

LONGVIEW TEA COMPANY LIMITED

CIN No. : L15491WB1879PLC000377

BOARD OF DIRECTORS

Pradip Kumar Daga (DIN : 00040692)

Yashwant Kumar Daga (DIN : 00040632)

Manoj Kumar Agrawal (DIN : 00067194)

Santosh Devi Mall (DIN : 07094393)

CHIEF FINANCIAL OFFICER

Sourabh Agrawal

COMPANY SECRETARY

Ankita Agarwal

AUDITORS

Lodha & Co.

Chartered Accountants

REGISTERED OFFICE

16, Hare Street

Kolkata - 700 001

Phone : 033-2248-2391/2/3

Fax : 033-2248 9382

Website : www.longviewtea.org

E-mail : info@longviewtea.org

REGISTRAR & SHARE

TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane, Kolkata - 700 001

Phone : 033-2243-5029/5809, 033-2248-2248

Fax : 033-2248-4787

E-mail : mdpl@cal.vsnl.net.in

mdpldc@yahoo.com

BOARD'S REPORT

Dear Members,

We have pleasure in presenting the Annual Report together with the Financial Statements of the Company for the year ended 31st March, 2017.

Financial Results

The financial performance of the Company is summarized herein below:

(₹in lakhs)

| Particulars | 31st March, 2017 | 31st March, 2016 |
|---|------------------|------------------|
| Profit before Finance Cost, Depreciation and Amortization & Tax | (22.13) | 40.14 |
| Less: Finance Cost | 5.97 | 5.97 |
| Depreciation and amortization | — | — |
| Profit before Exceptional Items and Tax | (28.11) | 34.17 |
| Exceptional Items | 162.68 | — |
| Profit before Tax | 134.57 | 34.17 |
| Current tax | 28.09 | — |
| MAT Credit Entitlement | (28.09) | — |
| Deferred tax | 0.68 | (0.15) |
| Profit for the year after tax carried to Balance Sheet | 133.88 | 34.32 |

Review of Operations

Revenues with other income for financial year ended 31st March, 2017 stood at ₹ 100.78 lakhs and profit before depreciation and amortization, finance cost, and tax, at ₹ (22.13) lakhs and profit for the year after tax was ₹ 133.88 lakhs. Exceptional items represent profit on disposal of long term investments by the Company.

Dividend

Due to the inadequacy of the profit and to conserve the resources of the Company, your Directors do not recommend any dividend for the year.

Subsidiaries/Associate Companies

The Company does not have any Subsidiary or Associate Company.

Directors & KMP

The Board consists of non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning.

In terms of Articles of Association of the Company read with section 150, 152 of the Companies Act, 2013, Shri Pradip Kumar Daga (DIN:00040692), is retiring by rotation and being eligible offered himself for re-appointment.

All Independent directors have submitted their declaration under section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as provided under section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

Policy on Directors' appointment and remuneration

The Company's policy for selection and appointment is based on the policy developed by Nomination and Remuneration Committee which inter-alia deals with the manner of selection of the Board of Directors and such other matters as provided under the Act and SEBI regulations.

Directors' Responsibility Statement

In accordance with the provisions of section 134(5) with respect to Directors' Responsibility Statement, the Board hereby confirms and submits that:—

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively,
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Number of Board Meetings

During the year four Board meetings were held on 26.05.2016, 10.08.2016, 14.11.2016 and 13.02.2017 in respect of which proper notices were given and the proceedings were duly recorded in the minutes book maintained for the purpose. The maximum time gap between two meetings was less than 120 days as stipulated under SEBI's Listing Obligations and Disclosure Requirements, Regulations 2015.

Board Evaluation

Pursuant to the Provisions of the Companies Act, 2013 and in accordance with the SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as the evaluation of the working of its committees. At the meeting of the Board, all the relevant factors that were material for evaluating the performance of the committees and of the Board were discussed in detail. The performance evaluation of the Chairman was carried out by the Independent Directors taking into account views of Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process.

Internal Financial Control and their adequacy

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

Corporate Governance & Management Discussion & Analysis

The Company does not fall under the applicability of the Corporate Governance as laid out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Thus, a report on Corporate Governance does not form part of this report.

Pursuant to SEBI Listing Regulations, report on Management Discussion and Analysis has been enclosed as part of Board's Report.

Auditors' and their Report

M/s. Lodha & Co., Statutory Auditors, holds office until the conclusion of the ensuing Annual General Meeting.

The Board on the recommendation of the Audit Committee, proposed to appoint M/s. V Singhi & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period beginning the conclusion of the ensuing Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year 2022, subject to the ratification at every Annual General Meeting.

The Auditors Report does not contain any reservations, qualifications, or adverse remarks and are self explanatory.

Secretarial Auditors

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and

LONGVIEW TEA COMPANY LIMITED

CIN No. : L15491WB1879PLC000377

Remuneration of Managerial Personnel) Rules, 2014, as amended, the Company had appointed Drolia & Co. Company Secretaries for conducting the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit report for the financial year ended 31/03/2017 does not contain any reservation, qualification or adverse remarks and forms part of the Board's Report.

Audit Committee

The Audit Committee of the Company was constituted by Board. The Committee comprised of Shri Manoj Kumar Agarwal as Chairman, Smt. Santosh Devi Mall and Shri Yashwant Kumar Daga as Members. The Company Secretary is the Secretary of the Committee. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee.

Vigil Mechanism

The Company has established a vigil mechanism that enables the directors and employees to report genuine concerns. The Vigil Mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/CEO/ Chairman of the Audit Committee in exceptional cases. The details of the vigil mechanism are also available on the Company's website at <http://longviewtea.org/investor/Vigil.pdf>.

Risk Management

The Board has approved and implemented Risk Management Policy of the Company including identification and element of risks. The Audit Committee has been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, and identifying, reviewing and mitigating all elements of risk which the Company may be exposed to.

Corporate Social Responsibility

Due to the non-applicability of the conditions for forming the Corporate Social Responsibility Committee, such committee has not been formed by the company.

Deposits

The Company has not accepted Deposit from the members or the general Public during the year. There are no outstanding deposits in terms of Companies (Acceptance of Deposits) Rules, 2014.

Loans, Guarantees & Investments

The Company has not given loans, directly or indirectly to any person or other body corporate or given guarantee or provided security in connection with a loan to any other body corporate or person. The Company has not made any investments as per the provisions of section 186 of the Companies Act, 2013.

Related Parties Transactions

All related party transactions were placed before the Audit Committee for review and approval. Prior approvals were taken on a quarterly basis for transactions which were of regular nature. All related party transactions entered during the year as defined under the Companies Act, 2013 during the financial year, were in ordinary course of business and on arm's length basis. There have been no transactions with the related parties during the financial year which were in conflict with the interests of the Company. Therefore, Form AOC-2 is not applicable.

Change in the Nature of Business

No change has been made in nature of business carried out by the Company during the financial year 2016-17.

Material Changes Affecting Financial Position of the Company

No material Changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company, to which the financial statements relate i.e. 31st March, 2017 and date of Board's Report.

Significant and Material Orders Passed By the Regulators or Courts

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

Conservation of Energy, Research and Development, Technology Absorptions and Foreign Exchange Earnings and Outgo

The Company is in the trading business and has no manufacturing unit. The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 is not applicable to the Company.

Particulars of Employees

The information required under section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below. None of the employee was drawing in excess of the limits laid down in Rule 5(2) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 which needs to be disclosed in the directors report.

- Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year: None of the Director is being paid remuneration except the sitting fees.
- Percentage increase in the remuneration of Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

| Sl. No. | Name and Designation | Remuneration for FY 2016-17 | % increase in remuneration in the FY 2016-17 |
|---------|---|-----------------------------|--|
| 1. | Mr. O.P. Dokania (Chief Executive Officer) | 36,15,000 | — |
| 2. | Mr. Sourabh Agrawal (Chief Financial Officer) | 4,11,000 | — |
| 3. | Ms. Ankita Agarwal (Company Secretary) | 4,38,750 | 15% |

- Percentage increase in the median remuneration of employees in the financial year : Nil
- Number of permanent employees on the rolls of the Company: 4
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average salary increase of employees other than Key Managerial Personnel in the last financial year was 0%.
Average increase in the remuneration of Key Managerial Personnel was 5%.
- The Company affirms that remuneration is as per the Remuneration policy of the Company.

Extract of the Annual Return

An Extract of the Annual Return in Form MGT-9 as on March 31, 2017 pursuant to section 92(3) of the Companies Act, 2013 is duly annexed with this Report.

Acknowledgement

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. The Directors also wish to appreciate all the contribution received from the employees for their diligence and contribution to the growth of the Company.

For and on behalf of the Board of Directors

Place: Kolkata

Pradip Kumar Daga
Director
(DIN : 00040692)

Yashwant Kumar Daga
Director
(DIN : 00040632)

Dated: 30/05/2017

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

To,
The Members,
LONGVIEW TEA COMPANY LTD
16, Hare Street,
Kolkata-700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. LONGVIEW TEA COMPANY LTD.** (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.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, 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 31st March, 2017 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 return filed and other records maintained by the Company for the financial year ended 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing (not applicable during the period of audit);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as applicable to the Company during the period under review:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable during the period of audit);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable during the period of audit);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable during the period of audit);

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the period of audit); and
 - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (not applicable during the period of audit)
- (vi) The following Industry Specific laws:
- (a) Tea Act, 1953
 - (b) The Tea Waste (Control) Order, 1959
 - (c) The Tea Warehouse (Licensing) Order 1989
 - (d) The Tea (Marketing) Control Order, 1984
 - (e) Tea (Distribution and Export) Control Order, 2005

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) Listing Agreement entered into by the Company with **BSE Limited** and SEBI (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 the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has:

- (i) Redeemed Non-Cumulative 7% Redeemable Preference Shares.

For **DROLIA & COMPANY**
Company Secretaries
Pravin Kumar Drolia
Proprietor
FCS No.: 2366
C.P. No.: 1362

Place: Kolkata
Date: 30-05-2017

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Overview

The company is engaged in the business of trading in Tea and Ferrous Metals and the surplus funds generated from the said business being invested in different avenues to augment the financial position.

Industry Structure & Development

The company is presently engaged in the aforesaid trading activities. With the increase in population in the country the demand for tea is rising every year. The production of tea is dependent on the monsoon every year.

Outlook

The demand for Tea is improving in both domestic as well as foreign markets.

Risk and Concerns

For a trading company timely realization of the bills are major risk and high input cost, lack of skilled labour and transportation cost appear to be major concerns. The Company's Directors and Management ensures that stakeholders are not adversely affected. The Company identifies processes which are exposed to risks, determines mitigation strategies to counter these risks and closely monitor their implementation.

Internal Control System and Adequacy

The Company implemented internal control systems to ensure that all assets are safeguarded and protected against losses and all transactions are reported correctly. The Company's internal control system and procedure is commensurate with the size and nature of business.

Financial Performance

This has been covered in the Director's Report under the section on financial results and operations.

Human Resource Development

Employer-employee relations remained cordial during the year under review. The devotion and commitment of our employees has enabled the Company to fulfill its targets and deadlines in time. The number of employees in the company was four during the year.

Cautionary Statement

Statements on Management Discussion and Analysis describing the Company's objectives, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors that could make a significant difference to the Company's objectives include climatic and economic conditions, demand supply conditions, government regulations and taxations, and other incidental factors.

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

[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 : L15491WB1879PLC000377
- (ii) Registration Date : 16th January, 1879
- (iii) Name of the Company : Longview Tea Company Limited
- (iv) Category/Sub-Category of the Company : Limited by shares
- (v) Address of the Registered Office : 16, Hare Street, Kolkata-700001
- (vi) Whether listed Company (Yes/No) : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Maheshwari Datamatics Pvt Ltd
23, R.N. Mukherjee Road, Kolkata-700001
Mail id: mdpldc@yahoo.com
Contact: 033-2243-5029/2231-6839

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. | Trading of Ferrous metal | 4662 | 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. | Nil | Nil | Nil | Nil | Nil |

LONGVIEW TEA COMPANY LIMITED

CIN No. : L15491WB1879PLC000377

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**(i) Category-wise Share Holding**

| Category of shareholders | No. of shares held at the beginning of the year | | | | No of shares held at the end of the year | | | | % of change during the year |
|---|---|----------|---------|-------------------|--|----------|---------|-------------------|-----------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | total | % of total shares | |
| A. Promoters | | | | | | | | | |
| 1) Indian | | | | | | | | | |
| a. Individuals/HUF | 1097609 | NIL | 1097609 | 36.63 | 1109316 | NIL | 1109316 | 37.02 | 1.07 |
| b. Central Govt | | | | | | | | | |
| c. State govt | | | | | | | | | |
| d. Bodies Corp | 217700 | NIL | 217700 | 7.27 | 217700 | NIL | 217700 | 7.27 | NIL |
| e. Banks/FIs | | | | | | | | | |
| f. Any others | | | | | | | | | |
| Sub- total (A) (1): | 1315309 | NIL | 1315309 | 43.89 | 1327016 | NIL | 1327016 | 44.29 | 0.89 |
| 2) Foreign | | | | | | | | | |
| a. NRIs-Individuals | | | | | | | | | |
| b. others individuals | | | | | | | | | |
| c. Bodies Corp. | | | | | | | | | |
| d. Banks/FIs | | | | | | | | | |
| Any others | | | | | | | | | |
| Sub-total (A) (2): | | | | | | | | | |
| Total shareholding of promoter (A)= (A) (1)+(2) | 1315309 | NIL | 1315309 | 43.89 | 1327016 | NIL | 1327016 | 44.29 | 0.89 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a. Mutual funds | NIL | 2000 | 2000 | 0.07 | NIL | 2000 | 2000 | 0.07 | NIL |
| b. Banks/FIs | 104900 | 7500 | 112400 | 3.75 | 104900 | 7500 | 112400 | 3.75 | NIL |
| c. Central govt | | | | | | | | | |
| d. State govt | | | | | | | | | |
| e. Venture Capital fund | | | | | | | | | |
| f. Insurance companies | | | | | | | | | |
| g. FIs | | | | | | | | | |
| h. Foreign venture capital fund | | | | | | | | | |
| i. Others(Specify) | | | | | | | | | |
| Sub-total (B)(1):- | 104900 | 9500 | 114400 | 3.82 | 104900 | 9500 | 114400 | 3.82 | NIL |
| 2. Non-Institutions | | | | | | | | | |
| a. Bodies corp | | | | | | | | | |
| 1.Indian | 41385 | 10802 | 52187 | 1.74 | 21562 | 10802 | 32364 | 1.08 | -37.98 |
| 2.Oversas | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b. Individuals | | | | | | | | | |
| I. Individuals shareholding nominal share capital upto Rs. 1 lakh | 229644 | 1040655 | 1270299 | 42.39 | 224294 | 1022795 | 1247089 | 41.62 | -1.83 |
| II. Individual shareholding nominal capital in excess of Rs. 1 lakh | 244005 | 0 | 244005 | 8.14 | 274520 | 0 | 274520 | 9.16 | 12.51 |