

# **ANNUAL REPORT 2018-19**



## **GOODRICKE GROUP LIMITED**

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## **BOARD OF DIRECTORS**

Mr. Peter John Field – *Chairman*  
Mr. Arun Narain Singh – *Vice Chairman*  
Mr. Atul Asthana - *Managing Director & CEO*  
Mr. Arjun Sengupta– *Wholetime Director & CFO*  
Mrs. Susan Ann Walker  
Dr. (Mrs.) Sudha Kaul  
Mr. Kantanand Sinha  
Mr. Prodosh Kumar Sen  
(resigned w.e.f. 31.03.2019)  
Mr. Yashpal Levin  
Mr. Sourav Adhikari  
(appointed w.e.f. 24.05.2019)

## **BOARD COMMITTEES**

### **Audit Committee**

Mr. Kantanand Sinha - Chairman  
Mr. Prodosh Kumar Sen – Member  
(resigned w.e.f. 31.03.2019)  
Mrs. Susan Ann Walker – Member  
Dr. (Mrs.) Sudha Kaul - Member  
(appointed w.e.f. 12.02.2019)

### **Corporate Social Responsibility Committee**

Dr. (Mrs.) Sudha Kaul - Chairperson  
Mr. Kantanand Sinha - Member  
Mr. Atul Asthana - Member

### **Nomination & Remuneration Committee**

Mr. Kantanand Sinha – Chairman  
Mr. Peter John Field - Member  
Mr. Prodosh Kumar Sen – Member  
(resigned w.e.f. 31.03.2019)  
Dr. (Mrs.) Sudha Kaul - Member

### **Stakeholders Relationship Committee**

Dr. (Mrs.) Sudha Kaul - Chairperson  
Mr. Kantanand Sinha - Member  
Mr. Atul Asthana – Member

## **KEY MANAGERIAL PERSONNEL**

Mr. Atul Asthana, Managing Director & CEO  
Mr. Arjun Sengupta, Wholetime Director & CFO  
Mr. Subrata Banerjee, Sr. General Manager  
& Company Secretary

## **AUDITORS**

Deloitte Haskins & Sells LLP  
Chartered Accountant  
Building – Omega, Bengal Intilegent Park  
Block – EP & GP, Sector - V, Salt Lake Electronic Complex  
Kolkata 700 091  
(Firm's Registration No. 117366 W / W-100018)

## **SECRETARIAL AUDITORS**

Anjan Kumar Roy & Co  
GR-1 Gouri Bhaban  
28 A Gurupada Halder Road, Kolkata -700 026  
(CP No. 4557)

## **BANKERS**

Axis Bank Ltd.  
HDFC Bank Ltd.

## **REGISTRARS & SHARE TRANSFER AGENTS**

C.B. Management Services Pvt. Ltd.  
P-22, Bondel Road, Kolkata - 700 019.  
Tele No. (033) 4011 6700/6711/6718  
Fax No. (033) 2287 0263/4011 6739  
Email : rta@cbmsl.com  
Website : www.cbmsl.com

## **REGISTERED OFFICE**

“Camellia House”, 14 Gurusaday Road,  
Kolkata 700 019  
Tele No : (033) 2287 3067/ 8737  
Fax No (033) 2287 2577  
Website :- www.goodricke.com  
CIN : L01132WB 1977 PLC 031054

## NOTICE

NOTICE is hereby given that the Forty-third Annual General Meeting of the Members of Goodricke Group Limited will be held at the Eastern Zonal Cultural Centre, IB 201, Sector – III, Salt Lake City, Kolkata 700 106 on Friday, the 26<sup>th</sup> July, 2019 at 10.00 a.m. to transact the following business :-

### Ordinary Business

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

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2019, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend for the financial year ended 31<sup>st</sup> March, 2019.
3. To appoint a Director in place of Mrs Susan Ann Walker, (Holding DIN 07225692) who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr Arjun Sengupta, (Holding DIN 00631842) who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business

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

**“RESOLVED THAT** Mr. Yashpal Levin (holding DIN 07169755) who was re-appointed as an Additional Director of the Company w.e.f. 1<sup>st</sup> April, 2019 by the Board of Directors under provision of section 161 of the Companies Act, 2013 and pursuant to the Article of Association of the Company and who holds such office upto the date of this Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing from a shareholder under Section 160 of the Companies Act 2013 proposing his candidature for the office of the Director of the Company be and is hereby appointed as a Director of the Company till 31<sup>st</sup> March 2020.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 and all other applicable provisions, if any, read with Schedule IV of the Companies Act, 2013 and the rules framed thereunder (including any modification(s) or re-enactment thereof for the time being in force) (“the Act”) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Saurav Adhikari (holding DIN 08402010) who was appointed as an Additional, Independent Director by the Board of Directors effective 24<sup>th</sup> May, 2019 in terms of the provisions of Section 161 of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a shareholder under Section 160 of the Companies Act 2013 proposing his candidature for the office of the Director of the Company be and is hereby appointed as an Independent Director not liable to retire by rotation and to hold office for a term of three (3) years effective 24<sup>th</sup> May 2019.

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

**“RESOLVED THAT** in terms of Section 148 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration payable to the Cost Auditors namely M/s. Shome & Banerjee, Cost Accountants (Firm Registration No.: 000001) for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the year ending 31<sup>st</sup> March, 2020 as approved by the Board of Directors based on the recommendation

of the Audit Committee, the details of which are given in the Explanatory Statement in respect of this item of business be and is hereby ratified."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

**"RESOLVED THAT** consent of shareholders of the company be and is hereby accorded, pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 90 Crores (Rupees Ninety Crores only) at any time."

**"RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorised to finalise with Banks/Financial Institutions the documents for creating aforesaid mortgage and/or the charge and to do all such acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution."

**Record Date :** Notice is also given under Section 91 of the Companies Act, 2013 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Record Date will be Friday, the 19th July, 2019 to determine those members who will be entitled to receive dividend which will be declared at the Annual General Meeting.

**Cut off Date :** Notice is also given that the Cut off Date will be Friday, the 19th July, 2019 to determine the members entitled to undertake voting electronically on the business and all resolutions set forth in this Notice by remote e-voting and also by voting at the meeting venue.

**By Order of the Board**

**S. Banerjee**  
*Sr. General Manager &  
Company Secretary*  
ACS 4359

**Place : Kolkata**  
**Dated : 24<sup>th</sup> May, 2019**

## NOTES & INFORMATION TO SHAREHOLDERS

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of items of Special Business is annexed hereto.
3. The information as required to be provided in terms of the Listing Regulations with the Stock Exchange regarding the Directors who are proposed to be appointed / re-appointed is annexed.
4. The dividend that may be declared by the Company at the Forty-third Annual General Meeting will be paid on or after 5th August, 2019 (i) to those members holding shares in physical mode whose names appear on the Register of member on Friday, 19 July, 2019 (ii) In respect of the shares held in electronic form the dividend will be paid to the 'beneficial owners' of the shares at the end of business hours on Friday, the 19th July, 2019 as per details provided by the Depositories for this purpose.
5. Dividend in respect of shares held in dematerialized form shall be credited to the owner's bank account directly through National Automated Clearing House (NACH), wherever, NACH facility is available subject to availability of bank account details with 9 digit MICR and 11 digit IFS Code. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013 has mandated usage of electronic mode for making cash payments such as dividend etc. to the investors of Companies whose securities are listed on the Stock Exchange.

6. Shareholders holding shares in physical form and desirous of having NACH facility, should provide their bank details and 9 digit MICR and 11 digit IFS Code number to the Registrar and Share Transfer Agent of the Company immediately. The shareholders who have already given their bank details should furnish the same only if there is any change.

Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agent quoting their Folio Numbers. Shareholders holding shares in dematerialized form, should intimate change of their address, if any, to their Depository Participant.

7. Under Section 124 of the Companies Act, 2013 the amount of dividend remaining unpaid or unclaimed for a period of 7 years from due date is required to be transferred to the Investors Education and Protection Fund, established under corresponding Section 125 of the Companies Act, 2013. In accordance with the Notification of the Ministry of Corporate Affairs any amount of dividend which remained unpaid or unclaimed for a period of seven years from the date such dividend became due for payment have been transferred to the Investor Education and Protection Fund set up by the Government of India.

The Company has uploaded the details of unpaid or unclaimed amounts lying with the Company as on the date of the last AGM (27<sup>th</sup> July 2018) on its website [www.goodricke.com](http://www.goodricke.com).

8. Notice regarding dividend lying unclaimed have been sent to all shareholders concerned on 17th January, 2019.
9. Shares in respect of which dividend has been transferred to the Investor Education and Protection Fund ("IEPF") of the Central Government shall also be transferred to IEPF pursuant to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 ("Rules") read with Section 124 of the Companies Act, 2013. Intimations have been sent to Shareholders concerned requesting them to encash their unclaimed dividends failing which the

Corresponding shares will be transferred to IEPF. The list of Shareholders and the corresponding shares are available on the Company's website [www.goodricke.com](http://www.goodricke.com). in respect of whom such shares have already been transferred to IEPF.

10. As per Regulation 40 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 except in case of transmission or transposition of securities, request for transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Letters have been sent to shareholders holding shares in physical form advising the contents of the said notification.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

## **12. Instructions for voting**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and Listing Regulation the company is pleased to provide members holding shares either in physical form or in dematerialized form, the facility to exercise their right to vote on all the resolutions set forth in this notice by electronic means. The process and manner of voting by electronic means, the time schedule including the time period during which the votes may be cast and all other necessary instructions and information in this respect have been given in a separate sheet attached hereto forming part of the notice.

The Company has also made available voting through ballot at the venue of the Annual General Meeting and the members attending the Annual General Meeting, who have not cast their votes through electronic means shall be able to exercise the right at the Annual General Meeting through ballot.

## **Explanatory Statement**

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

### **ITEM NO. 5**

Mr. Yashpal Levin, (DIN 07169755) aged about 62 years is a Senior Planter.

In terms of the provisions of the Companies Act, 2013 ("The Act"), the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors had at its meeting held on 12<sup>th</sup> February, 2019 re - appointed Mr. Yashpal Levin, as an additional director of the Company w.e.f. 1<sup>st</sup> April, 2019. Mr. Yashpal Levin, being an additional director holds office upto the date of this Annual General Meeting and as proposed in the resolution shall hold office upto 31<sup>st</sup> March, 2020.

Given his vast experience as a planter the Board considers his appointment to be in the interest of the Company and recommends the resolution contained in Item No. 5 of the convening notice for approval of the members as an ordinary resolution.

Since Mr. Yashpal Levin's appointment is upto 31<sup>st</sup> March 2020 his office shall not be considered to be liable to determination by retirement of directors by rotation. Except Mr. Yashpal Levin none of the Directors, Key Managerial Personnel (KMPs), or relatives of Directors or Key Managerial Personnel are interested or concerned in the said resolution.

### **ITEM NO. 6**

Mr. Saurav Adhikari (DIN 08402010) aged about 62 years is responsible for driving corporate strategy at HCL, a \$8.3bn global technology enterprise. In this role he works closely with HCL Founder & Chairman, Shiv Nadar and the leadership teams across HCL to ideate, incubate and operationalise new businesses.

Mr Adhikari brings over 3 decades of global strategic business insight to the role, from his diverse experience with leading global firms like Unilever, Pepsi and Group SEB, in markets across North America, EMEA, APAC and India. His responsibilities include visioning and execution of HCL's mid to long term business strategy. During his 2 decades with HCL, He has been responsible for incubating new businesses, building high impact relationships with consulting majors, private equity funds, investment banks, partners and customers, that have had significant revenue and profit impact for HCL.

He earlier lead the global positioning and branding exercise for HCL drawing on his marketing heritage.

Mr Adhikari schooled at Mayo College, Ajmer in Rajasthan. He did his B.A. in Economics from Hindu College, Delhi University, an MBA from JBIMS, Bombay University and an AMP from INSEAD Fontainebleau, France. and has a passion for integrating strategic and creative thinking processes into delivering business impact.

Given his vast experience the Board considers his appointment to be in the interest of the Company and recommends the resolution contained in Item No. 6 of the convening notice for approval of the members as an ordinary resolution.

He meets the criteria of Independence and has consented to be appointed as a Director. Except Mr. Adhikari none of the Directors, Key Managerial Personnel (KMPs), or relatives of Directors or Key Managerial Personnel are interested or concerned in the said resolution.

#### **ITEM NO. 7**

In terms of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 ('the Rule'), the Board of Directors of the Company at its Meeting held on 12<sup>th</sup> February, 2019 appointed Messrs Shome & Banerjee, Cost Accountants, (Firm Registration No. 000001) as the Cost Auditors of the Company for the financial year ending 31<sup>st</sup> March, 2020 on the recommendation of the Audit Committee of the Company.

The Board, in terms of the Rule, approved the remuneration of the Cost Auditors as recommended by the Audit Committee, which is subject to ratification by the Members of the Company.

The remuneration fixed by the Board is as under :

Cost Auditors	Remuneration
Shome & Banerjee	Rs. 1,85,000/- for auditing the records of the Company

In addition to above, the Cost Auditors will be reimbursed out of pocket expenses as may be incurred by them on actual basis.

The Resolution set out in Item No. 7 of the convening Notice is to be considered accordingly and the Board recommends the same.

No Director or any Key Managerial Personnel of the Company or any of their relatives are concerned or interested, financially or otherwise, in respect of the said resolution.

#### **ITEM No. 8**

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in passing of the Resolution.

The Board recommends that the resolution be adopted by the members.



<b>PARTICULARS RELATING TO DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED</b>				
<b>Name of Director</b>	<b>Mr. Arjun Sengupta</b>	<b>Mrs Susan Ann Walker</b>	<b>Mr. Saurav Adhikari</b>	<b>Mr. Yashpal Levin</b>
<b>Date of Birth</b>	5 <sup>th</sup> December 1957	18 <sup>th</sup> July, 1967	29 <sup>th</sup> July, 1958	18 <sup>th</sup> November 1956
<b>Qualification</b>	Chartered Accountant	Chartered Accountant (UK)	MBA from JBIMS, Bombay University and AMP from INSEAD Fontainebleau, France.	B A
<b>Expertise</b>	Indepth knowledge and experience in the field of Finance & Accounts. Joined the Company in 1987 and become Wholetime Director & CFO from 1 <sup>st</sup> September 2017.	Financial Professional with varied experience in business planning, strategic reviews, Investor Relation, Acquisition, valuation, fund raising(debt and equity including IPO) and reconstructions.	From his diverse experience with leading global firms like Unilever, Pepsi and Group SEB, in markets across North America, EMEA, APAC and India, he imparts global strategic business insight to financial and business development of any organization.	Having varied experience as a senior planter and was involved in various operational activities of the Company. He was inducted in operations department in 2010 and was promoted to Vice President (Operations) in 2014.
<b>Directorship held in other Companies (excluding foreign Companies)</b>	Stewart Holl (India) Limited  Elgin Investments & Trading Company Limited  Goodricke Technical & Management Services Limited  Borbam Investments Ltd.	Stewart Holl (India) Limited  Elgin Investments & Trading Company Limited  Goodricke Technical & Management Services Limited	NIL	NIL
<b>Committee Memberships,if any, with position</b>	NIL	Member- Audit Committee, Goodricke Group Limited	NIL	NIL
<b>Shareholding in the Company</b>	6 shares of Rs. 10/- each	NIL	NIL	NIL

There is no inter-se relationship between the Directors of the Company

## REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Directors have pleasure in presenting their Forty-Third Annual Report and Accounts for the year ended 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS

Particulars	(Rs. In Millions)	
	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March, 2018
Revenue from Operations	7487.88	7305.74
Profit before taxation	256.60	488.55
Tax Expense	161.66	171.33
Profit for the year	94.94	317.22
Other Comprehensive Income (net of tax)	18.54	(50.81)
Total Comprehensive Income	113.48	266.41
Other Equity at year end	2848.55	2852.25

### SHARE CAPITAL

During the year ended 31<sup>st</sup> March, 2019 there is no change in the issued, subscribed and paid up share capital of the Company. The paid up capital as on 31<sup>st</sup> March, 2019 stood at Rs. 216 million divided into 21600000 Equity Shares of Rs.10/- each.

### TRANSFER TO RESERVE

Your Directors do not propose to transfer any amount to the General Reserve for the financial year ended 31<sup>st</sup> March 2019.

### DIVIDEND

Your Directors have recommended a dividend of Rs. 4/- per share (40%). On approval at the forthcoming Annual General Meeting, dividend will be paid to those members whose names appear in the Register of the Company on Record date, ie. on Friday, the 19th July, 2019 subject, however to the provision of Section 126 of the of the Companies Act, 2013. This equity dividend has not been included as a liability in the financial statement.

### INDUSTRY STRUCTURE AND DEVELOPMENT, OPPORTUNITIES & THREATS, OUTLOOK, RISK AND CONCERN

The production of World Tea Crop stood at 5856 Million kgs (provisional) in 2018 as compared to 5697 million kgs in 2017. Indian Tea Crop was approx 1348.75 Million kgs; against 1278 million kgs. last year, the increase resulting from well distributed rainfall and better harvesting patterns. (source: International Tea Committee and Indian Tea Association respectively).

India is one of the several major tea producing centres of the world with tea produced in the country being one of the finest in the world. One of the oldest industries, the Indian tea industry has a large network of retailers, distributors, producers, packers, exporters and auctioneers. The reasons behind the popularity of Indian tea are not far to see – Indian tea owe its greatness to a host of factors from a great geographical spread, strong investments in tea processing facilities, calculated market development, constant innovation to a mix of high quality products. Global consumption of tea is likely to grow because of growing population and perception of the Consumer towards tea as natural health and wellness beverage.