		
	To the Subscribers of the Memorandum		
	5107119 (March 31, 2016: 2200000) Equity Shares of ` 10/- each fully paid-up	510,71,190	510,71,190
	Total	510,71,190	510,71,190

(b) Reconciliation of number of shares

PARTICULARS	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	51,07,119	510,71,190	22,00,000	220,00,000
Add: Bonus shares issued during the year	-	-	-	-
Add: Shares issued during the year	-	-	29,07,119	290,71,190
Balance as at the end of the year	51,07,119	510,71,190	51,07,119	510,71,190

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	As at March 31, 2018		As at March 31, 2017	
	No. of Shares held	% Holding	No. of Shares held	% Holding
Madan Lal Garg	3,75,579	7.35%	3,75,579	7.35%
Asian Tea & Exports Ltd	16,37,798	32.07%	16,37,798	32.07%
Azamabad Tea Company Pvt Ltd	4,31,579	8.45%	4,31,579	8.45%
IBM Finance & Investment Pvt. Ltd.	5,88,616	11.53%	5,88,616	11.53%
Brahmaputra Commodities Pvt. Ltd.	4,40,000	8.62%	4,40,000	8.62%
Asian Capital Market Limited	3,19,087	6.25%	3,19,087	6.25%
Sanjay Kumar Agarwal	-	-	-	-

(d) Rights, Preferences and Restrictions attached to shares:

The Company has only one class of equity share having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of interim dividend. In the event of Liquidation, the shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE: 3: RESERVES AND SURPLUS

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Revaluation Surplus		
Revaluation of Land and Plantation	210750492	210750492
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	(780,70,675)	(727,50,338)
Profit/(Loss) for the year	(11,72,088)	(53,20,337)
Less: Appropriations	-	-
Balance as at the end of the year	(792,42,763)	(780,70,675)
Total	1315,07,729	1326,79,817

NOTE: 4: LONG TERM BORROWINGS

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Secured:		
Term Loan:		
From HDFC Bank [Refer WN 1(a)]	-	14,02,511
Special Term Loan		
From HDFC Bank - ST/Loan [Refer WN 1(b)]	-	46,50,518
Vehicle Loan:		
From HDFC Bank [Refer WN 1 (c)]	-	1,48,188
Term Loan:		
From Kotak Mahindra Bank [Refer WN 1 (d)]	-	-
Special Term Loan		
From Kotak Mahindra Bank [Refer WN 1 (e)]	25,26,390	-
Irrigation Loan:		
From Kotak Mahindra Bank [Refer WN 1 (f)]	107,12,851	-
Auto Loan:		
From ICICI Bank [Refer WN 1 (g)]	6,00,813	12,90,911
Total	138,40,054	74,92,128

INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year Ended 31st March, 2018

WN: 1

(Amount in `)

Nature of Security and terms of repayment for secured borrowings

Nature of Security	Terms of Repayment
a) HDFC Bank Term Loan - Exclusive Charge in favour of the Bank by way of hypothecation on Plant & Machinery both present and future in a form and manner satisfactory to the Bank.	Principal amount is to be repaid in 60 equal monthly instalments commencing after 01 months from the date of first disbursement.
b) HDFC Bank Special Term Loan - Exclusive Charge in favour of the Bank by way of hypothecation on Plant & Machinery both present and future in a form and manner satisfactory to the Bank.	Principal amount is to be repaid in 60 equal monthly instalments commencing after 01 months from the date of first disbursement.
c) HDFC Bank - Light Commercial Vehicle Loan -	Loan of ` 9,54,000/- has been disbursed and the Instalment amount is ` 25,575/- and the repayment started from 15/11/2014 and will be paid in 47 equal monthly Instalments.
d) Kotak Mahindra Bank Term Loan - Exclusive Charge in favour of the Bank by way of hypothecation on Plant & Machinery both present and future in a form and manner satisfactory to the Bank.	Loan of ` 4422198/- has been disbursed and the Instalment amount is ` 294844/- and the repayment started from 01/06/2017 and will be paid in 16 equal monthly Instalments.
e) Kotak Mahindra Bank Special Term Loan - Exclusive Charge in favour of the Bank by way of hypothecation on Plant & Machinery both present and future in a form and manner satisfactory to the Bank.	Loan of ` 6302316/- has been disbursed and the Instalment amount is ` 206136/- and the repayment started from 01/06/2017 and will be paid in 35 equal monthly Instalments.
f) Kotak Mahindra Bank - Irrigation Loan -	Loan of ` 15000000/- has been disbursed and the Instalment amount is ` 313198/- and the repayment started from 01/07/2017 and will be paid in 60 equal monthly Instalments.
g) ICICI Bank - Vehicle Loan -	Loan of ` 2140000/- has been disbursed and the Instalment amount is ` 70259/- and the repayment started from 21/01/2017 and will be paid in 35 equal monthly Instalments.

NOTE: 5: DEFERRED TAX LIABILITIES (NET)

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Deferred Tax Liabilities		
Depreciation	67,548	(18,92,593)
Total	67,548	(18,92,593)

NOTE: 6: SHORT TERM BORROWINGS

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Secured :		
Working Capital Loans repayable on demand from banks		
From HDFC Bank - CC A/c	-	155,73,548
From Kotak Mahindra Bank - CC A/c [Refer WN 2 (a)]	274,99,550	-
	274,99,550	155,73,548
Unsecured:		
From West Bengal Housing Department	38,640	38,640
From a Director	38,93,779	-
From Related Parties	150,70,874	148,55,635
From Body Corporate	328,72,126	414,70,341
From Others	280,00,000	55,00,000
	798,75,419	618,64,616
Total	1073,74,969	774,38,164

WN: 2

Nature of Security and terms of repayment for secured borrowings

SL No.	Nature of Security	Terms of Repayment
(a)	Kotak Mahindra Bank Cash Credit - Exclusive Charge in favour of the Bank by way of hypothecation on all present & future current assets inclusive of all stocks and book debts. (Previous Year-HDFC Bank)	Repayable on Demand and valid for 12 months from the date of sanction.

INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year Ended 31st March, 2018

NOTE: 7: TRADE PAYABLES

(Amount in `)

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Outstanding dues of Creditors other than Micro & Small Enterprises	-	-
Others	136,43,273	242,02,696
Total	136,43,273	242,02,696

NOTE: 8: OTHER CURRENT LIABILITIES

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Current Maturities of Long Term Borrowings	73,51,304	66,58,026
Advances from Customer	-	207,62,700
Employee Benefit	36,00,531	13,59,509
Statutory Dues	17,15,490	13,06,633
Other Payable	7,01,726	6,09,984
Total	133,69,051	306,96,852

NOTE: 9: SHORT TERM PROVISIONS

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Other Provisions For Bonus	52,50,000	45,00,000
Total	52,50,000	45,00,000

A handwritten signature is written over a circular stamp. The stamp contains the text 'INDONG TEA COMPANY PRIVATE LIMITED' around the perimeter and 'Chartered Accountants' at the bottom.

INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2018

NOTE: 10: FIXED ASSETS

(Amount in `)

Fixed Assets	Gross Block			Depreciation			Net Block		
	April 1, 2017	Addition	Disposal/ Adjustment	March 31, 2018	April 1, 2017	For The Year	Disposal/ Adjustments	March 31, 2018	March 31, 2017
Tangible Assets (Not Under Lease)									
Leasehold Land & Plantations Building	2522,35,780 210,42,433	127,16,023 46,90,990	- -	2649,51,803 257,33,423	- 104,33,024	12,13,701	- -	2649,51,803 140,86,698	2522,35,780 106,09,409
Plant & Machinery									
Plant & Machinery Irrigation	390,73,880 -	7,61,819 99,99,457	- -	398,35,699 99,99,457	242,30,975 -	27,08,472 18,10,264	- -	128,96,252 81,89,193	148,42,905 -
Office Equipment	15,66,872		-	15,66,872	14,95,816	-9,806	-	80,862	71,056
Furniture and Fixtures			-				-		
Furniture and Fixtures Electrical Equipment	9,57,635 24,54,164		-	9,57,635 24,54,164	8,52,580 21,34,234	16,701 39,975	- -	88,354 2,79,955	1,05,055 3,19,930
Vehicles	120,93,395	1,45,950		122,39,345	89,74,543	9,07,995		23,56,807	31,18,852
Others									
Computer	78,358	26,661	-	1,05,019	43,713	15,781	-	45,525	34,645
				-			-	-	-
DIARY UNIT				-				-	-
Live Stock		29,87,000		29,87,000				29,87,000	-
Building		34,74,665		34,74,665		3,03,975		31,70,690	-
Electical Installation		1,52,560		1,52,560		36,360		1,16,200	-
Furniture and Fixtures		31,008		31,008		7,389		23,619	-
Machinery		12,22,064		12,22,064		2,62,655		9,59,409	-
TOTAL		78,67,297		78,67,297	-	6,10,378	-	72,56,919	-
GRANDTotal (A)	3295,02,517	362,08,197	-	3657,10,714	481,64,885	73,13,463	-	3102,32,367	2813,37,632
Intangible Assets									
Total (B)	-	-	-	-	-	-	-	-	-
Capital Work - In - Progress	39,89,211	36,70,551	74,83,634	1,76,128	-			1,76,128	39,89,211
Total (C)	39,89,211	36,70,551	74,83,634	1,76,128	-	-	-	1,76,128	39,89,211
Total (A+B+C)	3334,91,728	398,78,748	74,83,634	3658,86,843	481,64,885	73,13,463	-	3104,08,495	2853,26,843



INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2018

NOTE: 11: LONG TERM LOANS AND ADVANCES

(Amount in `)

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Secured and Considered Good		
Security Deposits	3,49,555	3,49,555
Unsecured and Considered Good		
Other Loans and Advances		
Balances with Revenue Authorities	3,48,181	6,23,491
Total	6,97,736	9,73,046

NOTE: 12: OTHER NON - CURRENT ASSETS

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Others		
Fixed Deposits	65,650	65,650
Fixed Deposits (Collateral)	23,12,000	23,12,000
Total	23,77,650	23,77,650

NOTE: 13: INVENTORIES

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Valued At Cost		
Finished Goods	126,45,349	143,61,350
Others		
Foodgrain Stock	44,576	11,688
Consumable Stores	38,88,674	175,39,513
Nursery Stock	2,27,658	16,83,245
Total	168,06,257	335,95,796

NOTE: 14: TRADE RECEIVABLES

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Unsecured, Considered Good		
Outstanding for a period exceeding 6 months from the date they are due for payment	-	10,242
Others	1,11,588	1,16,022
Total	1,11,588	1,26,264

NOTE: 15: CASH AND BANK BALANCES

PARTICULARS	As at	
	March 31, 2018	March 31, 2017
Cash and Cash equivalents		
Cash on hand (As Certified)	9,07,046	3,637
Balances with Scheduled Bank in Current Accounts	10,71,908	1,38,845
Total	19,78,954	1,42,482

INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2018

NOTE: 16: SHORT TERM LOANS AND ADVANCES

(Amount in `)

<u>PARTICULARS</u>	As at	
	March 31, 2018	March 31, 2017
Unsecured and Considered Good		
Other Loans and Advances		
Advance to staff	37,586	51,086
Prepaid Expenses	2,00,356	75,048
Others	33,92,476	33,22,236
Tax Deducted at Source	54,764	38,577
Total	36,85,182	34,86,947

NOTE: 17: OTHER CURRENT ASSETS

<u>PARTICULARS</u>	As at	
	March 31, 2018	March 31, 2017
Others		
Accrued Intt. On Fixed Deposits	57,952	1,59,226
Total	57,952	1,59,226



INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year Ended 31st March, 2018

NOTE: 18: REVENUE FROM OPERATIONS

(Amount in `)

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Sale of Products		
Domestic-Finished Goods		
Tea	1376,00,524	1353,74,513
Others	16,79,400	-
Clonal Plants		32,00,000
Total Net Sales	1392,79,924	1385,74,513
Less: Cess Duty	1,10,883	4,52,026
Total Gross Sales	1391,69,041	1381,22,487

NOTE: 19: OTHER INCOME

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Interest Income		
On Fixed Deposit	76,460	2,39,622
Miscellaneous Income		
Misc. Receipts	57,678	12,472
Sundry Balances w/off	19,774	62,530
Total	1,53,912	3,14,624



INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year Ended 31st March, 2018

NOTE: 20: CHANGES IN INVENTORY OF FINISHED GOODS

(Amount in `)

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
(Increase)/ Decrease in Stocks		
Stock at the end of the Year:		
Finished Goods	126,45,349	143,61,350
Total (A)	126,45,349	143,61,350
Less: Stock at the beginning of the Year:		
Finished Goods	143,61,350	60,64,968
Total (B)	143,61,350	60,64,968
Total (B-A)	17,16,001	(82,96,382)

NOTE: 21: EMPLOYEE BENEFIT EXPENSES

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Contribution to Provident and Other Funds	61,38,102	61,00,439
Salaries, Wages ,Bonus & Gratuity	657,60,706	670,85,007
Staff Welfare Expenses	29,33,634	19,24,246
Total	748,32,442	751,09,692

NOTE: 22: FINANCE COST

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Interest on Bank Loans	35,88,814	30,31,658
Interest to a Director on Unsecured Loan	2,15,310	-
Interest to others on Unsecured Loans	86,14,268	85,03,173
Brokerage on Finance	4,83,101	1,53,946
Total	129,01,493	116,88,777

NOTE: 23: DEPRECIATION AND AMORTIZATION EXPENSES

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Depreciation on Tangible Assets	73,13,463	85,64,400
Total	73,13,463	85,64,400



INDONG TEA COMPANY PRIVATE LIMITED

Notes on Financial Statements for the Year Ended 31st March, 2018

NOTE: 24: OTHER EXPENSES

(Amount in `)

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Direct Expenses:		
Consumption of Stores and Spare Parts	101,95,963	122,39,216
Insurance	3,25,279	2,07,953
Power and Fuel	152,21,552	145,01,155
Rates and Taxes	1,25,514	3,98,779
Repairs & Maintenance		
to Building	3,73,510	5,68,660
to Machinery	8,00,017	3,11,029
to Others	6,04,701	12,30,815
Payment to Auditors		
Audit Fee	30,000	28,750
Tax Audit	5,000	5,750
Charity & Donation	1,00,000	-
Directors Remuneration	12,00,000	8,00,000
Miscellaneous Expenses	17,55,957	20,42,591
Selling & Distribution Expenses	24,19,350	25,97,894
Salami of Renewal of Lease Deed	2,13,711	2,13,711
Travelling & Conveyance	3,53,440	3,56,516
Vehicle Running & Maintenance	17,57,295	20,35,334
Total	354,81,289	375,38,153

NOTE: 25: EXTRAORDINARY ITEMS

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Prior Period Expenses	2,49,555	85,907
Total	2,49,555	85,907



INDONG TEA COMPANY PRIVATE LIMITED
Notes on Financial Statements for the Year Ended 31st March, 2018

NOTE: 26: DETAILS OF PAYMENT TO AUDITOR

(Amount in `)

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Statutory Audit Fees	30,000	28,750
Tax Audit Fees	5,000	5,750

NOTE: 27: DISCLOSURE AS PER AS-20 "EARNINGS PER SHARE" ISSUED BY THE ICAI ARE AS UNDER

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Net Profit after tax as per Statement of Profit and Loss	(11,72,088)	(53,20,337)
Weighted Average number of equity shares used as	51,07,119	42,70,825
Basic and Diluted Earnings per share (`)	(0.23)	(1.25)
Face Value per equity share (`)	10.00	10.00

NOTE: 28: EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Import of Goods & Plant and Machinery	-	-

NOTE: 29: EARNINGS IN FOREIGN CURRENCY

PARTICULARS	Year Ended	
	March 31, 2018	March 31, 2017
Earnings in Foreign Currency - (`)	NIL	NIL

NOTE: 30: RELATED PARTY DISCLOSURES

Related Party Disclosure as required by Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India:



(A) List of Related Parties:

(a) Enterprises over which key management personnel/directors/relatives have significant influence:

- (i) Asian Capital Market Limited
- (ii) Greenex Chemicals Private Limited
- (iii) Bengal Enterprises
- (iv) Asian Tea & Exports Limited

(b) Key Management Personnel & Relatives of Key Management Personnel:

- (i) Sri Hariram Garg (Director)
- (ii) Sri Madan Lal Garg (Director)

(B) Transaction with Related Parties:

Nature of Transactions	KMP	Associates
Remuneration	12,00,000	8,00,000
Purchase of Stores	-	84,44,565
Interest Paid	2,15,310	16,63,576
Loan taken	85,00,000	440,07,700
Loan repaid	48,00,000	2021,60,000
Outstanding Balance of Loan taken	38,93,779	189,64,653
Outstanding Balance against advance purchases of stores		51,26,842

In terms of Sec.22 of the Micro, Small and Medium Enterprises Development Act, 2006, the company has no additional information to furnish, as the company has no such enterprises amongst its suppliers of goods and services.

NOTE: 31:

Previous year's figures have been regrouped and/or rearranged wherever necessary, to confirm to current year's classification.

FOR, D.C. DHAREWA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 322617E

(CA. D.C. DHAREWA)
PROPRIETOR
Membership No.: 053838

Place: Kolkata
Dated: The 25th day of May 2018


[HARIRAM GARG]
[DIRECTOR]
[DIN - 00216053]


[MADAN LAL GARG]
[DIRECTOR]
[DIN - 00670278]

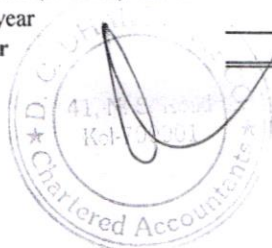

[RAJESH GARG]
[DIRECTOR]
[DIN - 00471803]



INDONG TEA COMPANY PRIVATE LIMITED

Cash Flow Statement for the year ended 31 March 2018.

	31 st March, 2018	31 st March, 2017
<u>Cash flow from Operating Activities</u>		
Profit before tax	7,88,053	(50,53,839)
<u>Non-cash adjustment to reconcile profit before tax to net cash flows</u>		
Depreciation / amortization on continuing operation	73,13,463	85,64,400
Interest & Other Income	76,460	2,39,622
Profit on sale of Investment	-	-
Profit on sale of Fixed Assets	-	-
Operating profit before working capital changes	81,77,976	37,50,183
Movements in working capital:		
Increase / (Decrease) in long Term borrowings	1,25,49,143	(46,82,619)
Increase / (Decrease) in short Term borrowings	4,55,10,553	(2,07,11,292)
Increase / (Decrease) in trade payables	(1,05,59,423)	1,40,84,561
Increase / (Decrease) in other current liabilities	(1,73,27,801)	1,35,28,231
Increase / (Decrease) in short term provisions	7,50,000	15,00,000
Decrease / (Increase) in trade receivables	14,676	13,82,880
Decrease / (Increase) in inventories	1,67,89,539	(2,12,04,154)
Decrease / (Increase) in Long term loans and advances	2,75,310	(3,80,676)
Decrease / (Increase) in short term loans and advances	(1,98,235)	87,708
Decrease / (Increase) in other Non- current assets	-	-
Decrease / (Increase) in other current assets	1,01,273	(51,012)
Decrease / (Increase) in non-current Investment	-	-
Cash generated from / (used in) operations	5,60,83,011	(1,26,96,190)
Direct Taxes paid (net of refunds)	-	-
Net cash flow from/(used in) operating activities (A)	5,60,83,011	(1,26,96,190)
<u>Cash flow from Investing Activities</u>		
Purchase of fixed assets, CWIP and capital advances	(3,98,78,748)	(1,68,00,042)
Sale of fixed assets	-	-
Capitalisation of Capital WIP	74,83,634	-
Investments in bank deposits (maturity of more than 3 months)	-	-
Redemption / maturity of bank deposits (maturity of more than 3 months)	-	-
Interest & Other Income	(76,460)	(2,39,622)
Profit on sale of Investment	-	-
Plantation Subsidy	-	-
Net cash flow from/(used in) investing activities (B)	(3,24,71,574)	(1,70,39,664)
<u>Cash flow from Financing Activities</u>		
Proceeds from issuance of share capital	-	2,90,71,190
Repayment of long term-term borrowings	(62,01,217)	-
Repayment of short term-term borrowings	(1,55,73,748)	-
Dividend Paid	-	-
Tax on Dividend paid	-	-
Dividends paid	-	-
Tax on dividend paid	-	-
Net cash flow from/(used in) financing activities (C)	(2,17,74,965)	2,90,71,190
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	18,36,472	(6,64,664)
Cash and cash equivalents at the beginning of the year	1,42,482	8,07,146
Cash and cash equivalents at the end of the year	19,78,954	1,42,482



INDONG TEA COMPANY PRIVATE LIMITED

Cash Flow Statement for the year ended 31 March 2018.

	31 st March, 2018	31 st March, 2017
	-	-
<u>Components of Cash and Cash Equivalents</u>		
Cash in Hand	9,07,046	3,637
Cheques/drafts on hand	-	-
Cheques in Hand	-	-
With Banks in Current Account	10,71,908	1,38,845
Total Cash and Cash Equivalents (note 2.15)	19,78,954	1,42,482

Explanatory notes to Cash Flow Statement

(1) The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March 2018 and the related Statement of Profit and Loss for the period ended on that date.

(2) The above Cash Flow Statement has been prepared under 'indirect Method' as set out in Accounting Standard (AS-3) on "Cash Flow Statement", and reallocations required for this purpose are as made by the Company.

(3) Figures in Parenthesis represents outflows.

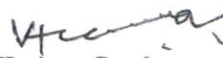
This is the Cash Flow referred to in our report of even date.

For D. C. Dharewa & Co.
Firm Registration No. 322617E
Chartered Accountants

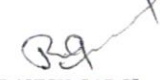
INDONG TEA COMPANY PRIVATE LIMITED

(D. C. Dharewa)
Proprietor
Membership No. 53838

Place: Kolkata
Dated: The 25th day of May 2018


[Hariram Garg]
[Director]
[DIN-00216053]


[MADAN LAL GARG]
[DIRECTOR]
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