



Warren Tea Limited

WTL/SEC/S-2

12th August, 2020

The General Manager,
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
- Scrip Code 508494

The Secretary,
The Calcutta Stock Exchange Limited ,
7 Lyons Range,
Kolkata 700 001
- Scrip Code 33002

Dear Sir,

Re : Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please find attached the Annual Report for the year ended 31st March, 2020 along with the Notice of the 43rd Annual General Meeting which is scheduled to be despatched to the shareholders from 13th August, 2020 onwards, in compliance with the aforesaid Regulation.

Yours faithfully,
Warren Tea Limited

Soma Chakraborty
(Soma Chakraborty)
Company Secretary

Attached : as above



Warren Tea Limited

Resume & Accounts

2019-20

BOARD OF DIRECTORS

Executive Chairman
Vinay K. Goenka

Directors
S.K. Ghosh
S Bhoopal
N. Dutta
L.K. Halwasiya
Mrs. A.K. Bindra
Mrs. S. Barman

Company Secretary
Soma Chakraborty

Chief Financial Officer
S.K. Mukhopadhyay

AUDITORS

B M Chatrath & Co LLP

COST AUDITORS

Shome & Banerjee

BANKERS

State Bank of India
HDFC Bank Limited
Axis Bank Ltd

REGISTERED OFFICE

Deohall Tea Estate
P.O. Hoogrijan, Dist.
Tinsukia
Assam 786 601
Tel : +91 9531045098

CORPORATE OFFICE

Suvira House
4B, Hungerford Street
Kolkata 700 017
Tel : 033 2287 2287

Web : www.warrentea.com E-mail : corporate@warrentea.com

CIN : L01132AS1977PLC0017



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Notice

NOTICE is hereby given that the Forty-third Annual General Meeting of Warren Tea Limited will be held on Wednesday, 9th September, 2020 at 11.30 am through Video Conferencing ("VC")/other Audio Visual Means ("OAVM") in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively to transact the following business :-

ORDINARY BUSINESS

1. To consider and adopt the Standalone Financial Statements and Consolidated Financial Statements for the year ended 31st March, 2020 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Vinay Kumar Goenka (DIN 00043124) , who retires by rotation and being eligible, offer himself for reappointment.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

3. "RESOLVED THAT the Company hereby approves the reappointment of Mr Subhajit Kumar Ghosh (DIN 00042335) as Managing Director of the Company without any remuneration payable to him for a period beginning 1st April, 2020 till 5th June, 2020 on the terms and conditions set out in the Agreement, as approved by the Nomination and Remuneration Committee, to be made between the Company of the One Part and Mr Ghosh of the Other Part, a draft of which initialled by the Chairman is placed before the Meeting in accordance with the provisions of Section 196, 197 or Schedule V of the Companies Act, 2013."

To consider and if thought fit, to pass with or without modifications the following Resolution as an Ordinary Resolution:

4. "RESOLVED THAT approval be and is hereby accorded for payment of remuneration of ₹ 1,00,000 (Rupees one lac only) together with reimbursement of applicable taxes and out of pocket expenses, if any, to M/s Shome & Banerjee, Cost Accountants (FRN 000001) for audit of the cost records of the Company for the financial year 2020-21."

Suvira House
4B, Hungerford Street
Kolkata 700 017
30th June, 2020

By Order of the Board
Soma Chakraborty
Company Secretary

Notice (Continued)

Notes :

1. The Members may exercise their rights to vote on the Resolutions contained in the Notice by electronic means for which necessary facility has been provided and the instructions therefor are attached.
2. Relevant details in respect of Item No. 2 of the Notice pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 are given hereinafter; and details in respect of Item Nos. 3 and 4 of the Notice are included in the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 given hereinafter.
3. The Company is registered with National Securities Depository Ltd. and Central Depository Services (India) Ltd. (CDSL) for dematerialization of its Equity Shares which has been allotted the ISIN INE712A01012. CB Management Services (P) Limited ("CBMSL") having their office at P-22 Bondel Road, Kolkata 700 019 is the Registrar and Share Transfer Agent of the Company.
4. Members holding shares in physical form are requested to:
 - a. notify any change in their addresses and communicate on all matters pertaining to their shareholdings with the Company's Registrar and Share Transfer Agent CBMSL, at their e-mail id rta@cbmsl.com , quoting their respective Ledger Folio Numbers;
 - b. note that as per provisions of the Companies Act, 2013 facility for making nominations is available for members in respect of Equity Shares held by them;
 - c. 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/ Bank Account particulars to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN/Bank Account Particulars details to the Company/RTA.
5.
 - i. Pursuant to Section 205A of the Companies Act, 1956 all dividends declared and relative dividend warrants posted upto and including the Dividend for the year 1993-94 paid on 8th November, 1994 and remaining unclaimed by Members have been transferred to the General Revenue Account of the Central Government. Members who have not encashed their dividend warrants in respect of the said period are requested to prefer their claims to the Registrar of Companies, North Eastern Region, at Morello Building, Shillong 793 001, Meghalaya. In case any assistance is required, Members are requested to write to the Company's Registrar and Share Transfer Agent.
 - ii. Pursuant to Section 205A of the Companies Act, 1956 dividends declared from 1994-95 upto 2002-03 and remaining unclaimed by the Members have been transferred to the Investor Education and Protection Fund constituted by the Central Government under Section 205C of the said Act.
6. In view of continuing COVID – 19 pandemic, and restriction imposed on movement of people at several places in the country, the Ministry of Corporate Affairs ('MCA') has vide its Circular dated May 05, 2020 read with Circulars dated April 08, 2020 and April 13, 2020 collectively referred to as "MCA Circulars") and the securities and Exchange Board of India vide its Circular dated May 12, 2020 have permitted the holding of the Annual General Meeting ('AGM') through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 43rd AGM of the Company will be held through video conferencing ('VC') or other audio visual means ('OAVM'). Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is attached and the same will also be available at the website of the Company at www.warrentea.com.

Notice (Continued)

In view of the prevailing situation and pursuant to the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the Forty-third AGM along with the Annual Report for the financial year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories and no physical copy of the Annual Report has been sent by the Company to any member. Members may note that the Notice of Forty-third AGM and Annual Report for the financial year 2019-20 will also be available on the Company's website at www.warrentea.com, websites of the Stock Exchanges i.e. BSE Limited and Calcutta Stock Exchange Limited at www.bseindia.com and www.cse-india.com respectively and on the website of CDSL at www.evotingindia.com for their view/download.

7. In compliance with the said circulars, the Company has also published a public notice by way of an advertisement advising the members whose e-mail ids are not registered with the Company, its Registrar and Share Transfer Agent or Depository participants, as the case may be, to register their e-mail ids with them.
8. In terms of the aforesaid circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility.
9. The members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and to the Company and CB Management Services (P) Ltd, in case the shares are held by them in physical form by writing at investors@warrentea.com and rta@cbmsl.com respectively, their e-mail addresses along with the copy of the signed request letter mentioning the Folio No., name and address of the member along with scanned copy of share certificate (front/back), self-attested copy of the PAN Card and self-attested copy of any document (eg. Driving Licence, Election Identity Card, Passport) in support of the address of the member on or before 2nd September, 2020. The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid date enabling them to participate in the meeting and cast their votes.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code., etc. to their DPs in case the share are held by them in electronic form and to CB Management Services Pvt. Limited in case the shares are held by them in physical form.
11. Voting rights of the members (for voting through remote e-voting or e-voting system provided in the Meeting itself shall be in proportion to shares of the paid up equity share of the Company as on the cut-off date i.e. 2nd September, 2020. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e-voting system provided in the meeting.
12. Only bona fide members of the Company whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
13. The facility for joining AGM through VC/OVAM will be available for up to 1,000 Members and members may join on first come first serve basis. However , the above restriction shall not be applicable to members holding more than 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel (s), the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. Members can login and join 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.
14. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The Company will conduct the

Notice (Continued)

AGM through VC/OAVM from its corporate Office, i.e. Suvira House, 4B, Hungerford Street, Kolkata 700 017, to be the venue of the meeting.

16. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization should be uploaded in PDF format in the system for the scrutinizer to verify the same. Alternatively Non Individual members are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at scrutinizermkb@gmail.com and to the Company at investors@warrentea.com or to Registrar & Share Transfer Agent of the Company at rta@cbmsl.com for the scrutinizer to verify the same, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
17. In case of joint holders, 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 electronically at the AGM.
18. All the documents referred to in the accompanying Notice and the Explanatory Statement should be available for inspection. Scanned copies of the Register of Directors and Key Managerial Personnels and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or Agreements in which the Directors are interested maintained under Section 189 of the Act will be available for inspection by the Members in electronic mode during the AGM. Members who wish to seek inspect, may send their request through an email on or before 2nd September, 2020 by quoting their name, demat account number and mobile no.
19. As per Regulation 40 of SEBI Listing Regulations as amended, Securities of Listed Companies can be transferred only in dematerialized form with effect from April, 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and share transfer agent, CB Management Services (P) Ltd for assistance in this regard.
20. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write by mentioning their name, demat account number, folio number, email id, PAN, Mobile number to Registrar /Company on or before 2nd September, 2020 through email on rta@cbmsl.com / investors@warrentea.com respectively. The same will be replied by the Company suitably.
21. Since the AGM will be held through VC/OAVM, the Route Map is not required to be annexed in this to the Notice.
22. M/s B.M. Chatrath & Co., Chartered Accountants were appointed as Statutory Auditors of the Company at the 42nd Annual General Meeting held on 11th September, 2019 to hold office till the conclusion of Forty-fourth Annual General Meeting. Pursuant to Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Act and the Rules framed there under, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.

DETAILS OF DIRECTOR RETIRING BY ROTATION AND SEEKING REAPPOINTMENT

[In pursuance of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	:	Mr. Vinay Kumar Goenka (DIN 00043124)
Date of Birth	:	05/07/1958
Age (Years)	:	62

Notice (Continued)

Date of first appointment
On the Board : 04/04/1983

Brief Resume :

Mr Goenka graduated with B.Sc. (Botany) . He has more than four decades of business experience in areas including Plantation, Manufacturing, Marketing and Export of Tea and has held several important positions.

Expertise in specific Functional Areas:

Plantation, Manufacturing, Marketing and Export of Tea.

Terms and conditions of Appointment/Re-appointment
Re-appointment on retiring by rotation.

Directorships and Committee Memberships of other companies: NIL

Shareholding in the Company:

Mr Goenka holds 3601229 equity share of Rs 10 in the Company.

Relationship with other Directors :

Mr Goenka is not related to any Director of the Company .

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 3

Mr. Subhajit Kumar Ghosh (Mr. Ghosh) (DIN 00042335) had been reappointed as Managing Director for a period of 3 years with effect from 1st April, 2017 (approved by the shareholders at the Annual General Meeting held on 11th September, 2017, which term of office expired on 31st March, 2020. The Board at its Meeting held on 2nd June, 2020 reappointed Mr. Ghosh as Managing Director of the Company without any remuneration for a period beginning 1st April, 2020 till close of business hours of 5th June, 2020 on the terms and conditions contained in the Agreement to be entered into by the Company with Mr. Ghosh subject to the approval of the Members of the Company in accordance with the requirements of Schedule V to the Companies Act, 2013 ('the Act').

The principal terms and conditions of Mr. Ghosh's reappointment are as follows :

A. Salary : NIL

B. Bonus : NIL

C. Perquisites : NIL

Mr. Ghosh will not receive any sitting fees for attending Meetings of the Board or any Companies. The Agreement also sets out mutual rights and obligations of the parties.

The reappointment and remuneration of Mr. Ghosh as Managing Director of the Company require the approval of the Members of the company in General Meeting in terms of Part III of Schedule V to the Act and the remuneration payable also requires the approval of the Company in General Meeting under section 197 of the Act. The reappointment of Mr. Ghosh on the terms proposed satisfies the conditions laid down in Parts I, II and Clause 1 of Part III of Schedule V to the Act.

Notice (Continued)

Brief Resumé:

Mr Ghosh is a fellow Member of the Institute of Chartered Accountants of India and a Member of the Institute of Internal Auditors, U.S.A. He has been working in the Tea and other industries Industry for the last 43 years and has considerable exposure to that Industry.

Expertise in specific Functional Areas:

Accounts, Finance, Audit and Taxation and various other operational and administrative areas.

There is no inter-se relationship between Mr Ghosh and any other Director of the company.

Directorships & Committee Memberships of other listed companies: NIL

The information required to be furnished pursuant to Section II of Part II to the said Schedule V of the Act, Secretarial Standard on General Meetings and Regulation 36(3) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 is set out hereinafter :

I. General Information :

(1) Nature of industry:

Plantation, manufacture and sale of Tea.

(2) Date or expected date of commencement of commercial production:

Warren's operations in tea plantation dates back to 1850. Since 1977 Warren Tea Limited has been selling tea in India and abroad.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

(4) Financial performance based on given indicators:

Financial performance (audited) over the last three financial years is set out as under:-

	(` in Lakhs)		
<u>Year ended</u>	31st March, <u>2018</u>	31st March, <u>2019</u>	31 st March, <u>2020</u>
Gross Revenue	12037.54	11951.06	12465.02
Profit/(Loss) before tax	(1077.90)	(2377.48)	(3167.50)
Profit/(Loss) after tax	(789.24)	(1592.03)	(2416.60)
Total Comprehensive Income	(414.60)	(1218.07)	(2068.50)

(5) Foreign investments or collaborations, if any:

As on 31st March, 2020 foreign investment was 135021 equity shares of ` 10 each in the Company.

II Information about the appointee :

1 Background Details:

Name of Director	Mr Subhajit Kumar Ghosh(DIN 00042335)
Date of Birth/Age (Years)	16 th February, 1954/65 years
Date of Appointment as Director	1 st October, 2004
Qualification	B.Com (Hons), FCA

Expertise and experience in specific functional areas :

Notice (Continued)

Mr Ghosh has forty three years experience in Tea and other Industries in the area of Accounts, Finance, Audit, Taxation and various other operational and administrative areas.

Terms and conditions of appointment/Reappointment :

As mentioned in Explanatory statement to Item No. 3 of the Notice.

Shareholding in the Company	:	Mr. Ghosh holds 1 Equity Shares of ₹ 10 each in the Company
No. of Board Meetings Attended	:	Mr. Ghosh had attended seven Meetings of the Board.
Other Directorship, Membership/ Chairmanship of Committees	:	Mr Ghosh is not a Director or a Committee Member of any other company.
Relationship with other Directors and Key Managerial Personnel	:	Mr. Ghosh is not related to any other Director or Key Managerial Personnel of the Company.

2. Past Remuneration:

2017-18	₹ 2,70,000/- per month
2018-19	₹ 2,90,000/- per month
2019-20	₹ 2,90,000/- per month

3. Recognition or Awards :

- a) Granted Certificate under National Scholarship Scheme by the Ministry of Education and Social Welfare, Government of India in recognition of High position secured in the list of meritorious candidates qualifying for award from West Bengal in 1971-72.
- b) Ranked 30th in Intermediate Examination conducted by the Institute of Chartered Accountants of India.

4. Job profile and his suitability :

Mr Ghosh is a Fellow Member of the Institute of Chartered Accountants of India and a Member of the Institute of Internal Auditors, U.S.A. He has forty three years experience in Tea and other Industries. He has served on various committees/sub-committees of the Bengal Chamber of Commerce & Industry, Indian Tea Association and Bharat Chamber of Commerce. Considering his experience and long association with the Company, the Board found Mr Ghosh best suited for the responsibilities assigned to him.

5. Remuneration :

This has been disclosed in the Explanatory Statement.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) : Not Applicable

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any :

Mr Ghosh is not related to any other Director of the Company.

III Other information:

(1) Reason of loss or inadequate profits:

Vagaries of weather due to climatic change, severe pest infestation, significant rise in labour wages due to statutory changes and also the recent pandemic all have had significant impact on the Company's profitability.

Notice (Continued)

(2) Steps taken or proposed to be taken for improvement:

The Company has adopted improved agricultural practices and also adapting them to situational demand with a view to increasing production and thereby supporting a positive price trajectory.

(3) Expected increase in productivity and profits in measurable terms:

Though weather conditions can never be predicted with certainty but with agricultural practices adapted to meet the environmental changes, the target crop for the current year is 7.93 Million Kgs. Marketing efforts have also been stepped up and it is expected to obtain improved unit price realizations in the current year which would by and large contain unit cost.

A copy of the draft Agreement referred to in the Special Resolution set out in Item No. 3 of the Convening Notice will be available for inspection by the Members in electronic mode. Members can inspect the same by sending an e-mail to investors@warrentea.com and rta@cbmsl.com respectively on or before 2nd September, 2020 through their registered e-mail Id quoting name, demat account number/folio no. and mobile no.

The Special Resolution set out in Item No.3 of the Convening Notice has to be considered accordingly and the Board recommends its acceptance.

Except Mr Ghosh being the appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Convening Notice.

Item No. 4

Pursuant to Section 148(3) of the Act, 2013, read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the Board at their Meeting held on 30th June, 2020, based on the recommendations of the Audit Committee, approved the appointment of M/s Shome & Banerjee,

Cost Accountants (FRN 000001) as Cost Auditors of the Company for the financial year 2020-21 at a fee of ₹ 1,00,000 together with reimbursement of applicable taxes and out of pocket expenses, if any, for conducting the audit of the cost records of the Company. In accordance with the said provision the remuneration payable to the Cost Auditors has to be approved by the members.

The Resolution set out in Item No. 4 of the Convening Notice is to be considered accordingly and the Board recommends its acceptance.

None of the Director and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Convening Notice.

Suvira House
4B, Hungerford Street
Kolkata 700 017
30th June, 2020

By Order of the Board
Soma Chakraborty
Company Secretary

Notice (Continued)

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.warrentea.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and Calcutta Stock Exchange of India Limited at www.bseindia.com and www.cse-india.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS

- (i) The voting period begins on 6th September, 2020 at 9 a.m. and ends on 8th September, 2020 at 5.00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Persons who have acquired shares and become Members after the despatch of the Notice of the Meeting but before the 'cut-off date' of 2nd September, 2020 may obtain their user ID or password for remote e-voting by sending a request to the Company's Registrars Share Transfer Agent, CB Management Services (P) Ltd, P-22, Bondel Road, Kolkata 700 019 at rta@cbmsl.com quoting DP ID/CLID/Folio No. as the case may be done with PAN No.
- (iii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Notice (Continued)

- (iv) The members should log on to the e-voting website www.evotingindia.com.
- (v) Click on “Members” module.
- (vi) 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.

OR

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) 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, thereon your existing password is to be used.
- (viii) If you are a first time user 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 members as well as physical members)</p> <ul style="list-style-type: none"> • members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number . which is printed on Postal Ballot/Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details of field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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 another person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant ‘Company Name’ on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

Notice (Continued)

- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Members can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical members- please provide necessary details like Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@warrentea.com / rta@cbmsl.com.

2. For Demat Members -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@warrentea.com / rta@cbmsl.com.

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- 1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- 2. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- 3. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 5. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write by mentioning their name, demat account number, folio number, email id, PAN, Mobile number to Registrar /Company on or before 2nd September, 2020 through email on rta@cbmsl.com/investors@warrentea.com respectively. The same will be replied by the Company suitably.

Notice (Continued)

INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility , then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com 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.
- Alternatively Non Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address scrutinizermkb@gmail.com, investors@warrentea.com and to Registrar & Share Transfer Agent of the Company at rta@cbmsl.com for the scrutinizer to verify the same, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

- (xxi) The e-voting period commences on 6th September, 2020 (9.00 am) and ends on 8th September, 2020 (5.00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the Cut-off Date of 2nd September, 2020.

Mr Raj Kumar Banthia, Company Secretary in Practice (Membership No. A17190/COP No. 18428) of Messrs. MKB & Associates, Company Secretaries, Kolkata has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Notice (Continued)

The Scrutinizer shall unblock the votes cast through remote e-voting, after counting the votes cast at the Meeting in the presence of at least two (2) witnesses not in the employment of the Company and submit a consolidated Scrutinizer's Report of the votes cast in favour or against, if any forthwith to the Chairman of the Company.

The Results shall be declared in accordance with applicable regulations and the same along with the Scrutinizer's Report shall be placed on the websites of the Company and CDSL immediately after the result is declared by the Chairman; the Results shall also be forwarded to the Stock Exchanges where the shares of the Company are listed.

Directors' Report

The Directors have pleasure in submitting their Forty-third Annual Report with the Audited Financial Statements of your Company for the year ended 31st March, 2020.

Extract of Annual Return

In compliance with Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual Return in form MGT-9 is attached as Annexure A to this Report.

Board Meetings

The Board of Directors met 7 (seven) times during the financial year 2019-20. Further details have been provided in the Corporate Governance Report pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is annexed as Annexure F to this Report.

Directors' Responsibility Statement

The Board of Directors acknowledges the responsibilities for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in the preparation of the Annual Accounts for the year ended on 31st March, 2020 and state that:

- (a) in the preparation of the annual accounts, the applicable Indian Accounting Standards (Ind AS) have been followed and there are no material departures therefrom;
- (b) the Directors had selected such accounting policies and applied them consistently in accordance with applicable provisions and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the 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;
- (e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Independent Directors' Declaration

The declarations required under Section 149(7) of the Companies Act, 2013 from the Independent Directors of the Company confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013, have been duly received by the Company along with a declaration of compliance of sub-rule (1) and sub-rule (2) of Rule 6 of Companies (Appointment of Directors) Rules 2014. The independent directors have also complied with the Code for Independent Directors prescribed in Schedule IV to the Act and Code of Conduct for Directors and senior management personnel.

Directors' Report (Continued)

Particulars of loans, guarantees and investments

The particulars of loans made by the Company are covered in Notes 4 & 13 of the Notes to the Financial Statements.

The Company has not given any guarantee.

Particulars of investments made by the Company is given in Note 3 of the Notes to the Financial Statements.

Related Party Contracts

During the year under review, all transactions entered into by the Company with related parties were in compliance with the applicable provisions of the Act and the Listing Regulations, details of which are set out in the Notes to Financial Statements forming part of this Annual Report. All the transactions have been duly evaluated by the Audit Committee and Board and have been found beneficial for the Company. These transactions were inter alia based on various considerations such as business exigencies, synergy in operations and resources of the related parties.

Further, the Company has not entered into any contracts/arrangements/transactions with related parties which qualify as material in accordance with the Policy of the Company on materiality of related party transactions. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

No transactions were carried out during the year which requires reporting in Form AOC - 2 pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

Financial Summary, highlights and State of the Company's Affairs

	Current Year (` in Lakhs)	Previous Year (` in Lakhs)
Profit/(Loss) before Depreciation and Tax	(2894.90)	(2030.36)
Less: Depreciation and Amortization	<u>272.60</u>	<u>347.12</u>
Profit/(Loss) before Tax	(3167.50)	(2377.48)
Tax Expense		
Current Tax	-	-
Deferred Tax	<u>(750.90)</u>	<u>(785.45)</u>
Profit/(Loss) for the Year	(2416.60)	(1592.03)
Other Comprehensive Income	<u>348.10</u>	<u>373.96</u>
Total Comprehensive Income	(2068.50)	(1218.07)
Adjustment on account of Lease and Land Revenue	43.49	-
Balance brought forward from Previous Year	<u>4055.05</u>	<u>5273.12</u>
Balance carried to Balance Sheet	<u>2030.04</u>	<u>4055.05</u>

Directors' Report (Continued)

There have been series of significant changes in the overall market scenario in last few years. Over last four years, we have been faced with many a difficult circumstance like vagaries of weather due to climate change, severe pest infestation, significant rise in labour wages due to statutory changes and also the recent pandemic, all have had significant impact on Company's profitability. The Board of Directors had decided to dispose off one or more of its estates and/or other assets and use the proceeds thereof to consolidate and strengthen its financial position as a concrete step towards improvement of the overall performance of the Company. The Board has taken steps to address the situation and is of the view that, as a result of these measures, operations of the Company will become profitable in the future.

There were no companies which have become/ceased to be Subsidiaries, Joint Ventures and Associate Companies during the year.

During the year under review, economy across the globe, including in India, faced severe economic slowdown. Business Houses, to curtail their costs, reduced business travel as well as cut down on travelling entitlements of their staffs. The Economic downturn also negatively hit the consumer sentiment resulting in lesser leisure travel. These, combined, resulted in lower Occupancies. Additionally, Hotel Industry's occupancy had become minimal with outbreak of Covid-19 pandemic in March, 2020. These resulted in decrease of revenue of Maple Hotels and Resorts Limited to ` 1543.52 Lacs from ` 1702.51 achieved in previous year. This has resulted in Profit before Tax marginally from ` 101.74 Lacs in previous year to ` 90.11 Lacs in current Year.

As required under Section 129(3) of the Companies Act, 2013 Consolidated Financial Statements together with a statement containing the salient features of the Financial Statements of Maple Hotels & Resorts Limited in AOC - 1 forms a part of this Annual Report.

Deposits

The Company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013 during the year under review.

Regulatory Orders

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

Internal Control Systems

Your Company has adequate Internal Control System at all levels of Management and commensurate with its size and nature of operations and they are regularly reviewed for effectiveness by firms of practising Chartered Accountants. The details in respect of the Internal Control Systems and their adequacy are set out in the Management Discussion and Analysis Report forming part of the Board's Report. The Audit Committee of the Board looks into the Auditors' review which is deliberated upon and corrective action taken, wherever required.

Auditors' Report

Messrs B M Chatrath & Co LLP, Statutory Auditors have submitted their Report in respect of the financial year 2019-20 under Section 143 of the Companies Act, 2013.

Directors' Report (Continued)

The report of the Statutory Auditors during the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

The Notes to the Financial Statements are also self-explanatory and do not call for any further comments.

Cost Audit

The Cost Audit had been completed by Messrs Shome and Banerjee, Cost Accountants for the year ended 31st March, 2019. The Cost Audit Report had been submitted by the Cost Auditors to the appropriate authorities within the stipulated time on 25th September, 2019. Maintenance of cost records as specified by the Central Government under sub-section 1 of Section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

Secretarial Audit

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Messrs MKB & Associates, Practising Company Secretaries had been appointed as the Secretarial Auditor of the Company to carry out the Secretarial Audit including Secretarial Compliance Audit for the Financial Year 2019-20.

The Secretarial Audit Report given by Messrs MKB & Associates is annexed to this Report as Annexure B which is self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer.

None of the Auditors of the Company have reported any fraud during the year under review.

Resumé of Performance

During the year under review other income of the Company improved from ` 100.90 lacs to ` 173.75 lacs resulting in a total income of ` 12465.02 lacs from ` 11951.06 lacs of earlier year. During the year under review Revenue from operation increased from ` 11850.16 lacs in the previous year to ` 12291.27 lacs this year. However, the benefits of increased revenue was eroded by significant increase towards statutory employee benefits by ` 534.53 lacs. There was an increase in financing cost to an extent of ` 129.71 lacs. Other expenses were also lowered by about ` 127.09 lacs with cost control effort. These resulted to a total comprehensive income ` (2068.50) lacs for the year. It is worthwhile to mention that the Company could not carry out plucking operations for the last weeks of the month of March, 2020 which is the prime time for crop generation due to COVID 19 pandemic.

Crop

Your Company's saleable crop was 7.04 Million Kgs. as compared to the previous year's production of 6.74 Million Kgs.

Directors' Report (Continued)

Comparative Crop figures during the past five years for its seven tea estates are given below:

<u>Year Ended on</u>	<u>Saleable Crop</u> <u>In Million Kgs.</u>
31.03.2020	7.04
31.03.2019	6.74
31.03.2018	6.71
31.03.2017	6.09
31.03.2016	7.18

Revenue from Operations

Revenue from tea operations was ₹ 12291.27 Lakhs for the year under review as against ₹ 11850.16 Lakhs in the previous year.

Quality

Your Company's adherence to its policy of manufacture only from its own leaf together with proactive agricultural practices contributed to maintenance of premium quality of your Company's teas. Hatimara tea estate of your Company continue to have Rainforest Alliance Certification, ISO 22000:2005 Certification and Trustea Verification Certification. The Company's Integrated Pest Management Policy for agro inputs are in consonance with the Plant Protection Code of the Tea Board of India and your Company and its Management continues to be ever alert on the issues of Maximum (Permissible Chemicals) Residue Limits.

Exports

Exports for the year was ₹ 176.38 Lakhs against ₹ 78.90 Lakhs for the previous year.

Prospects

The overall impact of COVID 19 on the Company's financials for the ongoing financial year is difficult to predict with any certainty due to unpredictable nature of issues arising as well as uncertainty of how prices and production will shape up during the balance period. The lower production will reduce our sales volume as well as deferment of purchase due to logistics have created a stress on the cash flow of the Company. This stress on the Cash Flow, is expected to be of short term in nature and hopefully shall get reversed in the second half of the financial year depending upon the containment of the ongoing pandemic. Marketing efforts have been stepped up by the Company to improve sales. Due to reduction in production across all geography, price is expected to firm up and average realization improve. However, till economic condition improves, volumes are expected to remain somewhat subdued. Management is monitoring the situation on an ongoing basis and various precautionary measures are being implemented in consultation with the Tea Research Association across the producing locations of the Company to ensure recovery of lost production to the extent possible.

Dividend

Keeping the financial performance of the Company in view, your Directors do not recommend any dividend for the financial year 2019-20.

Material changes and commitments consequent to year end

Your Directors confirm that there were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statement relates and the date of this report. However, the impact on the

Directors' Report (Continued)

financial performance of the Company caused due to the outbreak of COVID-19 virus pandemic is explained separately in the notes to the financial statements.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) Conservation of energy

- (i) The steps taken or impact on conservation of energy:

The Company is emphasizing continuously on conserving energy and its reduction. The Company is sensitive enough on this issue for several years and continues with its efforts to regulate consumption and conserve energy. Apart from the ecological impact, the energy cost is one of the two major inputs in the production cost, other being the labour cost. The Company with the view to reduce major costs is continuously trying to explore the avenues to reduce consumption of the energy. Energy Audits are carried out by respective gardens to study ways and means of energy reduction.

As a policy, the Company is continuing with the process of replacement of old and existing equipment in a phased manner with newer/energy efficient equipment. To become more energy efficient, manufacturing and other related processes are being reviewed and necessary changes are being carried out with a view to conserve and make efficient use of energy.

The process of replacing incandescent bulbs with CFL/LED continues. The Company is continuously replacing the traditional high gas consumption burners with most energy efficient economical burners which has reduced energy consumption. All the estates of the Company are making efforts in optimizing machinery output, resulting in reasonable power savings, improvement of Power Factor by correct use of Induction load/Devices.

- (ii) The steps taken by the Company for utilizing alternate sources of energy:

During the year under review, no major steps were initiated for utilizing alternate source of energy by the Company.

- (iii) The capital investment on energy conservation equipment:

- (a) Installation of New CTC's with less power requirement :

In Deoholl T.E. - old CTC :30 HP / 25HP / 25 HP
New CTC: 25 HP / 20 HP / 20 HP
1st cut / 2nd cut / 3rd cut

- (b) Installation of I.P.R.S. (Industrial Pressure Regulating System to increase Gas consumption efficiency : - in Tara T. E.

- (c) Conversion of conventional Panel Board & sophisticated panel boards to minimize the losses of energy through proper power distribution: - in Hatimara T. E.

Directors' Report (Continued)

(d) Installation of Gas Flow Meters to monitor correct gas consumption thereby increasing efficiencies : - in Deohall & Hatimara T.E.

The Company further continues to invest, resulting in energy savings. Installation of VFBD & CFM together with economical burners and installation of conveyor

system has increased the production efficiently which has resulted in overall reduction of energy consumption as well as manpower and has ultimately reduced the cost of production. Daily monitoring of both gas and electricity are being carried out and immediate corrective action, if necessary are being taken to become more energy efficient.

(B) Technology absorption

- (i) The efforts made towards technology absorption;
 - (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
 - (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- Not
Applicable

- (iv) The expenditure incurred on Research and Development:

The Company did not carry out any Research & Developmental activities on its own. However, during the year the Company subscribed a sum of ₹ 27.06 Lakhs to Tea Research Association ('TRA') which has been set up for the purpose of carrying out research aimed at improving various aspects of tea plantations who derive benefit from such detailed work carried out by TRA. The expenses for such work are collectively borne by TRA from the contributions made by various tea companies.

(C) Foreign exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows :

Foreign exchange - Earned (Gross) - ₹ 180.01 Lakhs

- Outgo - ₹ 0.81 Lakhs

Risk Management

The Company has adopted and implemented a Risk Management Policy after identifying various risk which the Company encounters with during the course of its business. The Risk Management

Directors' Report (Continued)

Committee reviews the risk assessment and minimization procedure in the light of the Risk Management Policy of the Company. Details of Risk Management Committee are given separately in the Corporate Governance Report at Annexure F to this Report. In the opinion of the Board there is no such risk which may threaten the present existence of the Company.

Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 and the relevant Rules, the Corporate Social Responsibility Committee as on 31st March, 2020 comprised of Mrs S Barman as Chairperson and Mrs A K Bindra, Mr Vinay K Goenka and Mr S K Ghosh as Members with President-Legal & Company Secretary as its Secretary. The Committee reconstituted on 2nd June, 2020 consisting of Mrs. Sonia Barman as Chairperson and Mrs. A K Bindra and Mr. Vinay K Goenka as Members with Mrs. Soma Chakraborty , Company Secretary as its Secretary. The broad terms of reference of the Corporate Social Responsibility (CSR) Committee are:

- Formulate and recommend to the Board, the CSR Policy
- Recommend the amount of expenditure to be incurred on the activities undertaken
- Monitor the CSR Policy of the Company from time to time
- Review the performance of the Company in the area of CSR including the evaluation of the impact of the Company's CSR activities
- Review the Company's disclosure of CSR matters.

Further details of the CSR Policy and related matters together with details of the Committee have been annexed as Annexure C to this Report. The Policy is also available on the Company's website at www.warrentea.com.

Board Evaluation

The Nomination and Remuneration Committee has earlier approved the Board Evaluation Policy. An annual evaluation of the performances of the Board, its Committees and that of the individual Directors was undertaken during the year on the basis of the criteria such as the composition, structure, functioning, effectiveness of the Board, the Committees, the contribution and preparedness of individual Directors to the Board and Committees etc. after seeking inputs from all the Directors. The Directors including Independent Directors and the Non -Independent Directors have continued to contribute their inputs in the process of evaluation of the Directors. The Independent Directors and Nomination and Remuneration Committee members have continued to review the performance of all the Directors including the Chairman and the Managing Director and thence the performance of the Board as a whole. The Board in turn with such inputs, have carried out annual evaluation of its own performance, its Committees and individual Directors. In a separate meeting of the Independent Directors the performance of the non-independent Directors, the Chairman and the Board as a whole was evaluated.

Audit Committee

The Audit Committee of the Board as on 31st March, 2020 comprises of Mr S Bhoopal as Chairman, Mr L K Halwasiya and Mr N Dutta as members with Mr. S. Roy, President - Legal & Company Secretary as the Secretary . Consequent on the retirement of President-Legal & Company Secretary the Committee reconstituted on 2nd June, 2020 and the Audit Committee

Directors' Report (Continued)

reconstituted with immediate effect consisting of Mr. S. Bhoopal as Chairman, Mr. L. K. Halwasiya and Mr. N Dutta as members with Mrs Soma Chakraborty as its Company Secretary. During the year there were no instances where the Board had not accepted the recommendations of the Audit Committee. Further details of the Committee relating to their terms of reference, composition and meetings held during the year, are included in the report on Corporate Governance in Annexure F to this Report.

Whistle Blower Policy - Vigil Mechanism

The Company has established vigil mechanism for directors and employees with a view to address their genuine concerns about unethical behaviour, actual or suspected fraud /or violation of Company's code of conduct/leak of unpublished price sensitive information. The Audit Committee of the Board monitors and oversees such Vigil Mechanism of the Company. It is also confirmed that no personnel has been denied access to the audit committee during the year under review.

A detailed policy related to the Whistle Blower - Vigil Mechanism is available at company's website at www.warrentea.com.

Nomination and Remuneration Committee and Policy

The Committee as on 31st March, 2020 comprised of Mr S Bhoopal, Mrs S Barman and Mr N Dutta, all Non-executive Independent Directors with Mr S Bhoopal as Chairman and Mr. S. Roy, President - Legal & Company Secretary is the Secretary to the Committee. It recommends to the Board, inter alia, the Remuneration Package of Directors and Key and other Senior Managerial Personnel. Further details relating to the Committee are set out in the Report on Corporate Governance in Annexure F to this Report.

The policy for evaluation of Directors which contains evaluation criteria; such criteria include contributing to, monitoring and reviewing etc. and has acted upon the same. The particulars required to be furnished relating to the Policy on Directors' appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director and other related matters including remuneration of employees has been uploaded on the website of the Company, which can be accessed under the weblink:http://www.warrentea.com/Documents/nomination_remuneration_policy.pdf.

The Company's Policy on Director's appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report.

Stakeholders Relationship Committee

The Committee comprises of four Directors consisting of two Non-Executive Independent Directors and two Executive Directors namely, Mr S Bhoopal as the Chairman and Mrs A K Bindra, Mr Vinay K Goenka and Mr S K Ghosh as members. The Committee reconstituted on 2nd June, 2020 consisting of Mr. S. Bhoopal as the Chairman and Mrs. A K Bindra , Mr. Vinay K Goenka as members with Mrs. Soma Chakraborty, Company Secretary as its Secretary. Details of the Committee are provided in the Report on Corporate Governance in Annexure F to this Report.

Directors' Report (Continued)

Change in nature of Business, if any

There has been no change in the nature of business of the Company.

Statement of compliance of applicable Secretarial Standards

Your Company has complied with applicable Secretarial Standards.

Details of Directors/Key Managerial Personnel

In accordance with the Articles of Association of the Company, Mr V K Goenka (DIN 00043124), Executive Chairman of the Company retires by rotation and being eligible has offered himself for reappointment.

Mr. Subhajit Kumar Ghosh was reappointed as Managing Director of the Company from 1st April, 2020 to 5th June, 2020 subject to approval of the shareholders and subsequently retired as Managing Director from close of business hours of 5th June, 2020 and continued as Non-executive Director of the Company. Mr. Siddhartha Roy retired as the President - Legal & Company Secretary of the Company from the close of business hours of 31st March, 2020 and Mrs. Soma Chakraborty has been appointed as the Company Secretary of the Company w.e.f. 1st April, 2020. The Board wishes to place on record its sincere appreciation for the valuable services rendered by Mr. S K Ghosh and Mr. Siddhartha Roy during their long association with the Company. The Key Managerial Personnel of the Company are Mr. Vinay K Goenka, Mr. S.K. Ghosh, Mr. S Roy and Mr. S.K. Mukhopadhyay.

Personnel

The particulars and information of the employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been set out in Annexure D to this Report.

Your Company treats its human capital as its most important asset. The welfare and well-being of the workers are monitored closely and the Company maintains harmonious relationship with the employees.

Industrial relations remained cordial throughout the year and your Board of Directors thank employees at all levels for their valuable service and support during the year. It is your Company's endeavour to provide safe, healthy and sustainable work environment in all the estates. The Company has always believed in a policy against sexual harassment which has also found its place in the governing Codes of Conduct and Ethics applicable to its employees which includes a mechanism to redress such complaints.

Further, the Company has in place Internal Complaints Committees for Assam and Kolkata and your Company had complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Following are the particulars relating to complaints handled by the Company during the year:

Number of complaints of Sexual Harassment received/filed and disposed off during the year and pending as on end of financial year : Nil

Corporate Governance

The Company has complied with the Corporate Governance requirements under the Act and as stipulated under Regulation 17 to Regulation 27 of Securities and Exchange Board of India

Directors' Report (Continued)

(Listing Obligations and Disclosure Requirements) Regulations, 2015. A Management Discussion and Analysis Report is provided in Annexure E. A separate Report on Corporate Governance in terms of Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also provided in Annexure F to this Report.

Certifications

A Declaration affirming compliance with the Code of Conduct of the Company and Auditor's Certificate of compliance with the conditions of Corporate Governance are collectively annexed in Annexure F to this Report.

Auditors

The present Statutory Auditors Messrs B M Chatrath & Co LLP, Chartered Accountants, had been appointed as Statutory Auditors of the Company at the forty-second Annual General Meeting held on 11th September, 2019 to hold office till the conclusion of the forty-fourth Annual General Meeting.

Messrs Shome & Banerjee, Cost Accountants have been reappointed for audit of Cost Accounts maintained by the Company for the year ending 31st March, 2021, and their remuneration is being placed for approval of the Shareholders at the forthcoming Annual General Meeting.

General Disclosures

Your Directors state that :

1. There is no change in the share capital of the Company during the year.
2. No amount is proposed to be transferred to General Reserve during the year.
3. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

Kolkata
30th June, 2020

Vinay K Goenka
Executive Chairman

Annexure 'A' to the Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i) CIN	:	L01132AS1977PLC001706
(ii) Registration Date	:	31.05.1977
(iii) Name of the Company	:	WARREN TEA LIMITED
(iv) Category/Sub-category of the Company	:	Company limited by shares
(v) Address of the Registered Office and contact details	:	Deohall Tea Estate, PO : Hoogrijan, Dist. : Tinsukia, Assam 786 601 Telephone No. +91 9531045098
(vi) Whether listed company	:	Yes
(vii) Name, Address and contact details of Registrar and Transfer Agent, if any	:	CB Management Services (P) Ltd. P-22 Bondel Road, Kolkata 700 019. Telephone No. 033-4011 6700

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Plantation of Tea	01271	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	Maple Hotels & Resorts Limited Suvira House, 4B Hungerford Street, Kolkata 700 017	U70101WB2000PLC091582	Associate Company	46.92%	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	5454489		5454489	45.6412	5454489		5454489	45.6412	
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corp.	3355510		3355510	28.0777	3355510		3355510	28.0777	
e) Banks/F.I.									
f) Any Other									
Sub-total (A) (1)	8809999		8809999	73.7189	8809999		8809999	73.7189	

Annexure 'A' to the Directors' Report (Continued)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRI s-Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Banks/F.I.									
e) Any Other									
Sub-total (A)(2)									
Total shareholding of Promoter(A)=(A)(1)+(A)(2)	880999		880999	73.7189	880999		880999	73.7189	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds		42	42	0.0004		42	42	0.0004	
b) Banks/F.I.	79	178	257	0.0022	79	178	257	0.0022	
c) Central Govt. /State Govt.(s)									
d) Venture Capital Funds									
e) Insurance Companies		178	178	0.0015		178	178	0.0015	
f) FIIs									
g) Foreign Venture Capital Funds									
h) Qualified Foreign Investor									
i) Others									
Sub-total (B)(1)	79	398	477	0.0040	79	398	477	0.0040	
2. Non-Institutions									
a) Bodies Corp.	171778	7372	179150	1.4991	154456	7380	161836	1.3542	0.1449
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 2 lakh	939867	345969	1285836	10.7594	954840	335910	1290750	10.8005	0.0411
ii) Individual shareholders holding nominal share capital in excess of ` 2 lakh	1508486	34518	1543004	12.9113	1517607	34518	1552125	12.9876	0.0763
c) Qualified Foreign Investor									
d) Others									
i) Trust	348		348	0.0029	272		272	0.0023	0.0006
ii) NRI	22211	2908	25119	0.2102	25902	2908	28810	0.2411	0.0309
iii) Clearing Member	660		660	0.0055	324		324	0.0027	0.0028
iv) Overseas Corporate Bodies	106211		106211	0.8887	106211		106211	0.8887	
Sub-total (B)(2)	2749561	390767	3140328	26.2771	2759612	380716	3140328	26.2771	
Total Public Shareholding (B)=(B)(1)+(B)(2)	2749640	391165	3140805	26.2811	2759691	381114	3140805	26.2811	
TOTAL (A)+(B)	11559639	391165	11950804	100.00	11569690	381114	11950804	100.00	
C. Shares held by Custodian for GDRs & ADRs									
1. Promoter and Promoter Group									
2. Public									
Sub-total (C)									
Grand Total (A+B+C)	11559639	391165	11950804	100.00	11569690	381114	11950804	100.00	

Annexure 'A' to the Directors' Report (Continued)

(ii) *Shareholding of Promoters*

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in 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.	Vinay Kumar Goenka	3601229	30.13	NIL	3601229	30.13	NIL	
2.	Vinay Kumar Goenka (HUF)	376384	3.15	NIL	376384	3.15	NIL	
3.	Vivek Goenka	1476876	12.36	NIL	1476876	12.36	NIL	
4.	Maple Hotels & Resorts Limited	3196448	26.75	NIL	3196448	26.75	NIL	
5.	Sectra Plaza Private Limited	159062	1.33	NIL	159062	1.33	NIL	
	Total	8809999	73.72	NIL	8809999	73.72	NIL	

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<u>Vinay Kumar Goenka</u> At the beginning of the year (01/04/2019)	3601229	30.13		
	At the end of the year (31/03/2020)			3601229	30.13
2.	<u>Vinay Kumar Goenka (HUF)</u> At the beginning of the year (01/04/2019)	376384	3.15		
	At the end of the year (31/03/2020)			376384	3.15
3.	<u>Vivek Goenka</u> At the beginning of the year (01/04/2019)	1476876	12.36		
	At the end of the year (31/03/2020)			1476876	12.36
4.	<u>Maple Hotels & Resorts Limited</u> At the beginning of the year (01/04/2019)	3196448	26.75		
	At the end of the year (31/03/2020)			3196448	26.75
5.	<u>Sectra Plaza Private Limited</u> At the beginning of the year (01/04/2019)	159062	1.33		
	At the end of the year (31/03/2020)			159062	1.33

Annexure 'A' to the Directors' Report (Continued)

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
1.	Pradeep Kumar Saraf At the beginning of the year (01/04/2019)	520486	4.36		
	Date-wise Increase/Decrease during the year - Transfer				
	Increase (20/09/2019)	214	*	520700	4.36
	Decrease (15/11/2019)	100	*	520600	4.36
	At the end of the year (31/03/2020)			520600	4.36
2.	Sanidhya Mittal At the beginning of the year (01/04/2019)	300000	2.51		
	At the end of the year (31/03/2020)			300000	2.51
3.	Karuna Mittal At the beginning of the year (01/04/2019)	275000	2.30		
	At the end of the year (31/03/2020)			275000	2.30
4.	Sanjeev Bubna At the beginning of the year (01/04/2019)	245560	2.05		
	At the end of the year (31/03/2020)			245560	2.05
5.	ISIS Enterprises Limited At the beginning of the year (01/04/2019)	91826	0.77		
	At the end of the year (31/03/2020)			91826	0.77
6.	JM Financial Services Limited At the beginning of the year (01/04/2019)	54959	0.46		
	Date-wise Increase/Decrease during the year - Transfer				
	Increase (16/08/2019)	176	*	55135	0.46
	Decrease (13/09/2019)	176	*	54959	0.46
	Decrease (30/09/2019)	3519	0.03	51440	0.43
	Increase (08/11/2019)	600	0.01	52040	0.44
	Decrease (15/11/2019)	600	0.01	51440	0.43
	Decrease(17/01/2020)	22369	0.19	29071	0.24
	At the end of the year (31/03/2020)			29071	0.24
7.	James Warren Tea Limited At the beginning of the year (01/04/2019)	49361	0.41		
	Date-wise Increase/Decrease during the year - Transfer				
	Decrease (15/11/2019)	678	0.01	48683	0.41
	At the end of the year (31/03/2020)			48683	0.41
8.	Chandmull Batia At the beginning of the year (01/04/2019)	34518	0.29		
	At the end of the year (31/03/2020)			34518	0.29
9.	Vinodchandra Mansukhlal Parekh At the beginning of the year (01/04/2019)	33093	0.28		
	Date-wise Increase/Decrease during The year - Transfer				
	Increase (31/05/2019)	784	0.01	33877	0.28
	Increase (13/09/2019)	81	*	33958	0.28
	Increase (20/09/2019)	1414	0.01	35372	0.30
	Increase (11/10/2019)	2227	0.02	37599	0.31
	Increase (25/10/2019)	37	*	37636	0.31
	Increase (01/11/2019)	263	*	37899	0.32
	Increase (27/12/2019)	301	*	38200	0.32
	At the end of the year (31/03/2020)			38200	0.32

Annexure 'A' to the Directors' Report (Continued)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
10.	<u>Chandrika Vinodchandra Parekh</u> At the beginning of the year (01/04/2019)	28369	0.24		
	At the end of the year (31/03/2020)			28369	0.24
11.	<u>Sanjeev Bubna</u> At the beginning of the year (01/04/2019)	25000	0.21		
	At the end of the year (31/03/2020)			25000	0.21
12.	<u>ADR Capital Services Private Limited</u> At the beginning of the year (01/04/2019)	19296	0.16		
	Date-wise Increase/Decrease during the year - Transfer				
	Decrease (30/08/2019)	1	*	19295	0.16
	Decrease (04/09/2019)	2000	0.02	17295	0.14
	At the end of the year (31/03/2020)			17295	0.14
13.	<u>Rathinasamy Narayanasamy Rubesh</u> At the beginning of the year (01/04/2019)	18575	0.16		
	At the end of the year (31/03/2020)			18575	0.16
14.	<u>V Ramanan</u> At the beginning of the year (01/04/2019)	17568	0.15		
	At the end of the year (31/03/2020)			17568	0.15
15.	<u>Sunil Kumar Gupta</u> At the beginning of the year (01/04/2019)	16000	0.13		
	At the end of the year (31/03/2020)			16000	0.13
16.	<u>Updesh Kumar Kaushal</u> At the beginning of the year 01/04/2019)	15788	0.13		
	Date-wise Increase/Decrease during the year - Transfer				
	Increase (26/04/2019)	2010	0.02	17798	0.15
	Increase (17/05/2019)	382	*	18180	0.15
	Increase (24/05/2019)	300	*	18480	0.15
	Increase (31/05/2019)	100	*	18580	0.16
	Increase (28/06/2019)	200	*	18780	0.16
	Increase (19/07/2019)	163	*	18943	0.16
	Increase (26/07/2019)	237	*	19180	0.16
	Increase(16/08/2019)	20	*	19200	0.16
	Increase (23/08/2019)	200	*	19400	0.16
	Increase (27/09/2019)	26	*	19426	0.16
	Increase (04/10/2019)	286	*	19712	0.16
	Increase (11/10/2019)	523	*	20235	0.17
	Increase (18/10/2019)	565	*	20800	0.17
	Increase (25/10/2019)	911	*	21711	0.18
	Increase (01/11/2019)	490	*	22201	0.19
	Increase (17/01/2020)	176	*	22377	0.19
	Increase (24/01/2020)	640	0.01	23017	0.19
	Decrease (31/01/2020)	1617	0.01	21400	0.18
	Increase (07/02/2020)	100	*	21500	0.18
	Increase (31/03/2020)	800	0.01	22300	0.19
	At the end of the year (31/03/2020)			22300	0.19
17.	<u>Woodcutter Limited</u> At the beginning of the year (01/04/2019)	14385	0.12		
	At the end of the year (31/03/2020)			14385	0.12

Annexure 'A' to the Directors' Report (Continued)

18.	Sujay Ajitkumar Hamlai At the beginning of the year (01/04/2019)	14000	0.12		
	At the end of the year (31/03/2020)			14000	0.12
19.	Ashok C Samani At the beginning of the year (04/01/2019)	13456	0.11		
	Date-wise Increase/Decrease during the year - Transfer Decrease (11/08/2019)	100	*	13356	0.11
	At the end of the year (31/03/2020)			13356	0.11
20.	Vinodchandra Mansukhlal Parekh At the beginning of the year (01/04/2019)	13203	0.11		
	Date-wise Increase/Decrease during the year - Transfer Increase (18/10/2019)	1540	0.01	14743	0.12
	At the end of the year (31/03/2020)			14743	0.12
21.	Raviraj Developers Ltd At the beginning of the year (01/04/2019)				
	Date-wise Increase/Decrease during the year - Transfer Increase (17/01/2020)	15993	0.13	15993	0.13
	At the end of the year (31/03/2020)			15993	0.13
22.	Rupesh Madhavlal Mehta At the beginning of the year (01/04/2019)	10200	0.09		
	At the end of the year (31/03/2020)			10200	0.09
23.	V Techweb (India) Private Limited At the beginning of the year (01/04/2019)	10000	0.08		
	At the end of the year (31/03/2020)			10000	0.08
24.	Rajesh Agarwal At the beginning of the year (01/04/2019)	9775	0.08		
	Date-wise Increase/Decrease during the year - Transfer Decrease (22/11/2019)	10	*	9765	0.08
	Decrease (29/11/2019)	1	*	9764	0.08
	At the end of the year (31/03/2020)			9764	0.08
25.	Surendra Kumar Bagri At the beginning of the year (01/04/2019)	9492	0.08		
	At the end of the year (31/03/2020)			9492	0.08
26.	Sanjeev Vinodchandra Parekh At the beginning of the year (01/04/2019)	9392	0.08		
	At the end of the year (31/03/2020)			9392	0.08
27.	Jitendra Mansukhlal Parekh At the beginning of the year (01/04/2019)	9350	0.08		
	At the end of the year (31/03/2020)			9350	0.08
28.	N Lalitha At the beginning of the year (01/04/2019)	8957	0.07		
	At the end of the year (31/03/2020)			8957	0.07
29.	Pranav Kaushal At the beginning of the year (01/04/2019)	6163	0.05		
	Date-wise Increase/Decrease during the year - Transfer Increase (11/10/2019)	533	*	6696	0.06
	Increase (18/10/2019)	22	*	6718	0.06
	Increase (31/01/2020)	2000	0.02	8718	0.07
	At the end of the year (31/03/2020)			8718	0.07

Annexure 'A' to the Directors' Report (Continued)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
30.	New Millenium Technology Management Private Limited At the beginning of the year (01/04/2019)	1073	0.01		
	Date-wise Increase/Decrease during the year - Transfer				
	Increase (26/07/2019)	7159	0.06	8232	0.07
	Increase (13/09/2019)	176	*	8408	0.07
	At the end of the year (31/03/2020)			8408	0.07

Note: The above information is based on download of beneficial ownership received from Depositories.

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the Directors and KMP				
1.	<u>Vinay Kumar Goenka - Chairman</u> At the beginning of the year (01/04/2019)	3601229	30.13		
	At the end of the year (31/03/2020)			3601229	30.13
2.	<u>Vinay Kumar Goenka (HUF)</u> At the beginning of the year (01/04/2019)	376384	3.15		
	At the end of the year (31/03/2020)			376384	3.15
3.	<u>S K Ghosh - Managing Director</u> At the beginning of the year (01/04/2019)	1	*		
	At the end of the year (31/03/2020)			1	*
4.	<u>N Dutta - Director</u> At the beginning of the year (01/04/2019)	10	*		
	At the end of the year (31/03/2020)			10	*
5.	<u>S Bhoopal - Director</u> At the beginning of the year (01/04/2019)	1	*		
	At the end of the year (31/03/2020)			1	*
6.	<u>S Roy - President - Legal & Company Secretary</u> At the beginning of the year (01/04/2019)	1	*		
	At the end of the year (31/03/2020)			1	*

Notes : 1) Where there was no movement of shares during the year, increase/decrease not separately indicated.

2) * Indicates that percentage is below the rounding off norm adopted by the Company.

Annexure 'A' to the Directors' Report (Continued)

V. INDEBTEDNESS

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

(` in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	3950.05			3950.05
(ii) Interest due but not paid				
(iii) Interest accrued but not due	16.34			16.34
Total (i+ii+iii)	3966.39			3966.39
Change in Indebtedness during the financial year				
• Addition	2381.25	1068.40		3449.65
• Reduction	1192.82	1068.40		2261.22
Net Change	1188.43			1188.43
Indebtedness at the end of the financial year				
(i) Principal Amount	5107.23			5107.23
(ii) Interest due but not paid				
(iii) Interest accrued but not due	47.59			47.59
Total (i+ii+iii)	5154.82			5154.82

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Chairman and Managing Director:

(` in Lakhs)

Sl. No.	Particulars of Remuneration	Vinay K Goenka (Chairman)	S K Ghosh (Managing Director)	Total Amount
1.	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	137.37	124.82	262.19
(b)	Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	9.13	0.74	9.87
(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			
5.	Others			
	Total (A)	146.50	125.56	272.06

B. Remuneration to other Directors:

(` in Lakhs)

Sl. No.	Particulars of Remuneration	Nilotpal Dutta	Sriprakash Bhoopal	Anup Kaur Bindra	Lalit Kumar Halwasiya	Sonia Barman	Total Amount
1.	Independent Directors						
	• Fee for attending board/ committee meetings	0.20	0.90	0.55	0.70	0.55	2.90
	• Commission						
	• Others, please specify						
	Total (1)	0.20	0.90	0.55	0.70	0.55	2.90
2.	Other Non-executive Directors						
	Total (2)						
	Total (B) = (1+2)	0.20	0.90	0.55	0.70	0.55	2.90
	Total Managerial Remuneration	0.20	0.90	0.55	0.70	0.55	2.90
	Overall Ceiling as per the Act	NOT APPLICABLE					

Annexure 'A' to the Directors' Report (Continued)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(` in Lakhs)

Sl. No.	Particulars of Remuneration	S Roy (President - Legal & Company Secretary)	S K Mukhopadhyay (Chief Financial Officer)	Total Amount
1.	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	23.49	21.40	44.89
(b)	Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	3.60	0.26	3.86
(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			
	Total	27.09	21.66	48.75

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

Annexure 'B' to the Directors' Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
WARREN TEA LIMITED

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

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the 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, 2020, 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, 2020, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (as amended) (the Act) and the Rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

Annexure 'B' to the Directors' Report

- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - e) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:
 - a) The Tea Act, 1953 and Rules there under;
 - b) The Tea (Marketing) Control Order, 2003;
 - c) The Tea (Distribution & Export) Control Order 2005;
 - d) The Tea Waste (Control) Order, 1959;
 - e) The Plantations Labour Act, 1951
 - f) The Assam Plantation Labour Rules, 1956;
 - g) The Legal Metrology Act, 2009;
 - h) The Food Safety and Standards Act, 2006

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

- a) The Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

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

Annexure 'B' to the Directors' Report

- b) 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.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in 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.

We further report that during the period under audit, the Company has passed the following special resolutions:

- i. Reappointment and remuneration payable to Mr. Vinay Kr. Goenka as Executive Chairman for a period of two years w.e.f 1st April, 2019.
- ii. Selling, leasing or otherwise disposing of certain Tea Estates of the Company and/or other assets having value in aggregate in excess of twenty per cent of the value of the undertaking of the Company pursuant to Section 180(1)(a) of Companies Act, 2013.

This report is to be read with our letter of even date which is annexed as **Annexure - I** which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
(Partner)

Date: 30.06.2020

Place: Kolkata

UDIN: A011470B000401191

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

Annexure 'B' to the Directors' Report

Annexure - I

To

The Members,

WARREN TEA LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Note: There was lockdown declared by the Central Government in the country due to COVID-19 pandemic since 24th March 2020. We had completed our regular Audit for the period upto 31st December' 2019 prior to the announcement of Lockdown. During the Lockdown, for completion of the Audit, documents /details have been provided by the Company through electronic mode and the same have been verified by us.

**For MKB & Associates
Company Secretaries**

Manoj Kumar Banthia
(Partner)

Date: 30.06.2020

Place: Kolkata

UDIN: A011470B000401191

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Outline of the Company's Policy

To meet its responsibility towards society and economy, the Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and it is placed on the Company's website. Your Company has been committed to do business while improving the quality of life of the workforce and their families as well as the community and society at large.

The Company is also deeply sensible of its responsibilities not only to its stakeholders but also to the society at large. The CSR initiative focuses on-

- Eradication of hunger and poverty
- Health care, hygiene and sanitation
- Education including vocational skills and livelihood enhancement
- Gender, social and economic equality
- Empowerment of women
- Care for senior citizens
- Environmental sustainability
- Protection of national heritage, art and culture
- Benefit of armed forces veterans, war widows and their dependents
- Training for promotion of sports
- Contribution to funds approved by the Central Government
- Rural development

2. Composition of the Committee

The Corporate Social Responsibility Committee as on 31st March, 2020 comprised of Mrs S Barman as Chairperson and Mrs A K Bindra, Mr Vinay K Goenka and Mr S K Ghosh as Members with President-Legal & Company Secretary as its Secretary. The Committee reconstituted on 2nd June, 2020 consisting of Mrs. Sonia Barman as Chairperson and Mrs. A K Bindra and Mr. Vinay K Goenka as Members with Mrs. Soma Chakraborty , Company Secretary as its secretary.

Annexure 'C' to the Directors' Report

3. Average net profit/(loss) of the Company for last three financial years - ₹ (1954.30) Lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) - N. A.
5. Details of CSR spent during the financial year:
- (a) Total amount to be spent for the financial year - N. A.
- (b) Amount unspent, if any - N. A.

(c) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (a) Local area or other (b) Specify the state and district where project or programs were undertaken	Amount outlay (budget) project or programs wise (₹ in Lakhs)	Amount spent on the projects Subheads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period (₹ in Lakhs)	Amount spent: Directly or through implementing agency
1. (a)	Education to less privileged children	Education	Howrah, West Bengal	38.00	-	5.20	Chatrachhaya, 4/B Little Russell Street, Kolkata 700 071, a NGO registered as a Trust.
(b)	Education to under privileged children	Education	Chetla, Kolkata, West Bengal	1.60 per year	-	7.50	Women's Coordinating Council (WCC), 5/1 Red Cross Place, Kolkata 700 062, a NGO.
2.	Promoting Rural Education	Education	Bokul, Near Bokul Tea Estate's Hospital, P.O. Lahowal, Dibrugarh, Assam	36.00 approx.	-	5.00	Purna Bikash Sanstha, Bokul (Near Bokul T.E. Hospital), P.O. Lahowal, Dibrugarh, Assam, a registered Charitable Trust.
3.	Construction of girls' hostel	Empowerment of Women	Kolkata, West Bengal	1500.00 excluding cost of land	-	35.00	Dhanuka Dhunseri Foundation, a registered Charitable Trust
				Total	-	52.70	

Annexure 'C' to the Directors' Report

6. As the average net profits of the Company made during the three immediately preceding financial years was negative, the Company is not required to spend any amount for the year towards Corporate Social Responsibility activities.
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Vinay K Goenka
Executive Chairman

Sonia Barman
Chairperson CSR Committee

Annexure 'D' to the Directors' Report

Particulars of Employees

a) Information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1) The Ratio of remuneration paid to the Chairman and to the Managing Director to the median remuneration of the employees of the Company for the Financial Year is 132:1 and 113:1 respectively.

2) Remuneration of Key Management Personnel including Whole-time Directors :

<u>Names</u>	<u>Percentage increase in Remuneration during 2019-20 compared to 2018-19</u>
Vinay K Goenka, Chairman	(0.77)
S K Ghosh, Managing Director	(1.32)
S Roy, President-Legal & Company Secretary	(5.28)
S K Mukhopadhyay, Chief Financial Officer	(23.22)

3) Median remuneration of the employees during the financial year 2019-20 increased by NIL over that of financial year 2018-19.

4) Number of permanent employees on the rolls of the Company as on 31.03.2020 is 8660 which includes plantation workforce of 7805.

5) The average change in the salaries of the employees other than managerial personnel during the financial year 2019-20 is 6.22%. The average percentage of increase in managerial remuneration for the financial year 2019-20 is (1.03).

6) All remuneration paid by the Company are in accordance with the Remuneration Policy of the Company.

Annexure 'D' to the Directors' Report (Continued)

b) Information as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Designation	Gross Remuneration (in Lakhs)	Qualification and Experience (Years)	Age (Years)	Date of Commencement of Employment	Last Employment held before joining the Company Organization	Designation
1.	Arora U C	President – Marketing	28.59	B Com (44)	65	21.05.1984	Kanoi Plantations Pvt. Ltd.	Executive – Tea Department
2.	Barua A	Group Manager	17.57	B Com (33)	56	14.03.1987	-	-
3.	Ghosh S K	Managing Director	125.56	B Com (Hons), FCA (45)	66	02.05.1983	-	Consultant
4.	Goenka Vinay K	Chairman	146.50	B Sc (Botany) (44)	62	19.04.1983	The Eriabarrie Tea Co. Pvt. Ltd.	Senior Executive
5.	Goenka Vivek	President	23.60	M A (F&I) (15)	38	15.09.2004	-	-
6.	Gogoi R L	Manager	18.33	B.Sc (Agri.) (33)	59	01.04.1987	Goodricke Group Ltd.	Trainee Assistant Manager
7.	Karmakar B	Senior Manager- Finance & Accounts (Assam)	19.81	B Com, ACA (27)	55	15.11.1996	M/s M. P. Bazari & Co.	Senior Audit Assistant
8.	Mukhopadhyay S K	Chief Financial Officer	21.66	B Com (Hons), FCA (42)	67	11.05.2009	-	Consultant
9.	Roy S	President – Legal & Company Secretary	27.09	B A (Hons), FCS, LL.B (39)	64	15.07.1996	-	Consultant
10.	Singh H	President Operations	23.54	B A (44)	68	15.11.2017	-	-

- Notes :
- (1) The gross remuneration shown above is subject to tax and comprises of salary, bonus, allowance, monetary value of perquisites evaluated as per Income Tax Rules, Company's contributions to Provident Fund, Superannuation and Gratuity Funds subject to the relative Fund Rules.
 - (2) All appointments are contractual in accordance with their respective terms.
 - (3) Mr Vinay K Goenka and Mr Vivek Goenka each holds more than 2% of the Equity Shares of the Company.
 - (4) Mr Vivek Goenka is a relative of Mr Vinay K Goenka, Chairman and except for him none of the others is a relative of any Director of the Company.

Annexure 'E' to the Directors' Report

Management Discussion and Analysis Report

Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates disclosure under specific heads which are given in the following paragraphs and which continue to be followed in the usual course of the Company's business over the years in discussion amongst the Directors and Senior Management Personnel.

(a) Industry Structure and Developments

The Company's main business is plantation, processing and sale of Tea : Tea being a natural product, the plantation activities is subject to the vagaries of nature. The crop yield depends on the climatic conditions to a very large extent. The steps initiated by management for increasing the crop yields by implementation of improved agricultural practices is not only necessary, but also important for the betterment of the Industry.

Tea continues to be savoured globally and remains a beverage of choice in India contributing substantially to the country's income by way of foreign exchange earnings. Indian tea industry provides employment to more than one million people, half of whom are women. Tea Industry supports a large population comprising of workers, dependents and others residing in the tea estates. Originally, the tea plantation sector consisted of tea estates with their factories to manufacture their teas but over the last decade or so, there has been an emergence of small tea growers and bought leaf factories contributing to almost 50% of the total country's tea production.

(b) Opportunities and threats

Conscious improved agricultural practices together with appropriate marketing efforts have brought tea to be considered as a health drink as well as a lifestyle choice. Consumption of tea in India is also on the rise. Hatimara tea estate of your Company continue to enjoy Rainforest Alliance Certification, ISO 22000:2005 Certification and TruTea Verification Certification. Your Company also continues with its Integrated Pest Management Policy which is in conformity with the Plant Protection Code of Tea Board of India. Tea being essentially an agricultural produce, is always subject to enviro-climatic inconsistencies which affects both quality and quantity of produce and thereby your Company's performance. The Company's income is from sale of tea. The costs of production tea, comprises of various inputs which are required to be met by the Company as stipulated under various statutes including the Plantation Labour Act. Thus after meeting the costs, the Industry is left with a very small margin to meet its other expenses for sale of product. Further, small tea growers and bought leaf factories operate on a considerably lower cost structure which enable the final produce to be offered at lower prices in the market. It is worthwhile to mention that the Company could not carry out plucking operations for the last weeks of the month of March, 2020 which is the prime time for crop generation due to COVID 19 pandemic.

(c) Segment-wise or Product-wise Performance

The Company does not have any separate primary business segment as it sells only black tea in bulk both in domestic and overseas markets.

Annexure 'E' to the Directors' Report (Continued)

(d) **Outlook**

A cohesive model which catalyses a viable coexistence of both plantations and bought leaf factories is fundamental to the industry's sustainability and growth. Tea being a common man's drink is consumed widely throughout the country. Weather is of prime importance for Tea manufacturing industry for achieving the production target for the Industry. Considering that tea plantations would always be subject to vagaries of climatic conditions, proactive and adaptive agricultural practices as well as use of modern machineries and techniques which contribute to quality and quantity together with favourable market dynamics is likely to yield results.

(e) **Risks & Concerns**

The Management has to constantly monitor the risks and concerns associated with the Industry which is dependent upon the vagaries of the weather to a very large extent and is also subject to changing market conditions and the trends. Wide climatic variations in ideal tea growing conditions impact plantations and their produce both on a short term and long term basis which necessarily involves time and substantial costs. Further, cost of production continues to rise against flatter price levels leading to a decline in the margins for the producers and fair price discovery continues to be a challenge.

(f) **Internal Control Systems & their Adequacy**

There are adequate internal control systems at all levels of Management of the Company. These are reviewed from time to time and improved upon, where required. The Company has implemented internal control systems with a view to ensure that assets are safeguarded and protected against losses and transactions are recorded and reported correctly. These include comprehensive internal audit by external firms of Chartered Accountants besides checks carried out by the Cost Auditors, the Secretarial Auditors and the Statutory Auditors during the course of their respective audits. Such systems are commensurate with the Company's size and nature of operations and provide reasonable assurance with regard to reliable data, compliances, securing its assets from unauthorized use or loss and ensuring that operations are carried out in consonance with the Company's policies. The different sets of auditors periodically visit the Company's units, their reports are looked into by the Management and by the Audit Committee for effecting corrective action/improvement as may be called for.

(g) **Financial Discussion on Performance with respect to Operational Performances**

There have been series of significant changes in the overall market scenario in last few years. Over the last four years we have been faced with many a difficult circumstance like vagaries of weather due to climate change, severe pest infestation, significant rise in labour wages due to statutory changes and also the recent pandemic, all have had significant impact on Company's profitability.

(h) **Material Developments in Human Resources/Industrial Relations Front including number of people employed**

The Tea Industry is labour intensive and provides employment to a very large segment of the population residing in and around the tea plantation areas. Human resources are the

Annexure 'E' to the Directors' Report (Continued)

most valuable assets of the Company and thus adequate care is taken by the Company for their development and well being. Tea being an essentially labour intensive industry, the employees are the mainstay of its operations. Hatimara Tea Estate of your Company are certified under the Rainforest Alliance as well as Trustea indicating firm commitment towards sustainability as well as workers' health, hygiene and safety. It is your Company's endeavour to provide safe, healthy and sustainable work environment in all the estates for the employees and their families. Your Company deeply appreciates the performance and cooperation of the employees during the year and looks forward to maintain cordial relations in the years to come. Your Company believes in employee empowerment across the entire organization in order to achieve organizational effectiveness.

(i) Details of significant changes in Key Financial Ratios along with detailed explanations therefor.

Details of significant changes (25% or more as compared to the immediately previous Financial Year) in key financial ratios in 2019-20

<u>Particulars</u>	<u>Variation (%)</u> <u>Increase/</u> <u>(Decrease)</u> <u>over previous</u> <u>Financial Year</u>	<u>Explanations</u>
Inventory Turnover Ratio	(34.88)	Stock of March remained unsold mainly due to outbreak of COVID 19.
Interest Coverage Ratio	12.31	Increased loss during the current year primarily due to steep rise in salary of staff and other input costs during the year coupled with decline in unit price realization.
Current Ratio	(24.47)	Increase in Current Liabilities emanating primarily out of escalations in salary and other input costs leading to higher working capital utilizations during the year.
Debt Equity Ratio	70.68	Decline in Equity arising out of the loss suffered during the year as well as utilization of higher working capital loans from banks.
Operating Profit Margin (%)	44.04	Decrease in Earnings before Interest and Tax (EBIT) primarily due to steep rise in salary and other input costs during the year coupled with decline in unit price realization.
Net Profit Margin (%)	62.82	

(j) Details of Changes in Return on Net Worth as compared to the immediate previous financial year along with a detailed explanation thereof.

The Return on Net Worth for the year was (32.69)% as compared to (14.58)% in the immediate previous financial year.

Annexure 'E' to the Directors' Report (Continued)

During the year under review, vagaries of weather predominantly as a result of global climatic changes as well as infestation of pests continue to buffet the volume of tea produced. Simultaneously, increase in input costs mainly on account of a significant rise in wages, without commensurate increase in realizations have affected the Company's total income for the year and thereby has adversely impacted the Return on Net Worth for the year.

Annexure 'F' to the Directors' Report

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is aimed at efficient conduct of its affairs. Your Board of Directors unequivocally support the principles of Corporate Governance. Your Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with laws coupled with adherence to the highest standards of professionalism and business ethics; great emphasis is placed on values such as empowerment and integrity of its employees, transparency in decision making process, fairness, honesty, accountability in dealings with its dealers, customers, business associates, government, all its stakeholders and the well being of the employees and communities surrounding your Tea Estates. The labour and management practices are also followed in conformity with law and also for welfare of the employees so as to aim at optimum economic utilization of resources. The Company's overall philosophy is that of excellence.

2. Board of Directors

At present the Board comprises of an Executive Chairman, a Non-executive Director and five Non-executive Independent Directors (including two Women Directors). The composition of the Board of Directors of the Company represents an optimum combination of professionalism, knowledge and experience. Particulars of the Directors as on 31st March, 2020 and attendance of each Director at the meetings of the Board held during the year and at the last Annual General Meeting are given below:

<u>Name</u>	<u>Category</u>	<u>Attendance</u>		Directorships in other <u>companies</u>	<u>Committee Positions in other companies</u>	
		<u>At Board Meetings</u>	<u>At last AGM</u>		<u>As Chairman</u>	<u>As Member</u>
Mr Vinay K Goenka (Executive Chairman)	Promoter Executive Director	6	Yes	-	-	-
Mr S K Ghosh (Retired as Managing Director from close of business hours of 5 th June, 2020 and continued as a Non- executive Director)	Managing Director	7	No	-	-	-
Mr S Bhoopal	Non-executive Independent Director	7	Yes	8	-	-
Mr N Dutta	Non-executive Independent Director	1	No	1	-	-
Mr L K Halwasiya	Non-executive Independent Director	7	No	1	-	-
Mrs A K Bindra	Non-executive Independent Director	6	No	1	-	-
Mrs S Barman	Non-executive Independent Director	7	No	-	-	-

Annexure 'F' to the Directors' Report (Continued)

The composition of the Board is well in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

- i) There is no inter-se relationship between any of the Directors of the Company.
- ii) Directorships and Committee Memberships exclude Directorships and Committee Memberships of Warren Tea Limited. No Director is a Director in any other listed company.
- iii) Membership and Chairmanship of the Audit Committee and Stakeholders Relationship Committee are only considered.
- iv) During the year under review, seven Board Meetings were held on 30th May, 2019, 9th August, 2019, 23rd September, 2019, 1st November, 2019, 13th December, 2019, 31st January, 2020 and 14th February, 2020.

The maximum interval between any two consecutive Meetings did not exceed 120 days.

- v) Mr N Dutta holds 10 equity shares and Mr S Bhoopal holds 1 equity share in the Company. The Company has not issued any convertible instruments.

Mrs A K Bindra, Mr L K Halwasiya and Mrs S Barman do not hold any share in the Company.

- vi) The Board of Directors have identified the following core skills/expertise/competence which are required in the context of the Company's business for it to function effectively and those actually available with the Board:

		<u>Core Skills/Expertise/Competence</u>	
		<u>Identified by the Board</u>	<u>Available with the Board</u>
1.	Tea Estates	- Agricultural and Manufacturing Operations	Yes
2.	Marketing	- Domestic and Exports	Yes
3.	Finance	- Treasury, Accounting, Taxation, Internal Controls and Management Information	Yes
4.	Legal including Compliances		Yes
5.	General Management and Administration		Yes

Annexure 'F' to the Directors' Report (Continued)

The Company along with its Predecessors-in-Interest has been, inter alia, in the tea plantation businesses for more than a hundred years.

To effectively manage the business, it is necessary for the Directors of the Company to provide their contributions and inputs which would be of a more wider in nature and not specific to an industry. In these premises, the Directors necessarily would not have identical contributions but inputs from each of them are valuable for the functioning of the Board. Given below are some salient skills/ expertise/competence of the seven members of the present Board of Directors.

Desired/ Needed Skills, Experience, Attributes	Mr Vinay K Goenka	Mr S K Ghosh	Mr. Sriprakash Bhoopal	Mr. Lalit Kumar Halwasiya	Mrs Anup Kaur Bindra	Mrs Sonia Barman	Mr Nilotpal Dutta
Tea Estate – Agricultural & Manufacturing Operations	✓	✓	✓	✓	✓	✓	✓
Marketing – Domestic and Exports	✓	✓	✓	✓	✓	✓	✓
Finance – Treasury, Accounting , Taxation, Internal Controls and Management Information	✓	✓	✓	✓	✓	✓	✓
Legal including Compliances	✓	✓	✓	✓	-	-	-
General Management and Administration	✓	✓	✓	✓	✓	✓	✓

- (vii) The Board is also of the opinion that the Independent Directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are independent of the management.

3. Audit Committee

The Audit Committee of the Board as on 31st March, 2020, comprised of three Non-executive Independent Directors viz. Mr S Bhoopal, Mr N Dutta and Mr L K Halwasiya, who are persons of standing in the industry having experience and expertise to carry out their obligations with necessary adequate inputs from the Whole-time Directors. Mr S Bhoopal is the Chairman of the Audit Committee.

Annexure 'F' to the Directors' Report (Continued)

The terms of reference of the Audit Committee broadly cover the areas specified in Regulation 18(3) read with Schedule II, Part - C of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 177 of the Companies Act, 2013 which in brief are:

- a) Review internal control systems, nature and scope of audit as well as post audit discussions;
- b) Review quarterly, half-yearly and annual financial statements with particular reference to matters to be included in the Directors' Responsibility Statement to be included in the Board's Report;
- c) Evaluation of internal financial control and risk management systems and ensure compliance with internal control systems;
- d) Recommend to the Board on any matter relating to financial management, including audit report;
- e) Oversee Company's financial reporting process and disclosure of financial information;
- f) Recommendation of appointment and remuneration of auditors;
- g) Review performance of statutory and internal auditors;
- h) Review with the management and monitor the Auditors' independence, performance of Statutory and Internal Auditors and adequacy of the internal control systems and effectiveness of audit process.
- i) Approval or any subsequent modification of transactions of the Company with related parties;
- j) Valuation of undertakings or assets of the Company wherever necessary;
- k) Monitoring the end use of funds raised through public offers and related matters;
- l) Approval of appointment of CFO after assessing the qualification, experience and background of the candidate;
- m) Oversee the establishment of Vigil Mechanism for Directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

During the year under review, six Meetings of the Audit Committee were held on 30th May, 2019, 9th August, 2019 23rd September, 2019, 1st November, 2019, 14th February, 2020 and 23rd March, 2020 and not more than one hundred and twenty days elapsed between two meetings.

Annexure 'F' to the Directors' Report (Continued)

The composition and attendance of the members of the Audit Committee are as follows:

<u>Name</u>	<u>Position Held</u>	<u>No. of Meetings</u>	
		<u>Held</u>	<u>Attended</u>
Mr S Bhoopal	Chairman	6	6
Mr N Dutta	Member	6	2
Mr L K Halwasiya	Member	6	6

The Chief Financial Officer and the representatives of the Statutory, Cost and Internal Auditors attend the Meetings whenever required. Consequent on the retirement of President-Legal & Company Secretary the Committee, Mrs. Soma Charkraborty attended the meetings as Company Secretary of the Company. Mr S Bhoopal attended the last Annual General Meeting held on 11th September, 2019 as Chairman of the Audit Committee.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board as on 31st March, 2020 comprised of Mr S Bhoopal, Mrs S Barman and Mr N Dutta, all of whom are Independent Directors. Mr S Bhoopal is the Chairman of the Nomination and Remuneration Committee and the President-Legal & Company Secretary is the Secretary to the Committee. Consequent on the retirement of President-Legal & Company Secretary, Mrs Soma Chakraborty attended the meetings as Company Secretary of the Company.

During 2019-20 the Nomination and Remuneration Committee met on 30th May, 2019 and 23rd March, 2020.

The details of meetings held and attended by the Directors during the year 2019-20 are as under:

<u>Name</u>	<u>No. of Meetings</u>	
	<u>Held</u>	<u>Attended</u>
Mr S Bhoopal	2	2
Mr N Dutta	2	1
Mrs S Barman	2	2

The Policy of the Company relating to Nomination and Remuneration had been originally framed in 2015. Since then requirements under the Companies Act, 2013 have changed and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have come into existence replacing the earlier Listing Agreement conditions. Accordingly a revised Policy which seeks to address the new requirements has been framed in supersession of the earlier one. The terms of reference of the Nomination and Remuneration Committee, inter-alia, include the following:

Annexure 'F' to the Directors' Report (Continued)

- i) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel.
- ii) To formulate the criteria for evaluation of Independent Directors and the Board. The said Policy contains evaluation criteria for evaluation of all Directors.
- iii) To devise a policy on Board Diversity.
- iv) To identify and assess potential individuals with respect to their skills, expertise, attributes for appointment, removal, reappointment of Directors and recommend to the Board of Directors.
- v) To decide whether to extend or continue the Terms of Appointment of the Independent Directors on the basis of their performance.
- vi) To specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors, to be carried out by the Board or Nomination and Remuneration Committee and review its implementation and compliance.

Details of remuneration paid to the Executive Directors during the year under review are given below:

<u>Name</u>	<u>Mr Vinay K Goenka</u> Chairman (` in Lakhs)	<u>Mr S K Ghosh</u> Managing Director (` in Lakhs)
Salary	46.20	34.80
Contributions to Provident, Gratuity and Other Funds	7.87	4.18
Bonus	46.20	34.80
Other Benefits	46.23	51.78
Total	<u>146.50</u>	<u>125.56</u>

Annexure 'F' to the Directors' Report (Continued)

The Service Agreement dated 20th September, 2019 with Mr S K Ghosh, Managing Director of the Company was for a period of three years with effect from 1st April, 2017. A New Service Agreement with Mr Ghosh as Managing Director of the Company for a period from 1st April, 2020 to close of business hours 5th June, 2020 shall be entered into by the Company after obtaining requisite approval of the shareholders which is being sought at the ensuing Annual General Meeting. Mr. Ghosh will continue as a Director of the Company. There is no severance compensation other than six months remuneration in absence of any notice the period being six months in writing for both Mr Goenka and Mr Ghosh, none of whom are entitled to any Stock Option or Performance Linked Incentive. Only Sitting Fees for attending the meetings of the Board and Committees thereof are paid to the Non-executive Directors who are not entitled to any stock option. Particulars of Sitting Fees paid to the Non-executive Directors during the year 2019-20 are as under:

<u>Name</u>	<u>Board Fees</u>	<u>Committee Fees</u>	<u>Total Fees</u>
	(₹)	(₹)	(₹)
Mr S Bhoopal	35000/-	55000/-	90000/-
Mr N Dutta	5000/-	15000/-	20000/-
Mr L K Halwasiya	35000/-	35000/-	70000/-
Mrs A K Bindra	30000/-	25000/-	55000/-
Mrs S Barman	35000/-	20000/-	55000/-

The criteria of making payments to Non-executive Directors has been put up on the website of the Company at weblink:

http://www.warrentea.com/Documents/nomination_remuneration_policy.pdf.

An annual evaluation of the performances of the Board, its Committees and that of the individual Directors was undertaken during the year on the basis of the criteria such as the composition, structure, functioning, effectiveness of the Board, the Committees, the contribution and preparedness of Individual Directors to the Board and Committees etc. after seeking inputs from all the Directors. The Directors including Independent Directors and the Non -Independent Directors have continued to contribute their inputs in the process of evaluation of the Directors. The Independent Directors and Nomination and Remuneration Committee members have continued to review the performance of all the Directors including the Chairman and the Managing Director and thence the performance of the Board as a whole. The Board in turn with such inputs, have carried out annual evaluation of its own performance, its Committees and Individual Directors.

5. Stakeholders Relationship Committee

The Company has a duly constituted Stakeholders Relationship Committee to specifically look into various aspects of interest of shareholders, satisfactory redressal of investors' grievances and to recommend measures for overall improvement in the quality of investor services. The Committee as on 31st March, 2020 comprised of Mr S Bhoopal as Chairman and Mrs A K Bindra, Mr Vinay K Goenka and Mr S K Ghosh as Members with Mr. S Roy, President - Legal & Company Secretary as the Secretary. Consequent on the retirement of President - Legal & Company Secretary, Mrs. Soma Chakraborty attended the meetings as Company Secretary of the Company. The Committee is empowered to consider and resolve the grievances of the shareholders of

Annexure 'F' to the Directors' Report (Continued)

the Company including complaints related to transfer/transmission of shares, non-receipt of Annual Report, issue of new/duplicate Share Certificates, General Meetings, etc.

Share Transfer formalities are complied with the power to approve the same being delegated jointly and severally to Mr Vinay K Goenka and Mrs Soma Chakraborty.

Mrs Soma Chakraborty, Company Secretary is the Compliance Officer.

During the year under review, the Committee had four meetings which were held on 8th July, 2019, 2nd August, 2019, 25th November, 2019 and 3rd February, 2020.

Mr S Bhoopal attended the last Annual General Meeting on 11th September, 2019 as Chairman of the Stakeholders Relationship Committee. E-mail ID pursuant to Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: investors@warrentea.com.

The detailed particulars of investors' complaints handled by the Company and its Registrar and Share Transfer Agent during the year are as under:

No. of complaints remaining unresolved as on 1 st April, 2019, received during the year and dealt with and pending as on 31 st March, 2020	:	Nil
--	---	-----

No. of pending share transfers as on 31 st March, 2020	:	Nil
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6. Risk Management Committee

The Risk Management Committee of the Board as on 31st March, 2020 was composed of Mr S K Ghosh, Managing Director, as Chairman and Mr L K Halwasiya and Mrs A K Bindra, Independent Directors, Mr U C Arora, President-Marketing and Mr S K Mukhopadhyay, Chief Financial Officer; Mr S Roy, President-Legal & Company Secretary is the Secretary of the Committee. Consequent on the retirement of President - Legal & Company Secretary, Mrs. Soma Chakraborty attended the meetings as Company Secretary of the Company. During 2019-20, the Committee met once on 2nd March, 2020 during the year and five Members of the Committee attended the same. The Committee is responsible to lay down the procedures to inform the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the Risk Management Plan of the Company.

7. Meeting of Independent Directors

Separate Meetings of the Independent Directors of the Company were held on 1st November, 2019 and 16th March, 2020 during the year without the presence of the Non-Independent Directors and the Management Team to discharge duties enjoined on them. All the Independent Directors were present in both the meetings.

8. General Body Meetings

Location and time where last three Annual General Meetings were held:

<u>Date</u>	<u>Location</u>	<u>Time</u>
11 th September, 2017	G S Ruia Memorial Complex at Deohall Tea Estate, PO Hoogrijan, Dist. Tinsukia, Assam 786 601	10.30 AM
10 th September, 2018	G S Ruia Memorial Complex at Deohall Tea Estate, PO Hoogrijan, Dist. Tinsukia, Assam 786 601	10.30 AM
11 th September, 2019	G S Ruia Memorial Complex at Deohall Tea Estate, PO Hoogrijan, Dist. Tinsukia, Assam 786 601	10.00 AM

One Special Resolution was passed at the Annual General Meeting held on 11th September, 2017 for the purpose of reappointment and remuneration payable to Mr Subhajit Kumar Ghosh (DIN 00042335) as Managing Director for 3 years from 1st April, 2017.

Five Special Resolutions were passed at the Annual General Meeting held on 10th September, 2018 for the purpose of :

1. Reappointment of Mr Sriprakash Bhoopal (DIN 00042977) as an Independent Director of the Company whose term of office expired on 31st March, 2019 for a further period of five years with effect from 1st April, 2019.
2. Reappointment of Mr Nilotpal Dutta (DIN 00045667) as an Independent Director of the Company whose term of office expired on 31st March, 2019 for a further period of five years with effect from 1st April, 2019.
3. Reappointment of Mrs Anup Kaur Bindra (DIN 03391125) as an Independent Director of the Company whose term of office expired on 28th May, 2019 for a further period of five years with effect from 29th May, 2019.
4. Reappointment of Mr Lalit Kumar Halwasiya (DIN 00211756) as an Independent Director of the Company whose term of office expired on 28th May, 2019 for a further period of five years with effect from 29th May, 2019.
5. Reappointment of Mrs Sonia Barman (DIN 06910929) as an Independent Director of the Company whose term of office expires on 21st September, 2019 for a further period of five years with effect from 22nd September, 2019.

One Special Resolution was passed at the Annual General Meeting held on 11th September, 2019 for the purpose of reappointment and remuneration payable to Mr. Vinay Kumar Goenka (DIN 00043124) as Executive Chairman of the Company for a period of two years from 1st April, 2019. During the Financial Year 2019-20, following special Resolution has been passed through Postal Ballot :

Annexure 'F' to the Directors' Report (Continued)

Resolution	No. of votes cast in favour	%	No. of votes cast against	%
RESOLVED THAT consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") pursuant to Section 180(1)(a) of the Companies Act, 2013 for selling, leasing, or otherwise disposing of certain Tea Estate of the Company and/or other assets having value in excess of twenty percent of the value of the undertaking of the Company as per the audited balance sheet of the preceding financial year of the Company on such terms and conditions including consideration as may be agreed to, for and on behalf of the Company, by the Board."	10190560	98.9586	107240	1.0414

The Board at its meeting held on 13th December, 2019 had approved the notice of Postal Ballot Mr. Raj Kumar Banthia, Partner of Messrs. MKB & Associates, Company Secretaries was appointed as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner. The results of the postal ballot was declared on 28th January, 2020. The procedure for postal ballot is as under :

In compliance with Section 108 and 110 and other applicable provisions of the companies Act, 2013 read with the relevant Rules, the company provides electronic voting (e-voting) facility in addition to physical ballot forms, to all its members. For this purpose the company avails the services of Central Depository Services India Ltd (CDSL) to provide e-voting facility to the equity shareholders of the Company.

Postal Ballot notice and forms are dispatched along with postage prepaid business reply envelopes to registered members who have registered their e-mail ids with the depositories and the Company. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who want to exercise their vote by physical postal ballot are requested to return the forms, duly completed and signed to the scrutinizer on or before the close of the voting period. Those using the e-voting option are requested to vote before the close of business hours on the last date of e-voting. The scrutinizer completes his scrutiny and submits his report to the Executive Chairman after completion of the scrutiny of the forms and e-voting. The results of the postal ballot (i.e. through postal ballot and e-

Annexure 'F' to the Directors' Report (Continued)

voting) are announced at the Corporate Office of the Company within 48 hours of the conclusion of postal ballot. The results along with scrutinizer's report are displayed at the Registered Office and Corporate Office of the Company. The results are also displayed on the company's website www.warrentea.com and besides being communicated to the BSE Ltd ('BSE') and the Calcutta Stock Exchange ('CSE') where shares of the Company are listed as well as on the website of CDSL. The last date for the receipt of postal ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed to be approved by requisite majority.

Resume' and other information on the Directors appointed or reappointed as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the Notice of the Annual General Meeting.

9. Disclosures

- a) Related party matters - There are no materially significant Related Party Transactions made by the Company at large with its promoters, directors, the management, subsidiary companies or relatives, etc. that have potential conflict with its interest during the year under review. However, the list of related party relationships and transactions as required to be disclosed in accordance with Accounting Standard as provided in the (Indian Accounting Standards) Rules, 2015 has been given in Note 31(19) to the Financial Statements for the year ended 31st March, 2020. As required under Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the revised Related Party Transactions Policy has been uploaded on the website of the Company at [weblink: http://www.warrentea.com/Documents/relatedparty.pdf](http://www.warrentea.com/Documents/relatedparty.pdf).
- b) There were no penalties/strictures imposed on the Company by any regulatory authority for non-compliance of any laws or any matter relating to capital markets during the last three years.
- c) Vigil Mechanism/Whistle-Blower Policy - Your Company has established Whistle-Blower Policy/Vigil Mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud, leak of Unpublished Price Sensitive Information or violation of the Company's Code of Conduct and Ethics Policy. The said mechanism also provides for adequate safeguards against victimization of the employees who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate and exceptional cases. It is also confirmed that no person has been denied access to the Audit Committee during the year under review.
- d) The Company has complied with all mandatory requirements under Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company continues in its efforts on improvement, consolidation and documentation of methods of internal control for financial reporting and its effectiveness.

Annexure 'F' to the Directors' Report (Continued)

- e) The Company has complied with the requirements specified in Regulation 17 to 27 including some of the Discretionary Requirements and applicable clauses of Sub-regulation(2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f) During the year under review there are no shares in the demat suspense account or unclaimed suspense account of the Company.
- g) The Company does not have any subsidiary.
- h) The Company has not raised any funds through preferential allotment or qualified institutions placement.
- i) The disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned in the Report of the Directors and hence are not repeated in this Report.
- j) Details of total fees for all services paid by the Company on a consolidated basis to the Statutory Auditors is given in Note 31(15) of the Notes to the Financial Statements.
- k) A certificate given by Messrs MKB & Associates, Company Secretaries in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed in Annexure G to this Report.

10. Familiarization Programme for Independent Directors

The Company continues in its efforts to familiarize Independent Directors with the Company, its business, the industry and their interface with the Company. All Independent Directors of the Company are already familiar with the nature of Industry and the Company's operations since they have been associated with the Company for a substantial period of time. For such programmes all the five Independent Directors have visited the Company's Corporate Office from time to time and some of them have also visited the Tea Estates during the year. The Company's Policy of conducting the Familiarization Programme has been disclosed on the website of the Company weblink: <http://www.warrentea.com/Documents/familiarisation.pdf>.

11. Compliance of Code of Conduct

The Board of Directors has laid down a Code of Conduct for Business and Ethics for all the Board Members and all members of the management staff of the Company. The said Code, as amended from time to time is available on the Company's website at www.warrentea.com. All members of the Board of Directors and management personnel on an annual basis have affirmed compliance with the Code of Conduct. A Declaration to that effect, signed by the Executive Chairman is attached and forms part of this Annual Report.

Annexure 'F' to the Directors' Report (Continued)

12. Means of Communication

- a) Unaudited half-yearly and quarterly results alongwith Limited Review Report as well as the Audited Annual Results are submitted to the Stock Exchanges after they are approved by the Board of Directors in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and published in newspapers namely, North East Times/Amar Asom having wide circulation in Assam, where the Registered Office of the Company is situated and in Business Standard in terms of Regulation 47 of the said Regulations. The said results are simultaneously posted on the website of the Company www.warrentea.com. Results are also sent to the Stock Exchanges for display on their websites.
- b) The Credit Rating for the Company's Line of Credit has been revised once during the year as follows:
 - i) Long term rating from [ICRA]BB+ (Stable) to[ICRA]BB⁻ and the short term rating from [ICRA]A4+ to [ICRA]A4.
- c) The document on Management Discussion and Analysis Report is annexed to the Directors' Report.

13. General Shareholder Information

- a) Annual General Meeting: date, time and venue:

9th September, 2020 at 11.30 a.m.

The Company is conducting meeting through video conferencing ("VC"/other Audio visual means "OAVM") pursuant to MCA Circular dated May 05, 2020 and as such there is no requirement to have a venue for the AGM.

- b) Financial Year : 1st April, 2019 to 31st March, 2020
- c) Dividend Payment Date : Not Applicable
- d) Listing of Stock Exchanges and Stock Codes : The shares of the Company are listed at the Stock Exchanges given hereinbelow:

	<u>Stock Exchange</u>	<u>Stock Code</u>
(i)	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 023	508494
(ii)	The Calcutta Stock Exchange Limited 7 Lyons Range, Kolkata 700 001	33002

Listing Fees as prescribed have been paid to the aforesaid Stock Exchanges upto 31st March, 2021.

Annexure 'F' to the Directors' Report (Continued)

ISIN Code No. allotted by NSDL & CDSL : INE712A01012

e) Share Price Data for 2019-20

i) BSE Limited

<u>Month</u>	<u>High</u>	<u>Low</u>
	(₹)	(₹)
April, 2019	65.00	60.00
May, 2019	62.45	50.05
June, 2019	59.95	50.00
July, 2019	38.40	32.05
August, 2019	46.90	33.00
September, 2019	50.20	40.50
October, 2019	44.85	38.10
November, 2019	65.80	42.25
December, 2019	53.00	47.50
January, 2020	53.00	47.55
February, 2020	49.85	42.15
March, 2020	43.50	27.55

ii) The Calcutta Stock Exchange Limited : No Trade

f) Share Performance:

Share Price Performance in comparison to BSE SENSEX : (April, 2019 to March, 2020)

Indices	On 01.04.2019	: 38858.88 (Open)
	On 31.03.2020	: 28535.78 (Close)
	Change	: (-) 26.57%

g) Share Transfer System:

All transfers, transmissions or transpositions of the shares of the Company are completed in compliance with the requirement of Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Share transfer requests, valid and complete in all respects are normally processed within a maximum period of 15 days. The shares of the Company are compulsorily traded in dematerialized form for all shareholders with effect from 28th August, 2000.

h) Registrar and Share Transfer Agents and Dematerialization of shares & liquidity:

CB Management Services (P) Limited having their office at P-22 Bondel Road, Kolkata 700 019 are the Registrars and Share Transfer Agents of the Company. As on 31st March, 2020, 96.81% of the total number of shares relating to 54.29% shareholders stood dematerialized.

i) Outstanding GDRs/ADRs/Warrants or any convertible instruments : No such instruments have been issued.

Annexure 'F' to the Directors' Report (Continued)

j) Commodity price risk or foreign exchange risk and hedging activities: Subject to usual market risks; no hedging activities undertaken.

k) (A) Distribution of Shareholding as on 31st March, 2020:

<u>Break-up of Equity Shares held</u>	<u>No. of Shareholders</u>	<u>Percentage of Shareholders</u>	<u>No. of Equity Shares held</u>	<u>Percentage of Equity Shares</u>
1-500	10333	96.49	820641	6.86
501-1000	209	1.95	156395	1.31
1001-2000	80	0.75	117218	0.98
2001-3000	26	0.24	64418	0.54
3001-4000	6	0.06	21595	0.18
4001-5000	8	0.07	36649	0.31
5001-10000	19	0.18	138572	1.16
10001-50000	16	0.15	352481	2.95
50001-100000	2	0.02	157546	1.32
100001 and above	10	0.09	10085289	84.39
Total	10709	100.00	11950804	100.00

(B) Shareholding Pattern as on 31st March, 2020:

<u>Category</u>	<u>No. of Shares held</u>	<u>Percentage of Shareholding</u>
A. Promoters' Holding		
1. Promoter		
- Indian Promoters	8809999	73.72
- Foreign Promoters	-	-
2. Persons acting in concert	-	-
Total (A)	8809999	73.72
B. Non-Promoters' Holding		
1. Institutional Investors		
a) Mutual Funds and UTI	42	-
b) Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions / Non-Government Institutions)	435	-
c) FIIs	-	-
Sub-Total	477	-
2. Others		
a) Private Corporate Bodies	161836	1.35
b) Individuals	2978492	24.92
Sub-Total	3140328	26.28
Total (B)	3140805	26.28
Grand Total (A+B)	11950804	100.00

Annexure 'F' to the Directors' Report (Continued)

- l) Plant locations : The Company owns seven Tea Estates in the Sub-districts of Assam as under:

<u>Tea Estates</u>	<u>Sub-districts</u>
Deohall	Tingri
Hatimara	Tingri
Balijan North	Panitola
Sealkotee	Panitola
Duamara	Doom Dooma
Rupai	Doom Dooma
Tara	Doom Dooma

- m) Address for Correspondence for shareholders:

Corporate Office: Suvira House
4B, Hungerford Street,
Kolkata 700 017
Tel. No.: 2287 2287
Fax No.: 2289 0302
E-mail ID: investors@warrentea.com

Signatures to Annexures A to G

Kolkata
30th June, 2020

Vinay K Goenka
Executive Chairman

DECLARATION BY THE CEO ON AFFIRMATION OF COMPLIANCE WITH
THE CODE OF CONDUCT OF THE COMPANY

To the Members of

Warren Tea Limited

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, I hereby declare that all Directors of the Company and Members of the Management Staff (other than those who have retired or resigned from the services of the Company) have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2020.

30th June, 2020

Vinay K Goenka
Executive Chairman

Annexure 'F' to the Directors' Report (Continued)

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of

Warren Tea Limited

We have examined the compliance of conditions of Corporate Governance by **Warren Tea Limited** ('the Company'), for the year ended March 31, 2020 as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an Audit nor an expression of opinion on the Financial Statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India, The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control(SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

For B M Chatrath & Co LLP
Chartered Accountants
Firm Registration Number: 301011E/E300025

Place: Kolkata
Date: 30 June, 2020

Sukhpreet S. Sidhu
Partner
Membership Number 052187
UDIN - 20052187AAAAAN1190

Annexure 'G' to the Directors' Report

CERTIFICATE

**To
The Members,
Warren Tea Limited**

Based on our verification of the books, papers, minutes book, registers, forms, returns, disclosures received from the Directors and other records maintained by **Warren Tea Limited**, CIN: L01132AS1977PLC001706 having its Registered office at Deohall Tea Estate, Dist: Tinsukia, Hoogrijaan - 786 601, Assam, West Bengal ("the Company") and also the information provided by the Company, its officers, agents and authorized representatives for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the verification of the portal www.mca.gov.in, including Directors Identification Number (DIN) status at the portal, we hereby certify that during the Financial Year ended on March 31, 2020, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

It is the responsibility of the management of the Company for ensuring the eligibility for the appointment/ continuity of every director on the board of the Company. Our responsibility is to express an opinion based on our verification.

For MKB & Associates
Company Secretaries

Manoj Kumar Banthia
(Partner)

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

Date: 30.06.2020

Place: Kolkata

UDIN: A011470B000401189

**INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF
WARREN TEA LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Warren Tea Limited** (“the Company”), which comprise the Balance Sheet as at 31st March, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“ Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its net loss, and other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accounts of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor’s Response
1.	The Company has incurred cash losses during the previous four consecutive Financial Year and the financial performance of the company during the current Financial year was also adversely affected by the outbreak of Covid-19 pandemic in the second half of March 2020 resulting in loss of production.	In forming our opinion, we have taken into consideration the steps taken / are being proposed to be taken to improve the financial performance of the company till the signing of this report.

	This was considered to be a Key Audit Matter for which judgement was to be made in informing our audit opinion.	
2.	<p>Modified Audit Procedures carried out in light of Covid- 19 outbreak</p> <p>Due to outbreak of COVID-19 pandemic, nationwide lockdown and travel restrictions imposed by the Government we could not visit the Tea Estates of the company and could not gather audit evidence in person/ physically/through discussions and personnel interaction with those charged with governance at the Tea Estates.</p> <p>Accordingly, the audit procedures were modified and this modified audit procedures were considered to be a Key Audit Matter.</p>	<p>Accordingly, we modified our audit procedures as follows:-</p> <p>i). We conducted our audit on the basis of scanned copy of documents and other records made available to us electronically.</p> <p>ii). Made enquiries and gathered necessary audit evidence through discussion over phone call/ conference call and other similar communication channel with those charge with governance at the Tea Estates of the Company.</p> <p>iii). Checking of records, documents etc. provided to us by the company through digital medium and remote access to the operating system of the company.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Directors and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind –AS) specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities ; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal

financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind-AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) 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, as amended 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 of its financial position in its standalone financial statements – Refer Note 31(9).
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For B M Chatrath & Co LLP
Chartered Accountants
Firm Registration Number: 301011E/E300025

Place: Kolkata
Date: 30 June, 2020

Sukhpreet S. Sidhu
Partner
Membership Number 052187
UDIN No:- 20052187AAAAAK2561

'ANNEXURE – A' TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **Warren Tea Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- i). pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii). provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of the management and directors of the company; and
- iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B M Chatrath & Co LLP
Chartered Accountants
Firm Registration Number: 301011E/E300025

Place: Kolkata
Date: 30 June, 2020

Sukhpreet S. Sidhu
Partner
Membership Number 052187
UDIN :- 20052187AAAAAK2561

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 2 under ‘Report on other Legal and Regulatory Requirements’
section of our report of even date)**

(i). (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plants and equipment.

(b) Property, Plant and Equipment were physically verified during the year by the Management in a phased programme which in our opinion provides for physical verification of all the fixed assets at reasonable intervals and according to information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deed of immovable properties are held in the name of the Company as at the Balance Sheet date.

(ii). As explained to us, the inventory of the Company has been physically verified during the year by the Management. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.

(iii). The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clause (iii)(a), (iii)(b) & (iii)(c) of the order is not applicable to the company.

(iv). In our opinion and according to the information and explanations given to us, in respect of loans, guarantees, investments and security, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.

(v). The Company has not accepted any deposits from the public, hence the clause 3 (v) of the order is not applicable to the company.

(vi). We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(i) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii). (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales-tax, Service tax, Goods & Service Tax, Customs duty, Excise duty, Value added tax, Cess and other statutory dues as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above items were in arrears as at March 31, 2020 for a period exceeding six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, the particulars of dues of Income-Tax, Sales Tax, Service Tax, Goods & Service Tax, Customs Duty, Excise duty, Value added tax as at March 31, 2020, which have not been deposited on account of Dispute are as follows:

Name of the Statute	Nature of the dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	33.53	2014 – 2015	Deputy Commissioner of Income Tax
		4.67	2013-2014	Commissioner of Income Tax – Appeals
		0.09	2012-13	Commissioner of Income Tax – Appeals
		153.58	2011-12	Commissioner of Income Tax – Appeals

Name of the Statute	Nature of the dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Assam General Sales Tax & Central Sales Tax	1.56	2008 - 2009	Deputy Commissioner of Taxes
		66.60	1998 – 1999	
	Assam General Sales Tax & Central Sales Tax	1.71	1997 - 1998	Commissioner of Taxes
		4.15	1998 - 1999	
Assam General Sales Tax Act, 1993	Assam General Sales Tax & Central Sales Tax	9.71	2004 – 2005	Guwahati High Court
		0.94	1997 - 1998	
		6.95	2004 – 2005	

(viii). According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any banks at the Balance Sheet date. The Company had neither any outstanding debenture nor has it issued any debenture during the year.

(ix). The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Further, money raised by way of term loans, on an overall basis, have been applied for the purposes for which they were obtained.

(x). During the course of our examination of the books and records of the company and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company by its officers or employees being noticed or reported during the year, nor have we been informed of such case by the Management.

(xi). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for Managerial Remuneration in accordance with the requisite approvals of Shareholders/Central Government as mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii). The company is not a Nidhi Company as per the provisions of section 406 (1) of the Companies Act, 2013. Hence, clause 3 (xii) of the order is not applicable to the company.

(xiii). According to the records of the Company examined by us and the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.

(xiv). The company has not made any preferential allotment or private placement of shares or fully or partly paid debentures during the year under review. Hence, clause 3 (xiv) of the Order is not applicable to the company.

(xv). The company has not entered into any non-cash transactions with directors or persons connected to its directors, and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi). The company is not required to register itself under section 45-IA of the Reserve Bank of India Act, 1934.

For B M Chatrath & Co LLP
Chartered Accountants
Firm Registration Number: 301011E/E300025

Place: Kolkata
Date: 30 June, 2020

Sukhpreet S. Sidhu
Partner
Membership Number 052187
UDIN :- 20052187AAAAAK2561

WARREN TEA LIMITED
BALANCE SHEET
as at 31st March, 2020

	Notes	As at 31st March, 2020 ` in Lakhs	As at 31st March, 2019 ` in Lakhs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	7607.59	7082.20
Capital Work-in-Progress		1702.86	1727.67
Other Intangible Assets	2	6.14	8.09
Financial Assets			
Investments	3	3314.38	3314.98
Loans	4	610.02	615.18
Other Financial Assets	5	3.80	3.80
Deferred Tax Assets (Net)	6	1260.46	647.64
Other Non-Current Assets	7	464.99	555.28
		<u>14970.24</u>	<u>13954.84</u>
Current Assets			
Inventories	8	610.66	1298.46
Biological Assets other than Bearer Plants	9	292.01	240.49
Financial Assets			
Trade Receivables	10	1805.99	2890.28
Cash and Cash Equivalents	11	2.30	5.30
Other Bank Balances	12	1.19	1.19
Loans	13	1.65	6.98
Other Financial Assets	14	3.36	3.38
Other Current Assets	15	1085.55	559.29
		<u>3802.71</u>	<u>5005.37</u>
		<u>18772.95</u>	<u>18960.21</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	1195.08	1195.08
Other Equity		5131.96	7156.97
		<u>6327.04</u>	<u>8352.05</u>
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	17	2599.96	1274.94
Trade Payables - Other than from micro enterprises and small enterprises		82.89	89.89
Others	18	215.44	149.84
Provisions	19	1548.85	1140.91
		<u>4447.14</u>	<u>2655.58</u>
Current Liabilities			
Financial Liabilities			
Borrowings	20	1982.24	2150.08
Trade Payables - Other than from micro enterprises and small enterprises		2362.96	2215.09
Other Financial Liabilities	21	1899.31	2066.62
Other Current Liabilities	22	376.18	30.91
Provisions	23	491.77	531.07
Current Tax Liabilities (Net)		886.31	958.81
		<u>7998.77</u>	<u>7952.58</u>
		<u>18772.95</u>	<u>18960.21</u>
Notes to Financial Statements	31		

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date.

B M Chatrath & Co LLP

Firm Registration Number - 301011E / E300025

Chartered Accountants

Sukhpreet S. Sidhu

Partner

Membership Number - 052187

Kolkata, 30th June, 2020

Soma Chakraborty

Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka

Executive Chairman

WARREN TEA LIMITED
STATEMENT OF PROFIT AND LOSS
for the year ended 31st March, 2020

	Notes	Current Year ₹ in Lakhs	Previous Year ₹ in Lakhs
Income			
Revenue from Operations	24	12291.27	11850.16
Other Income	25	173.75	100.90
Total Income		<u>12465.02</u>	<u>11951.06</u>
Expenses			
Changes in Inventories of Finished Goods	26	528.21	(313.14)
Employee Benefits Expense	27	10546.32	10011.79
Finance Costs	28	533.42	403.71
Depreciation and Amortisation Expense	29	272.60	347.12
Other Expenses	30	3751.97	3879.06
Total Expenses		<u>15632.52</u>	<u>14328.54</u>
Loss for the period		(3167.50)	(2377.48)
Tax Expense			
Current Tax		-	-
Deferred Tax		(750.90)	(785.45)
Loss for the Year		<u>(2416.60)</u>	<u>(1592.03)</u>
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss :			
Remeasurement of Defined Benefit Plan		486.78	522.66
Effect for Change in Value of Investments		(0.60)	(0.36)
Income Tax relating to Items that will not be reclassified to Profit or Loss		(138.08)	(148.34)
		<u>348.10</u>	<u>373.96</u>
Total Comprehensive Income		<u>(2068.50)</u>	<u>(1218.07)</u>
Basic and Diluted Earnings per Equity Share of ₹ 10 each (₹)		(20.22)	(13.32)

Notes to Financial Statements

31

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date.

B M Chatrath & Co LLP

Firm Registration Number - 301011E / E300025

Chartered Accountants

Sukhpreet S. Sidhu
Partner

Membership Number - 052187

Kolkata, 30th June, 2020

Soma Chakraborty
Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka

Executive Chairman

WARREN TEA LIMITED
STATEMENT OF CHANGES IN EQUITY
for the year ended 31st March, 2020

in Lakhs

A. EQUITY SHARE CAPITAL

Balance as at 01.04.2019	Changes in Equity Share Capital during the Year	Balance as at 31.03.2020
1195.08	-	1195.08

B. OTHER EQUITY

	Reserves and Surplus			Equity Instruments through other comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at 1st April, 2019	686.34	2415.58	4038.72	16.33	7156.97
Profit / (Loss) for the Period	-	-	(2416.60)	-	(2416.60)
Adjustment on account of Lease and Land Revenue			43.49		43.49
Other Comprehensive Income	-	-	348.27	(0.17)	348.10
Balance as at 31st March, 2020	686.34	2415.58	2013.88	16.16	5131.96

Nature and Purpose of Reserve

Securities Premium : Securities Premium is used to record the premium on issue of shares. This is available for utilisation in accordance with the provisions of the Companies Act, 2013.

General Reserve : General Reserve is created and utilised in compliance with the provisions of the Companies Act, 2013.

Retained Earnings : Retained Earnings represent the cumulative profits as well as remeasurement of defined plans and can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.

As per our Report of even date.

B M Chatrath & Co LLP

Firm Registration Number - 301011E / E300025

Chartered Accountants

Sukhpreet S. Sidhu

Partner

Membership Number - 052187

Kolkata, 30th June, 2020

Soma Chakraborty

Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka

Executive Chairman

Notes to the Financial Statements

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				in Lakhs	
	As at 1st April 2019		As at 31st March 2020		Upto 1st April 2019		Upto 31st March 2020		As at 31st March 2020	As at 31st March 2019
	Additions	Disposals	Additions	Disposals	For the Year	Disposals	For the Year	Disposals	Disposals	
Note 1										
PROPERTY, PLANT AND EQUIPMENT (NON-CURRENT ASSET)										
Land (Freehold)	589.01	-	-	589.01	-	-	-	-	589.01	589.01
Buildings	2164.54	-	-	2164.54	262.00	71.75	-	333.75	1830.79	1902.54
Bridges, Culverts, Bunders etc.	367.30	-	-	367.30	46.00	12.87	-	58.87	308.43	321.30
Roads	140.52	-	-	140.52	138.21	2.10	-	140.31	0.21	2.31
Plant and Equipment	959.00	0.36	-	959.36	211.66	65.77	-	277.43	681.93	747.34
Furniture and Fixtures	40.23	-	-	40.23	35.46	3.31	-	38.77	1.46	4.77
Vehicles	340.84	5.69	-	346.53	147.84	48.58	-	196.42	150.11	193.00
Office Equipments	13.86	0.47	-	14.33	6.67	1.80	-	8.47	5.86	7.19
Computers and Data Processing Units	39.96	0.36	-	40.32	29.33	5.70	-	35.03	5.29	10.63
Electrical Installations and Equipment	60.04	0.04	-	60.08	18.22	5.23	-	23.45	36.63	41.82
Bearer Plants	3373.71	745.10	5.32	4113.49	111.42	48.27	5.32	154.37	3959.12	3262.29
Right-of-Use Asset		44.02		44.02		5.27		5.27	38.75	-
Total	8089.01	796.04	5.32	8879.73	1006.81	270.65	5.32	1272.14	7607.59	7082.20
Previous Year	7592.41	496.78	0.18	8089.01	660.75	346.19	0.13	1006.81	7082.20	
Note 2										
OTHER INTANGIBLE ASSETS (NON-CURRENT ASSET)										
Computer Software (Rate of Amortisation - 20%)	17.35	-	-	17.35	9.26	1.95	-	11.21	6.14	8.09
Tenancy Right (Rate of Amortisation - 5%)	1.05	-	-	1.05	1.05	-	-	1.05	-	-
Total	18.40	-	-	18.40	10.31	1.95	-	12.26	6.14	8.09
Previous Year	11.31	7.09	-	18.40	9.38	0.93	-	10.31	8.09	

Notes to the Financial Statements

	As at 31st March, 2020 ₹ in Lakhs	As at 31st March, 2019 ₹ in Lakhs
Note 3		
INVESTMENTS		
(NON-CURRENT ASSET)		
(At Fair Value through Other Comprehensive Income)		
Unquoted - Equity Instruments		
10000 Equity Shares of ₹ 10/- each fully paid-up in ABC Tea Workers Welfare Services	*	*
150000 Equity Shares of ₹ 10/- each fully paid-up in Warren Steels Private Limited	167.05	167.05
Quoted - Equity Instruments		
15150 Equity Shares of ₹ 10/- each fully paid-up in Pal Peugeot Limited	*	*
35 Equity Shares of ₹ 10/- each fully paid-up in Hindusthan Engineering & Industries Limited	*	*
225 Equity Shares of ₹ 5/- each fully paid-up in McLeod Russel India Limited	0.01	0.19
864 Equity Shares of ₹ 10/- each fully paid-up in Syndicate Bank	0.13	0.37
100 Equity Shares of ₹ 10/- each fully paid-up in Goodricke Group Limited	0.11	0.22
120 (Previous Year - 100) Equity Shares of ₹ 10/- each fully paid-up in NTPC Limited	0.10	0.17
Quoted - Debenture and Bonds		
100 Debenture of ₹ 12.50 each fully paid-up in NTPC Limited	*	*
Unquoted - Equity Instruments (At Cost)		
Investment in Associate		
6500000 Equity Shares of ₹ 10/- each fully paid-up in Maple Hotels & Resorts Limited	3146.98	3146.98
	3314.38	3314.98
1 Market Value of Quoted Investments	0.35	0.95
2 Aggregate Carrying Value of Quoted Investments	0.35	0.95
3 Aggregate Carrying Value of Unquoted Investments	3314.03	3314.03
4 * Indicates that amount is below the rounding off norm adopted by the Company.		

Notes to the Financial Statements

	As at 31st March, 2020 ` in Lakhs	As at 31st March, 2019 ` in Lakhs
Note 4		
LOANS		
(NON-CURRENT ASSET)		
(Unsecured - Considered Good)		
Security Deposits (Include Deposit to Related Party ` 426.00; Previous Year - ` 430.80:) [Refer Note No. 31(22)]	607.12	610.06
Other Loans		
Loans to Employees for housing, vehicle and furniture [Refer Note No. 31(22)]	2.90	5.12
	<u>610.02</u>	<u>615.18</u>
Note 5		
OTHER FINANCIAL ASSETS		
(NON-CURRENT ASSET)		
Deposits with National Bank for Agriculture and Rural Development	3.80	3.80
	<u>3.80</u>	<u>3.80</u>
Note 6		
DEFERRED TAX ASSETS (NET)		
(NON-CURRENT ASSET)		
Deferred Tax Assets		
Timing difference on account of :		
Expenses allowable on payment	-	-
Provision for Doubtful Debts	1.91	1.91
Business Loss	2883.00	2015.61
Value of Inventory of Black Tea	-	24.25
	<u>2884.91</u>	<u>2041.77</u>
Less : Deferred Tax Liabilities		
Timing difference on account of :		
Effect of change in Property, Plant & Equipment	1,156.99	919.35
Effect of change in Investments	6.80	7.07
Effect of change in Capital work-in-progress	460.66	467.71
	<u>1,260.46</u>	<u>647.64</u>
Note 7		
OTHER ASSETS		
(NON-CURRENT ASSET)		
(Unsecured - Considered Good)		
Deposits with Government Authorities and Others	8.82	8.82
Capital Advances	262.17	372.83
Other Advances	194.00	173.63
	<u>464.99</u>	<u>555.28</u>

Notes to the Financial Statements

	As at 31st March, 2020 in Lakhs	As at 31st March, 2019 in Lakhs
Note 8		
INVENTORIES		
(CURRENT ASSET)		
(At lower of cost or net realisable value)		
Stock of Tea	225.86	754.07
Stock of Stores and Spares	384.80	544.39
	<u>610.66</u>	<u>1298.46</u>
Note 9		
BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS		
(CURRENT ASSET)		
Opening value	240.49	161.60
Increase due to physical changes	292.01	240.49
Decrease due to Harvest / Physical Changes	(240.49)	(161.60)
Closing value	<u>292.01</u>	<u>240.49</u>
Note 10		
TRADE RECEIVABLES		
(CURRENT ASSET)		
(Unsecured)		
Trade Receivables		
Considered Good	1805.99	2890.28
Considered Doubtful	34.85	34.85
Less: Provision for Doubtful Debts	34.85	34.85
	<u>-</u>	<u>-</u>
	<u>1805.99</u>	<u>2890.28</u>
Note 11		
CASH AND CASH EQUIVALENTS		
(CURRENT ASSET)		
Cash and Cash Equivalents		
Balances with Banks		
Current Accounts	1.37	1.49
Cash on hand	0.29	3.80
Cash with Garden Kayahs	0.64	0.01
	<u>2.30</u>	<u>5.30</u>

Notes to the Financial Statements

	As at 31st March, 2020 in Lakhs	As at 31st March, 2019 in Lakhs
Note 12		
OTHER BANK BALANCES		
(CURRENT ASSET)		
Deposit Accounts	1.19	1.19
	<u>1.19</u>	<u>1.19</u>
Note 13		
LOANS		
(CURRENT ASSET)		
(Unsecured - Considered Good)		
Loans to Employees for housing, vehicle and furniture [Refer Note No. 31(22)]	1.65	6.98
	<u>1.65</u>	<u>6.98</u>
Note 14		
OTHER FINANCIAL ASSETS		
(CURRENT ASSET)		
(Unsecured - Considered Good)		
Interest Accrued on Deposits	3.36	3.38
	<u>3.36</u>	<u>3.38</u>
Note 15		
OTHER ASSETS		
(CURRENT ASSET)		
Deposits / Balances with Government Authorities and Others	70.03	102.07
Other Advances	16.38	16.18
Advance against Employee Benefits	946.01	392.87
Prepaid Expenses	53.13	48.17
	<u>1085.55</u>	<u>559.29</u>

Notes to the Financial Statements

	As at 31st March, 2020 ₹ in Lakhs	As at 31st March, 2019 ₹ in Lakhs		
Note 16				
EQUITY SHARE CAPITAL				
Authorised				
2,00,00,000 Equity Shares of ₹ 10/- each	<u>2000.00</u>	<u>2000.00</u>		
Issued, Subscribed and Fully Paid-up				
1,19,50,804 Equity Shares of ₹ 10/- each				
(including Bonus Shares - 57,86,601)	<u>1195.08</u>	<u>1195.08</u>		
	<u>1195.08</u>	<u>1195.08</u>		
	No. of Shares	No. of Shares		
Reconciliation of the number of Equity Shares Outstanding at the beginning and at the end of the year	<u>11950804</u>	<u>11950804</u>		
Shareholders holding more than 5% shares of the Company				
Name	No. of Shares	%	No. of Shares	%
Vinay K. Goenka	3601229	30.13	3601229	30.13
Maple Hotels & Resorts Limited	3196448	26.75	3196448	26.75
Vivek Goenka	1476876	12.36	1476876	12.36

Rights, preferences and restrictions attached to shares

The Company has only one class of shares being Equity Shares having a par value of ₹ 10/- each. All equity shares rank pari passu in all respects including voting rights, entitlement to dividend and repayment of capital.

Notes to the Financial Statements

	As at 31st March, 2020 in Lakhs	As at 31st March, 2019 in Lakhs
Note 17		
BORROWINGS		
(NON-CURRENT LIABILITY- SECURED)		
Term Loans from a Bank [Secured by first charge on joint equitable mortgage of the entire fixed assets of the tea estates, ranking pari passu amongst the Consortium Banks, repayable in quarterly instalments ending in July 2021]	100.00	300.00
Term Loans from a Bank [Secured by second charge on stock and book debts and by first charge on joint equitable mortgage of all the fixed assets, movable and immovable of the tea estates ranking pari passu amongst the Consortium Banks, repayable in quarterly instalments with a moratorium of one year, ending in February 2023]	649.96	974.94
Loan from a Body Corporate [Secured by Equitable Mortgage of a Building including Car Parking, ending in July 2021]	1850.00	-
	<u>2599.96</u>	<u>1274.94</u>
Note 18		
OTHER FINANCIAL LIABILITIES		
(NON-CURRENT LIABILITY)		
Deferred Income received from Government Authorities	174.87	149.84
Lease Liability	40.57	-
	<u>215.44</u>	<u>149.84</u>
Note 19		
PROVISIONS		
(NON-CURRENT LIABILITY)		
Provision for Employee Benefits	1548.85	1140.91
	<u>1548.85</u>	<u>1140.91</u>
Note 20		
BORROWINGS		
(CURRENT LIABILITY - SECURED)		
Working Capital Facilities from Banks [Secured by hypothecation of current assets, present and future, and by equitable mortgage of entire movable fixed assets, both present and future, factory land and buildings of the tea estates and one flat ranking pari passu amongst the Consortium Banks severally, repayable on demand]	1982.24	2150.08
	<u>1982.24</u>	<u>2150.08</u>
Note 21		
OTHER FINANCIAL LIABILITIES		
(CURRENT LIABILITY)		
Current Maturity of Long-Term Debt	525.03	525.03
Interest accrued but not due on borrowings	47.59	16.34
Lease Liability	6.52	-
Other Payables		
Employee Benefits Payable	1313.64	1519.12
Retention Money	6.53	6.13
	<u>1899.31</u>	<u>2066.62</u>
Note 22		
OTHER LIABILITIES		
(CURRENT LIABILITY)		
Advance from Customers	351.71	2.68
Statutory Dues	24.47	28.23
	<u>376.18</u>	<u>30.91</u>
Note 23		
PROVISIONS		
(CURRENT LIABILITY)		
Provision for Employee Benefits	491.77	531.07
	<u>491.77</u>	<u>531.07</u>

Notes to the Financial Statements

	Current Year ` in Lakhs	Previous Year ` in Lakhs
Note 24		
REVENUE FROM OPERATIONS		
Sale of Products - Tea	12252.75	11776.69
Other Operating Revenues		
Sale of Tea Waste	16.41	20.60
Government Grant / Assistance	22.11	52.84
Sale of Scrap	-	0.03
	<u>12291.27</u>	<u>11850.16</u>

Note 25

OTHER INCOME

Changes in Fair value of Biological Assets other than Bearer Plants	51.52	78.89
Interest Income on Financial Assets on Deposit	17.18	4.69
Dividend Income from Non - Current Investments	0.01	0.01
Other Non-operating Income		
Insurance Claims	25.83	1.03
Miscellaneous Receipts	47.25	11.43
Liabilities no longer required written back	28.33	0.82
Net Gain on Foreign Currency Transactions and Translation	3.63	4.03
	<u>173.75</u>	<u>100.90</u>

Note 26

CHANGES IN INVENTORIES OF FINISHED GOODS

Opening Inventories	754.07	440.93
Less : Closing Inventories	225.86	754.07
	<u>528.21</u>	<u>(313.14)</u>

Note 27

EMPLOYEE BENEFITS EXPENSE

Salaries and Wages	8401.02	7907.91
Contributions to Provident and Other Funds	1104.71	1037.85
Staff Welfare Expenses	1040.59	1066.03
	<u>10546.32</u>	<u>10011.79</u>

Notes to the Financial Statements

	Current Year ` in Lakhs	Previous Year ` in Lakhs
Note 28		
FINANCE COSTS		
Interest Expense	493.64	378.96
Interest on Lease	5.22	-
Other Borrowing Costs	34.56	24.75
	<u>533.42</u>	<u>403.71</u>

Note 29

DEPRECIATION AND AMORTISATION EXPENSE

Depreciation on Property, Plant and Equipment	270.65	346.19
Amortisation on Intangible Assets	1.95	0.93
	<u>272.60</u>	<u>347.12</u>

Note 30

OTHER EXPENSES

Consumption of Stores and Spare Parts		
Packing Materials	140.74	122.99
Others	1125.36	1299.76
Power and Fuel	1290.52	1142.88
Rent	24.88	34.97
Repairs to Buildings	12.15	27.53
Repairs to Machinery	35.73	28.98
Insurance	22.65	25.01
Rates and Taxes	57.76	189.16
Administrative Overheads	421.67	456.01
Selling		
Freight	381.10	317.25
Insurance	13.32	20.75
Other Selling Expenses	226.09	213.75
Loss on Disposal of Property, Plant and Equipment (Net)	-	0.02
	<u>3751.97</u>	<u>3879.06</u>

Notes to the Financial Statements

Note 31

1. Company Overview

Warren Tea Limited is engaged in the growing, harvesting, manufacture and sale of tea. The Company operates with seven tea estates situated in Assam and sells tea in bulk both in domestic and international markets. The Company is listed on the Bombay and Calcutta Stock Exchanges.

2. Statement of Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) as contained in Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Companies Act, 2013 (the Act).

3. Significant Accounting Policies

3.1 Classification of Current and Non-Current Assets and Liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of classification of current and non-current assets and liabilities.

3.2 Historical Cost Conventions

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities that are measured at fair value;
- ii) plan assets relating to defined benefit plans that are measured at fair value;
- iii) biological assets (including un-plucked green leaves) – measured at fair value less cost to sell.

Historical cost is generally based on the fair value of the consideration received in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The preparation of financial statements in conformity with Ind AS requires management to make estimates based on its judgements, and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision as well as for future periods if the revision affects both current and future periods.

3.3 Sales and Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of sales returns and trade discounts.

Revenue for Sale of Goods is recognised in the Income Statement when the title, risk and rewards of ownership passed to the buyer.

3.4 Foreign Currency Transactions

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

Exchange Gains or Losses arising out of fluctuations in the exchange rates on settlement or translation are recognised in the Statement of Profit and Loss in the period in which they arise.

3.5 Government Grants/ Assistance

Government Grants/ Assistance (Grant) are recognised at their fair value where there is a reasonable assurance that the Grant will be received and the Company will comply with the conditions attached to them.

Grants relating to income are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the Grants are intended to compensate.

Grants relating to assets are presented as deferred income in the Balance Sheet and are recognised in profit or loss on a systematic basis over the useful life of the related assets.

3.6 Property, Plant and Equipment

(i) Bearer Plants

Bearer Plants have been recognised on 1st April, 2016 as an item of Property, Plant and Equipment in accordance with previous GAAP, on which depreciation has been provided. Expenses on replanting and young tea maintenance of Bearer Plants are considered as Capital Work-in-Progress. Depreciation on Bearer Plants is charged on estimated useful life of 77 years ascertained upon technical evaluation. Depreciation on Bearer Plants is recognised so as to write off its cost over useful lives, using the straight-line method. In accordance with Ind AS, Bearer Plants are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

(ii) Items Other than Bearer Plants

Freehold land is carried at historical cost. All other items are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the construction or acquisition of the items of the related property, plant and equipment.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, are on the same basis as other property assets, and commences when the assets are ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets net of its residual value, over their useful lives on a straight line basis. For additions/disposals of items during the course of the year, depreciation/amortisation is recognised on a pro-rata basis. Estimated useful lives of the assets are considered as specified in Schedule II of the Companies Act 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any change in estimate is accounted for on a prospective basis.

Compensation receivable for acquisition of Assets of the Company is accounted for upon acceptance of the Company's claim by the appropriate authorities.

Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.7 Intangible Assets

Intangible Assets of the Company are recognised when it is an identifiable non-monetary asset without physical substance. An Asset is recognised when it is expected to provide future economic benefits to flow to the Company. These assets are capitalised at the price what would be received to sale an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Useful life is determined as the period over which an asset is expected to be available for use by the Company. Depreciation on Intangible Assets is recognised so as to write-off its cost over the useful life.

3.8 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

(i) Financial Assets Recognition and Classification

The financial assets are classified at initial recognition in the following measurement categories as:

- those subsequently measured at amortised cost.
- those to be subsequently measured at fair value [either through other comprehensive income (OCI), or through profit or loss]

Subsequent Measurement

- Financial assets measured at amortised cost-

Financial assets which are held within the business model of collection of contractual cash flows and where those cash flows represent payments solely towards principal and interest on the principal amount outstanding are measured at amortized cost. A gain or loss on a financial asset that is measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.

- Financial assets measured at fair value through other comprehensive income

- Financial assets that are held within a business model of collection of contractual cash flows and for selling and where the assets' cash flow represents solely payment of principal and interest on the principal amount outstanding are measured at fair value through OCI. Movements in carrying amount are taken through OCI, except for recognition of impairment gains or losses.

When a financial asset, other than investment in equity instrument, is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Classification of equity instruments, not being investments in subsidiaries, associates and joint arrangements, depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI. When investment in such equity instrument is derecognised, the cumulative gains or losses recognised in OCI is transferred within equity on such derecognition.

- Financial assets measured at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Movements in fair value of these instruments are taken in profit or loss.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Impairment losses are recognised in the profit or loss where there is an objective evidence of impairment based on reasonable and supportable information that is available without undue cost or effort. The Company recognises loss allowances on trade receivables when there is objective evidence that the Company will not be able to collect all the due amounts depending on product categories and the payment mechanism prevailing in the industry.

Income recognition on financial assets

Interest income from financial assets is recognised in profit or loss using effective interest rate method, where applicable. Dividend income is recognized in profit or loss only when the Company's right to receive payments is established and the amount of dividend can be measured reliably

(ii) Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contract

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Financial liabilities are classified, at initial recognition, as subsequently measured at amortized cost unless they fulfill the requirement of measurement at fair value through profit or loss. Where the financial liability has been measured at amortised cost, the difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit and loss over the contractual terms using the effective interest rate method.

Financial liabilities at fair value through profit or loss are carried at fair value with changes in fair value recognized in the finance income or finance cost in the statement of profit or loss.

(iii) Derecognition of financial assets and financial liabilities

Financial assets are derecognized when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognized when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iv) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.9 Employee Benefits

a) Short Term Employee Benefits

These are recognised at the undiscounted amount as expense for the year and are expensed as the related service is provided.

b) Other Long term employment benefits

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

c) Post Employment Benefits

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

- (i) The Company operates defined Contribution Schemes of Provident Funds and makes regular contributions to Provident Funds which are fully funded and administered by the Trustees and are independent of the Company's finance. Such contributions are recognised in the Accounts on accrual basis. Interest accruing to the Fund administered by the Trustees are credited to respective members' accounts based on the rates stipulated by the Government and shortfall if any, recognized on the basis of actuarial valuation report in this regard, is borne by the Company
- (ii) The Company operates defined benefit Superannuation and Gratuity Schemes administered by the Trustees, which are independent of the Company's finance. Such obligations are recognised in the Accounts on the basis of actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.
- (iii) The Company operates a defined benefit Pension Scheme and Additional Retiral Benefit for certain categories of employees for which obligations are recognised in the Accounts based on actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.

Notes to the Financial Statements

Note 31 (continued)

3.10 Inventories

Inventories of Stores, as existing at the year-end, represent weighted average cost of procurements. Provision is made for obsolete and slow moving inventories whenever necessary in the Accounts. Finished goods produced from agricultural produce are valued at lower of cost, arrived at by adding the cost of conversion to the fair value of agricultural produce and the net realisable value. Net realisable value represents the estimated selling price for inventories less all selling costs.

3.11 Biological Assets

Biological assets of the Company comprises un-harvested green tea leaves that are classified as current assets.

The Company recognises biological assets when, and only when, the Company controls the assets as a result of past events. It is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in statement of profit and loss for the period in which it arises.

3.12 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use asset

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

3.13 Trade Receivables

Trade receivables are recognised at Fair Value less provision for impairment if any.

3.14 Provision and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation.

Contingent Liabilities are disclosed when there is a possible obligation which may arise from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made.

3.15 Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other Interest and Operational Borrowing Costs are recognised as Revenue Expenditure in the year in which these are incurred and are charged to Profit and Loss.

3.16 Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current Tax in the statement of profit and loss is determined as the amount of income-tax payable/recoverable in respect of the taxable income for the current period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred Tax is recognised on temporary differences between the carrying amount of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred Tax Assets are recognised subject to the consideration of prudence only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Such deferred tax assets and liabilities are not recognized if the temporary differences arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity net of tax respectively.

4. Financial Instruments and Related Disclosures

Capital Management

The Company's objective is to have a strong capital base in order to maximise the shareholders' wealth and to ensure the continuity of the business from its internal resources and if found necessary, from a judicious use of borrowing facilities to fund requirements for meeting operational requirement as well as for comprehensive growth of the Company.

5. Financial risk management objectives

The Company's faces a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on business risk management. The Company management seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company has strong internal control systems resting on policies and procedures issued by appropriate authorities, process of regular audits and monitoring of risks.

a) Market risk

The Company's business, primarily agricultural in nature, future cash flows will fluctuate because of adverse weather conditions and lack of future markets. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk.

b) Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange. A significant portion of these transactions are in US Dollar and Euro.

c) Foreign currency sensitivity

The impact of sensitivity analysis arising on account of outstanding foreign currency denominated assets and liabilities is insignificant.

d) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objective of the Company is to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

The Company is exposed to interest rate volatilities primarily with respect to its borrowings from banks.

e) Interest rate sensitivity

Since the borrowings are all short / medium term in nature, the volatility in the interest rate is minimal.

f) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty including seasonality in meeting its obligations. The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories.

g) Credit risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss. The Company has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customers. The credit risk of the Company is relatively low as the Company also sells largely its teas through the auction system which is on cash and carry basis and through exports which are mostly backed by letter or credit or on advance basis.

6. Fair value measurements

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices in active market for identical assets or liabilities

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data. If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value as on March 31, 2020 and March 31, 2019.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

Notes to the Financial Statements

(` in Lakhs)

Note 31 (Continued)

- 7 Due to outbreak of COVID 19 Pandemic, the Company's production of made tea suffered from 24th March, 2020 due to shutdown of the country impacting the performance of the Company during the financial year.

The operations of the Company have since been resorted in a phased manner from mid-April, 2020 but certain uncertainty persists regarding the short term prospects of the Company.

The Company has incurred operating losses for a consecutive period of four years and various measures have been considered by the Company to address the situation.

- 8 The Company has entered into a memorandum of understanding to sell Sealkotee Tea Estate and received a part of the consideration as advance. Relative agreement for sale is under way and on execution of the same, balance proceeds shall be received by the Company.
- 9 Under the Assam Fixation of Ceiling of Land Holding Act, 1956, undeveloped lands, approximately 2145 hectares (Previous Year - 2145 hectares) have been vested in the State Government. Necessary adjustments in respect of land compensation will be made in the accounts on settlement of the same.

	Current Year	Previous Year		
10 Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advance)	1.92	1.92		
11 Contingent Liabilities				
(a) Claims not acknowledged as debt	-	-		
(b) Sales Tax Demands in dispute (under Appeals)	98.19	98.19		
Cash outflows, if any, in respect of the above is not determinable at this stage.				
12 Unpaid Disputed Statutory Dues in respect of				
(a) Income-tax				
Forum : Deputy Commissioner of Income-Tax	33.53	33.53		
Commissioner of Income-tax (Appeals)	158.35	25.07		
(b) Sales tax				
Forum : Deputy Commissioner of Taxes (Appeals)	68.16	68.16		
Commissioner of Taxes	5.86	5.86		
Gauhati High Court	17.60	17.60		
(c) Land Revenue				
Forum : Additional Deputy Commissioner	-	28.33		
13 Loans and Advances to Employees include				
Amounts due by a Director of the Company				
(a) On Long-Term	-	-		
(b) On Short-Term	-	4.84		
(Advanced to an employee since elevated as a Director)				
14 There are no outstanding dues of micro and small enterprises based on information available with the Company.				
15 Amounts paid/payable to Auditors				
Statutory Auditors				
(a) Statutory Audit Fees	9.00	9.00		
(b) Tax Audit Fees	1.00	1.00		
(c) Limited Review & Other Matters	2.50	2.50		
(d) Out of Pocket Expenses	0.35	0.31		
16 Consumption of Stores and Spares			%	%
Indigenous	1266.10	1422.75	100	100
Imported	-	-	-	-
	<u>1266.10</u>	<u>1422.75</u>	<u>100</u>	<u>100</u>
17 Earnings in Foreign Exchange				
Exports on F.O.B. basis	180.00	82.93		
18 Expenditure in Foreign Currency				
(a) Subscription and Other Charges	0.81	18.11		
(b) Pension	-	1.06		

Notes to the Financial Statements

Note 31 (Continued)

(` in Lakhs)

19 Post Employment Defined Benefit Plans

The Company operates defined Benefit Schemes like Gratuity, Superannuation, Pension and Additional Retiral Benefit Plans based on current salaries in accordance with the Rules of the Funds/Plans.

In terms of Accounting Policies enumerated in Note 31 the following Table sets forth the particulars in respect of Defined Benefit Plans of the Company for the year ended 31st March, 2020 arising out of actuarial valuations:

A) Funded Plans

I) Changes in Present Value of Obligation

	Funded Plans			
	Gratuity		Superannuation	
	2019-20	2018-19	2019-20	2018-19
Present Value of Obligation as on last valuation	3198.07	2819.80	725.54	810.95
Current Service Cost	123.36	157.37	58.19	83.49
Interest Cost	204.98	208.17	47.52	58.07
Vested Portion at the end of the year (Past Service)		-		-
Actuarial (Gains)/Losses on Obligations due to change in Financial Assumption	(1,026.62)	-	22.85	-
Actuarial (Gains)/Losses on Obligations due to unexpected Experience	370.22	252.41	(307.75)	(133.19)
Benefits paid	(137.05)	(239.68)	-	(93.78)
Present Value of Obligation as on valuation date	<u>2732.96</u>	<u>3198.07</u>	<u>546.35</u>	<u>725.54</u>

II) Changes in Fair Value of Plan Asset

Fair value of Plan Assets at the beginning of the year	3478.37	2882.09	837.96	828.50
Interest Income	227.83	222.21	54.88	62.97
Return on Plan Asset excluding Interest Income	(230.49)	613.75	(6.17)	6.36
Contributions				33.91
Benefits paid	(137.05)	(239.68)	-	(93.78)
Fair value of Plan Assets at the end of the measurement period	<u>3338.66</u>	<u>3478.37</u>	<u>886.67</u>	<u>837.96</u>

III) Reconciliation to Balance Sheet

Funded Status

Fund Asset	3338.66	3478.37	886.67	837.96
Fund Liability	<u>2732.96</u>	<u>3198.07</u>	<u>546.35</u>	<u>725.54</u>
	<u>605.70</u>	<u>280.30</u>	<u>340.32</u>	<u>112.42</u>

IV) Plan Assumptions

Discount Rate (%)	6.55	7.71	6.55	7.60
Expected Return on Plan Asset (%)	6.55	7.71	6.55	7.60
Rate of Compensation Increase (Salary Inflation) (%)	1.00	5.00	1.00	5.00
Average Expected Future Service (Remaining working life)	20,9,1	21,12,2	10,8,1	10,7,1
Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2009-2008 Ultimate
Superannuation at age - Male / Female	58,60,62	58,60,62	58,60,62	58,60,62
Early Retirement and Disablement (All Causes Combined) (%)	1.00	1.00	1.00	1.00
Above age 45 (%)	0.06	0.06		
Between 29 to 45 (%)	0.03	0.03		
Below age 29 (%)	0.01	0.01		
Voluntary Retirement	Ignored	Ignored		

V) Expenses recognised in the Statement of Profit and Loss

Current Service Cost	123.36	157.37	58.19	83.49
Past Service Cost (vested)	-	-	-	-
Net Interest Cost	(22.85)	(14.04)	(7.36)	(4.90)
Benefit Cost (Expense recognised in Statement of Profit and Loss)	<u>100.51</u>	<u>143.33</u>	<u>50.83</u>	<u>78.59</u>

Notes to the Financial Statements

Note 31 (Continued)

(` in Lakhs)

	Funded Plans							
	Gratuity		Superannuation					
	2019-20	2018-19	2019-20	2018-19				
VI) Other Comprehensive Income								
Actuarial (Gains)/Losses on Obligations due to change in Financial Assumption	(1,026.62)	-	22.85	-				
Actuarial (Gains)/Losses on Obligations due to unexpected Experience	370.22	252.41	(307.75)	(133.19)				
Total Actuarial (Gains) / Losses	(656.40)	252.41	(284.90)	(133.19)				
Return on Plan Asset excluding Interest Income	(230.49)	613.75	(6.17)	6.36				
Balance at the end of the year	(425.91)	(361.34)	(278.73)	(139.55)				
Net (Income) / Expense for the period recognised in OCI	(425.91)	(361.34)	(278.73)	(139.55)				
VII) Allocation of Plan Asset at end of measurement period								
Cash and Cash Equivalents	27.39	11.17	81.71	11.60				
Special Deposit Scheme	105.20	105.20	53.06	53.06				
State Government Securities	346.93	357.68	100.44	100.53				
Government of India Assets	274.61	305.39	55.35	59.45				
Corporate Bonds	1234.21	1431.98	221.35	251.61				
Debt Securities	166.44	157.85	-	-				
Annuity Contracts/Insurance Fund	690.40	636.29	334.60	327.63				
Other Assets	493.48	472.82	40.16	34.08				
	<u>3338.66</u>	<u>3478.38</u>	<u>886.67</u>	<u>837.96</u>				
VIII) Allocation in % of Plan Asset at end measurement period								
Cash and Cash Equivalents	0.82	0.32	9.22	1.38				
Special Deposit Scheme	3.15	3.02	5.98	6.33				
State Government Securities	10.39	10.28	11.33	12.00				
Government of India Assets	8.22	8.78	6.24	7.09				
Corporate Bonds	36.97	41.17	24.96	30.03				
Debt Securities	4.99	4.54	-	-				
Annuity Contracts/Insurance Fund	20.68	18.29	37.74	39.10				
Other Assets	14.78	13.60	4.53	4.07				
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>				
IX) Mortality Table								
Age	Mortality (per annum)		Mortality (per annum)					
25	0.000984		0.000984					
30	0.001056		0.001056					
35	0.001282		0.001282					
40	0.001803		0.001803					
45	0.002874		0.002874					
50	0.004946		0.004946					
55	0.007888		0.007888					
60	0.011534		0.011534					
65	0.017009		0.017009					
70	0.025855		0.025855					
X) Sensitivity Analysis								
	Current Year		Previous Year		Current Year		Previous Year	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Impact for change in Discount Rate (-/+0.5%)	2731.93	2734.05	3051.86	3362.70	533.56	559.95	703.73	727.55
% change Compared to base due to sensitivity	-0.04%	0.04%	-4.57%	5.15%	-2.34%	2.49%	-3.01%	0.28%
Impact for change in Salary growth (-/+ 0.5%)	2734.10	2731.87	3365.82	3042.92	560.01	533.39	737.68	707.48
% change Compared to base due to sensitivity	0.04%	-0.04%	5.25%	-4.85%	2.50%	-2.37%	1.95%	-2.49%
Impact for change in Attrition growth (-/+ 0.5%)	2732.97	2732.95	3204.32	3191.82	551.84	540.87	715.31	725.40
% change Compared to base due to sensitivity	0.00%	0.00%	0.20%	-0.20%	1.00%	-1.00%	-1.41%	1.41%
Impact for change in Mortality Rate (-/+ 10%)	2732.99	2732.93	3222.77	3173.38	551.89	540.82	715.14	715.55
% change Compared to base due to sensitivity	0.00%	0.00%	0.77%	-0.77%	1.01%	-1.01%	-1.43%	1.43%
XI) Estimated Future payments of Benefits (Past Service)								
Year								
1	191.39				247.31			
2	107.36				326.31			
3	227.39				60.94			
4	251.89				33.91			
5	245.27				48.49			
6 to 10	1108.46				140.79			
More than 10 years	2957.04				148.36			
Total Undiscounted Payments related to Past Service	<u>5088.80</u>				<u>1006.11</u>			
Less Discount for Interest	2335.86				459.76			
Projected Benefit Obligation	<u>2752.94</u>				<u>546.35</u>			
XII) Outlook for Net Periodic Benefit Cost Next Year								
Current Service Cost (Employer portion only) Next period	124.66		163.74					
Interest Cost next period	146.12		200.11					
Expected Return on Plan Asset	157.22		268.18					
Benefit Cost	231.41		95.67					
XIII) Bifurcation of Net Liability								
Current Liability	364.49		509.11		239.59		201.84	
Non Current Liability	2368.47		2688.96		306.76		523.70	
Net Liability	<u>2732.96</u>		<u>3198.07</u>		<u>546.35</u>		<u>725.54</u>	

Notes to the Financial Statements

Note 31 (Continued)

(` in Lakhs)

B) Unfunded Plans

I) Changes in Present Value of Obligation

	Unfunded Plans			
	Pension		Additional Retiral Benefit	
	2019-20	2018-19	2019-20	2018-19
Present Value of Obligation as on last valuation	1105.74	1054.15	66.56	64.04
Current Service Cost	69.25	35.20	3.81	4.02
Interest Cost	71.80	79.55	4.36	4.64
Vested Portion at the end of the year (Past Service)	-	-	-	-
Actuarial (Gains)/Losses on Obligations due to change in Financial Assumption	55.69	-	(4.33)	0.47
Actuarial (Gains)/Losses on Obligations due to unexpected Experience	175.84	(18.40)	(9.35)	(3.84)
Benefits paid	(19.16)	(44.76)	-	(2.77)
Present Value of Obligation as on valuation date	<u>1459.16</u>	<u>1105.74</u>	<u>61.05</u>	<u>66.56</u>
II) Reconciliation to Balance Sheet				
Funded Status				
Fund Liability	1459.16	1105.74	61.05	66.56
III) Plan Assumptions				
Discount Rate (%)	6.55	7.71	6.55	7.40
Rate of Compensation Increase (Salary Inflation) (%)	1.50	1.50	1.00	5.00
Average Expected Future Service (Remaining working life) (%)	10	11	11,9,1	10,8,2
	IALM 2006- 2008 Ultimate	IALM 2006- 2008 Ultimate	IALM 2006,2008	IALM 2006,2008
Mortality Table				
Superannuation at age - Male / Female	60	60	58,60.62	58,60.62
Early Retirement and Disablement (All Causes Combined) (%)	1.00	1.00	1.00	1.00
Above age 45 (%)			0.06	0.06
Between 29 to 45 (%)			0.03	0.03
Below age 29 (%)			0.01	0.01
Voluntary Retirement			Ignored	Ignored
IV) Expenses recognised in the Statement of Profit and Loss				
Current Service Cost	69.25	35.20	3.81	4.02
Past Service Cost (Vested)	-	-	-	-
Net Interest Cost	71.80	79.55	4.36	4.64
Benefit Cost (Expense recognised in Statement of Profit and Loss)	<u>141.05</u>	<u>114.75</u>	<u>8.17</u>	<u>8.66</u>

Notes to the Financial Statements

Note 31 (Continued)

(` in Lakhs)

		Unfunded Plans							
		Pension				Additional Retiral Benefit			
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
V)	Other Comprehensive Income								
	Actuarial (Gains)/Losses on Obligations due to change in Financial Assumption	55.69	-			(4.33)	0.47		
	Actuarial (Gains)/Losses on Obligations due to unexpected Experience	175.84	(18.40)			(9.35)	(3.84)		
	Total Actuarial (Gains) / Losses	231.53	(18.40)			(13.68)	(3.37)		
	Return on Plan Asset excluding Interest Income								
	Balance at the end of the year	231.53	(18.40)			(13.68)	(3.37)		
	Net (Income) / Expense for the period recognised in OCI	231.53	(18.40)			(13.68)	(3.37)		
VI)	Mortality Table								
	Age	Mortality (per annum)		Mortality (per annum)					
	25	0.000984		0.000984					
	30	0.001056		0.001056					
	35	0.001282		0.001282					
	40	0.001803		0.001803					
	45	0.002874		0.002874					
	50	0.004946		0.004946					
	55	0.007888		0.007888					
	60	0.011534		0.011534					
	65	0.017009		0.017009					
	70	0.025855		0.025855					
VII)	Sensitivity Analysis	Current Year		Previous Year		Current Year		Previous Year	
		Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
	Impact for change in Discount Rate (-/+0.5%)	1431.11	1489.64	1105.56	1105.92	60.31	61.82	65.01	68.20
	% change Compared to base due to sensitivity	-1.92%	2.09%	-0.02%	0.02%	(1.20)	1.27	(2.32)	2.47
	Impact for change in Salary growth (-/+ 0.5%)	1491.39	1429.14	1105.93	1105.55	61.81	60.32	68.22	64.98
	% change Compared to base due to sensitivity	2.21%	-2.05%	0.02%	-0.02%	1.25	(1.19)	2.50	(2.37)
	Impact for change in Attrition growth (-/+ 0.5%)	1459.60	1458.72	1105.76	1105.72	61.07	61.02	66.61	66.51
	% change Compared to base due to sensitivity	0.03%	-0.03%	0.01%	-0.01%	0.04	(0.04)	0.07	(0.07)
	Impact for change in Mortality Rate (-/+ 10%)	1463.61	1454.71	1109.77	1101.70	61.19	60.90	66.80	66.31
	% change Compared to base due to sensitivity	0.31%	-0.31%	0.37%	-0.37%	0.24	(0.24)	0.37	(0.37)
VIII)	Estimated Future payments of Benefits (Past Service)								
	Year								
	1	59.71		16.51					
	2	61.34		3.62					
	3	65.92		3.06					
	4	71.15		0.25					
	5	75.72		4.05					
	6 to 10	422.13		10.34					
	More than 10 years	1660.50		12.80					
	Total Undiscounted Payments related to Past Service	2416.47		50.63					
	Less : Discount for Interest	957.31		(10.42)					
	Projected Benefit Obligation	1459.16		61.05					
IX)	Outlook for Net Periodic Benefit Cost Next Year								
	Particulars								
	Current Service Cost (Employer portion only) Next period			1.09					
	Interest Cost next period			1.80					
	Benefit Cost			2.89					
X)	Bifurcation of Net Liability								
	Current Liability	57.85	50.70	15.99	31.79				
	Non Current Liability	1401.31	1055.04	45.06	34.77				
	Net Liability	1459.16	1105.74	61.05	66.56				

Post Employment Defined Contribution Plan

During the year, an aggregate amount of `964.47 (Previous Year - `788.55) has been recognised as expenditure towards Provident Fund, defined contribution plan of the Company.

Notes to the Financial Statements

Note 31 (Continued)

(` in Lakhs)

Current Year Previous Year

20 The Company has adopted Ind AS 116 - Leases which is effective from 1st April, 2019, retrospectively and has recognised the cumulative effect of initially applying this Standard. The effect of this adoption is insignificant on the year ended 31st March, 2020

21 Basic and Diluted Earnings Per Share

Number of Equity Shares at the beginning of the year	11950804	11950804
Number of Equity Shares at the end of the year	11950804	11950804
Weighted average number of Equity Shares outstanding during the year	11950804	11950804
Face value of each Equity Share (`)	10	10
Profit after tax available for distribution to the Equity Shareholders	(2416.60)	(1592.03)
Basic and Diluted Earnings per Share (`)	(20.22)	(13.32)
Dilutive Potential Equity Shares	Not Applicable	Not Applicable

22 Related Party Disclosures

(i) Names and Relationship

Relationship	Name
Associate	Maple Hotels & Resorts Limited
Significant Influence by Key Management Personnel	Warren Industrial Limited Sectra Plaza Private Limited Softweb Technologies Private Limited
Key Management Personnel	Mr. Vinay K. Goenka (Executive Chairman) Mr. S. K. Ghosh (Managing Director) (Since Retired) Mr. S. Roy (Company Secretary) (Since Retired) Mr. S. K. Mukhopadhyay (Chief Financial Officer)
Relative of a Key Management Personnel	Mr. Vivek Goenka
Post Employment Benefit Plan	Warren Staff Provident Fund Warren Tea Gratuity Fund Warren Industrial & Associated Co's Superannuation Fund

(ii) Particulars of Transactions and year-end balances

Names and Relationship		
Associate		
Sale of Tea		
Maple Hotels & Resorts Limited	-	1.58
Significant Influence by Key Management Personnel		
Receiving of Services		
Sectra Plaza Private Limited	7.28	7.28
Softweb Technologies Private Limited	-	27.00
Purchase of Fixed Assets		
Softweb Technologies Private Limited	-	7.00
Key Management Personnel & Relative		
Remuneration		
Mr. Vinay K. Goenka	146.50	147.64
Mr. S. K. Ghosh	125.56	127.24
Mr. S. Roy	27.09	28.60
Mr. S. K. Mukhopadhyay	21.66	28.22
Mr. Vivek Goenka	23.60	25.70
Compensation of Key Management Personnel & Relative		
Short Term Employee Benefits	323.92	329.61
Post Employment Benefits	15.60	23.87
Other Long Term Benefits	4.89	3.92
Balance at the year-end		
Associate		
Investments		
Maple Hotels & Resorts Limited	3146.98	3146.98
Significant Influence by Key Management Personnel		
Security Deposit		
Sectra Plaza Private Limited	426.00	430.80
Current Liabilities		
Sectra Plaza Private Limited	-	8.64
Softweb Technologies Private Limited	44.80	44.80
Key Management Personnel		
Current Liabilities		
Mr. Vinay K. Goenka	98.49	50.38
Mr. S. K. Ghosh	70.37	38.32
Mr. S. Roy	1.35	1.08
Mr. S. K. Mukhopadhyay	1.31	1.27
Advances		
Mr. S. K. Ghosh	-	4.84
Relative of a Key Management Personnel		
Current Liabilities		
Mr. Vivek Goenka	2.11	1.28

Notes to the Financial Statements

Note 31 (Continued)

(` in Lakhs)

23 Segment Information

(i) The Company is engaged in the integrated process of growing, harvesting, manufacturing and sale of Black Tea during the year and has identified one operating segment i.e., Tea.

(ii) Geographical Information

	Domestic	Exports	Total
Revenue from External Customers	12076.37 (11697.79)	176.38 (78.90)	12252.75 (11776.69)
Non-Current Assets*	9781.58 (9373.24)	- -	9781.58 (9373.24)

* Non-Current Assets excludes Financial Assets, Deferred Tax Assets and Post Employment Benefit Assets.

Figures of Previous Year are indicated in Italics within brackets "()"

(iii) The Company has entered into transactions with two external customers aggregating to ` 8721.73 (Previous Year - ` 8611.47) exceeding 10% of the Turnover of the Company.

24 Movement in lease liabilities :

	Current Year	Previous Year
Opening Balance	-	-
Additions during the Year	51.95	-
Finance cost accrued during the period	5.22	-
Payment of lease liabilities	10.08	-
Closing Balance	47.09	-

25 Capital Management

Debt to Equity Ratio :

Total Debt	3124.99	1799.97
Total Equity	6327.04	8352.05
Debt Equity Ratio	0.49	0.22

26 Liquidity Risk

Details regarding the remaining contractual maturities of significant financial liabilities :

Trade Payables		
Carrying Value	2445.85	2304.98
Maturity within 1 year	2445.85	2304.98
Maturity beyond 1 year and within 5 years	-	-
Maturity beyond 5 years	-	-
Other Financial Liabilities		
Carrying Value	1589.72	1691.43
Maturity within 1 year	1381.57	1545.99
Maturity beyond 1 year and within 5 years	29.16	9.96
Maturity beyond 5 years	178.99	135.48
Borrowings		
Carrying Value	5107.23	3950.05
Maturity within 1 year	2507.27	2675.11
Maturity beyond 1 year and within 5 years	2599.96	1274.94
Maturity beyond 5 years	-	-

27 Interest Rate Risk

Sensitivity of Company's profitability related to change in rate of Borrowings by 100 basis points

Increase / Decrease in 100 bps	51.07	39.50
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28 Movements in Deferred Tax Assets /(Liabilities)

	Balance as at 1st April, 2019	Recognised in		Balance as at 31st March, 2020
		Profit & Loss	Other Comprehensive Income	
Deferred Tax Liabilities				
on financial allowances on Property, Plant & Equipment	(919.35)	(237.64)	-	(1156.99)
On Capital Work in Progress	(467.71)	7.05	-	(460.66)
	(1387.06)	(230.59)	-	(1617.65)
Deferred Tax Assets				
Business Loss	2015.61	1005.47	(138.08)	2883.00
Provision for doubtful debts	1.91	-	-	1.91
Change in value of inventory	24.25	(24.25)	-	-
Expenses allowable on payment	-	-	-	-
Change in value of Investment	(7.07)	0.27	-	(6.80)
Other timing difference	-	-	-	-
	2034.70	981.49	(138.08)	2878.11
Deferred Tax Assets (Net)	647.64	750.90	(138.08)	1260.46

29 Reconciliation of Effective Tax Rate

	As at 31st March, 2020	As at 31st March, 2019
Profit before Tax	(3167.50)	(2377.48)
Income Tax Expense at 28.53% (Previous Year - 28.40%)	(903.69)	(675.20)
Impacts on		
Exempt Income	4.38	2.15
Items not deductible in Taxes	-	-
Deduction available in Taxes	(13.53)	(4.27)
Other Items	161.94	(108.13)
Income Tax recognised in Profit and Loss	(750.90)	(785.45)

Notes to the Financial Statements

Note 31 (Continued)

(` in Lakhs)

30 (i) Categories of Financial Instruments

Particulars	As at 31.3.2020		As at 31.3.2019	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets				
Measured at amortised cost				
Equity shares in Associate	3146.98	3146.98	3146.98	3146.98
Cash and Cash Equivalents	2.30	2.30	5.30	5.30
Other Bank Balances	1.19	1.19	1.19	1.19
Loans	611.67	611.67	622.16	622.16
Trade Receivables	1805.99	1805.99	2890.28	2890.28
Other Financial Assets	7.16	7.16	7.18	7.18
	<u>2428.31</u>	<u>2428.31</u>	<u>3526.11</u>	<u>3526.11</u>
Measured at Fair value through Other Comprehensive Income				
Equity Shares	167.40	167.40	168.00	168.00
Total Financial Assets	<u>2595.71</u>	<u>2595.71</u>	<u>3694.11</u>	<u>3694.11</u>
Financial Liabilities				
Measured at amortised cost				
Borrowings	4582.20	4582.20	3425.02	3425.02
Trade Payables	2445.85	2445.85	2304.98	2304.98
Other financial Liabilities	2114.75	2114.75	2216.46	2216.46
Total Financial Liabilities	<u>9142.80</u>	<u>9142.80</u>	<u>7946.46</u>	<u>7946.46</u>

(ii) Fair Value Hierarchy of Assets and Liabilities measured at Fair Value on a recurring basis

Particulars	Fair Value Hierarchy Level	Fair Value as at	
		31st March, 2020	31st March, 2019
Financial Assets			
Equity Shares	1	0.35	0.95
Equity Shares	3	167.05	167.05

(iii) Fair value measurements for biological assets other than bearer plants:

	2	292.01	240.49
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Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs.

31. Figures of Previous Year have been regrouped or rearranged, wherever necessary.

Signatures to Note Nos. 1 to 31

B M Chatrath & Co LLP
Firm Registration Number - 301011E / E300025
Chartered Accountants

Sukhpreet S. Sidhu
Partner
Membership Number - 052187
Kolkata, 30th June, 2020

Soma Chakraborty
Company Secretary
S. K. Mukhopadhyay
Chief Financial Officer
Vinay K. Goenka
Executive Chairman

CASH FLOW STATEMENT
for the year ended 31st March, 2020

(` in Lakhs)

	Current Year	Previous Year
A. Cash Flow from operating activities		
Profit / (Loss) before Taxation	(3167.50)	(2377.48)
Adjustments for		
Depreciation and Amortisation	272.60	347.12
Finance Costs	533.42	403.71
Income from Interest and Dividends	(17.19)	(4.70)
Biological Assets other than Bearer Plants	(51.52)	(78.89)
Provisions no longer required written back	(28.33)	(0.82)
Net (Gain) / Loss on Sale of Non-Current Investments	-	-
(Profit) / Loss on Disposal of Property, Plant and Equipment (Net)	-	0.02
Operating Profit before working capital changes	(2458.52)	(1711.04)
Adjustments for changes in		
Trade and Other Receivables	599.57	628.93
Inventories	687.80	(472.79)
Trade Payables and Other Liabilities	1184.98	2242.00
Cash generated from operations	13.83	687.10
Direct Taxes Paid	(72.50)	(0.62)
Net Cash from operating activities (A)	(58.67)	686.48
B. Cash Flow from investing activities		
Purchase of Property, Plant and Equipment	(727.21)	(714.64)
Payment of Capital Advances	110.66	(189.27)
Purchase of Current Investment	(200.00)	-
Proceeds from Current Investment	200.00	-
Sale of Property, Plant and Equipment	-	0.03
Interest and Dividend Received	17.21	4.38
Net Cash from / (used) in investing activities (B)	(599.34)	(899.50)
C. Cash Flow from financing activities		
Proceeds from Short-term Borrowings	1400.56	1215.18
Proceeds from Long-term Borrowings	1850.00	-
Repayment of Long -term Borrowings	(524.98)	(400.03)
Repayment of Short -term Borrowings	(1568.40)	(200.00)
Finance Costs Paid	(502.17)	(405.48)
Net Cash from / (used) in financing activities (C)	655.01	209.67
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	(3.00)	(3.35)
Cash and Cash Equivalents		
Opening Balance		
Cash and Cash Equivalents [Note 11]	5.30	8.65
Closing Balance		
Cash and Cash Equivalents [Note 11]	2.30	5.30

1. The above Cash Flow Statement has been prepared in accordance with Ind AS 7
2. The Notes referred to above form an integral part of the Cash Flow Statement.
3. Previous year's figures have been regrouped or rearranged, wherever necessary.

As per our Report of even date.

B M Chatrath & Co LLP

Firm Registration Number - 301011E / E300025

Chartered Accountants

Sukhpreet S. Sidhu
Partner

Membership Number - 052187

Kolkata, 30th June, 2020

Soma Chakraborty
Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka
Executive Chairman

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
Warren Tea Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Warren Tea Limited** (“the Company”) and its associate company, which comprise the Consolidated Balance Sheet as at 31st March, 2020, and the Consolidated Statement of Profit and Loss (including Other comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, (“ Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate company as at 31st March, 2020 ,and their consolidated net loss and other comprehensive loss, their consolidated cash flows, and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the audit of the Consolidated Financial statements section of our report. We are independent of the Company and its associate company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Company’s financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>The Company has incurred cash losses during the previous four consecutive Financial Year and the financial performance of the company during the current Financial year was also adversely affected by the outbreak of Covid-19 pandemic in the second half of March 2020 resulting in loss of production.</p> <p>This was considered to be a Key Audit Matter for which judgement was to made in informing our audit opinion.</p>	<p>In forming our opinion, we have taken into consideration the steps taken / are being proposed to be taken to improve the financial performance of the company till the signing of this report.</p>
2.	<p>Modified Audit Procedures carried out in light of Covid- 19 outbreak</p> <p>Due to outbreak of COVID-19 pandemic, nationwide lockdown and travel restrictions imposed by the Government we could not visit the Tea Estates of the company and could not gather audit evidence in person/ physically/through discussions and personnel interaction with those charged with governance at the Tea Estates.</p> <p>Accordingly, the audit procedures were modified and this modified audit procedures were considered to be a Key Audit Matter.</p>	<p>Accordingly, we modified our audit procedures as follows:-</p> <p>i). We conducted our audit on the basis of scanned copy of documents and other records made available to us electronically.</p> <p>ii). Made enquiries and gathered necessary audit evidence through discussion over phone call/ conference call and other similar communication channel with those charge with governance at the Tea Estates of the Company.</p> <p>iii). Checking of records, documents etc. provided to us by the company through digital medium and remote access to the operating system of the company.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Directors and Management Discussion & Analysis Report, but does not include the consolidated financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Management’s Responsibility for the Consolidated Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the company and its associate in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (“Ind –AS”) specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the company and of its associate are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company and of its associate are also responsible for overseeing the financial reporting process of the Company and of its associate.

Auditor’s Responsibility for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the company or business activities included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that :

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
- (c) The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind-AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Company and its associate as on 31st March, 2019 and taken on record by the Board of directors and by the Board of Directors, none of the directors of the company and its associate is disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting the company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) 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, as amended 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 of its financial position in its consolidated financial statements – Refer Note 31(9).

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B M Chatrath & Co LLP
Chartered Accountants
Firm Registration Number: 301011E/E300025

Place: Kolkata

Date: 30 June, 2020

Sukhpreet S. Sidhu
Partner
Membership Number 052187
UDIN :-20052187AAAAAM1986

‘ANNEXURE – A’ TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of Warren Tea Limited (“the Company”) and its associate company as of March 31, 2020 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company and its associate company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its associate company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B M Chatrath & Co LLP
Chartered Accountants
Firm Registration Number: 301011E/E300025

Place: Kolkata
Date: 30 June, 2020

Sukhpreet S. Sidhu
Partner
Membership Number 052187
UDIN:- 20052187AAAAAM1986

WARREN TEA LIMITED
CONSOLIDATED BALANCE SHEET
as at 31st March, 2020

	Notes	As at 31st March, 2020 in Lakhs	As at 31st March, 2019 in Lakhs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	7607.59	7082.20
Capital Work-in-Progress		1702.86	1727.67
Other Intangible Assets	2	6.14	8.09
Financial Assets			
Investments	3	4154.71	4178.29
Loans	4	610.02	615.18
Other Financial Assets	5	3.80	3.80
Deferred Tax Assets (Net)	6	1260.46	647.64
Other Non-Current Assets	7	464.99	555.28
		<u>15810.57</u>	<u>14818.15</u>
Current Assets			
Inventories	8	610.66	1298.46
Biological Assets other than Bearer Plants	9	292.01	240.49
Financial Assets			
Trade Receivables	10	1805.99	2890.28
Cash and Cash Equivalents	11	2.30	5.30
Other Bank Balances	12	1.19	1.19
Loans	13	1.65	6.98
Other Financial Assets	14	3.36	3.38
Other Current Assets	15	1085.55	559.29
		<u>3802.71</u>	<u>5005.37</u>
		<u>19613.28</u>	<u>19823.52</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	1195.08	1195.08
Other Equity		5972.29	8020.28
		<u>7167.37</u>	<u>9215.36</u>
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	17	2599.96	1274.94
Trade Payables - Other than from micro enterprises and small enterprises		82.89	89.89
Others	18	215.44	149.84
Provisions	19	1548.85	1140.91
		<u>4447.14</u>	<u>2655.58</u>
Current Liabilities			
Financial Liabilities			
Borrowings	20	1982.24	2150.08
Trade Payables - Other than from micro enterprises and small enterprises		2362.96	2215.09
Other Financial Liabilities	21	1899.31	2066.62
Other Current Liabilities	22	376.18	30.91
Provisions	23	491.77	531.07
Current Tax Liabilities (Net)		886.31	958.81
		<u>7998.77</u>	<u>7952.58</u>
		<u>19613.28</u>	<u>19823.52</u>

Notes to Consolidated Financial Statements

31

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our Report of even date.

B M Chatrath & Co LLP

Firm Registration Number - 301011E / E300025

Chartered Accountants

Sukhpreet S. Sidhu

Partner

Membership Number - 052187

Kolkata, 30th June, 2020

Soma Chakraborty

Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka

Executive Chairman

WARREN TEA LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended 31st March, 2020

	Notes	Current Year ` in Lakhs	Previous Year ` in Lakhs
Income			
Revenue from Operations	24	12291.27	11850.16
Other Income	25	173.75	100.90
Total Income		<u>12465.02</u>	<u>11951.06</u>
Expenses			
Changes in Inventories of Finished Goods	26	528.21	(313.14)
Employee Benefits Expense	27	10546.32	10011.79
Finance Costs	28	533.42	403.71
Depreciation and Amortisation Expense	29	272.60	347.12
Other Expenses	30	3751.97	3879.06
Total Expenses		<u>15632.52</u>	<u>14328.54</u>
Loss for the period		(3167.50)	(2377.48)
Tax Expense			
Current Tax		-	-
Deferred Tax		(750.90)	(785.45)
Loss after tax but before share of profit/(loss) from Associate		<u>(2416.60)</u>	<u>(1592.03)</u>
Add : Share of Profit / (Loss) of Investments in Associate [Refer Note No. 31(30)]		(23.09)	15.30
Loss for the Year		<u>(2439.69)</u>	<u>(1576.73)</u>
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss :			
Remeasurement of Defined Benefit Plan		486.78	522.66
Effect for Change in Value of Investments		(0.60)	(0.36)
Share of Other Comprehensive Income in Associate		0.11	1.73
Income Tax relating to Items that will not be reclassified to Profit or Loss		(138.08)	(148.79)
		<u>348.21</u>	<u>375.24</u>
Total Comprehensive Income		<u>(2091.48)</u>	<u>(1201.49)</u>
Basic and Diluted Earnings per Equity Share of ` 10 each (`)		(20.42)	(13.19)

Notes to Consolidated Financial Statements

31

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our Report of even date.
B M Chatrath & Co LLP
Firm Registration Number - 301011E / E300025
Chartered Accountants

Sukhpreet S. Sidhu
Partner

Soma Chakraborty
Company Secretary

Membership Number - 052187

S. K. Mukhopadhyay

Vinay K. Goenka

Kolkata, 30th June, 2020

Chief Financial Officer

Executive Chairman

WARREN TEA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31st March, 2020

in Lakhs

A. EQUITY SHARE CAPITAL

Balance as at 01.04.2019	Changes in Equity Share Capital during the Year	Balance as at 31.03.2020
1195.08	-	1195.08

B. OTHER EQUITY

	Reserves and Surplus				Equity Instruments through other comprehensive Income	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance as at 1st April, 2019	185.37	963.03	2415.58	4436.80	19.50	8020.28
Profit / (Loss) for the Period		-	-	(2439.69)	-	(2439.69)
Adjustment on account of Lease and Land Revenue				43.49	-	43.49
Other Comprehensive Income		-	-	348.10	0.11	348.21
Balance as at 31st March, 2020	185.37	963.03	2415.58	2388.70	19.61	5972.29

Nature and Purpose of Reserve

Capital Reserve : The excess of the book value of the assets acquired by way of amalgamation over the consideration has been recognised as Capital Reserve.

Securities Premium : Securities Premium is used to record the premium on issue of shares. This is available for utilisation in accordance with the provisions of the Companies Act, 2013.

General Reserve : General Reserve is created and utilised in compliance with the provisions of the Companies Act, 2013.

Retained Earnings : Retained Earnings represent the cumulative profits as well as remeasurement of defined plans and can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.

As per our Report of even date.

B M Chatrath & Co LLP

Firm Registration Number - 301011E / E300025

Chartered Accountants

Sukhpreet S. Sidhu

Partner

Membership Number - 052187

Kolkata, 30th June, 2020

Soma Chakraborty

Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka

Executive Chairman

Notes to the Consolidated Financial Statements

PARTICULARS	` in Lakhs										
	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT		
	As at 1st April 2019	Additions	Disposals	As at 31st March 2020	Upto 1st April 2019	For the Year	Disposals	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019	
Note 1											
PROPERTY, PLANT AND EQUIPMENT (NON-CURRENT ASSET)											
Land (Freehold)	589.01	-	-	589.01	-	-	-	-	589.01	589.01	
Buildings	2164.54	-	-	2164.54	262.00	71.75	-	333.75	1830.79	1902.54	
Bridges, Culverts, Bunders etc.	367.30	-	-	367.30	46.00	12.87	-	58.87	308.43	321.30	
Roads	140.52	-	-	140.52	138.21	2.10	-	140.31	0.21	2.31	
Plant and Equipment	959.00	0.36	-	959.36	211.66	65.77	-	277.43	681.93	747.34	
Furniture and Fixtures	40.23	-	-	40.23	35.46	3.31	-	38.77	1.46	4.77	
Vehicles	340.84	5.69	-	346.53	147.84	48.58	-	196.42	150.11	193.00	
Office Equipments	13.86	0.47	-	14.33	6.67	1.80	-	8.47	5.86	7.19	
Computers and Data Processing Units	39.96	0.36	-	40.32	29.33	5.70	-	35.03	5.29	10.63	
Electrical Installations and Equipment	60.04	0.04	-	60.08	18.22	5.23	-	23.45	36.63	41.82	
Bearer Plants	3373.71	745.10	5.32	4113.49	111.42	48.27	5.32	154.37	3959.12	3262.29	
Right-of-Use Asset		44.02		44.02		5.27		5.27	38.75	-	
Total	8089.01	796.04	5.32	8879.73	1006.81	270.65	5.32	1272.14	7607.59	7082.20	
Previous Year	7592.41	496.78	0.18	8089.01	660.75	346.19	0.13	1006.81	7082.20		
Note 2											
OTHER INTANGIBLE ASSETS (NON-CURRENT ASSET)											
Computer Software (Rate of Amortisation - 20%)	17.35	-	-	17.35	9.26	1.95	-	11.21	6.14	8.09	
Tenancy Right (Rate of Amortisation - 5%)	1.05	-	-	1.05	1.05	-	-	1.05	-	-	
Total	18.40	-	-	18.40	10.31	1.95	-	12.26	6.14	8.09	
Previous Year	11.31	7.09	-	18.40	9.38	0.93	-	10.31	8.09		

Notes to the Consolidated Financial Statements

	As at 31st March, 2020 ₹ in Lakhs	As at 31st March, 2019 ₹ in Lakhs
Note 3		
INVESTMENTS		
(NON-CURRENT ASSET)		
(At Fair Value through Other Comprehensive Income)		
Unquoted - Equity Instruments		
10000 Equity Shares of ₹ 10/- each fully paid-up in ABC Tea Workers Welfare Services	*	*
150000 Equity Shares of ₹ 10/- each fully paid-up in Warren Steels Private Limited	167.05	167.05
Quoted - Equity Instruments		
15150 Equity Shares of ₹ 10/- each fully paid-up in Pal Peugeot Limited	*	*
35 Equity Shares of ₹ 10/- each fully paid-up in Hindusthan Engineering & Industries Limited	*	*
225 Equity Shares of ₹ 5/- each fully paid-up in McLeod Russel India Limited	0.01	0.19
864 Equity Shares of ₹ 10/- each fully paid-up in Syndicate Bank	0.13	0.37
100 Equity Shares of ₹ 10/- each fully paid-up in Goodricke Group Limited	0.11	0.22
120 (Previous Year - 100) Equity Shares of ₹ 10/- each fully paid-up in NTPC Limited	0.10	0.17
Quoted - Debenture and Bonds		
100 Debenture of ₹ 12.50 each fully paid-up in NTPC Limited	*	*
Unquoted - Equity Instruments (Equity Method)		
Investment in Associate		
6500000 Equity Shares of ₹ 10/- each fully paid-up in Maple Hotels & Resorts Limited	3987.31	4010.29
	<u>4154.71</u>	<u>4178.29</u>
1 Market Value of Quoted Investments	0.35	0.95
2 Aggregate Carrying Value of Quoted Investments	0.35	0.95
3 Aggregate Carrying Value of Unquoted Investments	4154.36	4177.34
4 * Indicates that amount is below the rounding off norm adopted by the Company.		

Notes to the Consolidated Financial Statements

	As at 31st March, 2020 ₹ in Lakhs	As at 31st March, 2019 ₹ in Lakhs
Note 4		
LOANS		
(NON-CURRENT ASSET)		
(Unsecured - Considered Good)		
Security Deposits (Include Deposit to Related Party ₹ 426.00; Previous Year - ₹ 430.80) [Refer Note No. 31(22)]	607.12	610.06
Other Loans		
Loans to Employees for housing, vehicle and furniture [Refer Note No. 31(22)]	2.90	5.12
	<u>610.02</u>	<u>615.18</u>
Note 5		
OTHER FINANCIAL ASSETS		
(NON-CURRENT ASSET)		
Deposits with National Bank for Agriculture and Rural Development	3.80	3.80
	<u>3.80</u>	<u>3.80</u>
Note 6		
DEFERRED TAX ASSETS (NET)		
(NON-CURRENT ASSET)		
Deferred Tax Assets		
Timing difference on account of :		
Expenses allowable on payment	-	-
Provision for Doubtful Debts	1.91	1.91
Business Loss	2,883.00	2,015.61
Value of Inventory of Black Tea	-	24.25
	<u>2,884.91</u>	<u>2,041.77</u>
Less : Deferred Tax Liabilities		
Timing difference on account of :		
Effect of change in Property, Plant & Equipment	1,156.99	919.35
Effect of change in Investments	6.80	7.07
Effect of change in Capital work-in-progress	460.66	467.71
	<u>1,260.46</u>	<u>647.64</u>
Note 7		
OTHER ASSETS		
(NON-CURRENT ASSET)		
(Unsecured - Considered Good)		
Deposits with Government Authorities and Others	8.82	8.82
Capital Advances	262.17	372.83
Other Advances	194.00	173.63
	<u>464.99</u>	<u>555.28</u>

Notes to the Consolidated Financial Statements

	As at 31st March, 2020 ` in Lakhs	As at 31st March, 2019 ` in Lakhs
Note 8		
INVENTORIES		
(CURRENT ASSET)		
(At lower of cost or net realisable value)		
Stock of Tea	225.86	754.07
Stock of Stores and Spares	384.80	544.39
	<u>610.66</u>	<u>1298.46</u>
Note 9		
BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS		
(CURRENT ASSET)		
Opening value	240.49	161.60
Increase due to physical changes	292.01	240.49
Decrease due to Harvest / Physical Changes	(240.49)	(161.60)
Closing value	<u>292.01</u>	<u>240.49</u>
Note 10		
TRADE RECEIVABLES		
(CURRENT ASSET)		
(Unsecured)		
Trade Receivables		
Considered Good	1805.99	2890.28
Considered Doubtful	34.85	34.85
Less: Provision for Doubtful Debts	34.85	34.85
	<u>-</u>	<u>-</u>
	<u>1805.99</u>	<u>2890.28</u>
Note 11		
CASH AND CASH EQUIVALENTS		
(CURRENT ASSET)		
Cash and Cash Equivalents		
Balances with Banks		
Current Accounts	1.37	1.49
Cash on hand	0.29	3.80
Cash with Garden Kayahs	0.64	0.01
	<u>2.30</u>	<u>5.30</u>

Notes to the Consolidated Financial Statements

	As at 31st March, 2020 ` in Lakhs	As at 31st March, 2019 ` in Lakhs
Note 12		
OTHER BANK BALANCES		
(CURRENT ASSET)		
Deposit Accounts	1.19	1.19
	<u>1.19</u>	<u>1.19</u>
Note 13		
LOANS		
(CURRENT ASSET)		
(Unsecured - Considered Good)		
Loans to Employees for housing, vehicle and furniture [Refer Note No. 31(22)]	1.65	6.98
	<u>1.65</u>	<u>6.98</u>
Note 14		
OTHER FINANCIAL ASSETS		
(CURRENT ASSET)		
(Unsecured - Considered Good)		
Interest Accrued on Deposits	3.36	3.38
	<u>3.36</u>	<u>3.38</u>
Note 15		
OTHER ASSETS		
(CURRENT ASSET)		
Deposits / Balances with Government Authorities and Others	70.03	102.07
Other Advances	16.38	16.18
Advance against Employee Benefits	946.01	392.87
Prepaid Expenses	53.13	48.17
	<u>1085.55</u>	<u>559.29</u>

Notes to the Consolidated Financial Statements

	As at 31st March, 2020 ₹ in Lakhs	As at 31st March, 2019 ₹ in Lakhs		
Note 16				
EQUITY SHARE CAPITAL				
Authorised				
2,00,00,000 Equity Shares of ₹ 10/- each	<u>2000.00</u>	<u>2000.00</u>		
Issued, Subscribed and Fully Paid-up				
1,19,50,804 Equity Shares of ₹ 10/- each	<u>1195.08</u>	<u>1195.08</u>		
(including Bonus Shares - 57,86,601)	<u>1195.08</u>	<u>1195.08</u>		
	No. of Shares	No. of Shares		
Reconciliation of the number of Equity Shares				
Outstanding at the beginning and at the end of the year	<u>11950804</u>	<u>11950804</u>		
Shareholders holding more than 5% shares of the Company				
Name	No. of Shares	%	No. of Shares	%
Vinay K. Goenka	3601229	30.13	3601229	30.13
Maple Hotels & Resorts Limited	3196448	26.75	3196448	26.75
Vivek Goenka	1476876	12.36	1476876	12.36

Rights, preferences and restrictions attached to shares

The Company has only one class of shares being Equity Shares having a par value of ₹ 10/- each. All equity shares rank pari passu in all respects including voting rights, entitlement to dividend and repayment of capital.

Notes to the Consolidated Financial Statements

	As at 31st March, 2020 ` in Lakhs	As at 31st March, 2019 ` in Lakhs
Note 17		
BORROWINGS		
(NON-CURRENT LIABILITY - SECURED)		
Term Loans from a Bank [Secured by first charge on joint equitable mortgage of the entire fixed assets of the tea estates, ranking pari passu amongst the Consortium Banks, repayable in quarterly instalments ending in July 2021]	100.00	300.00
Term Loans from a Bank [Secured by second charge on stock and book debts and by first charge on joint equitable mortgage of all the fixed assets, movable and immovable of the tea estates ranking pari passu amongst the Consortium Banks, repayable in quarterly instalments with a moratorium of one year, ending in February 2023]	649.96	974.94
Loan from a Body Corporate [Secured by Equitable Mortgage of a Building including Car Parking, ending in July 2021]	1850.00	-
	<u>2599.96</u>	<u>1274.94</u>
Note 18		
OTHER FINANCIAL LIABILITIES		
(NON-CURRENT LIABILITY)		
Deferred Income received from Government Authorities	174.87	149.84
Lease Liability	40.57	-
	<u>215.44</u>	<u>149.84</u>
Note 19		
PROVISIONS		
(NON-CURRENT LIABILITY)		
Provision for Employee Benefits	1548.85	1140.91
	<u>1548.85</u>	<u>1140.91</u>
Note 20		
BORROWINGS		
(CURRENT LIABILITY - SECURED)		
Working Capital Facilities from Banks [Secured by hypothecation of current assets, present and future, and by equitable mortgage of entire movable fixed assets, both present and future, factory land and buildings of the tea estates and one flat ranking pari passu amongst the Consortium Banks severally, repayable on demand]	1982.24	2150.08
	<u>1982.24</u>	<u>2150.08</u>
Note 21		
OTHER FINANCIAL LIABILITIES		
(CURRENT LIABILITY)		
Current Maturity of Long-Term Debt	525.03	525.03
Interest accrued but not due on borrowings	47.59	16.34
Lease Liability	6.52	-
Other Payables		
Employee Benefits Payable	1313.64	1519.12
Retention Money	6.53	6.13
	<u>1899.31</u>	<u>2066.62</u>
Note 22		
OTHER LIABILITIES		
(CURRENT LIABILITY)		
Advance from Customers	351.71	2.68
Statutory Dues	24.47	28.23
	<u>376.18</u>	<u>30.91</u>
Note 23		
PROVISIONS		
(CURRENT LIABILITY)		
Provision for Employee Benefits	491.77	531.07
	<u>491.77</u>	<u>531.07</u>

Notes to the Consolidated Financial Statements

	Current Year ` in Lakhs	Previous Year ` in Lakhs
Note 24		
REVENUE FROM OPERATIONS		
Sale of Products - Tea	12252.75	11776.69
Other Operating Revenues		
Sale of Tea Waste	16.41	20.60
Government Grant / Assistance	22.11	52.84
Sale of Scrap	-	0.03
	<u>12291.27</u>	<u>11850.16</u>
Note 25		
OTHER INCOME		
Changes in Fair value of Biological Assets other than Bearer Plants	51.52	78.89
Interest Income on Financial Assets on Deposit	17.18	4.69
Dividend Income from Non - Current Investments	0.01	0.01
Other Non-operating Income		
Insurance Claims	25.83	1.03
Miscellaneous Receipts	47.25	11.43
Liabilities no longer required written back	28.33	0.82
Net Gain on Foreign Currency Transactions and Translation	3.63	4.03
	<u>173.75</u>	<u>100.90</u>
Note 26		
CHANGES IN INVENTORIES OF FINISHED GOODS		
Opening Inventories	754.07	440.93
Less : Closing Inventories	225.86	754.07
	<u>528.21</u>	<u>(313.14)</u>
Note 27		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	8401.02	7907.91
Contributions to Provident and Other Funds	1104.71	1037.85
Staff Welfare Expenses	1040.59	1066.03
	<u>10546.32</u>	<u>10011.79</u>

Notes to the Consolidated Financial Statements

	Current Year ` in Lakhs	Previous Year ` in Lakhs
Note 28		
FINANCE COSTS		
Interest Expense	493.64	378.96
Interest on Lease	5.22	-
Other Borrowing Costs	34.56	24.75
	<u>533.42</u>	<u>403.71</u>
Note 29		
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Property, Plant and Equipment	270.65	346.19
Amortisation on Intangible Assets	1.95	0.93
	<u>272.60</u>	<u>347.12</u>
Note 30		
OTHER EXPENSES		
Consumption of Stores and Spare Parts		
Packing Materials	140.74	122.99
Others	1125.36	1299.76
Power and Fuel	1290.52	1142.88
Rent	24.88	34.97
Repairs to Buildings	12.15	27.53
Repairs to Machinery	35.73	28.98
Insurance	22.65	25.01
Rates and Taxes	57.76	189.16
Administrative Overheads	421.67	456.01
Selling		
Freight	381.10	317.25
Insurance	13.32	20.75
Other Selling Expenses	226.09	213.75
Loss on Disposal of Property, Plant and Equipment (Net)	-	0.02
	<u>3751.97</u>	<u>3879.06</u>

1. Company Overview

Warren Tea Limited is engaged in the growing, harvesting, manufacture and sale of tea. The Company operates with seven tea estates situated in Assam and sells tea in bulk both in domestic and international markets. The Company is listed on the Bombay and Calcutta Stock Exchanges.

2. Statement of Compliance with Ind AS

These Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) as contained in Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Companies Act, 2013 (the Act).

3. Significant Accounting Policies

3.1 Classification of Current and Non-Current Assets and Liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of classification of current and non-current assets and liabilities.

3.2 Historical Cost Conventions

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities that are measured at fair value;
- ii) plan assets relating to defined benefit plans that are measured at fair value;
- iii) biological assets (including un-plucked green leaves) – measured at fair value less cost to sell.

Historical cost is generally based on the fair value of the consideration received in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The preparation of financial statements in conformity with Ind AS requires management to make estimates based on its judgements, and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision as well as for future periods if the revision affects both current and future periods.

The Consolidated Financial Statements comprise the financial statements of its Associate being Maple Hotels & Resorts Limited, India, holding 46.92% ownership by the Company.

Investments in Associate Companies is accounted for in accordance with IND AS 28 on Investments in Associates and Joint Ventures in consolidated financial statements prescribed under the Act, under Equity Method.

3.3 Sales and Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of sales returns and trade discounts.

Revenue for Sale of Goods is recognised in the Income Statement when the title, risk and rewards of ownership passed to the buyer.

3.4 Foreign Currency Transactions

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

Exchange Gains or Losses arising out of fluctuations in the exchange rates on settlement or translation are recognised in the Statement of Profit and Loss in the period in which they arise.

3.5 Government Grants/ Assistance

Government Grants/ Assistance (Grant) are recognised at their fair value where there is a reasonable assurance that the Grant will be received and the Company will comply with the conditions attached to them.

Grants relating to income are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the Grants are intended to compensate.

Grants relating to assets are presented as deferred income in the Balance Sheet and are recognised in profit or loss on a systematic basis over the useful life of the related assets.

3.6 Property, Plant and Equipment

(i) Bearer Plants

Bearer Plants have been recognised on 1st April, 2016 as an item of Property, Plant and Equipment in accordance with previous GAAP, on which depreciation has been provided. Expenses on replanting and young tea maintenance of Bearer Plants are considered as Capital Work-in-Progress. Depreciation on Bearer Plants is charged on estimated useful life of 77 years ascertained upon technical evaluation. Depreciation on Bearer Plants is recognised so as to write off its cost over useful lives, using the straight-line method. In accordance with Ind AS, Bearer Plants are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

(ii) Items Other than Bearer Plants

Freehold land is carried at historical cost. All other items are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the construction or acquisition of the items of the related property, plant and equipment.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, are on the same basis as other property assets, and commences when the assets are ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets net of its residual value, over their useful lives on a straight line basis. For additions/disposals of items during the course of the year, depreciation/amortisation is recognised on a pro-rata basis. Estimated useful lives of the assets are considered as specified in Schedule II of the Companies Act 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any change in estimate is accounted for on a prospective basis.

Compensation receivable for acquisition of Assets of the Company is accounted for upon acceptance of the Company's claim by the appropriate authorities.

Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.7 Intangible Assets

Intangible Assets of the Company are recognised when it is an identifiable non-monetary asset without physical substance. An Asset is recognised when it is expected to provide future economic benefits to flow to the Company. These assets are capitalised at the price what would be received to sale an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Useful life is determined as the period over which an asset is expected to be available for use by the Company. Depreciation on Intangible Assets is recognised so as to write-off its cost over the useful life.

3.8 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

(i) Financial Assets Recognition and Classification

The financial assets are classified at initial recognition in the following measurement categories as:

- those subsequently measured at amortised cost.
- those to be subsequently measured at fair value [either through other comprehensive income (OCI), or through profit or loss]

Subsequent Measurement

- Financial assets measured at amortised cost

Financial assets which are held within the business model of collection of contractual cash flows and where those cash flows represent payments solely towards principal and interest on the principal amount outstanding are measured at amortized cost. A gain or loss on a financial asset that is measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.

- Financial assets measured at fair value through other comprehensive income

- Financial assets that are held within a business model of collection of contractual cash flows and for selling and where the assets' cash flow represents solely payment of principal and interest on the principal amount outstanding are measured at fair value through OCI. Movements in carrying amount are taken through OCI, except for recognition of impairment gains or losses.

When a financial asset, other than investment in equity instrument, is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Classification of equity instruments, not being investments in subsidiaries, associates and joint arrangements, depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI. When investment in such equity instrument is derecognised, the cumulative gains or losses recognised in OCI is transferred within equity on such derecognition.

- Financial assets measured at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Movements in fair value of these instruments are taken in profit or loss.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Impairment losses are recognised in the profit or loss where there is an objective evidence of impairment based on reasonable and supportable information that is available without undue cost or effort. The Company recognises loss allowances on trade receivables when there is objective evidence that the Company will not be able to collect all the due amounts depending on product categories and the payment mechanism prevailing in the industry.

Income recognition on financial assets

Interest income from financial assets is recognised in profit or loss using effective interest rate method, where applicable. Dividend income is recognized in profit or loss only when the Company's right to receive payments is established and the amount of dividend can be measured reliably.

(ii) Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Financial liabilities are classified, at initial recognition, as subsequently measured at amortized cost unless they fulfill the requirement of measurement at fair value through profit or loss. Where the financial liability has been measured at amortised cost, the difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit and loss over the contractual terms using the effective interest rate method.

Financial liabilities at fair value through profit or loss are carried at fair value with changes in fair value recognized in the finance income or finance cost in the statement of profit or loss.

(iii) Derecognition of financial assets and financial liabilities

Financial assets are derecognized when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognized when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iv) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.9 Employee Benefits

a) Short Term Employee Benefits

These are recognised at the undiscounted amount as expense for the year and are expensed as the related service is provided.

b) Other Long term employment benefits

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

c) Post Employment Benefits

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

- (i) The Company operates defined Contribution Schemes of Provident Funds and makes regular contributions to Provident Funds which are fully funded and administered by the Trustees and are independent of the Company's finance. Such contributions are recognised in the Accounts on accrual basis. Interest accruing to the Fund administered by the Trustees are credited to respective members' accounts based on the rates stipulated by the Government and shortfall if any, recognized on the basis of actuarial valuation report in this regard, is borne by the Company.
- (ii) The Company operates defined benefit Superannuation and Gratuity Schemes administered by the Trustees, which are independent of the Company's finance. Such obligations are recognised in the Accounts on the basis of actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.
- (iii) The Company operates a defined benefit Pension Scheme and Additional Retiral Benefit for certain categories of employees for which obligations are recognised in the Accounts based on actuarial valuation applying Projected Unit Credit Method including gains and losses at the year-end.

3.10 Inventories

Inventories of Stores, as existing at the year-end, represent weighted average cost of procurements. Provision is made for obsolete and slow moving inventories whenever necessary in the Accounts. Finished goods produced from agricultural produce are valued at lower of cost, arrived at by adding the cost of conversion to the fair value of agricultural produce and the net realisable value. Net realisable value represents the estimated selling price for inventories less all selling costs.

3.11 Biological Assets

Biological assets of the Company comprises un-harvested green tea leaves that are classified as current assets.

The Company recognises biological assets when, and only when, the Company controls the assets as a result of past events. It is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in statement of profit and loss for the period in which it arises.

3.12 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use asset

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

3.13 Trade Receivables

Trade receivables are recognised at Fair Value less provision for impairment if any.

3.14 Provision and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation.

Contingent Liabilities are disclosed when there is a possible obligation which may arise from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made.

3.15 Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other Interest and Operational Borrowing Costs are recognised as Revenue Expenditure in the year in which these are incurred and are charged to Profit and Loss.

3.16 Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current Tax in the statement of profit and loss is determined as the amount of income-tax payable/recoverable in respect of the taxable income for the current period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred Tax is recognised on temporary differences between the carrying amount of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred Tax Assets are recognised subject to the consideration of prudence only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Such deferred tax assets and liabilities are not recognized if the temporary differences arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity net of tax respectively.

4. Financial Instruments and Related Disclosures

Capital Management

The Company's objective is to have a strong capital base in order to maximise the shareholders' wealth and to ensure the continuity of the business from its internal resources and if found necessary, from a judicious use of borrowing facilities to fund requirements for meeting operational requirement as well as for comprehensive growth of the Company.

5. Financial risk management objectives

The Company's faces a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on business risk management. The Company management seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company has strong internal control systems resting on policies and procedures issued by appropriate authorities, process of regular audits and monitoring of risks.

a) Market risk

The Company's business, primarily agricultural in nature, future cash flows will fluctuate because of adverse weather conditions and lack of future markets. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk.

b) Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange. A significant portion of these transactions are in US Dollar and Euro.

c) Foreign currency sensitivity

The impact of sensitivity analysis arising on account of outstanding foreign currency denominated assets and liabilities is insignificant.

d) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objective of the Company is to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

The Company is exposed to interest rate volatilities primarily with respect to its borrowings from banks.

e) Interest rate sensitivity

Since the borrowings are all short / medium term in nature, the volatility in the interest rate is minimal.

f) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty including seasonality in meeting its obligations. The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories.

g) Credit risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss. The Company has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customers. The credit risk of the Company is relatively low as the Company also sells largely its teas through the auction system which is on cash and carry basis and through exports which are mostly backed by letter or credit or on advance basis.

6. Fair value measurements

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices in active market for identical assets or liabilities

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data . If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value as on March 31, 2020 and March 31, 2019.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

Notes to the Consolidated Financial Statements

(` in Lakhs)

Note 31 (Continued)

- 7 Due to outbreak of COVID 19 Pandemic, the Company's production of made tea suffered from 24th March, 2020 due to shutdown of the country impacting the performance of the Company during the financial year.

The operations of the Company have since been resorted in a phased manner from mid-April, 2020 but certain uncertainty persists regarding the short term prospects of the Company.

The Company has incurred operating losses for a consecutive period of four years and various measures have been considered by the Company to address the situation.

- 8 The Company has entered into a memorandum of understanding to sell Sealkotee Tea Estate and received a part of the consideration as advance. Relative agreement for sale is under way and on execution of the same, balance proceeds shall be received by the Company.
- 9 Under the Assam Fixation of Ceiling of Land Holding Act, 1956, undeveloped lands, approximately 2145 hectares (Previous Year - 2145 hectares) have been vested in the State Government. Necessary adjustments in respect of land compensation will be made in the accounts on settlement of the same.

	Current Year	Previous Year		
10 Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advance)	1.92	1.92		
11 Contingent Liabilities				
(a) Claims not acknowledged as debt	-	-		
(b) Sales Tax Demands in dispute (under Appeals)	98.19	98.19		
Cash outflows, if any, in respect of the above is not determinable at this stage.				
12 Unpaid Disputed Statutory Dues in respect of				
(a) Income-tax				
Forum : Deputy Commissioner of Income-Tax	33.53	33.53		
Commissioner of Income-tax (Appeals)	158.35	25.07		
(b) Sales tax				
Forum : Deputy Commissioner of Taxes (Appeals)	68.16	68.16		
Commissioner of Taxes	5.86	5.86		
Gauhati High Court	17.60	17.60		
(c) Land Revenue				
Forum : Additional Deputy Commissioner	-	28.33		
13 Loans and Advances to Employees include				
Amounts due by a Director of the Company				
(a) On Long-Term	-	-		
(b) On Short-Term	-	4.84		
(Advanced to an employee since elevated as a Director)				
14 There are no outstanding dues of micro and small enterprises based on information available with the Company.				
15 Amounts paid/payable to Auditors				
Statutory Auditors				
(a) Statutory Audit Fees	9.00	9.00		
(b) Tax Audit Fees	1.00	1.00		
(c) Limited Review & Other Matters	2.50	2.50		
(d) Out of Pocket Expenses	0.35	0.31		
16 Consumption of Stores and Spares			%	%
Indigenous	1266.10	1422.75	100	100
Imported	-	-	-	-
	<u>1266.10</u>	<u>1422.75</u>	<u>100</u>	<u>100</u>
17 Earnings in Foreign Exchange				
Exports on F.O.B. basis	180.00	82.93		
18 Expenditure in Foreign Currency				
(a) Subscription and Other Charges	0.81	18.11		
(b) Pension	-	1.06		

Notes to the Consolidated Financial Statements

Note 31 (Continued)

(₹ in Lakhs)

19 Post Employment Defined Benefit Plans

The Company operates defined Benefit Schemes like Gratuity, Superannuation, Pension and Additional Retiral Benefit Plans based on current salaries in accordance with the Rules of the Funds/Plans.

In terms of Accounting Policies enumerated in Note 31 the following Table sets forth the particulars in respect of Defined Benefit Plans of the Company for the year ended 31st March, 2020 arising out of actuarial valuations:

A) Funded Plans

I) Changes in Present Value of Obligation

	Funded Plans			
	Gratuity		Superannuation	
	2019-20	2018-19	2019-20	2018-19
Present Value of Obligation as on last valuation	3198.07	2819.80	725.54	810.95
Current Service Cost	123.36	157.37	58.19	83.49
Interest Cost	204.98	208.17	47.52	58.07
Vested Portion at the end of the year (Past Service)		-		-
Actuarial (Gains)/Losses on Obligations due to change in Financial Assumption	(1026.62)	-	22.85	-
Actuarial (Gains)/Losses on Obligations due to unexpected Experience	370.22	252.41	(307.75)	(133.19)
Benefits paid	(137.05)	(239.68)	-	(93.78)
Present Value of Obligation as on valuation date	<u>2732.96</u>	<u>3198.07</u>	<u>546.35</u>	<u>725.54</u>

II) Changes in Fair Value of Plan Asset

Fair value of Plan Assets at the beginning of the year	3478.37	2882.09	837.96	828.50
Interest Income	227.83	222.21	54.88	62.97
Return on Plan Asset excluding Interest Income	(230.49)	613.75	(6.17)	6.36
Contributions				33.91
Benefits paid	(137.05)	(239.68)	-	(93.78)
Fair value of Plan Assets at the end of the measurement period	<u>3338.66</u>	<u>3478.37</u>	<u>886.67</u>	<u>837.96</u>

III) Reconciliation to Balance Sheet

Funded Status

Fund Asset	3338.66	3478.37	886.67	837.96
Fund Liability	2732.96	3198.07	546.35	725.54
	<u>605.70</u>	<u>280.30</u>	<u>340.32</u>	<u>112.42</u>

IV) Plan Assumptions

Discount Rate (%)	6.55	7.71	6.55	7.60
Expected Return on Plan Asset (%)	6.55	7.71	6.55	7.60
Rate of Compensation Increase (Salary Inflation) (%)	1.00	5.00	1.00	5.00
Average Expected Future Service (Remaining working life)	20,9,1	21,12,2	10,8,1	10,7,1
Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2009-2008 Ultimate
Superannuation at age - Male / Female	58,60,62	58,60,62	58,60,62	58,60,62
Early Retirement and Disablement (All Causes Combined) (%)	1.00	1.00	1.00	1.00
Above age 45 (%)	0.06	0.06		
Between 29 to 45 (%)	0.03	0.03		
Below age 29 (%)	0.01	0.01		
Voluntary Retirement	Ignored	Ignored		

V) Expenses recognised in the Statement of Profit and Loss

Current Service Cost	123.36	157.37	58.19	83.49
Past Service Cost (vested)	-	-	-	-
Net Interest Cost	(22.85)	(14.04)	(7.36)	(4.90)
Benefit Cost (Expense recognised in Statement of Profit and Loss)	<u>100.51</u>	<u>143.33</u>	<u>50.83</u>	<u>78.59</u>

Notes to the Consolidated Financial Statements

Note 31 (Continued)

(₹ in Lakhs)

	Funded Plans			
	Gratuity		Superannuation	
	2019-20	2018-19	2019-20	2018-19
VI) Other Comprehensive Income				
Actuarial (Gains)/Losses on Obligations due to change in Financial Assumption	(1,026.62)	-	22.85	-
Actuarial (Gains)/Losses on Obligations due to unexpected Experience	370.22	252.41	(307.75)	(133.19)
Total Actuarial (Gains) / Losses	(656.40)	252.41	(284.90)	(133.19)
Return on Plan Asset excluding Interest Income	(230.49)	613.75	(6.17)	6.36
Balance at the end of the year	(425.91)	(361.34)	(278.73)	(139.55)
Net (Income) / Expense for the period recognised in OCI	(425.91)	(361.34)	(278.73)	(139.55)
VII) Allocation of Plan Asset at end of measurement period				
Cash and Cash Equivalents	27.39	11.17	81.71	11.60
Special Deposit Scheme	105.20	105.20	53.06	53.06
State Government Securities	346.93	357.68	100.44	100.53
Government of India Assets	274.61	305.39	55.35	59.45
Corporate Bonds	1234.21	1431.98	221.35	251.61
Debt Securities	166.44	157.85	-	-
Annuity Contracts/Insurance Fund	690.40	636.29	334.60	327.63
Other Assets	493.48	472.82	40.16	34.08
	<u>3338.66</u>	<u>3478.38</u>	<u>886.67</u>	<u>837.96</u>
VIII) Allocation in % of Plan Asset at end measurement period				
Cash and Cash Equivalents	0.82	0.32	9.22	1.38
Special Deposit Scheme	3.15	3.02	5.98	6.33
State Government Securities	10.39	10.28	11.33	12.00
Government of India Assets	8.22	8.78	6.24	7.09
Corporate Bonds	36.97	41.17	24.96	30.03
Debt Securities	4.99	4.54	-	-
Annuity Contracts/Insurance Fund	20.68	18.29	37.74	39.10
Other Assets	14.78	13.60	4.53	4.07
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>
IX) Mortality Table				
Age	Mortality (per annum)		Mortality (per annum)	
25	0.000984		0.000984	
30	0.001056		0.001056	
35	0.001282		0.001282	
40	0.001803		0.001803	
45	0.002874		0.002874	
50	0.004946		0.004946	
55	0.007888		0.007888	
60	0.011534		0.011534	
65	0.017009		0.017009	
70	0.025855		0.025855	
X) Sensitivity Analysis				
	Current Year		Previous Year	
	Increase	Decrease	Increase	Decrease
Impact for change in Discount Rate (-/+0.5%)	2731.93	2734.05	3051.86	3362.70
% change Compared to base due to sensitivity	-0.04%	0.04%	-4.57%	5.15%
Impact for change in Salary growth (-/+ 0.5%)	2734.10	2731.87	3365.82	3042.92
% change Compared to base due to sensitivity	0.04%	-0.04%	5.25%	-4.85%
Impact for change in Attrition growth (-/+ 0.5%)	2732.97	2732.95	3204.32	3191.82
% change Compared to base due to sensitivity	0.00%	0.00%	0.20%	-0.20%
Impact for change in Mortality Rate (-/+ 10%)	2732.99	2732.93	3222.77	3173.38
% change Compared to base due to sensitivity	0.00%	0.00%	0.77%	-0.77%
XI) Estimated Future payments of Benefits (Past Service)				
Year				
1	191.39		247.31	
2	107.36		326.31	
3	227.39		60.94	
4	251.89		33.91	
5	245.27		48.49	
6 to 10	1108.46		140.79	
More than 10 years	2957.04		148.36	
Total Undiscounted Payments related to Past Service	<u>5088.80</u>		<u>1006.11</u>	
Less Discount for Interest	2335.86		459.76	
Projected Benefit Obligation	<u>2752.94</u>		<u>546.35</u>	
XII) Outlook for Net Periodic Benefit Cost Next Year				
Current Service Cost (Employer portion only) Next period	124.66		163.74	
Interest Cost next period	146.12		200.11	
Expected Return on Plan Asset	157.22		268.18	
Benefit Cost	231.41		95.67	
XIII) Bifurcation of Net Liability				
Current Liability	364.49		239.59	
Non Current Liability	2368.47		306.76	
Net Liability	<u>2732.96</u>		<u>546.35</u>	
	<u>3198.07</u>		<u>725.54</u>	

Notes to the Consolidated Financial Statements

Note 31 (Continued)

(` in Lakhs)

B) Unfunded Plans

I) Changes in Present Value of Obligation

	Unfunded Plans			
	Pension		Additional Retiral Benefit	
	2019-20	2018-19	2019-20	2018-19
Present Value of Obligation as on last valuation	1105.74	1054.15	66.56	64.04
Current Service Cost	69.25	35.20	3.81	4.02
Interest Cost	71.80	79.55	4.36	4.64
Vested Portion at the end of the year (Past Service)	-	-	-	-
Actuarial (Gains)/Losses on Obligations due to change in Financial Assumption	55.69	-	(4.33)	0.47
Actuarial (Gains)/Losses on Obligations due to unexpected Experience	175.84	(18.40)	(9.35)	(3.84)
Benefits paid	(19.16)	(44.76)	-	(2.77)
Present Value of Obligation as on valuation date	<u>1459.16</u>	<u>1105.74</u>	<u>61.05</u>	<u>66.56</u>
II) Reconciliation to Balance Sheet				
Funded Status				
Fund Liability	1459.16	1105.74	61.05	66.56
III) Plan Assumptions				
Discount Rate (%)	6.55	7.71	6.55	7.40
Rate of Compensation Increase (Salary Inflation) (%)	1.50	1.50	1.00	5.00
Average Expected Future Service (Remaining working life) (%)	10	11	11,9,1	10,8,2
	IALM 2006- 2008 Ultimate	IALM 2006- 2008 Ultimate	IALM 2006,2008	IALM 2006,2008
Mortality Table				
Superannuation at age - Male / Female	60	60	58,60.62	58,60.62
Early Retirement and Disablement (All Causes Combined) (%)	1.00	1.00	1.00	1.00
Above age 45 (%)			0.06	0.06
Between 29 to 45 (%)			0.03	0.03
Below age 29 (%)			0.01	0.01
Voluntary Retirement			Ignored	Ignored
IV) Expenses recognised in the Statement of Profit and Loss				
Current Service Cost	69.25	35.20	3.81	4.02
Past Service Cost (Vested)	-	-	-	-
Net Interest Cost	71.80	79.55	4.36	4.64
Benefit Cost (Expense recognised in Statement of Profit and Loss)	<u>141.05</u>	<u>114.75</u>	<u>8.17</u>	<u>8.66</u>

Notes to the Consolidated Financial Statements

Note 31 (Continued)

(` in Lakhs)

	Unfunded Plans				
	Pension		Additional Retiral Benefit		
	2019-20	2018-19	2019-20	2018-19	
V) Other Comprehensive Income					
Actuarial (Gains)/Losses on Obligations due to change in Financial Assumption	55.69	-	(4.33)	0.47	
Actuarial (Gains)/Losses on Obligations due to unexpected Experience	175.84	(18.40)	(9.35)	(3.84)	
Total Actuarial (Gains) / Losses	231.53	(18.40)	(13.68)	(3.37)	
Return on Plan Asset excluding Interest Income					
Balance at the end of the year	231.53	(18.40)	(13.68)	(3.37)	
Net (Income) / Expense for the period recognised in OCI	231.53	(18.40)	(13.68)	(3.37)	
VI) Mortality Table					
	Age	Mortality (per annum)	Mortality (per annum)		
	25	0.000984	0.000984		
	30	0.001056	0.001056		
	35	0.001282	0.001282		
	40	0.001803	0.001803		
	45	0.002874	0.002874		
	50	0.004946	0.004946		
	55	0.007888	0.007888		
	60	0.011534	0.011534		
	65	0.017009	0.017009		
	70	0.025855	0.025855		
VII) Sensitivity Analysis					
		Current Year	Previous Year	Current Year	Previous Year
		Increase	Decrease	Increase	Decrease
Impact for change in Discount Rate (-/+0.5%)		1431.11	1489.64	1105.56	1105.92
% change Compared to base due to sensitivity		-1.92%	2.09%	-0.02%	0.02%
Impact for change in Salary growth (-/+ 0.5%)		1491.39	1429.14	1105.93	1105.55
% change Compared to base due to sensitivity		2.21%	-2.05%	0.02%	-0.02%
Impact for change in Attrition growth (-/+ 0.5%)		1459.60	1458.72	1105.76	1105.72
% change Compared to base due to sensitivity		0.03%	-0.03%	0.01%	-0.01%
Impact for change in Mortality Rate (-/+ 10%)		1463.61	1454.71	1109.77	1101.70
% change Compared to base due to sensitivity		0.31%	-0.31%	0.37%	-0.37%
VIII) Estimated Future payments of Benefits (Past Service)					
	Year				
	1	59.71		16.51	
	2	61.34		3.62	
	3	65.92		3.06	
	4	71.15		0.25	
	5	75.72		4.05	
	6 to 10	422.13		10.34	
	More than 10 years	1660.50		12.80	
Total Undiscounted Payments related to Past Service		2416.47		50.63	
Less : Discount for Interest		957.31		(10.42)	
Projected Benefit Obligation		1459.16		61.05	
IX) Outlook for Net Periodic Benefit Cost Next Year					
	Particulars				
Current Service Cost (Employer portion only) Next period				1.09	
Interest Cost next period				1.80	
Benefit Cost				2.89	
X) Bifurcation of Net Liability					
Current Liability		57.85	50.70	15.99	31.79
Non Current Liability		1401.31	1055.04	45.06	34.77
Net Liability		1459.16	1105.74	61.05	66.56

Post Employment Defined Contribution Plan

During the year, an aggregate amount of ` 964.47 (Previous Year - ` 788.55) has been recognised as expenditure towards Provident Fund, defined contribution plan of the Company.

Notes to the Consolidated Financial Statements

Note 31 (Continued)

(₹ in Lakhs)

	Current Year	Previous Year
20 The Company has adopted Ind AS 116 - Leases which is effective from 1st April, 2019, retrospectively and has recognised the cumulative effect of initially applying this Standard. The effect of this adoption is insignificant on the year ended 31st March, 2020		
21 Basic and Diluted Earnings Per Share		
Number of Equity Shares at the beginning of the year	11950804	11950804
Number of Equity Shares at the end of the year	11950804	11950804
Weighted average number of Equity Shares outstanding during the year	11950804	11950804
Face value of each Equity Share (₹)	10	10
Profit after tax available for distribution to the Equity Shareholders	(2439.69)	(1592.03)
Basic and Diluted Earnings per Share (₹)	(20.42)	(13.32)
Dilutive Potential Equity Shares	Not Applicable	Not Applicable
22 Related Party Disclosures		
(i) Names and Relationship		
	Relationship	Name
Associate		Maple Hotels & Resorts Limited
Significant Influence by Key Management Personnel		Warren Industrial Limited Sectra Plaza Private Limited Softweb Technologies Private Limited
Key Management Personnel		Mr. Vinay K. Goenka (Executive Chairman) Mr. S. K. Ghosh (Managing Director) (Since Retired) Mr. S. Roy (Company Secretary) (Since Retired) Mr. S. K. Mukhopadhyay (Chief Financial Officer)
Relative of a Key Management Personnel		Mr. Vivek Goenka
Post Employment Benefit Plan		Warren Staff Provident Fund Warren Tea Gratuity Fund Warren Industrial & Associated Co's Superannuation Fund
(ii) Particulars of Transactions and year-end balances		
	Names and Relationship	
Associate		
Sale of Tea		
Maple Hotels & Resorts Limited	-	1.58
Significant Influence by Key Management Personnel		
Receiving of Services		
Sectra Plaza Private Limited	7.28	7.28
Softweb Technologies Private Limited	-	27.00
Purchase of Fixed Assets		
Softweb Technologies Private Limited	-	7.00
Key Management Personnel & Relative		
Remuneration		
Mr. Vinay K. Goenka	146.50	147.64
Mr. S. K. Ghosh	125.56	127.24
Mr. S. Roy	27.09	28.60
Mr. S. K. Mukhopadhyay	21.66	28.22
Mr. Vivek Goenka	23.60	25.70
Compensation of Key Management Personnel & Relative		
Short Term Employee Benefits	323.92	329.61
Post Employment Benefits	15.60	23.87
Other Long Term Benefits	4.89	3.92
Balance at the year-end		
Associate		
Investments		
Maple Hotels & Resorts Limited	3146.98	3146.98
Significant Influence by Key Management Personnel		
Security Deposit		
Sectra Plaza Private Limited	426.00	430.80
Current Liabilities		
Sectra Plaza Private Limited	-	8.64
Softweb Technologies Private Limited	44.80	44.80
Key Management Personnel		
Current Liabilities		
Mr. Vinay K. Goenka	98.49	50.38
Mr. S. K. Ghosh	70.37	38.32
Mr. S. Roy	1.35	1.08
Mr. S. K. Mukhopadhyay	1.31	1.27
Advances		
Mr. S. K. Ghosh	-	4.84
Relative of a Key Management Personnel		
Current Liabilities		
Mr. Vivek Goenka	2.11	1.28

Notes to the Consolidated Financial Statements
Note 31 (Continued)

(` in Lakhs)

23 Segment Information

(i) The Company is engaged in the integrated process of growing, harvesting, manufacturing and sale of Black Tea during the year and has identified one operating segment i.e., Tea.

(ii) Geographical Information

	Domestic	Exports	Total
Revenue from External Customers	12076.37 <i>(11697.79)</i>	176.38 <i>(78.90)</i>	12252.75 <i>(11776.69)</i>
Non-Current Assets*	9781.58 <i>(9373.24)</i>	-	9781.58 <i>(9373.24)</i>

* Non-Current Assets excludes Financial Assets, Deferred Tax Assets and Post Employment Benefit Assets.

Figures of Previous Year are indicated in Italics within brackets "(`)"

(iii) The Company has entered into transactions with two external customers aggregating to ` 8721.73 (Previous Year - ` 8611.47) exceeding 10% of the Turnover of the Company.

24 Movement in lease liabilities :

	Current Year	Previous Year
Opening Balance	-	-
Additions during the Year	51.95	-
Finance cost accrued during the period	5.22	-
Payment of lease liabilities	10.08	-
Closing Balance	<u>47.09</u>	<u>-</u>

25 Capital Management

Debt to Equity Ratio :

Total Debt	3124.99	1799.97
Total Equity	7167.37	9215.36
Debt Equity Ratio	0.44	0.20

26 Liquidity Risk

Details regarding the remaining contractual maturities of significant financial liabilities :

Trade Payables		
Carrying Value	2445.85	2304.98
Maturity within 1 year	2445.85	2304.98
Maturity beyond 1 year and within 5 years:	-	-
Maturity beyond 5 years	-	-
Other Financial Liabilities		
Carrying Value	1589.72	1691.43
Maturity within 1 year	1381.57	1545.99
Maturity beyond 1 year and within 5 years:	29.16	9.96
Maturity beyond 5 years	178.99	135.48
Borrowings		
Carrying Value	5107.23	3950.05
Maturity within 1 year	2507.27	2675.11
Maturity beyond 1 year and within 5 years:	2599.96	1274.94
Maturity beyond 5 years	-	-

27 Interest Rate Risk

Sensitivity of Company's profitability related to change in rate of Borrowings by 100 basis points

Increase / Decrease in 100 bps	51.07	39.50
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28 Movements in Deferred Tax Assets /(Liabilities)

	Balance as at 1st April, 2019	Recognised in		Balance as at 31st March, 2020
		Profit & Loss	Other Comprehensive Income	
Deferred Tax Liabilities				
on financial allowances on Property, Plant	(919.35)	(237.64)	-	(1156.99)
On Capital Work in Progress	(467.71)	7.05	-	(460.66)
	<u>(1387.06)</u>	<u>(230.59)</u>	<u>-</u>	<u>(1617.65)</u>
Deferred Tax Assets				
Business Loss	2015.61	1005.47	(138.08)	2883.00
Provision for doubtful debts	1.91	-	-	1.91
Change in value of inventory	24.25	(24.25)	-	-
Expenses allowable on payment	-	-	-	0.00
Change in value of Investment	(7.07)	0.27	-	(6.80)
Other timing difference	-	-	-	-
	<u>2034.70</u>	<u>981.49</u>	<u>(138.08)</u>	<u>2878.11</u>
Deferred Tax Assets (Net)	<u>647.64</u>	<u>750.90</u>	<u>(138.08)</u>	<u>1260.46</u>

29 Reconciliation of Effective Tax Rate

	As at 31st March, 2020	As at 31st March, 2019
Profit before Tax	(3167.50)	(2377.48)
Income Tax Expense at 28.53% (Previous Year - 28.40%)	(903.69)	(675.20)
Impacts on		
Exempt Income	4.38	2.15
Items not deductible in Taxes	-	-
Deduction available in Taxes	(13.53)	(4.27)
Other Items	161.94	(108.13)
Income Tax recognised in Profit and Loss	<u>(750.90)</u>	<u>(785.45)</u>

30 Statement containing Financial Information of Associate :

Sl No	Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
1	Parent								
	Warren Tea Limited	88.28 <i>[90.63]</i>	6327.04 <i>[8352.05]</i>	99.05 <i>[100.97]</i>	(2416.60) <i>[(1592.03)]</i>	99.97 <i>[99.66]</i>	348.10 <i>[373.96]</i>	98.90 <i>[101.38]</i>	(2068.50) <i>[(1218.07)]</i>
2	Associate								
	Maple Hotels & Resorts Limited	11.72 <i>[9.37]</i>	840.33 <i>[863.31]</i>	0.95 <i>[(0.97)]</i>	(23.09) <i>[15.30]</i>	0.03 <i>[0.34]</i>	0.11 <i>[1.28]</i>	1.10 <i>[(1.38)]</i>	(22.98) <i>[16.58]</i>
	Total	<u>100.00</u> <i>[100.00]</i>	<u>7167.37</u> <i>[9215.36]</i>	<u>100.00</u> <i>[100.00]</i>	<u>(2439.69)</u> <i>[(1576.73)]</i>	<u>100.00</u> <i>[100.00]</i>	<u>348.21</u> <i>[375.24]</i>	<u>100.00</u> <i>[100.00]</i>	<u>(2091.48)</u> <i>[(1201.49)]</i>

Figures of Previous Year are indicated in Italics within brackets "[`]"

Notes to the Consolidated Financial Statements

Note 31 (Continued)

(` in Lakhs)

31 (i) Categories of Financial Instruments

Particulars	As at 31.3.2020		As at 31.3.2019	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets				
Measured at amortised cost				
Equity shares in Associate	3987.31	3987.31	3146.98	3146.98
Cash and Cash Equivalents	2.30	2.30	5.30	5.3
Other Bank Balances	1.19	1.19	1.19	1.19
Loans	611.67	611.67	622.16	622.16
Trade Receivables	1805.99	1805.99	2890.28	2890.28
Other Financial Assets	7.16	7.16	7.18	7.18
	<u>2428.31</u>	<u>2428.31</u>	<u>3526.11</u>	<u>3526.11</u>
Measured at Fair value through Other Comprehensive Income				
Equity Shares	167.40	167.40	168.00	168.00
Total Financial Assets	<u>2595.71</u>	<u>2595.71</u>	<u>3694.11</u>	<u>3694.11</u>
Financial Liabilities				
Measured at amortised cost				
Borrowings	4582.20	4582.20	3425.02	3425.02
Trade Payables	2445.85	2445.85	2304.98	2304.98
Other financial Liabilities	2114.75	2114.75	2216.46	2216.46
Total Financial Liabilities	<u>9142.80</u>	<u>9142.80</u>	<u>7946.46</u>	<u>7946.46</u>

(ii) Fair Value Hierarchy of Assets and Liabilities measured at Fair Value on a recurring basis

Particulars	Fair Value Hierarchy Level	Fair Value as at	
		31st March, 2020	31st March, 2019
Financial Assets			
Equity Shares	1	0.35	0.95
Equity Shares	3	167.05	167.05

(iii) Fair value measurements for biological assets other than bearer plants:

	2	292.01	240.49
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Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs.

32. Figures of Previous Year have been regrouped or rearranged, wherever necessary.

Signatures to Note Nos. 1 to 31

B M Chatrath & Co LLP
Firm Registration Number - 301011E / E300025
Chartered Accountants

Sukhpreet S. Sidhu
Partner
Membership Number - 052187
Kolkata, 30th June, 2020

Company Secretary

Chief Financial Officer

Executive Chairman

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31st March, 2020

		(₹ in Lakhs)	
		Current Year	Previous Year
A. Cash Flow from operating activities			
Profit / (Loss) before Taxation		(3167.50)	(2377.48)
Adjustments for			
Depreciation and Amortisation		272.60	347.12
Finance Costs		533.42	403.71
Income from Interest and Dividends		(17.19)	(4.70)
Biological Assets other than Bearer Plants		(51.52)	(78.89)
Provisions no longer required written back		(28.33)	(0.82)
Profit on Disposal of Property, Plant and Equipment (Net)		-	0.02
Operating Profit before working capital changes		<u>(2458.52)</u>	<u>(1711.04)</u>
Adjustments for changes in			
Trade and Other Receivables		599.57	628.93
Inventories		687.80	(472.79)
Trade Payables and Other Liabilities		<u>1184.98</u>	<u>2242.00</u>
Cash generated from operations		13.83	687.10
Direct Taxes Paid		<u>(72.50)</u>	<u>(0.62)</u>
Net Cash from operating activities	(A)	<u><u>(58.67)</u></u>	<u><u>686.48</u></u>
B. Cash Flow from investing activities			
Purchase of Property, Plant and Equipment		(727.21)	(714.64)
Payment of Capital Advances		110.66	(189.27)
Purchase of Current Investment		(200.00)	-
Proceeds from Current Investment		200.00	-
Sale of Property, Plant and Equipment		-	0.03
Interest and Dividend Received		<u>17.21</u>	<u>4.38</u>
Net Cash from / (used) in investing activities	(B)	<u><u>(599.34)</u></u>	<u><u>(899.50)</u></u>
C. Cash Flow from financing activities			
Proceeds from Short-term Borrowings		1400.56	1215.18
Proceeds from Long-term Borrowings		1,850.00	-
Repayment of Long -term Borrowings		(524.98)	(400.03)
Repayment of Short -term Borrowings		(1568.40)	(200.00)
Finance Costs Paid		<u>(502.17)</u>	<u>(405.48)</u>
Net Cash from / (used) in financing activities	(C)	<u><u>655.01</u></u>	<u><u>209.67</u></u>
Net increase / (decrease) in Cash and Cash Equivalents	(A+B+C)	(3.00)	(3.35)
Cash and Cash Equivalents			
Opening Balance			
Cash and Cash Equivalents [Note 11]		5.30	8.65
Closing Balance			
Cash and Cash Equivalents [Note 11]		2.30	5.30

1. The above Consolidated Cash Flow Statement has been prepared in accordance with Ind AS 7.
2. The Notes referred to above form an integral part of the Consolidated Cash Flow Statement.
3. Previous year's figures have been regrouped or rearranged, wherever necessary.

As per our Report of even date.

B M Chatrath & Co LLP

Firm Registration Number - 301011E / E300025

Chartered Accountants

Sukhpreet S. Sidhu
Partner

Membership Number - 052187

Kolkata, 30th June, 2020

Soma Chakraborty
Company Secretary

S. K. Mukhopadhyay

Chief Financial Officer

Vinay K. Goenka

Executive Chairman

Form AOC - 1

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Associate Companies

Part "B" : Associates

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associated Companies

Name of Associate	Maple Hotels & Resorts Limited
1 Latest audited Balance Sheet Date	31st March, 2020
2 Date on which the Associate was associated	7th March, 2014
3 Shares of Associate held by the Company on the year end	
Number	65,00,000
Amount of Investment in Associate (₹ in Lacs)	3146.98
Extent of Holding %	46.92%
4 Description of how there is significant influence	Holding directly 20% or more of the voting power
5 Reason why the associate is not consolidated	Financial Statements are consolidated in accordance with the applicable Accounting Standards
6 Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lacs)	3416.44
7 Profit / (Loss) for the year (₹ in Lacs)	(49.21)
(i) Considered in Consolidation	(23.09)
(ii) Not Considered in Consolidation	(26.12)

Soma Chakraborty
Company Secretary

Kolkata, 30th June, 2020

S. K. Mukhopadhyay
Chief Financial Officer

Vinay K. Goenka
Executive Chairman