

The Methoni Tea Company Limited



**Report and Accounts
for the year
Ended 31st March
2015**

Corporate Information

Board of Directors

Rajendra Prasad Bubna
Sanjeev Bubna
Rashmi Bubna
Pradip Tusnial
Manoj Lunia

Auditors :

Dhandhanias & Associates
Chartered Accountants
13 Crooked Lane,
Kolkata : 700 069

Bankers

UCO Bank
HDFC bank

Registered Office :

75-C Park Street
First Floor
Kolkata : 700016
Phone : 2229-3241,2229-7638
Fax : 91-33-22496587
e-mail : methoni@methonitea.com

Tea Estate

Methoni Tea Estate
P.O Bokakhat
Dist : Golaghat, Assam
Pin : 785 612
Phone: 03776-268230
Fax No.03776-268230
E-mail: methonite@rediffmail.com

Stock Exchange (Listing Fees Paid upto 2014-15)

The Calcutta Stock Exchange Association Ltd.
7 Lyons Range
Kolkata : 700001

Registrars & Share transfer Agents

Maheshwari Datamatics Pvt Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata: 700001
Phone : 2243-5029, 2243-5809
Fax : 91-33-2248 4787
e-mail : mdpl@cal.vsnl.net.in

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Annual General Meeting

on Monday, 28th September, 2015 at 10.30 A.M.
at MCC Chamber of Commerce & Industry
15B, Hemanta Basu Sarani, 2nd Floor
Kolkata - 700 001

THE METHONI TEA COMPANY LTD.

NOTICE

NOTICE is hereby given that the 86th Annual General Meeting of the Members of THE METHONI TEA COMPANY LTD., will be held on Monday, the 28th day of September, 2015 at 10.30 A.M. at the MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata-700 001 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the company for the Financial Year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri R. P. Bubna (DIN No 00180543) who retires by rotation and being eligible, offer himself for re-appointment.
3. To ratify the appointment of auditor of the company and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof:

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, pursuant to the recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the member at the AGM held on 29th August, 2014, the appointment of M/s Dhandhanias & Associates, Chartered Accountants (Registration No.316052E), as the Statutory Auditors of the Company to hold office till the conclusion of AGM to be held in the calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be recommended by the Audit Committee in consultation with the Auditors.”

SPECIAL BUSINESS

4. Appointment of Mrs. Rashmi Bubna as a Director liable to retire by rotation.

To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the Companies Act, 2013, Mrs. Rashmi Bubna, who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 30, 2015 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying her intention to propose Mrs. Rashmi Bubna as a candidate for the office of a director of the company, be and is hereby appointed as Director of the Company liable to retire by rotation.

5. Appointment of Mr. Manoj Lunia as an Independent Director of the Company. -

To appoint Mr. Manoj Lunia (DIN:00158912) as an Independent Director and in this regard, to consider and if thought fit, pass the following resolution as an Ordinary Resolution.:

“RESOLVED THAT pursuant to the provisions of sections 149 & 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and

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Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Manoj Lunia (DIN:00158912) who was appointed as an additional Director of the Company by the Board of Directors with effect from March 30,2015 and who holds office until the date of the AGM qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to 27th August, 2020.

6. To borrow money in terms of the limits specified under Section 180(1)(c) of the Companies Act, 2013.

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

“RESOLVED THAT in supersession of earlier resolutions passed pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of monies on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s Bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, this is to say, reserves not set apart for any specific purpose, provided that the total amount of money/monies so borrowed by the Board shall not at any time exceed the limit of Rs. 25 Crores (Rupees Twenty Five Crores Only)”.

7. Power of the Board to create security/mortgage over whole or substantially the whole of the undertaking of the Company.

To consider and if thought fit, to pass with or without modifications(s), the following Resolution as a Special Resolution.

“RESOLVED THAT IN supersession of earlier resolutions passed in this regard, consent of the Company be and is hereby accorded pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company to mortgage, hypothecate or charge all or any part of immovable or movable properties of the Company, wherever situated, both present and future, and whole or part of the undertakings of the Company of any nature and kind whatsoever and/or creating a floating charge in all or any immovable properties of the Company, to or in favour of Bank(s), Financial Institution(s), Insurance Companies, Companies or any other entities for the due payment of the principal monies, together with the interest payable by the Company in respect of such borrowings and to secure any debentures for an aggregate amount not exceeding Rs.25 (Rupees Twenty Five Crore Only) at any point of time including the existing borrowings;

Registered Office:

75C, Park Street (1st Floor)
Kolkata-700 016.

Dated 30th day of May, 2015

By Order of the Board

**SANJEEV BUBNA
MANAGING DIRECTOR**

THE METHONI TEA COMPANY LTD.

NOTES:

- i) **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the Meeting.**
A person can act as a proxy on behalf of member not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ii) **Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.**
- iii) **The Register of Members and Transfer Books of the Company will be closed from Monday, 21st September, 2015 to Monday, 28th September, 2015 (both days inclusive).**
- iv) **Members are hereby informed that the Securities & Exchange Board of India (SEBI) in terms of Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 has made it mandatory for all Listed Companies to make cash payments through electronic modes to the investors. It is further directed that in case of electronic payment is rejected or returned, the Company shall mandatorily print the bank account details of the investor on the company to electronically credit dividend directly in their respective bank account. Members holding shares in demat mode are requested to send correct bank details (including MICR No., IFSC Code, Account Type etc.) to their respective Depository Participant. Members holding shares in physical form are requested to send such bank details along with a cancelled cheque to our Registrars Maheshwari Datamatics Pvt. Ltd.**
- v) **Members are also requested to inform their correct email address, if any, to the Depositories (if shares held in demat form) and to our Registrars Maheshwari Datamatics Pvt. Ltd. (if shares held in physical form) in compliance of Green Initiative as per Circular No. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by Ministry of Corporate Affairs to facilitate the Company to send notice/documents through e-mail.**
- vi) **The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Maheshwari Datamatics Pvt. Ltd.**

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- vii) Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or MDPL for assistance in this regard.
- viii) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or MDPL, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
- ix) In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- x) Members desirous of getting any information on the accounts or operations of the company are requested to forward their queries to the company at least seven working days prior to the meeting so that the required information may be readily available at the meeting.
- xi) The Shareholders who have not encashed their Dividend Warrants are requested to send their Warrants for revalidation otherwise the amount will be transferred to the Investor Education and Protection Fund (the IEPF) established by the Central Government. 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 amounts lying with the Company as on August 29, 2014.
- xii) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

(xiii) Voting Options :-

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

(1) The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins on 25th September, 2015 (9.00 A.M.) and ends on 27th September, 2015 (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 dated 21st September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through ballot paper / polling paper shall be made available at the AGM and the members as on the "cut-off date", attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through

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ballot paper / polling paper.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :-

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/y format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (vii)

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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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. 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders and Custodians
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) 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 emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create 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.

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- The list of accounts should be mailed to 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.
- (xix) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.
- (2) **Other Instructions**
- i) M/s K.C.Dhanuka & Co., Company Secretaries (Membership No. FCS 2204) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - ii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - iii) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - iv) The Results declared alongwith the report of the Scrutinizer shall available at registered office of the Company during working hours and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Calcutta Stock Exchange Limited.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

This Notice has been updated with the instructions for voting through electronic means as per the Amended Rules 2015.

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Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying Notice:

Item No. 4

Mrs Rashmi Bubna, was appointed on 30th March, 2015, as an Additional Director of the Company to hold office till the date of ensuing Annual General Meeting.

The Company has received a Notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mrs. Rashmi Bubna for the office of a Director of the Company.

The Board accordingly, recommends the Resolutions set out in Item No 4 of the Notice for approval of the Members.

No Other Directors of the Company except Sri Rajendra Prasad Bubna and Sri Sanjeev Bubna is concerned or interested in the Resolution at item No 4 of the Notice.

Item No. 5

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Manoj Lunia be appointed as an Independent Director of the Company. The appointment of Mr. Manoj Lunia shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Manoj Lunia for the office of Director of the Company.

Mr. Manoj Lunia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Manoj Lunia that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Manoj Lunia fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Manoj Lunia is independent of the management and possesses appropriate skills, experience and knowledge.

Item No. 6 & 7

The Company is in the business of Tea Manufacturing which is capital intensive. The tea business requires capital expenditure towards planting, re-planting, up gradation and modernization of factory, garden utilities, irrigation facilities, labour housing and welfare and other infrastructure supports. In order to execute such tasks, the Company may be required to borrow monies (apart from temporary loans obtained from the Company's Bankers in the Ordinary course of business) in excess of the aggregate of the paid up capital and free reserves.

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In view of the growing operations and considering the long term objectives, the Company required additional funds. It is therefore recommended to increase the borrowing limit of the Board of Directors including both funded and non funded facilities up to Rs. 25 Crores (Rupees Twenty Five Crore Only) pursuant to section 180(l)(c) of the Companies Act, 2013, as set out in the Resolution in item No 6 of the Notice.

The provisions of Section 180(l)(a) of the Companies Act, 2013, require the consent of the shareholders to secure such borrowings by mortgage, hypothecate/charge on any of the immovable and /or movable properties and/or the whole or any part of the undertaking(s) of your Company as set out in the Resolutions in Item No 7 of the Notice.

The proposal outlined above is in the interest of the Company and the Board recommends the passing of the resolutions as special Resolutions.

None of the Directors or key managerial Personnel or any of the relatives of any of the Directors, is interested or deemed to be interested, financial or otherwise, in the proposed resolutions and the proposed resolutions does not relates to or affects any other Company.

Registered Office:
75C, Park Street (1st Floor)
Kolkata-700 016.
Dated 30th day of May, 2015

By Order of the Board

SANJEEV BUBNA
MANAGING DIRECTOR

Directors' Report for the Financial Year 2015-16

To

The Members

Your Directors have pleasure in presenting their 86th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended March, 31st, 2015.

1. Financial Highlights

	(Figures in ₹)	
	2014-15	2013-14
Turnover and other income	102,100,964	126,698,615
Profit / (Loss) before interest and Depreciation	(24,516,528)	5,490,405
Interest	1,574,437	1,370,561
Depreciation	5,372,198	3,593,535
Profit/(Loss) for the year before Exceptional & Extraordinary Items	(31,463,163)	526,309
Provision for tax		
- Current tax	-	1,410,000
- Deferred tax	(7,997,037)	1,273,383
- Tax for Earlier Year	188,369	(577,662)
Profit/(Loss)after tax	(23,654,495)	(1,579,412)
Add : Balance B/F from the previous year	37,612,377	39,191,789
Balance Profit / (Loss) C/F to the next year	13,187,739	37,612,377

2. Performance Review :

During the year under review, your Company achieved net Sales of Rs. 973.93 Lacs and recorded a Net Profit/(Loss) after tax of Rs. (314.63) Lacs compared to previous year's net Sales of Rs. 1171.21 Lacs and Net Profit/(Loss) after tax of Rs. (15.79) Lacs.

The total tea manufactured for the year under review was lower at 7.49 Lac Kg. as against 7.64 Lac Kg in the previous year due to adverse weather conditions. The average sale price realised was Rs. 140.00 per Kg. as against Rs. 150.00 per Kg for the previous year. In view of sluggish tea market price realisation per Kg. of tea was lower than last year.

Trading result for the year is adverse due to general fall in tea prices, loss of crop accompanied with high cost of production including increase in wages.

3. DIVIDEND:

Your Directors regret to recommend declaration of any Dividend for the year in view of loss during the year.

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4. Reserves

Due to loss during the year, the Company does not recommend transfer of any amount to reserves.

5. Future Prospects

The 2015 season augurs well for tea prices for Orthodox teas with better quality teas likely to fetch further premium. The quality initiatives taken by the Company has resulted in very good quality and has been appreciated by the market as in evident from the price realization. The dark sides of the scene being unfavourable weather at the beginning of the season with severe draught conditions followed by heavy rains, resulting in infastation and lower crop trend.

6. Change in the Nature of Business, if any :

There was no change in the nature of business of the Company during the year.

7. Material Changes and Commitments after the Balance Sheet date :

There had been no material changes & Commitments effecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

8. Internal control systems and their Adequacy

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

9. Details of Subsidiary, Joint Venture or Associates

The Company does not have any subsidiary, joint venture. Monet Securities Pvt. Ltd. is the Associate Company of the Methoni Tea Co Ltd (Holding 39.47% Shares of Monet Securities Pvt. Ltd.).

10. Statutory Auditors

M/s. Dhandhanian & Associates (Firm Registration No.316052E), Chartered Accountants, have been appointed as Statutory Auditors of the Company at the last Annual General Meeting held on 29th August, 2014 for period of three years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the company at the ensuing AGM.

11. Auditors' Report

The observation made in the Auditor's Report were explained in the relevant notes of accounts.

12. Share Capital

The Paid-up Equity Share Capital as on March 31, 2015 was Rs.40.80 Lacs. During the year under review the company has not issued any shares or any convertible instruments.

13. Extract of the Annual Return

The extract of the Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of the Companies Management and Administration Rules, 2014 and the same is enclosed as "Annexure-1" to this Report.

14. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and the same is enclosed as "Annexure-2" to this Report.

15. Corporate Social Responsibility (CSR)

The provisions of section 135 of the Companies Act, 2013 related to corporate social responsibility is not applicable to the company.

16. Directors :

(a) Appointment of Independent Directors

Mr. Manoj Lunia has been inducted on the Board of the Company with effect from 30th March, 2015 as an Additional cum Independent Director, subject to regularisation / approval of the members in the ensuing Annual General Meeting for a term of 5 consecutive years with effect from his date of appointment.

The Company has received notice from a shareholder pursuant to Section 160 of the Companies Act, 2013 proposing appointment of Mr. Manoj Lunia as Director of the Company. Appropriate resolution seeking his appointment is appearing in the Notice convening the Annual General Meeting of the Company.

(b) Declaration by Independent Directors :

All the Independent Directors have submitted their declarations of independence pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as laid down in section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

(c) Familiarization Programme undertaken for Independent Directors

The Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. On appointment, the Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program on the Company's operations, marketing, finance and other important aspects.

(d) Non-Independent Director

In accordance with the provisions of Articles of Association of the Company, Mr. Rajendra Prasad Bubna Directors of the Company, is liable to retire by rotation and being eligible, offer himself for re-appointment. The Board recommends his appointment with a view to avail his valuable advices and wise counsel.

Mrs. Rashmi Bubna has been inducted on the Board of the Company with effect from 30th March, 2015

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as an Additional Director, subject to regularisation / approval of the members in the ensuing Annual General Meeting.

The Company has received notice from a shareholder pursuant to Section 160 of the Companies Act, 2013 proposing appointment of Mrs. Rashmi Bubna as Director of the Company. Appropriate resolution seeking his appointment is appearing in the Notice convening the Annual General Meeting of the Company.

(e) Change in Directorship during the year

Mr. H. M. Parekh resigned from the Board and his resignation was accepted by the Board in their meeting held on 30-03-2015. The Board places on record their deep sense of appreciation for his valuable advice and guidance during his association with the Company.

17. Number of meetings of the Board of Directors

During the Financial Year 2014-15 the Board met 6 (Six) times on 11th April, 2014, 30th May, 2014, 9th August, 2014, 15th November, 2014, 14th February, 2015 and 30th March, 2015.

18. Meeting of the Independent Directors

During the year under review, a meeting of Independent Directors was held on 14th February, 2015 wherein the performance of the non-independent directors and the Board as a whole was reviewed. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

19. Audit Committee

The Audit Committee was formed in compliance of the provisions of section 177 of the Companies Act, 2013 comprising of three Directors. The Committee functions under the Chairmanship of Mr. Pradip Tusnial, a non-executive Independent Director. Other members of the Committee are Mr. Manoj Lunia and Mrs. Rashmi Bubna. The Committee was formed on 30th March, 2015.

The Board has accepted all the recommendations made by the Audit Committee.

The attendance of the members of the Committee is given below:

Name of the members	Status	No. of Meetings attended
Mr. Pradip Tusnial	Chairman	1
Mr. Manoj Lunia	Member	1
Mrs. Rashmi Bubna	Member	1

20. Nomination and Remuneration

A remuneration Committee was constituted by the Board of Directors to consider, analyse, determine and approve on behalf of the Board and on behalf of the shareholders the remuneration to be paid to the Executive Directors of the Company. The Committee functions under the Chairmanship of Mr. Pradip Tusnial, a non-executive Independent director. The other members of the committee are Mr. Manoj

Lunia and Mrs. Rashmi Bubna. The Committee consider the remuneration of the appointing Director after considering their qualifications and experience etc.

21. Particulars of loans, guarantees or investments under section 186

The particulars of loans, guarantees and investments have been disclosed in the financial statement.

22. Particulars of contracts or arrangements with related parties :

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your Directors draw attention of the members to Note 2.32 to the financial statement which sets out related party disclosures.

23. Secretarial Audit Report

The provision of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company for the financial year 2014-2015 by a Company Secretary in Practice and accordingly the Board have appointed M/s K. C. Dhanuka & Co. Practicing Company Secretaries C.P.No : 1247 as Secretarial Auditor to conduct Secretarial audit of the Company for the Financial year ended on 31st March, 2015.

Secretarial Audit Report issued by M/s K. C. Dhanuka & Co Practicing Company Secretaries in form MR-3 is enclosed as "Annexure-3" to this Annual Report which is self explanatory.

24. Corporate Governance Certificate

Clause 49 of the listing agreement with stock exchange is not applicable as the paid up capital is less than Rs. 3 Crores.

25. Risk management policy

The company has identified various risks faced by the Company from different areas. Appropriate structures are present so that risks are inherently monitored and controlled inter alia through strict quality assurance measures.

The Company has adequate internal control system and procedures to combat risks. The risk management procedure is reviewed by the Audit Committee and Board of Directors on a quarterly basis at the time of review of quarterly financial results of the Company.

26. Annual evaluation of the Board :

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

27. Disclosure as required under section 22 of Sexual Harassment of Women at work place (Prevention, Prohibition and redressal) Act, 2013 :

THE METHONI TEA COMPANY LTD.

The Company as an organization is committed to provide a healthy environment to all employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. No complaints were received during the financial year 2014-2015.

28. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause © of sub-section 134 of the Companies Act, 2013, shall state that -

- (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 has selected such accounting policies and applied them consistently and made judgements 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, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Acknowledgements

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from the commercial banks and other authorities. Your directors also thank the employees of the company of their valuable service and support during the year. Your Directors also grateful acknowledge with thanks the co-operation and support received from the shareholders of the Company.

R. P. BUBNA
DIN : 00180543

Whole Time Director

S. BUBNA
DIN : 00031225

Managing Director

P. TUSNIAL
DIN : 00272283

M. LUNIA
DIN : 00158912

Directors

R. BUBNA
DIN : 00180739

Place : Kolkata

Dated : 30th Day of May, 2015

THE METHONI TEA COMPANY LTD.

ANNEXURE-1

Form No. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

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

I. Registration & Other Details :

i	CIN	L15492WB1929PLC006618
ii	Registration Date	19/12/1929
iii	Name of the Company	THE METHONI TEA CO. LTD.
iv	Category / Sub-Category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	75-C, Park Street, 1st Floor, Kolkata-700 016 Tel No. 91-33 22293241 / 7638
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Register & Transfer Agent, if any	M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001 Ph : 2243-5029, 2248-2248

II. Principal Business Activities of the Company

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

Sl. No.	Name & Description of main products / services	NIC Code of the product / service	% to total turnover of the company
1	Tea	0100	100%

III. Particulars of Holding, Subsidiary & Associate Companies

Sl. No.	Name & Address of the Company	CIN / GLN	Holding/ Subsidiary Associate	% of Shares Held	Applicable Section
1	Monet Securities Pvt. Ltd.	U01111WB1994PTC064149	Associate	39.47%	2(6)

THE METHONI TEA COMPANY LTD.

IV. Shareholding Pattern (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-April-2014)				No. of Shares held at the end of the year (as on 31-March-2015)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	-	-	-	-	-	-	-	-	-
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	248,188	-	248,188	60.83	248,188	-	248,188	60.83	-
d) Bank / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB-TOTAL : (A) (1)	248,188	-	248,188	60.83	248,188	-	248,188	60.83	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other....	-	-	-	-	-	-	-	-	-
SUB-TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter	248,188	-	248,188	60.83	248,188	-	248,188	60.83	-
(A) = (A)(1)+(A)(2)									

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-April-2014)				No. of Shares held at the end of the year (as on 31-March-2015)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Publick Shareholding									
(1) Institutions									
a) Mutual Funds	-	1,810	1,810	0.44	-	1,810	1,810	0.44	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B) (1) :	-	1,810	1,810	0.44	-	1,810	1,810	0.44	-
(2) Non Institutions									
a) Bodies corporates									
i) Indian	20,280	12,346	32,626	8.00	21,280	13,096	34,376	8.43	5.36
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuas	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs 1 lakhs	60,764	51,258	112,022	27.46	62,021	47,951	109,972	26.95	(1.83)

THE METHONI TEA COMPANY LTD.

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01 April 2014)				No. of Shares held at the end of the year (as on 31 March 2015)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	13,146	-	13,146	3.22	13,146	-	13,146	3.22	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
1) Non resident Individual	132	76	208	0.05	432	76	508	0.12	144.23
Sub-Total (B) (2) :	94,322	63,680	158,002	38.73	96,879	61,123	158,002	38.73	-
Total Public Shareholding (B) = (B)(1)+(B)(2)	94,322	65,490	159,812	39.17	96,879	62,933	159,812	39.17	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	342,510	65,490	408,000	100.00	345,067	62,933	408,000	100.00	-

(ii) SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	Indistock Private Limited	191,401	46.91	-	191,401	46.91	-	
2.	Thirwave Credit & Commercial (P) Ltd.	56,787	13.92	-	56,787	13.92	-	
	Total	248,188	60.83	-	248,188	60.83	-	

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)*

Sl. No.	Shareholders Name	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	Indistock Private Limited At the beginning of the year At the end of the year.	191,401	46.91	191,401 191,401	46.91 46.91
2	Thirwave Credit & Commercial (P) Ltd. At the beginning of the year At the end of the year.	56,787	13.92	56,787 56,787	13.92 13.92

* There has been no change in Promoters Share holding.

THE METHONI TEA COMPANY LTD.

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	LOOKAD FINANCE & LEASING LTD				
	At the beginning of the year	5000	1.23	5000	1.23
	At the end of the year			5000	1.23
2	THE HOOGHLY MILLS CO. LTD.				
	At the beginning of the year	9600	2.35	9600	2.35
	As on 03/10/2014 - Transfer			-	-
	At the end of the year			-	-
3.	BHUBNESH COMMERCIAL PVT. LTD.				
	At the beginning of the year	-	-	-	-
	As on 31/12/2014 - Transfer	10600	2.60	10600	2.60
	As on 06/02/2015 - Transfer	9600	2.35	20200	4.95
	At the end of the year			20200	4.95
4.	PINAKIN PARESHKUMAR SHAH HUF				
	At the beginning of the year	-	-	-	-
	As on 31/03/2015 - Transfer			4172	1.02
	At the end of the year			4172	1.02
5.	ANJU LUNIA				
	At the beginning of the year	5487	1.34	5487	1.34
	At the end of the year			5487	1.34
6.	RAJENDRA KUMAR JAIN				
	At the beginning of the year	13146	3.22	13146	3.22
	At the end of the year			13146	3.22
7.	PRATIBHA BINANI				
	At the beginning of the year	5000	1.23	5000	1.23
	At the end of the year			5000	1.23

THE METHONI TEA COMPANY LTD.

Sl. No.	Foreach of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
8.	DAMODAR DAS BINANI	5000	1.23	5000	1.23
	At the beginning of the year			5000	1.23
	At the end of the year				
9.	RAM SWAROOP GOENKA	7400	1.81	7400	1.81
	At the beginning of the year			7400	1.81
	At the end of the year				
10.	ANUSHREE SARAOGI	7000	1.72	7000	1.72
	At the beginning of the year			7000	1.72
	At the end of the year				
11.	HOOGHLY MILLS CO. LTD.	9600	2.35	9600	2.35
	At the beginning of the year			-	-
	As on 06/02/2015 - Transfer				

(v) Shareholding of Directors & KMP

Sl. No.	For each of the Directors & KMP	Shareholding at the end 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.	Rajendra Prasad Bubna	-	-	-	-
	At the beginning of the year			-	-
	At the end of the year				
2.	Sanjeev Bubna	-	-	-	-
	At the beginning of the year			-	-
	At the end of the year				
3.	Rashmi Bubna	-	-	-	-
	At the beginning of the year			-	-
	At the end of the year				
4.	Pradip Tusnial	-	-	-	-
	At the beginning of the year			-	-
	At the end of the year				
5.	Manoj Lunia	5487	1.34	5487	1.34
	At the beginning of the year			5487	1.34
	At the end of the year				

THE METHONI TEA COMPANY LTD.

(V) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	-	3,950,000	-	3,950,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	-	3,950,000	-	3,950,000
Change in Indebtedness during the financial year				
Additions	-	2,922	-	2,922
Reduction	-	3,952,922	-	3,952,922
Net Change	-	3,955,844	-	3,955,844
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel

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

Sl. No.	Particulars of Remuneration	Name of the MD / WTD / Manager		Total Amount
		Mr. R. P. Bubna Whole Time Director	Mr. S. Bubna Managing Director	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	1,220,800	1,220,800	2,441,600
	(b) Value of prerequisites u/s 17(2) of the Income Tax Act 1961	545,000	545,000	1,090,000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit	-	-	-
	Others (specify)	-	-	-
5.	Others, please specify	-	-	-
	TOTAL (A)	1,765,800	1,765,800	3,531,600

THE METHONI TEA COMPANY LTD.

B. REMUNERATION TO OTHER DIRECTORS :-

Sl.	Particulars of Remuneration	Name of the Directors				Total Amount
		Mr. H. M. Parekh	Mr. P. Tusnial	Mr. M. Lunia	Mrs. R. Bubna	
1	Independent Directors					
	(a) Fee for attending board committee meetings	3,000	5,000	-	-	8,000
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	3,000	5,000	-	-	8,000
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	3,000	5,000	-	-	8,000
	Total Managerial Remuneration					

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

Sl.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Company Secretary	CFO		
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-		-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-		-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-		-
2	Stock Option	-	-	-		-
3	Sweat Equity	-	-	-		-
4	Commission as % of profit	-	-	-		-
	Others, specify	-	-	-		-
5	Others, please specify	-	-	-		-
	TOTAL	-	-	-		-

THE METHONI TEA COMPANY LTD.

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES - NIL

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 Punishment Compounding					
B. DIRECTORS Penalty Punishment Compounding					
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					

Annexure-2

ANNEXURE TO THE DIRECTORS' REPORT

Information as per Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

The Company continues its efforts to improve methods for energy conservation and utilization by

- (1) More usage of electricity purchased from APDC Ltd.
- (2) Improved efficiency of own generation by usage of diesel generator only for emergencies and as stand by
- (3) Intensified vigil on wastage / leakage control.

Disclosure of particulars with respect to conservation of energy.

		Current Year	Previous Year
		Ended 31-03-2015	Ended 31-03-2014
A. POWER & FUEL CONSUMPTION			
(i)	Electricity		
(a)	Purchased Unit		
	Units (KWH)	6,52,009	7,17,327
	Total Amount (in ₹)	51,74,587	53,07,081
	Rate /Unit (in ₹)	7.94	7.40
(b)	Own Generation		
	Through diesel generator		
	Units (KWH)	1,87,337	2,02,839
	Unit per Ltr. Diesel	2.49	2.66
	Cost/Unit (in ₹)	24.19	20.57
(ii)	Coal		
	Quantity (MT)	1,121	1,049
	Total Cost (In ₹)	72,67,092	80,90,841
	Average Rate (In ₹)	6,483	7,713
B. CONSUMPTION PER UNIT OF PRODUCTION			
Products			
	Black Tea (in Kgs.)	7,48,725	7,64,283
	Electricity (in Units)	1.12	1.21
	Coal (in Kgs.)	1.50	1.37

THE METHONI TEA COMPANY LTD.

B. TECHNOLOGY ABSORPTION

Disclosure of particulars with respect to technology absorption.

RESEARCH AND DEVELOPMENT (R&D)

The Company subscribes to Tea Research Association which is registered under Section 35(l)(ii) of the Income Tax Act, 1961, to carry out R&D on tea. TRA continues to provide strong scientific support to the tea estate and tea cultivation practices and mechanization of factory which are the thrust areas of research affecting productivity as well as quality.

1. Specific Area in which R&D carried out by the Company

- a) Improving yields and productivity
- b) Pruning cycle optimized.

2. Benefit derived as a result of above R&D

- a) Trials especially concerning nutrients to improve productivity.

3. Future plan of action

- b) Better agronomy practices to be developed for field particularly where the yield is low and optimize manufacturing methods for improvement in quality.

- c) Your Company is complying with stringent requirements of minimum residual limits for chemicals in teas and producing teas in conformity with the requirements of rising consumer safety requirement norms.

The Company contributes for the activities of TRA by way of subscription.

4. Expenditure on R&D

a) Capital

NIL

b) Recurring

₹ 1,71,664/- being amount paid to TRA.

c) Total R&D Expenditure

as percentage of total turnover. .18%

5. Efforts

Managerial staff are encouraged to attend seminars and training programme for agricultural practices in the field and manufacturing process in the factories.

6. Benefits

Increase in productivity, quality of tea and cost reductions were achieved in tea estate.

7. In case of Imported technology (imported during the last 3 years reckoned from the beginning of the financial year) following information may be furnished None
- a) Details of Technology imported
 - b) Year of Import
 - c) Has technology been fully absorbed
 - d) If not fully absorbed, areas where they have not taken place, reason and future plan of action.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings	: ₹ Nil (Previous year ₹ Nil)
Foreign Exchange Outgo	: ₹ 6,67,941 (Previous year ₹ 6,57,215)

THE METHONI TEA COMPANY LTD.

ANNEXURE-3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2015

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

To.

The Members.

The Methoni Tea Company Ltd.

75-C Park Street, First Floor,

Kolkata-700016

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

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

- i. Secretarial Standards issued by the institute of Company secretaries of India (not notified) have not applicable to the company during the audit period.
- ii. The Listing Agreements entered into by the Company with stock Exchange.

During the period under review, The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above except to the provisions of section 203 of the Companies Act, 2013 in regards In the appointment of Key Managerial Personnel and explained to us that the Company is taking necessary steps to comply with the same.

We further report that

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have subject to review by statutory financial audit and other designated professionals.

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

Place : Kolkata

Date : 26.05.2015

Signature : K. C. DHANUKA & CO
Company Secretaries

Name of Firm : K. C. Dhanuka & Co.
FCS – 2204, C.P. No. – 1247

THE METHONI TEA COMPANY LTD.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

THE METHONI TEA COMPANY LTD.

Report on Financial Statements

We have audited the accompanying financial statements of **THE METHONI TEA COMPANY LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and 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 and presentation of these financial statements that give a true and fair view of the financial position; financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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 consider 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. 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.

Basis for Qualified Opinion

- i) Non provisioning of shortfall in carrying value of certain quoted investments in equity shares amounting to Rs.4,41,23,105/-, refer Note No 2.31.*
- ii) We further report that had the observations made by us in Basis for Qualified Opinion Note No. (i) above been considered, the loss for the year would have been Rs. 6,77,77,600/- (as against reported loss figure of Rs.2,36,54,495/-), Debit balance in Profit and Loss Account would have been Rs.3,09,35,366/- (as against reported figure of Credit Balance of Rs. 1,31,87,739/-).*

We have qualified the report on the financial statements for the year ended 31st March, 2015 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 matter described in the Basis for Qualified Opinion paragraph above, 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,

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

THE METHONI TEA COMPANY LTD.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013. We enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c) The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account.
 - d) *Except for the effects of the matter described in the basis for qualified opinion paragraph,* in our opinion, the Balance Sheet, Statement of Profit and Loss and the cash flow statement dealt with by this report comply the Accounting Standards notified under the Companies Act, 2013 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors, as on 31 st March, 2015 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2.24 to the financial statements;
 - ii. There was no amount which was required to be transferred to Investor Education and Protection Fund by the Company.

SHUBHAM DAGA, FCA, Partner

(Membership No. : 063574)

For & On behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Registration No. 316052E

Place : Kolkata

Dated : 30th day of May, 2015

ANNEXURE

The Annexure referred to in our report to the members of the Company for the year Ended on 31st March 2015, we report that.

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets *except for certain Fixed assets acquired prior to 1st January 1985 for which records have not been maintained.*
(b) The Company has a regular programme of physical verification of its fixed assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- ii. As per the information and explanation given to us and as verified by us, management is verifying inventory at regular intervals. In our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the Management, found reasonable and adequate in relation to the size of the company and the nature of its business
(c) In our opinion based on our examination of the records of inventory, the Company is maintaining proper records of inventory and as certified to us, no material discrepancies were noticed on such physical verification of inventory.
- iii. (a) 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 3 (iii) (b) the order is not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there exists an inadequate internal control system commensurate with the size of the company and the nature of its business, with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
- v. The company has not accepted any deposit from public within the meaning of section 73 to 76 or any other relevant provisions of the 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.

THE METHONI TEA COMPANY LTD.

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, 2015 for a period of more than six months from the date they became payable, except with regard to Income Tax, which has not been deposited as on 31st March, 2015 are given below:

Assessment Year	Name of the Statute	Nature of Dues	Amount (Rs.)	Forum at which case is pending
2007-08	Income Tax Act, 1961	Income Tax	82,282	Commissioner of Income Tax (Appeals)-IV

b) Details of dues of Income Tax which has not been deposited as on 31st March, 2015 on account of dispute are given below:

Assessment Year	Name of the Statute	Nature of Dues	Amount (Rs.)	Forum at which case is pending
2010-11	Income Tax Act, 1961	Income Tax	4,35,020	Income tax Appellate Tribunal, Kolkata Branch
2011-12	Income Tax Act, 1961	Income Tax	14,50,740	Commissioner of Income Tax (Appeals)-IV
2012-13	Income Tax Act, 1961	Income Tax	5,360	Commissioner of Income Tax (Appeals)-II
	Total		18,91,120	

c) According to the information and explanations given to us there was no amount which was required to be transferred to Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act.

viii. The company does not have accumulated losses as at 31st March, 2015. It has incurred cash loss of Rs.2,60,90,965/- during the financial year covered by our audit but no cash loss in the immediately preceding year.

ix. 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 any dues to

Banks and Financial Institutions as at the Balance Sheet date.

- x. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. In our opinion, and according to the information and explanations given to us, the Company has not taken any term loan during the year.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

SHUBHAM DAGA, FCA, Partner

(Membership No. : 063574)

For & On behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Registration No. 316052E

Place : Kolkata

Dated : 30th day of May, 2015

THE METHONI TEA COMPANY LTD.

BALANCE SHEET AS AT 31ST MARCH, 2015

(Figures in ₹)

Sl. No.	Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
I.	EQUITY AND LIABILITIES			
(1)	Shareholder's Funds			
	(a) Share Capital	2.1	4,080,000	4,080,000
	(b) Reserves and Surplus	2.2	120,430,282	144,854,920
(2)	Non-Current Liabilities			
	(a) Deferred Tax Liabilities (net)	2.3	—	3,009,231
	(b) Long-Term Provisions	2.4	9,986,337	109,498,860
(3)	Current Liabilities			
	(a) Short Term Borrowings	2.5	—	3,950,000
	(b) Trade Payables	2.6	5,985,329	10,019,370
	(c) Other Current Liabilities	2.7	4,607,409	21,897,747
	(d) Short-Term Provisions	2.8	11,166,057	8,601,682
	Total Equity & Liabilities		156,255,414	305,911,810
II.	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets			
	(i) Gross Block		91,382,825	90,110,221
	(ii) Depreciation		68,303,000	62,160,659
	Net Block	2.9	23,079,825	27,949,562
	(b) Non-Current Investment	2.10	73,150,313	81,457,860
	(c) Long Term Loans and Advances	2.11	10,617,124	109,839,641
	(d) Deferred Tax Assets (net)	2.3	4,987,806	—
	(e) Other Non-Current Assets	2.12	258,374	258,374
(2)	Current Assets			
	(a) Inventories	2.13	7,582,393	13,100,554
	(b) Trade Receivables	2.14	952,759	1,403,319
	(c) Cash and Cash Equivalents	2.15	29,979,054	29,971,578
	(d) Short - Term Loans and Advances	2.16	3,026,452	35,557,388
	(e) Other Current Assets	2.17	2,621,314	6,373,534
	Total Assets		156,255,414	305,911,810

Significant accounting Policies and Notes on Accounts. 1 & 2

SHUBHAM DAGA, FCA, Partner
 Membership No. : 063574
 For & On behalf of
DHANDHANIA & ASSOCIATES
 Chartered Accountants
 Registration No. : 316052E

Place : Kolkata
 Dated : 30th Day of May, 2015

R. P. BUBNA
 DIN : 00180543

S. BUBNA
 DIN : 00031225

P. TUSNIAL
 DIN : 00272283

M. LUNIA
 DIN : 00158912

R. BUBNA
 DIN : 00180739

Whole Time Director

Managing Director

Directors

THE METHONI TEA COMPANY LTD.

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

(Figures in ₹)

Sl. No.	Particulars	Note No.	For the year Ended 31st March, 2015	For the year Ended 31st March, 2014
(1)	Revenue from Operations	2.18	97,393,292	117,121,072
(2)	Other Income	2.19	4,707,672	9,577,543
	Total Revenue (1+2)		102,100,964	126,698,615
(3)	Expenses :			
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.20	530,784	(107,098)
	Employee Benefit Expenses	2.21	74,074,489	71,016,311
	Financial Costs	2.22	1,574,437	1,370,561
	Depreciation and Amortization Expense	2.9	5,372,198	3,593,535
	Other Expenses	2.23	52,012,219	50,298,997
	Total Expenses		133,564,127	126,172,305
(4)	Profit/ (Loss) before exceptional and extraordinary items and tax		(31,463,163)	526,309
(5)	Exceptional and Extraordinary Items		—	—
(6)	Profit/ (Loss) after Exceptional and Extraordinary items and before tax		(31,463,163)	526,309
(7)	Tax Expense:			
	(1) Current Tax		—	1,410,000
	(2) Deferred Tax		(7,997,037)	1,273,383
	(3) Tax for Earlier Years		188,369	(577,662)
(8)	Profit/ (Loss) from Operations		(23,654,495)	(1,579,412)
(9)	Earning per Equity Share:			
	(1) Basic		(57.98)	(3.87)
	(2) Diluted		(57.98)	(3.87)

Significant accounting Policies and Notes on Accounts. 1 & 2

SHUBHAM DAGA, FCA, Partner
 Membership No. : 063574
 For & On behalf of
DHANDHANIA & ASSOCIATES
 Chartered Accountants
 Registration No. : 316052E

Place : Kolkata
 Dated : 30th Day of May, 2015

R. P. BUBNA
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Whole Time Director

Managing Director

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THE METHONI TEA COMPANY LTD.

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

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before extraordinary items and tax		(31,463,163)		526,309
<i>Adjustments for:</i>				
Depreciation and amortisation	5,372,198		3,593,535	
Finance costs	1,574,437		1,370,561	
Interest income	(2,798,577)		(7,916,122)	
Dividend income	(290,007)		(455,716)	
Net (gain) / loss on sale of investments	(920,137)		(968,946)	
Liabilities / provisions no longer required written back	-	2,937,914	(77,629)	(4,454,317)
Operating profit / (loss) before working capital changes		(28,525,249)		(3,928,008)
<i>Adjustments for (increase) / decrease in Assets:</i>				
Inventories	5,518,161		5,192,716	
Trade receivables	450,560		(993,534)	
Short-term loans and advances	(828,866)		508,686	
Other current assets	3,549,935		(2,069,364)	
<i>Adjustments for increase / (decrease) in Liabilities:</i>				
Trade payables	(4,034,041)		328,416	
Other current liabilities	1,108,685		982,768	
Short-term provisions	3,974,375	9,739,009	(1,229,214)	2,720,474
Cash flow from extraordinary items		-		77,629
Cash generated from operations		(18,786,240)		(1,129,905)
Net income tax (paid) / refunds		(1,888,375)		(1,142,482)
Net cash flow from / (used in) operating activities (A)		(20,674,615)		(2,272,387)
B. Cash flow from investing activities				
Capital expenditure on fixed Assets	(1,272,604)		(451,826)	
Short Term Loans and Advances	33,359,602		(12,268,737)	
Long Term Loans and Advances	-		(22,518)	
Net Proceeds from sale of long-term investments	8,307,547		(2,462,963)	
Net (gain) / loss on sale of investments	920,137		968,946	
Interest income	3,000,862		7,916,122	
Dividend Income	290,007		455,716	
Net cash flow from / (used in) investing activities (B)		44,605,551		(5,865,260)

THE METHONI TEA COMPANY LTD.

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	₹	₹	₹	₹
C. Cash flow from financing activities				
Short Term Borrowings	(3,950,000)		3,950,000	
Finance Cost	(1,574,437)		(1,370,561)	
Dividends Paid	(8,142)		(1,178,685)	
Bank OD	(18,390,881)		2,588,816	
Tax on Dividend	-		(198,563)	
Net cash flow from / (used in) financing activities (C)		(23,923,460)		3,791,007
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		7,476		(4,346,640)
Cash and cash equivalents at the beginning of the year		29,971,578		34,318,218
Cash and cash equivalents at the end of the year		29,979,054		29,971,578
<u>Reconciliation of Cash and Cash Equivalents with the Balance Sheet:</u>				
Cash and cash equivalents as per Balance Sheet at the year end comprises		29,979,054		29,971,578
Cash and cash equivalents as per Balance Sheet at the year end comprises				
(a) Cash in hand		82,216		93,634
(b) Balances with banks:				
(i) In current accounts		1,142,383		814,519
(ii) In Deposit accounts		28,486,598		28,787,426
(iii) In Earmarked accounts		267,857		275,999
		29,979,054		29,971,578

See accompanying notes forming part of the financial statements in terms of our report attached.

SHUBHAM DAGA, FCA, Partner
 Membership No. : 063574
 For & On behalf of
DHANDHANIA & ASSOCIATES
 Chartered Accountants
 Registration No. : 316052E

Place : Kolkata
 Dated : 30th Day of May, 2015

R. P. BUBNA
 DIN : 00180543

S. BUBNA
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Whole Time Director

Managing Director

Directors

THE METHONI TEA COMPANY LTD.

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF
THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

COMPANY OVERVIEW

- The Methoni Tea Company Limited [CIN : L15492WB1929PLC006618] having its registered office at 75C, Park Street (1st Floor), Kolkata - 700 016 and tea estate, Methoni Tea Estate at P.O. Bokakhat, Dist. Golaghat, Assam - 785 612, is engaged in the business of growing, manufacturing and selling of Black Tea.

SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Indian GAAP, applicable Accounting Standards issued by "The Institute of Chartered Accountants of India" and relevant provisions of the Companies Act, 2013. A summary of significant accounting policies, which have been applied consistently, is set out below:

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with historical cost convention. All expenses and incomes, unless specifically stated to be otherwise, have been accounted for on accrual basis. Replantation Subsidy and other claims, refunds etc., which are not ascertainable with reasonable accuracy, are accounted for on receipts/acceptance of the same.

1.2 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future, results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

1.3 FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. Cost includes cost of acquisition, custom duties, taxes, other incidental expenses relating to acquisition and installation and interest upto the date (in case of qualifying assets) the asset is put to use.

Expenditure incurred towards Estate Development during the first year is capitalized and the expenses incurred thereafter in subsequent years and cost of replanting in existing area is charged to revenue.

1.4 DEPRECIATION

Depreciation on tangible assets is provided on written down value method over the useful life of the assets as prescribed under Part C of the Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during the period is proportionately charged.

Depreciation and amortisation methods, useful life and residual values are reviewed periodically, including at each financial year end.

1.5 INVESTMENTS

Long Term Investments are stated at cost. Diminution in value, if any, which are not temporary in nature, are adjusted there from and recognized in the financial statements. Current Investments are valued at lower of cost or fair market value of such investment.

1.6 INVENTORIES

Inventories are valued at lower of cost or net realisable value except tea waste, which is valued at net realisable value. Cost comprises expenditure incurred in the normal course of business and bringing such inventories to their present location and condition and includes appropriate overhead.

Cost in respect of stores, spares and packing materials are determined at weighted average.

Provision is made for obsolete and slow-moving stock, wherever necessary.

1.7 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rate prevailing at the transaction date.

Exchanges differences arising on settlement of transactions or on reporting at the year end rates are recognized as income or as expenses in the period in which they arise.

1.8 RETIREMENT BENEFITS

Contribution to Defined Contribution Provident Fund scheme is made based on a percentage of current salary and is recognised in the Profit & Loss Account on accrual basis.

Short term benefits are charged off at the undiscounted amount in the year in which the related service rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation technique and

THE METHONI TEA COMPANY LTD.

funded with the approved gratuity fund. Actuarial gains and losses in respect of post employment benefits are charged to the Profit and Loss Account.

1.9 BORROWING COST

Borrowing Cost that are directly attributable to the acquisition or construction of an assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised till substantial completion of all the activities that are necessary for this if any, other wise borrowing cost are charged to revenue.

1.10 REVENUE RECOGNITION

Revenue from sale of goods is recognized on passing of the title of the goods/confirmation of the broker. Sales are exclusive of Sales Tax. Other income and expenditure are accounted for on accrual basis.

1.11 GRANTS/SUBSIDIES

Subsidies from Government in respect of fixed assets are deducted from the cost of respective assets. Other subsidies are accounted for on accrual basis when one is reasonably certain of its receipt.

1.12 TAXES ON INCOME

a) Provision for current tax made on the basis of the estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

b) Deferred tax is recognized, at the current rates of taxation, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets in respect of business loss is not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

c) Tax credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provision of section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal Income tax within the statutory time framed and is reviewed at each Balance Sheet date.

1.13 IMPAIRMENT OF ASSETS

Impairment of Assets is recognized when there is an indication of impairment. On such indication the recoverable amount of the assets is estimated and if such estimation is less than carrying amount, the carrying amount is reduced to its recoverable amount.

1.14 CONTINGENT LIABILITIES

The contingent liabilities are provided when it is considered that there may be an outflow of resources embodying future economic benefits in settlement of :

- a) present obligation the one whose existence at the balance sheet date is considered probable;
- b) a possible obligation the existence of which at the balance sheet date is considered not probable.

1.15 CASH AND CASH EQUIVALENTS

Cash and cash equivalent comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.16 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

1.17 EARNING PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

1.18 INSURANCE CLAIMS

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note: 2.1 Share Capital		(Figures in. ₹)	
Sl. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	Authorized Capital Equity shares, ₹ 10/- par value 5,00,000 (5,00,000) Equity Shares	5,000,000	5,000,000
		5,000,000	5,000,000
2.	Issued, Subscribed & Paid Up Capital Equity Shares, ₹ 10/- par value 4,08,000 (4,08,000) Equity Shares	4,080,000	4,080,000
	Total	4,080,000	4,080,000

2,92,000 Equity Shares of ₹ 10/- each allotted as fully paid-up Bonus Shares by Capitalisation of General Reserves.

1,15,998 Equity Shares of ₹ 10/- each allotted as fully paid-up for consideration other than cash.

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

Reconciliation of the number of shares outstanding:

Particulars	As at 31st March, 2015	As at 31st March, 2014
Number of shares at the beginning of the year	408,000	408,000
Add: Shares issued during the year	—	—
Number of shares at the closing of the year	408,000	408,000

Details of shares held by each shareholder holding more than 5% shares

Sl. No.	Particulars	As at 31st March, 2015		As at 31st March, 2014	
		Total No. of Shares	Holding (%)	Total No. of Shares	Holding (%)
1	Indistock Private Limited	191,401	46.91	191,401	46.91
2	Thirdwave Credit & Commercial (P) Ltd.	56,787	13.92	56,787	13.92

THE METHONI TEA COMPANY LTD.

Note ; 2.2 Reserve & Surplus

(Figures in. ₹)

Sl. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	Capital Reserve		
	Opening Balance	6,626	6,626
	Add: Addition during the year	-	-
	Less: Utilised / transferred during the year	-	-
	Closing Balance	6,626	6,626
2	General Reserve		
	Opening Balance	107,235,917	107,235,917
	Add: Transfer from Profit & Loss Account	-	-
	Closing Balance	107,235,917	107,235,917
3	Surplus / (Deficit) in Statement of Profit and Loss		
	Profit / (Loss) brought forward from previous year	37,612,377	39,191,789
	Add: Profit / (Loss) for the year	(23,654,495)	(1,579,412)
	Transferred to:		
	General Reserve	-	-
	Less : On account of transitional provisions for Depreciation as per Companies Act 2013	770,143	-
	Closing Balance	13,187,739	37,612,377
	Total	120,430,282	144,854,920

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note: 2.3 Deferred Taxes			<i>(Figures in. ₹)</i>	
Sl. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014	
1)	Deferred Tax Assets			
	On Account of Section 43B of Income Tax Act, 1 961	1,270,030	-	
	On account of carry forward Agricultural Loss	5,210,117	-	
	Total Deferred Tax Asset	6,480,147	-	
2)	Deferred Tax Liabilities			
	On Account of Section 43B of Income Tax Act, 1961	-	376,872	
	On difference between book Balance and tax balance of fixed assets	1,492,341	2,632,359	
	Total Deferred Tax Liabilities	1,492,341	3,009,231	
	Net Deferred Tax Assets / (Liabilities)	4,987,806	(3,009,231)	
Note: 2.4 Long Term Provisions				
1	Provision for Tax	9,986,337	109,498,860	
	Total	9,986,337	109,498,860	
Note : 2.5 Short Term Borrowings				
1	Loan from Related party	-	3,950,000	
	Total	-	3,950,000	
Note: 2.6 Trades Payable				
1	Sundry Creditors for Material/Supplies	5,034,020	6,981,147	
2	Sundry Creditors for Services	951,309	3,038,223	
	Total	5,985,329	10,019,370	
Note: 2.7 Other Current Liabilities				
1	Accrued Salaries & Benefits			
	Salaries & Wages	2,145,530	1,125,797	
2	Statutory Payables	681,014	1,179,550	
3	Unpaid Dividends	267,857	275,999	
4	Bank OD A/c (HDFC Bank A/c)	730,251	19,121,132	
5	Other Payables	782,757	195,269	
	Total	4,607,409	21,897,747	
Note: 2.8 Short Term Provisions				
1	Bonus Payable	6,313,178	5,731,976	
2	Provision for Tax	-	1,410,000	
3	Employee Benefits	4,852,879	1,459,706	
	Total	11,166,057	8,601,682	

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note : 2.9 Fixed Asset

(Figures in ₹)

Sl. No	Particulars	Original Cost			Depreciation and Amortisation			Net Book Value		
		As at 1st April '14	Addition during the year	Adjustment* during the Year	As at 31st Mar '15	As at 1st April '14	Addition during the year	Deduction/ Adjustment during the Year	As at 31st Mar '15	As at 31st Mar '14
I	Tangible Assets									
1	Land (Lease and Free hold) and Development	5,097,916	-	-	5,097,916	2,127,071	-	-	2,127,071	2,970,845
2	Factory Buildings	4,768,303	-	-	4,768,303	2,561,834	203,657	4,417	2,769,908	2,206,469
3	Other Buildings	21,518,852	129,822	-	21,648,674	14,070,032	1,219,505	515,981	15,805,518	7,448,820
4	Plant & Machineries	50,083,603	901,231	-	50,984,834	35,903,242	3,242,346	204,288	39,349,856	14,180,361
5	Computers	653,220	241,551	-	894,771	424,129	348,995	6,341	779,465	229,091
6	Office Equipment	252,205	-	-	252,205	160,124	23,281	39,136	222,541	92,081
7	Furniture & Fittings	1,120,219	-	-	1,120,219	849,542	114,126	-	963,668	270,677
8.	Motor Vehicles	6,615,903	-	-	6,615,903	6,064,685	220,288	-	6,284,973	551,218
	Total (Current Year)	90,110,221	1,272,604	-	91,382,825	62,160,659	5,372,198	770,143	68,303,000	27,949,562
	(Previous Year)	89,658,396	451,825	-	90,110,221	58,587,125	3,593,535	-	62,160,660	-

*Note : Amount adjusted is on account of assets whose useful life have been finished as per Schedule II Part C of Companies Act, 2013.

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note: 2.10 Non - Current Investments

(Figures in ₹)

Sl. No.	Particulars	Face Value	As at 31st March, 2015			As at 31st March, 2014		
			Quoted	Unquoted	Total	Quoted	Unquoted	Total
1	Non Trade Investments							
A.	<u>Investment in equity instruments of other entities</u>							
(a)	<u>Fully paid up Quoted Equity Shares</u>							
1	Ambalal Sarabhai Enterprises Ltd. 24,70,625 (P.Y. 24,70,625)	10	28,089,515	-	28,089,515	28,089,515	-	28,089,515
2	Ballarpur Industries Ltd. 14,000 (P.Y. 14,000)	2	328,428	-	328,428	328,428	-	328,428
3	Deepak Fertilisers & Petrochemicals Corporation Ltd. 2,000 (P.Y. 2,000)	10	393,971	-	393,971	393,971	-	393,971
4	EIH Ltd. 7,630 (P.Y. 7,630)	2	915,205	-	915,205	915,205	-	915,205
5	Financial Technologies (India) Ltd. 500 (P.Y. 500)	2	688,444	-	688,444	688,444	-	688,444
6	Fresenius Kabi Oncology Ltd. 2,000 (P.Y. 2,000)	1	344,770	-	344,770	344,770	-	344,770
7	Hindustan Petroleum Corporation Ltd. 2,500 (P.Y. 2,500)	10	1,076,621	-	1,076,621	1,119,497	-	1,119,497
8	IDBI Bank Ltd. 8,500 (P.Y. 8,500)	10	1,250,861	-	1,250,861	1,250,861	-	1,250,861
9	IFCI Ltd. 50,000 (P.Y. 50,000)	10	2,485,594	-	2,485,594	2,485,594	-	2,485,594
10	India Glycols Ltd. 1,000 (P.Y. 1,000)	10	155,093	-	155,093	155,093	-	155,093
11	Rattan India Power Ltd. 9,145 (P.Y. 9,145)	10	306,414	-	306,414	306,414	-	306,414
12	JVL Agro Industries Ltd. 50,000 (P.Y. 50,000)	1	1,009,259	-	1,009,259	1,009,259	-	1,009,259
13	Jubilant Life Sciences Ltd. 24,742 (P.Y. 24,742)	1	7,456,758	-	7,456,758	7,456,758	-	7,456,758
14	Jubilant Industries Ltd. 375 (P.Y. 375)	10	113,027	-	113,027	113,027	-	113,027
15	K.S.Oils Ltd. 3,77,900 (P.Y. 3,77,900)	1	15,883,070	-	15,883,070	15,883,070	-	15,883,070
16	Nagarjuna Fertilizers & Chemicals Ltd. 55,000 (P.Y. 55,000)	1	786,695	-	786,695	786,695	-	786,695

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2014

Note: 2.10 Non - Current Investments

(Figures in ₹)

Sl. No.	Particulars	Face Value	As at 31st March, 2015			As at 31st March, 2014		
			Quoted	Unquoted	Total	Quoted	Unquoted	Total
17	Nagarjuna Oil Refinery Ltd. 50,000 (P.Y. 50,000)	1	715,177	-	715,177	715,177	-	715,177
18	Punj Lloyd Ltd. 4,500 (P.Y. 4,500)	2	452,364	-	452,364	452,364	-	452,364
19	Reliance Communications Ltd. 3,300 (P.Y. 3,300)	5	2,120,977	-	2,120,977	2,120,977	-	2,120,977
20	Supreme Infrastructure India Ltd. NIL (P.Y. 2,000)	10	-	-	-	598,878	-	598,878
21	Tata Chemicals Ltd. 3,000 (P.Y. 3,000)	10	1,260,673	-	1,260,673	1,260,673	-	1,260,673
22	The West Coast Paper Mills Ltd. 2,500 (P.Y. 2,500)	2	258,397	-	258,397	258,397	-	258,397
Sub-Total (A)			66,091,313	-	66,091,313	66,733,067	-	66,733,067
(b) Un-Quoted Equity Shares								
23	ABC Tea Workers Welfare Services 625 (P.Y. 625)	10	-	1,250	1,250	-	1,250	1,250
24	Monet Securities Private Limited 21,71,000 (P.Y. Nil)	10	-	7,055,750	7,055,750	-	-	-
25	J M High Liquidity Fund - Growth Option NIL Units (40622.499 Units)	-	-	-	-	-	1,401,403	1,401,403
26	Peerless Ultra Short Team Fund - Super Institutional Growth NIL Units (955,337,066 Units)	-	-	-	-	-	13,320,140	13,320,140
27	Woodlands Multispeciality Hospital Limited (Converted 20 Debentures into 200 equity shares)	10	-	2,000	2,000	-	2,000	2,000
Sub-Total (B)			-	7,059,000	7,059,000	-	14,724,793	14,724,793
Total Non-Current Investment			66,091,313	70,59,000	73,150,313	66,733,067	14,726,793	81,457,860
Aggregate amount of quoted investments					66,091,313			66,733,067
Aggregate market value of listed and quoted investments					22,582,165			18,479,632
Aggregate amount of unquoted investments					70,59,000			14,724,793

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note: 2.11 Long Term Loans and Advances

(Figures in ₹)

Sl. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	Security Deposit		
	a) Unsecured, Considered Good :		
	Electricity Supply & Others	967,136	967,136
2	Balances with Government Authorities		
	(i) Advance Income Tax	9,649,479	108,592,987
	(ii) MAT Credit Entitlement	-	279,009
	(iii) Cess on Made Tea (Including Edu. Cess)	509	509
	Total	10,617,124	109,839,641

Note :2.12 Other Non- Current Assets

1	Deposits	258,374	258,374
	Total	258,374	258,374

Note: 2.13 Inventories

1	Black Tea	2,467,413	3,266,197
2	Tea Waste	268,000	-
3	Packing Materials	633,327	944,342
4	Fuel	489,143	4,332,887
5	Consumable Stores	3,598,694	4,524,278
6	Consumable Stores in Transit	125,816	32,850
	Total	7,582,393	13,100,554

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note: 2.14 Trade Receivables

(Figures in ₹)

Sl. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	Others	952,759	1,403,319
	a) Unsecured, Considered Good		
	Total	952,759	1,403,319

Note: 2.15 Cash & Cash Equivalent

1	Cash Balance	82,216	93,634
2	Balances with banks		
	(i) In Current Accounts	1,142,383	814,519
	(ii) In Deposit Accounts	28,486,598	28,787,426
	(iii) In Earmarked Accounts		
	- Unpaid Dividend Accounts	267,857	275,999
	Total	29,979,054	29,971,578

Note :2.16 Short Terms Loans and Advances

1	<u>Loans and advances to employees</u>	298,170	291,155
2	<u>Prepaid expenses</u>	1,032,570	292,976
3	<u>Loan to Corporates and Others</u>		
	(i) Unsecured, considered good	1,611,287	34,768,737
4	<u>Advance to Others</u>		
	Advance to Suppliers	82,057	-
	Advance to Service Providers	2,368	204,520
	Total	3,026,452	35,557,388

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note :2.17 Other Current Assets

(Figures in ₹)

Sl. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	Accruals		
	(i) Interest accrued on deposits	2,390,316	2,535,792
	(ii) Interest accrued on Loan to Corporates		
	Considered good	69,464	126,273
	(iii) Tea Board Orthodox Subsidy Receivable	-	3,703,710
	(iv) Others	161,534	7,759
	Total	2,621,314	6,373,534

Note : 2.18 Revenue from Operations

1	Sales of Finished Tea	97,738,751	112,496,204
	Less: Excise Duty	345,459	372,631
		97,393,292	112,123,573
2	Sale of Tea Waste	-	738,102
3	Subsidies		
	Tea Board Orthodox Subsidy	-	4,259,397
	Total	97,393,292	117,121,072

Note: 2.19 Other Income

1	Dividend Received	290,007	455,716
2	Net Gain / (Loss) on Sale of Long Term Investments	920,137	968,946
3	Insurance Claim	6,690	159,131
4	Liabilities / provisions no longer required written back	-	77,629
5	Interest Income	2,798,577	7,916,123
6	Tea Board SPTF Subsidy	638,261	-
7	Tea Sample Sales	54,000	-
	Total	4,707,672	9,577,545

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note: 2.20 Change in Inventories

(Figures in ₹)

Sl. No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
1	Opening Stock	3,266,197	3,159,099
2	Closing Stock	2,735,413	3,266,197
	Total	530,784	(107,098)

Note : 2.21 Employment Benefit Expenses

1	Salaries and Wages	58,738,464	58,116,528
2	Contributions to Provident and Other Funds	8,741,922	5,957,346
3	Staff Welfare Expenses	6,594,103	6,942,437
	Total	74,074,489	71,016,311

Note : 2.22 Financial Cost

1	<u>Interest on Borrowing</u>		
	- Bank OD A/c - HDFC Bank A/c	1,571,515	1,326,300
	- Other Borrowing Costs	2,922	44,260
	Total	1,574,437	1,370,560

THE METHONI TEA COMPANY LTD.

Notes forming part of the financial statements as at 31st March, 2015

Note : 2.23 Other Expenses

(Figures in ₹)

Sl. No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
1	Cultivation Expenses	9,316,999	7,492,019
2	Power & Fuel	17,857,032	18,179,105
3	Repairs & Maintenance	7,102,243	7,317,993
4	Consumption of Packing Material & Stores	1,656,691	2,010,575
5	Rent Charges	155,359	155,359
6	Rates & Taxes	487,314	1,165,352
7	Insurance Charges	3,224,995	3,217,011
8	Travelling and Conveyance	700,769	641,771
9	Freight Charges	3,080,715	2,952,164
10	Commission & Brokerage	1,086,627	1,264,147
11	Other Selling Expenses	1,453,402	1,178,783
12	Auditors' Remuneration	211,237	67,416
13	Cess on Green Leaf	1,199,738	1,339,571
14	Directors Sitting Fees	8,000	8,000
15	Professional Fees	907,632	472,992
16	Subscription	579,028	414,686
17	Miscellaneous Expenses	2,984,438	2,422,053
	Total	52,012,219	50,298,997

Payments to the Auditors Comprises

1	As Auditors - Statutory Audit	56,180	56,180
2	For Other Services	155,057	11,236
	Total	211,237	67,416

Additional Information to the Financial Statements

2.24 The company has received demand under I.T. Act for various assessment years and preferred appeal, which are as follows :

The company has received a demand of Rs. 82,282/- u/s 143(3) of I.T. Act for the A. Y. 2007-08 against which an appeal has been filed before Commissioner of I. Tax Appeal-IV which is pending.

The company has received a demand of Rs. 4,35,020/- u/s 250 of I.T. Act for the A.Y. 2010-11 against which an appeal has been filed before Income tax Appellate Tribunal, Kolkata Branch which is pending.

The company has received a demand of Rs. 14,50,740/- u/s 143(3) of I.T. Act for the A.Y. 2011-12 against which an appeal has been filed before Commissioner of I. Tax Appeal-IV which is pending.

The company has received a demand of Rs. 5,360/- u/s 143(3) of I.T. Act for the A. Y. 2012-13 against which an appeal has been filed before Commissioner of I. Tax Appeal-II which is pending.

Based on interpretation of the Acts & various judicial pronouncements in relation to similar matters, the Company is of the view that the above demand is likely to be deleted.

2.25 Estimated amounts of contracts to be executed on capital account net of advance and not provided for Rs. Nil (Previous year Rs. Nil).

2.26 Managerial Remuneration (As per Schedule V Part II of Companies Act, 2013) (Figure in ₹)

A) Details of Managerial Remuneration -	2014-15	2013-14
Gross Salary	2,441,600	2,286,800
House Rent Allowance	1,090,000	1,030,000
Total	3,531,600	3,316,800
B) Computation of Net Profit and Director's Commission	2014-15	2013-14
Profit / (Loss) Before Tax as per Profit & Loss Account	(31,463,163)	526,309
Less : Profit / (Loss) on Sale of Investments	920,137	968,946
	(32,383,300)	(442,637)
Add : Sitting Fees	8,000	8,000
Add : Managerial's Remuneration	3,531,600	3,316,800
Profit / (Loss) for computation of Director's Remuneration	(28,843,700)	2,882,163
Commission thereon @ 2.5% each for two directors	-	-

THE METHONI TEA COMPANY LTD.

2.27 Details of government Subsidies/grants :

Particulars	For the Year ended 31st March 2015	For the Year ended 31st March 2014
Government grants received by the Company during the year towards Subsidies (Recognised under other income) :		
Tea Board Replantation Subsidy	638,261	-
Tea Board Orthodox Subsidy	-	4,259,397
Total	638,261	4,259,397

2.28 The Company is engaged in the business of integrated activities of manufacture and sale of black tea, predominantly in the domestic account. Hence, there is no reportable segment as per AS-17 on "Segment Reporting" issued by "The Institute of Chartered Accountants of India".

2.29 There are no transaction (other than transactions with related parties as given in Para 2.32) which are required to be disclosed under Clause 32 of the listing agreement with the Stock Exchanges where the Equity Shares of the Company are Listed.

2.30 The amount receivable from Elder Pharmaceuticals Limited on account of loan of Rs. 16,11,287/- and interest receivable of Rs. 69,464/- is subject to confirmation.

2.31 In the opinion of the Management, the carrying value of long term quoted investments of ₹ 6,60,91,313/- (P. Y. ₹ 6,67,33,067/-) when compared against their market value of ₹ 2,25,82,165/- (P. Y.: ₹ 1,84,79,632/-) have not suffered any permanent diminution. No provision has therefore been considered necessary at this stage.

2.32 Related party transactions

a) Details of related parties

Description of relationship Key Management Personnel (KMP) Relative of Key Managerial Personnel Enterprises over which Key Management Personnel and their relatives have significant influence	Names of related parties	
	Mr. R.P. Bubna - Whole Time Director, (ii) Mr. S. Bubna - Managing Director, (iii) Mrs. Anita Bubna (i) M/s. Spark Securities (P) Ltd. (ii) M/s. Gyan Traders Ltd. (ii) M/s. M. Prasad & Co. Ltd. (iv) M/s. Monet Securities (P) Ltd. (v) M/s. M.P. Bubna Foundation	

(Figures in ₹)

Note: Relied upon as identified by the Management.

b) Details of related party transactions during the year 01 April 2014 to 31 March 2015 and balances outstanding as at 31 March, 2015:

Particulars	Key Management Personnel		Relative of KMP	Entities in which KMP / relatives of KMP have significant influence					Total
	Mr. R.P. Bubna	Mr. S. Bubna		Mrs. Anita Bubna	M/s Spark Securities (P) Ltd. *	M/s. M. Prasad & Co. Ltd.*	M/s. Monet Securities (P) Ltd.	M/s. M.P. Bubna Foundation	
Brokerage	-	-	-	501	-	-	-	-	501
	(0)	(0)	(0)	(1,981)	(1,020)	(0)	(0)	(0)	(3,001)
Service tax & Cess on Brokerage paid	-	-	-	82	-	-	-	-	82
	(0)	(0)	(0)	(246)	(127)	(0)	(0)	(0)	(373)
Securities Transaction Tax Paid	-	-	-	1,716	-	-	-	-	1,716
	(0)	(0)	(0)	(8,202)	(4,971)	(0)	(0)	(0)	(13,173)
Demat Charges Paid	-	-	-	-	(562)	(0)	(0)	(0)	(562)
	(0)	(0)	(0)	(0)	(562)	(0)	(0)	(0)	(562)
Purchase/Sale of Shares	-	-	-	1,715,474	(4,958,320)	(0)	(0)	(0)	1,715,474
	(0)	(0)	(0)	(6,190,743)	212,450,000	(0)	(0)	(0)	(13,139,063)
Loans and Advance Taken	-	-	-	-	(36,150,000)	(6,130,000)	(0)	(0)	(42,460,000)
	(0)	(0)	(0)	(0)	(36,150,000)	(6,130,000)	(0)	(0)	(42,460,000)
Loans and Advance Repayment Done	-	-	-	212,450,000	(36,150,000)	(2,360,000)	(0)	(0)	216,400,000
	(0)	(0)	(0)	(0)	(36,150,000)	(2,360,000)	(0)	(0)	(38,510,000)
Interest Paid	-	-	-	-	2,922	(0)	(0)	(0)	2,922
	(0)	(0)	(0)	(0)	(0)	(44,260)	(0)	(0)	(44,260)
Re-impbursement of Expenses done	-	-	-	150,000	-	-	-	-	150,000
	(0)	(0)	(0)	150,000	(0)	(0)	(0)	(0)	(0)
Contribution of Provident Fund made	130,800	130,800	-	-	-	-	-	-	261,600
	(113,400)	(113,400)	(0)	(0)	(0)	(0)	(0)	(0)	(226,800)
Donation Paid	-	-	-	-	-	-	40,000	(0)	40,000
	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Remuneration Paid	1,635,000	1,635,000	-	-	-	-	-	-	3,270,000
	(1,545,000)	(1,545,000)	(0)	(0)	(0)	(0)	(0)	(0)	(3,090,000)
Balances outstanding at the end of the year	-	-	-	-	-	-	-	-	-
Loans and Advance Taken	(0)	(0)	(0)	(0)	(0)	(3,950,000)	(0)	(0)	(3,950,000)
	(0)	(0)	(0)	(0)	(0)	(3,950,000)	(0)	(0)	(3,950,000)
Purchase of Shares	(0)	(0)	(0)	(0)	(0)	7,055,750	(0)	(0)	7,055,750
	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Demat Charges	(0)	(0)	(0)	(0)	(562)	(0)	(0)	(0)	(562)

(*) Share Broking Firm. The details of related party transactions have been given on the basis of information provided by the Management.

Note : Figures in bracket relates to the previous year.

THE METHONI TEA COMPANY LTD.

Additional Information to the Financial Statement.

2.33 Defined Contribution Plan

Contribution to Defined Contribution Plan namely Provident Fund is made by both the employer and employees. Total Employer Contribution recognised as expense for the year amounts to ₹ 36,68,073/- (P.Y. Rs. 35,77,504/-)

Defined Benefit Plan

(Figures in ₹)

	Change of Benefit Organisation	Leave Encashment		Gratuity	
		2014-15	2013-14	2014-15	2013-14
I.	Liability at the beginning of the year	512,397	479,472	16,713,299	15,654,154
	Interest cost	46,116	43,152	1,504,197	1,408,874
	Current Service Cost	93,231	74,064	1,074,630	941,997
	Past Service Cost (Non Vested Funds)	-	-	-	-
	Past Service Cost (Vested Funds)	-	-	-	-
	Benefit Paid	(81,127)	(112,324)	(1,677,333)	(1,878,648)
	Actuarial (Gain) / Loss on Obligation	217,702	28,033	3,211,110	586,922
	Liability at the end of the year	788,319	512,397	20,825,903	16,713,299
Fair Value of Plan Assets					
II.	Fair Value of Plan Assets at the beginning of the year	-	-	15,765,990	13,033,960
	Expected Return on Plan Assets	-	-	1,340,109	1,107,887
	Contributions	81,127	112,324	1,247,309	3,370,194
	Benefit Paid	(81,127)	(112,324)	(1,677,333)	(1,878,648)
	Actuarial (Gain) / Loss on Plan Assets	-	-	85,268	132,597
	Fair Value of Plan Assets at the end of the year	-	-	16,761,343	15,765,990
	Total Actuarial (Gain) / Loss to be Recognised	217,702	28,033	3,125,842	454,325
Actual Return on Plan Assets					
III.	Expected Return on Plan Assets	-	-	1,340,109	1,107,887
	Actuarial (Gain) / Loss on Plan Assets	-	-	85,268	132,597
	Actual Return on Plan Assets	-	-	1,425,377	1,240,484
Amount Recognised in the balance Sheet					
IV.	Liability at the end of the year	(788,319)	(512,397)	20,825,903	16,713,299
	Fair Value of Plan Assets at the end of the year	-	-	16,761,343	15,765,990
	Fund Status [Surplus / (Deficit)]	(788,319)	(512,397)	(4,064,560)	(947,309)
	Unrecognised Past Service Cost	-	-	-	-
Amount Recognised in the Balance Sheet [Asset / (Liability)]					
		(788,319)	(512,397)	(4,064,560)	(947,309)
Expenses Recognised in the Income Statement					
V.	Current Service Cost.	93,231	74,064	1,074,630	941,997
	Interest cost	46,116	43,152	1,504,197	1,408,874
	Expected Return on Plan assets	-	-	(1,340,109)	(1,107,887)
	Net Actuarial (Gain) / Loss to be Recognised	217,702	28,033	3,125,842	454,325
	Past Service Cost (Non Vested Benefit) Recognised	-	-	-	-
	Past Service Cost (Vested Benefit) Recognised	-	-	-	-

THE METHONI TEA COMPANY LTD.

	Effect of Curtailment or settlement	-	-	-	-
	Curtailments and Settlements	-	-	-	-
	Expenses Recognised in the Profit and Loss Account	357,049	145,249	4,364,560	1,697,309
	Balance Sheet Reconciliation				
	Opening Net Liability	512,397	479,472	947,309	2,620,194
	Expense as above	357,049	145,249	4,364,560	1,697,309
VI.	Employers Contribution	(81,127)	(112,324)	(1,247,309)	(3,370,194)
	Effect of Curtailment or settlement	-	-	-	-
	Amount Recognised in the Balance Sheet [Liability / (Asset)]	788,319	512,397	4,064,560	947,309
	Acturial Assumption				
VII.	Discount Rate Current	7.85%	9.00%	7.85%	9.00%
	Rate of Return on Plan Assets Current	-	-	8.50%	8.50%
	Salary Escalation Current	5.00%	5.00%	5.00%	5.00%

The present value of obligation for gratuity and leave encashment is determined based an actuarial valuation using the Projected Unit Credit Method. The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply & demand in the employment market.

2.34 Based on the matter of prudence, Deferred Tax Asset on the carry forward Central business losses have not been recognised for in the Accounts.

2.35 Basic and Diluted Earnings per share :

Particulars	For the Year ended 31st March 2015	For the Year ended 31st March 2014
Basic & Diluted		
Net Profit /(Loss) for the year from operations attributable to the equity shareholders	(23,654,495)	(1,579,412)
Weighted average number of equity shares	408,000	408,000
Per value per share	10,00	10,00
Basic and Diluted Earning per share	57.98	3.87

2.36 Based on intimation from vendors regarding their status under the Micro, Small and medium Enterprises Development Act, 2006 (MSMED Act) disclosures as required under section 22 of the said Act are as follows:

- a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2015 is ₹ NIL (₹ NIL), respectively.
- b) No Interest was paid by the Company in terms of section 16 of MSMED Act during the Year.
- c) There was no interest for delay in making payment beyond the appointed day;
- d) There is no interest accrued and remaining unpaid beyond the appointed day;
- e) No Interest is remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to micro, small and medium enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the aforesaid Act.

THE METHONI TEA COMPANY LTD.

2.37 Quantitative Details

a) Installed capacity, actual production, turnover, opening and closing stocks of finished goods

Product	Year	Unit	Installed Capacity	Opening Stock		Actual Production Qty. (Kgs.)	Turnover*		Closing Stock**	
				Qty. (Kgs.)	Amount (₹)		Qty. (Kgs.)	Amount (₹)	Qty. (Kgs.)	Amount (₹)
Tea	31.03.15	Kgs	1,000,000	22,744	3,266,197	731,975	698,156	97,738,751	56,563	2,467,413
	31.03.14	Kgs	1,000,000	22,795	2,860,299	748,433	748,484	112,496,204	22,744	3,266,197
Tea Waste	31.03.15	Kgs	NA	-	-	16,750	-	-	16,750	268,000
	31.03.14	Kgs	NA	16,539	298,800	15,850	32,389	738,102	-	-

* Including Sample, Staff, Complimentary, Liquid, Labourers Tea, Breakages, Damages etc.

** As Certified by the Management.

b) Raw material consumed

Particulars	For the Year ended 31st March 2015	For the Year ended 31st March 2014
Green leaf plucked and consumed (kgs.)*	29,99,346	3,321,855

*Green leaf plucked (being raw material consumed) were harvested in the Company's own estate as agricultural produce involving integrated activities of nursery, cultivation, growth, etc and utilized in the manufacture of tea and their values at the intermediate stage could not be ascertained.

2.38 Details of consumption of imported and indigenous items

Particulars	For the year ended 31st March 2015	
	Amount (₹)	%age
<u>Imported</u>		
a) Packing Material Consumed	1,388,117 (14,77,911)	91.34 (91.00)
<u>Indigenous</u>		
a) Packing Material Consumed	131,674 (146,181)	8.66 (9.00)

Note: Figures / percentages in bracket relates to the previous year.

2.39 The expenditure in foreign currency towards cost of materials was ₹ 6,67,941/- (Previous Year ₹ 6,57,215/-).

2.40 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

2.41 Figures have been rounded up to the nearest rupee.

SHUBHAM DAGA, FCA, Partner
 Membership No. : 063574
 For & On behalf of
DHANDHANIA & ASSOCIATES
 Chartered Accountants
 Registration No. : 316052E

Place : Kolkata
 Dated : 30th Day of May, 2015

R. P. BUBNA
 DIN : 00180543

S. BUBNA
 DIN : 00031225

P. TUSNIAL
 DIN : 00272283

M. LUNIA
 DIN : 00158912

R. BUBNA
 DIN : 00180739

Whole Time Director

Managing Director

Directors

THE METHONI TEA COMPANY LTD.

CIN : L15492WB1929PLC006618

Registered Office : 75C, Park Street, 1st Floor, Kolkata - 700 016

Tele Fax No. : 91-33-2249-6587, E-mail : methoni@methonitea.com

PROXY FORM

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

Name of the members (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 86th Annual General Meeting of the Company to be held on Monday, 28th September, 2015 at 10:30 a.m. at MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001 and at any adjournment thereof in respect of resolutions as the indicated below :

Resolution No.	Resolution Proposed	Optional*	
		For	Against
	Ordinary Business		
1.	Adoption of Financial Statement, Reports of the Board of Directors and Auditors		
2.	Appointment of Mr. Rajendra Prasad Bubna, as a Director, liable to retire by rotation		
3.	Retification of Appointment of Auditors		
	Special Business		
4.	Appointment of Mrs. Rashmi Bubna as a Director.		
5.	Appointment of Mr. M. Lunia as an Independent Director		
6.	To Borrow money the exceeding limits		
7.	To Create security/mortgage on the property of the Company.		

Signed this day of 2015.

Signature of shareholder Signature of Proxy holder(s)

Affix
Revenue
Stamp

- Note :
1. 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.
 2. For the text of the Resolutions, Explanatory Statement & Notes, please refer to the Notice convening the Annual General Meeting dated 30th May, 2015.
 3. *It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave The 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

THE METHONI TEA COMPANY LTD.

THE METHONI TEA COMPANY LIMITED

CIN : L15492WB1929PLC006618

Registered Office :

75C, Park Street, 1st Floor, Kolkata - 700 016

ATTENDANCE SLIP

Regd. Folio / DP ID & Client ID	
Number of Shares Held	
Name	
Address of the Shareholder	

1. I hereby record my presence at the Annual General Meeting of the Company, to be held on the 28th of September, 2015 (Monday) at 10.30 A.M. at MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001.

2. Signature of the Shareholder / Proxy Present.

--

3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of Annual Report for reference at the meeting.

5. E-Voting details :

EVSN	User ID	Password
150728006	Please refer e-Voting Instructions in the Notice	

6. E-Voting Facility is available during the following voting period :

Commencement of E-Voting	End of E-Voting
25th September, 2015 from 9.00 A.M.	27th September, 2015 till 5.00 P.M.

PRINTED MATTER - BOOK POST

If undelivered, please return to :
THE METHONI TEA CO. LTD.
75-C, Park Street (1st Floor)
Kolkata - 700 016