ROSSELL INDIA LIMITED

Date: 10th August, 2018

Department of Corporate Services BSE Limited Ground Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400 001 Scrip Code: 533168	National Stock Exchange of India Limited Listing Department, Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Symbol : ROSSELLIND	The Secretary The Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata – 700 001

Dear Sir,

Sub: Submission of Annual Report

In terms of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Annual Report of the Company for the Financial Year ended 31st March, 2018, which was approved and adopted by the Members at the 24th Annual General Meeting of the Company held on 8th August, 2018.

Please note that the Annual Report contains all the items as specified in Regulation 34(2) and 34(3) of the aforesaid Regulations, save and except the Business Responsibility Report, not applicable to us.

Yours faithfully,
For ROSSELL INDIA LTD.

(N K KHURANA)
DIRECTOR (FINANCE) and
COMPANY SECRETARY

Encl : As above

ROSSELL INDIA LIMITED

Annual Report 2017 - 2018

TEA

AEROSPACE & DEFENSE

KEBAB XPRESS

Corporate Information

BOARD OF DIRECTORS

H. M. Gupta, *Executive Chairman (KMP – Chief Executive Officer)*
Dr. S. S. Baijal, *Non-Executive-IndependentDirector*
H. M. Parekh, *Non-Executive-IndependentDirector*
V. P. Agarwal, *Non-Executive-IndependentDirector*
N. Palchoudhuri, *Non-Executive-Independent Director*
N. K. Khurana, *Director (Finance) and Company Secretary (KMP-Chief Financial Officer)*
R. M. Gupta, *Whole Time Director*

AUDIT COMMITTEE

Dr. S. S. Baijal, *Non-Executive-Independent Director (Chairman)*
H. M. Parekh, *Non-Executive-Independent Director (Member)*
V. P. Agarwal, *Non-Executive-Independent Director (Member)*
N. Palchoudhuri, *Non-Executive-Independent Director (Member)*

NOMINATION AND REMUNERATION COMMITTEE

H. M. Parekh, *Non-Executive-Independent Director (Chairman)*
Dr. S. S. Baijal, *Non-Executive-Independent Director (Member)*
V. P. Agarwal, *Non-Executive-Independent Director (Member)*

STAKEHOLDERS' RELATIONSHIP COMMITTEE

H. M. Parekh, *Non-Executive-Independent Director (Chairman)*
V. P. Agarwal, *Non-Executive-Independent Director (Member)*
N. K. Khurana, *Director (Finance) and Company Secretary (Member)*

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Dr. S. S. Baijal, *Non-Executive-Independent Director (Chairman)*
V. P. Agarwal, *Non-Executive-Independent Director (Member)*
N. K. Khurana, *Director (Finance) and Company Secretary (Member)*

RISK MANAGEMENT COMMITTEE

H. M. Parekh, *Non-Executive-Independent Director (Chairman)*
N. Palchoudhuri, *Non-Executive-Independent Director (Member)*
N. K. Khurana, *Director (Finance) and Company Secretary (Member)*

KMP – Key Managerial Personnel

DIVISIONAL HEADS

S. S. Sikand - Rossell Tea
P. K. Bhagvandas - Rossell Techsys
AVM (Retd.) S. K. Sofat - Aerotech Services
J. S. Kandhari - Rossell Hospitality

AUDITORS

M/s. Khandelwal Ray & Co.,
Chartered Accountants

BANKERS

HDFC Bank Limited
Kotak Mahindra Bank Limited
The Federal Bank Limited
YES Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

CB Management Services Private Limited
P-22, Bondel Road,
Kolkata-700 019

REGISTERED OFFICE

Jindal Towers, Block 'B', 4th Floor,
21/1A/3, Darga Road, Kolkata - 700017

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Notice

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of Rossell India Limited will be held on Wednesday, 8th August, 2018, at 10:30 A.M. at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt –

   (a) The Audited Financial Statement of the Company for the Financial Year ended 31st March, 2018 together with the Reports of the Directors and Auditors thereon; and

   (b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2018 together with the Report of the Auditors thereon.

2. To appoint a Director in place of Mr. N.K. Khurana (DIN - 00123297), who retires by rotation, and, being eligible offers himself for re-appointment.

SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modification(s), the following Resolutions.

3. As Ordinary Resolution:

"**RESOLVED THAT** Mr. Rishab Mohan Gupta (DIN - 05259454), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 9th February, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 and Article 79 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation pursuant to Article 75 of the Articles of Association of the Company."

4. As Special Resolutions:

"**RESOLVED THAT** pursuant to the provisions of Section 188, 196,197 and other applicable provisions, if any, of the Companies Act, 2013 read with Section I and Section II of Part II of Schedule V to the said Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Rishab Mohan Gupta (DIN - 05259454), be and is hereby appointed as the Whole Time Director of the Company, for a period of 3 (Three) years commencing from 9th February, 2018 to hold office till 8th February, 2021 on the terms and conditions, including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting and approved by the Board of Directors, upon recommendation made by the Nomination and Remuneration Committee of the Board in accordance with Schedule V, Section I and Section II of Part II of the Companies Act, 2013 and also approved by the Audit Committee of the Board in accordance with the Policy of the Company on Related Party Transactions."

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

5. As Special Resolutions:

"**RESOLVED THAT** pursuant to the provisions of Section 188, 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Section I and Section II of Part II of Schedule V to the said Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, consent of the Members be and is hereby accorded to the re-appointment of Mr. H. M. Gupta, Managing Director (DIN: 00065973) designated as Executive Chairman for a further period of 3 (Three) years i.e. for the period from 1st April, 2018 to 31st March, 2021 on the terms and conditions, including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting and approved by the Board of Directors, upon recommendation made by the Nomination and Remuneration Committee of the Board in accordance with Schedule V, Section I and Section II of Part II of the Companies Act, 2013 and also approved by the Audit Committee of the Board in accordance with the Policy of the Company on Related Party Transactions."

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

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6. As Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder read with Schedule IV to the Act, and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Nayantara Palchoudhuri (DIN - 00581440), existing Non-Executive Director on the Board of the Company, having submitted the required declaration of independence as provided in section 149(7) of the Companies Act, 2013 and thus eligible for appointment as Independent Director in the opinion of the Board, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years commencing from 9th February, 2018 till 8th February, 2023 and shall not be liable to retire by rotation hereinafter in accordance with the provisions of Section 152 (6) the Companies Act, 2013 ."

7. As Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, M/s Shome and Banerjee, Cost Accountants, (Registration No. 000001), the Cost Auditors appointed by the Board, to conduct the audit of the cost records of the Company in respect of products of Rossell Tea and Rossell Techsys Divisions for the Financial Year ending 31st March, 2019, be paid remuneration as set out in the Explanatory Statement annexed to the Notice.

By Order of the Board

N K Khurana
Director (Finance) and
Company Secretary

Place: Kolkata
Date: 24th May, 2018

NOTES

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/ herself and such proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the commencement of AGM. The Instrument of Proxy in Form MGT 11 to be used in this AGM is enclosed.**

   Pursuant to Section 105 of the Companies Act, 2013 (the Act) read with clause 6 of the Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate Members/ Societies intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of the resolution passed by the Board of Directors / Governing Board, authorizing their representatives to attend and vote on their behalf at the AGM.
3. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 2nd August, 2018 to 8th August, 2018 (both days inclusive) for the purpose of the 24th AGM.
5. The Explanatory Statement pursuant to section 102 (1) of the Act, setting out the material facts concerning each item of Special Business is Annexed to this Notice.
6. Members who are holding shares in identical order of names in more than one Folio in physical form are requested to write to the Company / the Registrars to consolidate their holdings in one Folio.
7. **Members are requested to bring the Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.**

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8. Members are requested to :

   (i) quote their Registered Folio Numbers / Client ID Nos. in all correspondences with the Company / with the Registrar; and

   (ii) promptly notify any change in their address to the Company / the Registrar, CB Management Services Private Limited, P-22, Bondel Road, Kolkata – 700 019, in case they still hold the Equity Shares in physical form.

9. **Transfer of Unpaid Dividend and unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Authorities :**

   Pursuant to the provisions of Sub-Section 5 of Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after completion of 7 (seven) years.

   Further, In terms of the provisions of Section 124 (6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to an IEPF Suspense Account.

   In compliance with the above provisions, the following amounts of unpaid dividend pertaining to the Financial Year 2009-2010 along with corresponding Equity Shares thereto were transferred to Investor Education and Protection Fund (IEPF) Authorities of the Central Government during the Financial Year 2017-2018:

Amount of Unpaid Dividend pertaining to the Financial Year 2009-2010 transferred to IEPF	₹ 81,097
No. of Corresponding Shares transferred to IEPF	1,91,165 Equity Shares

   Accordingly, the Company would be transferring the unpaid final dividend and corresponding unclaimed shares for the year ended 31st March 2011, during September, 2018 to IEPF. Those Members, who have not so far encashed their Dividend Warrants from the year ended 31st March, 2011 onwards may immediately approach the Company/Registrar for revalidation of such Dividend Warrants.

   The shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are available on the Company's website at http://www.rossellindia.com/financials.html.

10. **Unclaimed Equity Shares**

    In terms of Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is maintaining an account under the name and style "Unclaimed Suspense Account", with IL&FS Securities Services Limited, Mumbai and the unclaimed 33,525 Equity Shares of the Company belonging to 71 Members are lying therein as on 31st March, 2018, since the date of opening of the Account. During the Financial Year 2017-2018, the Company received claims from three members for transfer of 600 Equity Shares, along with valid documents, from the said Unclaimed Suspense Account and accordingly approved the same. Further, in compliance with the provisions of Section 124 (6) of the Act read with Rule 6 of the IEPF Rules, 75,410 Equity Shares of the Company belonging to 406 Members, which were earlier lying in the aforesaid Unclaimed Suspense account and in respect of which dividend remained unpaid/unclaimed for more than seven years were transferred to IEPF Authorities.

    The Members concerned are requested to lodge their claim with the Company's Registrars and Share Transfer Agents, CB Management Services Private Limited in case no Equity Shares have been received by them after sub-division of the Equity Shares of the Company.

11. The Members are requested to contact the Company's Registrar and Share Transfer Agent, CB Management Services Private Limited for all their queries, transfer requests, or any other matter relating to their shareholding in the Company as per their following contact details:

    P-22, Bondel Road
    Kolkata – 700 019
    Tel: 033 - 40116700, 40116711, 40116718, 40116723
    Fax: 033 - 22870263
    Email ID: rta@cbmsl.co / ranarc@cbmsl.co

12. Dematerialization of the Equity Shares of the Company

    The Equity Shares of the Company are compulsorily required to be held under DEMAT mode for Trading on the Stock Exchanges, where such Equity Shares are listed. These can be held in electronic form with any Depository Participant (DP) with whom the Members have their Depository Account. All the Members, holding Equity Shares of the Company in the physical form, are

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advised to get the same dematerialized. The Members may contact the Registrar and Share Transfer Agent of the Company at their address mentioned above in case of any query /difficulty in the matter or at the Registered Office of the Company.

13. Pursuant to Section 101 and Section 136 of the Act, read with Rule 11 of the Companies (Accounts) Rules, 2014, and in support of the concept of 'Green Initiative', the Company would serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company, the Registrar and Share Transfer Agents or with the Depository. Therefore, Members who have not registered their e-mail addresses so far are requested to register their e-mail id with the Company's Registrar and Share Transfer Agent at www.cbmsl.com/green.php or with the Company at corporate@rosselltea.com.

14. The Annual Report of the Company circulated to the Members of the Company, shall be made available on the Company's website at www.rossellindia.com.

15. Members are requested to send their queries, if any, on Annual Report to the Company Secretary, at least 7 days before the date of Meeting, so that the requisite information/explanations can be provided in time.

16. The route map showing directions to reach the venue of the 24th Annual General Meeting is annexed at end of this Notice as per the requirement of the Secretarial Standards-2.

17. **Voting through electronic means:**

    a) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the Members, the facility to cast their votes through e-voting (including remote e-voting) on all Resolutions set forth in this Notice. The facility for voting through ballot or polling paper shall also be made available at the Meeting and Members attending the Meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting.

    b) The Board of Directors has appointed M/s. A. K. Labh & Co., Practicing Company Secretaries, (Membership No. F4848) Kolkata as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

    c) The facility for voting, through Ballot/poll paper, shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the AGM.

    The details of the process and manner for remote e-voting are explained herein below:

    Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

    Step 2: Cast your vote electronically on NSDL e-Voting system.

    Details on Step 1 are mentioned below:

    How to Log-in to NSDL e-Voting website?

    1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
    2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
    3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

    Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

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4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

   Details on Step 2 is given below:

   How to cast your vote electronically on NSDL e-Voting system?
   a) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
   b) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
   c) Select "EVEN" of company for which you wish to cast your vote.
   d) Now you are ready for e-Voting as the Voting page opens.
   e) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
   f) Upon confirmation, the message "Vote cast successfully" will be displayed.
   g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizeraklabh@gmail.com; aklabh@aklabh.com; aklabhcs@gmail.com with a copy marked to evoting@nsdl.co.in.

2 It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3 In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

Other Instructions:

i) The e-voting period commences on Sunday, 5th August, 2018 (9.00 a.m. IST) and ends on Tuesday, 7th August, 2018 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, 1st August 2018, i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

ii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

iii) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

iv) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

v) The voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the cut-off date of 1st August, 2018.

vi) The Scrutiniser shall, immediately after the conclusion of voting at General Meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within 3 days of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.

vii) The results along with the Scrutinisers Report shall be placed on the website of the Company and on the website of NSDL and shall be communicated to BSE Limited and National Stock Exchange of India.

viii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company or to the Company's Registrar and Share Transfer Agent, named above.

By Order of the Board

N K Khurana
Director (Finance) and
Company Secretary

Place: Kolkata
Date: 24th May, 2018

Notice

EXPLANATORY STATEMENT

[Pursuant to Section 102 (1) Of the Companies Act, 2013 (the Act)]

Attached to the Notice convening the Twenty Fourth Annual General Meeting to be held on 8th August, 2018.

ITEMS NO. 3 and 4

Mr. Rishab Mohan Gupta, (DIN - 05259454), (Mr. RMG) has been associated with the Company since 1st January, 2008 and has worked in various capacities in the Company. He was elevated to the position of Executive Vice President from 1st August, 2015 and has been actively involved in the business of Aviation Products and Services as well as international business development. He has been overseeing the business operations of Rossell Techsys and Rossell Hospitality Divisions of the Company. He is aged about 31 years and did his education from Suffolk University, Boston, USA. He carries considerable responsibilities in the Company and as part of the Senior Management Team is also involved in Strategy and Policy decision making at the Corporate Level.

Keeping the above in view, the Nomination and Remuneration Committee of the Board of Directors of the Company at its Meeting held on 9th February, 2018, has identified Mr. RMG as a fit and proper person to be elevated as a Director of the Company. Accordingly, the Committee recommended his appointment as an Additional Director on the Board of the Company to hold office till the conclusion of this Annual General Meeting. The Committee also recommended his appointment as a Whole Time Director of the Company, subject to approval of the Members at this Annual General Meeting.

Since Mr. RMG is a Related Party within the meaning of Section 2 (76) of the Act as well as Regulation 2 (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Audit Committee of the Board at their Meeting held on 9th February , 2018, endorsed the recommendation of the Nomination and Remuneration Committee and recommended to the Board, the appointment of Mr. RMG as a Whole Time Director, for a period of 3 years, commencing from 9th February, 2018 till 8th February, 2021, in compliance with the Company's Policy on Related Party Transactions and the provisions of Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has also received a notice under Section 160(1) of the Act from one of the Members of the Company signifying their intention to propose the candidature of Mr. RMG for the office of Director of the Company.

Based on the recommendations of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors in their Meeting held on 9th February, 2018, has approved the appointment of Mr. RMG as a Whole Time Director for a period of 3 years, commencing from 9th February, 2018 till 8th February, 2021, subject to approval by the Members of the Company by way of Special Resolution, at a remuneration to be paid to him as approved by the Nomination and Remuneration Committee at its Meeting held on 27th March, 2018 in accordance with the Remuneration Policy of the Company and detailed below:

1. **Salary:**

   ₹ 5,00,000 only per month in the range of ₹ 3,00,000– ₹ 6,00,000 Annual increments to Mr. RMG during his tenure shall be based on the recommendation of the Nomination and Remuneration Committee within the aforesaid scale in accordance with the Remuneration Policy of the Company and approval of such increment by the Audit Committee in accordance with the Policy on Related Party Transactions.

2. **Perquisites and Allowances:**

   The quantum of perquisites and allowances in such form and in such manner, as may be decided from time to time by the Nomination and Remuneration Committee, Audit Committee and the Board of Directors, shall be restricted to the following ceilings. Within the specified ceiling, Mr. RMG shall be entitled to following perquisites and allowances:

   i) Special Allowance: Not exceeding 40% of Salary.

   ii) Servants: Provision of servants not exceeding three in numbers or servant allowance not exceeding 10% of salary.

   iii) Medical: Reimbursement of expenses incurred for self and family, subject to a ceiling of one month's salary in one year or three months' salary during the present tenure of his appointment.

   iv) Club Subscriptions: Monthly subscriptions for not more than 3 clubs.

   v) Leave Travel Allowance: For self and family, once in the year in accordance with the Rules of the Company.

   vi) Contribution to Provident Fund and Gratuity Fund: As per Rules of the Company.

   vii) Earned Leave as per Rules of the Company. Leave not availed shall be allowed to be encashed.

Notice

Provision of Car for use on Company's business, telephones at residence and mobile telephones will not be considered as perquisites.

Perquisites shall be evaluated as per Income Tax Act, 1961 as provided under Section 2 (78) of the Act.

3. Minimum Remuneration:

In the event of loss or inadequacy of profit in any Financial Year during the tenure of Mr. RMG , he will be entitled to the Minimum Remuneration comprising of Salary, Perquisites and Allowances within the applicable ceiling as prescribed under Part II Section II Clause (A) proviso of Schedule V to the Act. Accordingly, approval is being obtained from the Members by Special Resolutions. In that event, the above Salary, Allowances and Perquisites shall be payable as Minimum Remuneration, as applicable.

4. Overall Remuneration:

The overall remuneration payable to Mr. RMG shall not, subject to minimum remuneration as specified hereinabove, exceed 5% of the Net Profits of the Company in a Financial Year computed in the manner laid down in Section 198 of the Act with overall remuneration payable to all the managerial personnel remaining within the total ceiling of 10% of the Net Profits of the Company computed in the manner as aforesaid.

5. Disentitlement to Director's Fees:

Mr. RMG shall not, so long as he functions as the Whole Time Director of the Company, be entitled to receive any fee for attending any Meeting of the Board or a Committee thereof.

6. Duties:

Mr. RMG shall be responsible for the development of the entire business segment of Aviation Products and Services as well as international business development thereof. He shall continue to oversee the performance of other Divisions of the Company and also perform such other duties, as may be entrusted to him by the Board from time to time and separately communicated to him.

Your Directors feel that with his broad vision and future plans, the Company would continue to grow in size. The Directors recommend adoption of the proposed resolutions for appointment of Mr. RMG as a Director as well as a Whole Time Director of the Company.

None of the Directors, Key Managerial Personnel or their relatives, other than Mr. RMG himself and Mr. H.M. Gupta, in his capacity as his father, are concerned or interested in the proposed Special Resolutions at Items No. 3 and 4 of the Notice.

ITEM NO. 5

The existing tenure of appointment of Mr. H. M. Gupta, (DIN - 00065973), Executive Chairman, (Mr. Gupta) as Managing Director has expired on 31st March, 2018. In view of the fact, the Board of Directors, at its Meeting held on 27th March, 2018 has approved the re-appointment of Mr. Gupta as Managing Director designated as Executive Chairman for a further period of 3 (Three) years i.e. for the period from 1st April, 2018 to 31st March, 2021, on the terms and conditions, including remuneration effective from the date of his re-appointment to be settled further subject to approval of the Nomination and Remuneration Committee of the Board as well as the Audit Committee of the Board.

Since Mr. Gupta is a Related Party within the meaning of Section 2(76) of the Act as well as Regulation 2 (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of the Board at their Meeting held on 23rd May, 2018, has approved the terms of his re-appointment in compliance with the Company's Policy on Related Party Transactions and the provisions of Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Nomination and Remuneration Committee of the Board also reviewed, approved and recommended to the Board the terms of re-appointment of Mr. Gupta in accordance with the Remuneration Policy of the Company at its Meeting held on 23rd May, 2018.

Based on the recommendations of the Audit Committee and the Nomination and Remuneration Committee of the Board, the Board of Directors at their Meeting held on 24th May, 2018 has approved the terms of re-appointment of Mr. Gupta for a further period of 3 years commencing from 1st April, 2018 till 31st March, 2021, subject to approval by the Members of the Company by Special Resolution, at a remuneration to be paid to him as approved by the Nomination and Remuneration Committee in accordance with the Remuneration Policy of the Company and detailed below:

Notice

1. **Salary:**

   ₹ 7,00,000 only per month in the range of ₹ 700,000 – ₹ 10,00,000. Annual Increments to Mr. Gupta during his tenure shall be based on the recommendation of the Nomination and Remuneration Committee within the aforesaid scale after review and approval of such increment by the Audit Committee in accordance with the Policy on Related Party Transactions.

2. **Perquisites and Allowances:**

   The sum total of the perquisites and allowances payable to Mr. Gupta during the period as aforesaid, shall be restricted to an amount equal to 100% of Annual Salary. Within the aforesaid ceiling Mr. Gupta shall be entitled to following perquisites and allowances:

   i) Special Allowance: Not exceeding 40% of Salary.

   ii) Housing: Rent-free furnished accommodation, for which rent shall not exceed 50% of the salary, along with actual expenditure on gas, electricity, water and furnishing.

   iii) Servants: Provision of servants not exceeding four in numbers.

   iv) Medical: Reimbursement of expenses incurred for self and family, subject to a ceiling of one month's salary in one year or three months' salary during the present tenure of his appointment. The same would include the premium for Membership of Group Medical Policy.

   v) Club Subscriptions: Monthly subscriptions for not more than 3 clubs.

   vi) Contribution to Provident Fund as per Rules of the Company.

   vii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service as per Rules of the Company.

   viii) Earned Leave as per Rules of the Company. Leave not availed shall be allowed to be encashed.

   ix) Provision of Car for use on Company's business, telephones at residence and mobile telephones will not be considered as perquisites.

3. **Commission:**

   Maximum @ 5% of the Net Profits, as may be decided by the Board from time to time, upon recommendation by the Nomination and Remuneration Committee and approval of the Audit Committee, within the overall limit of the managerial remuneration as per the Act.

4. **Minimum Remuneration:**

   In the event of loss or inadequacy of profit in any Financial Year during the tenure of Mr. Gupta, he will be entitled to the Minimum Remuneration comprising of Salary, Perquisites and Allowances within the applicable ceiling as prescribed under Part II Section II Clause (A) proviso of Schedule V to the Act. Accordingly, approval is being obtained from the Members by a Special Resolution. In that event, the above salary, Allowances and Perquisites shall be suitably adjusted within the scale of Minimum Remuneration, as applicable.

5. **Overall Remuneration:**

   The overall remuneration payable to Mr. Gupta shall not, subject to Minimum Remuneration as specified hereinabove, exceed 5% of the Net Profits of the Company in a Financial Year computed in the manner laid down in Section 198 of the Act with overall remuneration payable to all the managerial personnel remaining within the total ceiling of 10% of the Net Profits of the Company computed in the manner as aforesaid.

6. **Option to draw Remuneration:**

   Since Mr. Gupta is also a Managing Director of another Public Limited Company viz. BMG Enterprises Ltd. (Holding Company) in accordance with Section V of Part II of Schedule V to the Act, Mr. Gupta may draw his remuneration from one or both the Companies, provided that the total remuneration drawn from the said two Companies does not exceed the higher maximum limit admissible from any one of the Companies, of which he is a Managing Director.

7. **Disentitlement to Director's Fees:**

   Mr. Gupta shall not, so long as he functions as the Managing Director (Executive Chairman) of the Company, be entitled to receive any fee for attending any Meeting of the Board or a Committee thereof.

8. Duties:

Mr. Gupta shall have substantial power of Management of the Company under the supervision, guidance and control of the Board.

The Directors recommend adoption of the proposed special resolutions for re-appointment of Mr. Gupta as Managing Director designated as Executive Chairman of the Company.

None of the Directors, Key Managerial Personnel or their relatives, other than Mr. Gupta himself and Mr. Rishab Mohan Gupta, in his capacity as his son, are concerned or interested in the proposed Special Resolutions at Item No. 5 of the Notice.

ITEM NO. 6

The Board of Directors, at its Meeting held on 9th February, 2018 has appointed Ms. Nayantara Palchoudhuri (DIN - 00581440), (Ms. NTPC) existing Non-Executive Director on the Board of the Company as an Independent Director for a period of 5 (five) years commencing from 9th February, 2018 till 8th February , 2023 and shall not be liable to retire by rotation hereinafter in accordance with the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, Rules framed thereunder read with Schedule IV to the Act, and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received a declaration from Ms. NTPC to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ms. NTPC is a fourth generation Tea Planter with more than two decades experience in successful operation and management of her family owned Tea business. She has been associated with the Company from 6th August, 2014 as Non-Executive, Non-Independent, Woman Director and well conversant with all the business operations of the Company.

Keeping in view her professional background, business acumen and expertise in Tea Industry as well as her satisfying the criteria of Independence, as aforesaid, the Nomination and Remuneration Committee considered it prudent to appoint her as Independent Director to balance the composition of the enlarged Board with 3 Nos. Managing/Whole time Directors and 4 Nos. Independent Directors, including Ms. NTPC.

In the opinion of the Board, Ms. NTPC fulfils the conditions specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Director and therefore recommend adoption of the proposed Ordinary Resolution for such appointment of Ms. NTPC on the Board of the Company.

None of the Directors, Key Managerial Personnel or their relatives, other than Ms. Nayantara Palchoudhuri herself is concerned or interested in the proposed Ordinary Resolutions at Items No. 6 of the Notice.

ITEM NO. 7

The Board, upon recommendation of the Audit Committee, has approved the appointment of M/s. Shome & Banerjee, Cost Accountants (Registration No. 000001) as Cost Auditors to conduct the audit of the Cost Records maintained in respect of products of Rossell Tea and Rossell Techsys Divisions of the Company for the Financial Year ending 31st March, 2019 at a remuneration of ₹ 1,20,000 (Rupees one lakh twenty thousand) plus applicable Taxes thereon and reimbursement of actual out of pocket expenses.

In terms of provision of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration payable to the Cost Auditors is subject to ratification by the Members of the Company.

Accordingly, the consent of the Members is sought by way of Ordinary Resolution in this regard. The Directors recommend the proposed Ordinary Resolution for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the proposed Ordinary Resolution at Item No. 7 of the Notice.

By Order of the Board

N K Khurana
Director (Finance) and
Company Secretary

Place: Kolkata
Date: 24th May, 2018

Notice

Statement pursuant to the requirement of Clause (B), Section II, Part-II, of Schedule V of the Companies Act, 2013 for Remuneration proposed to be paid to Mr. Rishab Mohan Gupta, Whole Time Director and Mr. Harsh Mohan Gupta, Managing Director, designated as Executive Chairman.

I. General Information:

(1) Nature of Industry

The Company is a multi-divisional Conglomerate and is engaged in the following business:

(a) Rossell Tea Division: Cultivation, Manufacture and Sale of Black Tea.

(b) Aerotech Services Division: Technical and Support Services.

(c) Rossell Techsys Division: Design and Development of Avionics Equipment.

(d) Rossell Hospitality Division: Indian Quick Service Restaurants known as "Kebab Xpress"

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

The Company is an existing Company and owns Seven (7) Tea Estates in the State of Assam. The Aerotech Services Division and Rossell Techsys Division commenced business activities on and from 1st April, 2006 and 1st October, 2008 respectively. Rossell Hospitality Division was created on 1st December, 2011. At present they have 12 outlets of "Kebab Xpress" in National Capital Region Delhi.

(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: **(₹ in lakhs)**

Particulars	2017-2018	2016-2017
Total Turnover	**19,500.27**	16,036.51
Operating Profit before Finance Costs and Depreciation	**1,524.24**	680.43
Less : Finance Costs	**718.40**	589.50
Profit before Depreciation	**805.84**	90.93
Depreciation	**967.08**	880.64
Profit (Loss) before Taxation	**(161.24)**	(789.71)

(5) Foreign Investments and Collaborators, if any

During the year, the Company has not made any Investments in RV Enterprizes Pte. Ltd., Singapore (Joint Venture). Thus, the aggregate cost of total Foreign Investments as on 31st March, 2018 remains at the same level at ₹ 2,011.49 lakhs. However, the same has been impaired by ₹ 254.54 lakhs as on 31st March, 2018 and the present value thereof is ₹ 1,756.95 lakhs.

Notice

II. Information about the appointees

Name of the Director	Mr. R.M. Gupta	Mr. H.M. Gupta
Background details	Mr. RMG has been associated with the Company since 1st January, 2008 and has worked in various capacities in the Company. He was elevated to the position of Executive Vice President from 1st August, 2015 and has been actively involved in the business of Aviation Products and Services as well as international business development. He has been overseeing the business operations of Rossell Techsys and Rossell Hospitality Divisions of the Company. He is aged about 31 years and did his education from Suffolk University, Boston, USA. He carries considerable responsibilities in the Company and as part of the Senior Management Team is also involved in Strategy and Policy decision making at the Corporate Level.	Mr. Gupta is B.A. (Hons.) and expert in International Trade and Business. He has been associated with Aviation business for more than 40 years, besides having comprehensive knowledge of the Tea Industry. He has hands on experience of the Hospitality Industry and is actively engaged in steering the Rossell Hospitality Division. He has been a Director of the Company since inception, Executive Vice Chairman since 1st May, 1996 and Executive Chairman since 1st February, 2001.
Past Remuneration	Mr. RMG was paid the remuneration in terms of the Members approval obtained in the Annual General Meeting held on 31st July, 2015. His remuneration for the year 2015-2016 as Vice President was ₹ 46.66 lakhs p.a. and for 2016-2017 and 2017-2018 as Executive Vice President was ₹ 72.86 lakhs and ₹ 66.33 lakhs p.a. respectively. During the Financial Year 2017-2018 he has drawn ₹ 10.98 Lakh towards remuneration as Whole Time Director w.e.f. 09.02.2018 till 31.03.2018.	Mr. Gupta was paid the remuneration in terms of the resolution passed by the Members of the Company in the Annual General Meeting held on 31st July, 2015. The remuneration for the year 2015-2016, 2016-2017 and 2017-2018 as the Executive Chairman was ₹ 102.85 lakhs, ₹ 110.65 lakhs and ₹ 110.75 lakhs (Minimum Remuneration) respectively.
Recognition or awards	-	Mr. Gupta is a Member of the Executive Committee of Federation of Indian Chamber of Commerce and Industry.
Job profile and his suitability	Since he has been overseeing the business operations of Rossell Techsys and Rossell Hospitality Divisions of the Company, your Board believes that with his business vision and future plans, the Company would continue to grow in size.	As the Managing Director, Mr. Gupta has been in overall control of the overall affairs of the Company since the last 22 years. He has been leading the Board of Directors of the Company in his capacity as Chairman. Having regard to his vast experience and insight into the Company - with comprehensive knowledge in both Tea and Aviation Industry and hands on experience of the Hospitality Industry, Mr. Gupta is perfectly suited for re-appointment as Managing Director (Executive Chairman) of the Company.
Remuneration proposed	The remuneration proposed to be paid to Mr. RMG, as recommended by the Nomination and Remuneration Committee and accepted by the Board of Directors, has been embodied in the Explanatory Statement of the proposed Special Resolution under item no. 4.	The remuneration proposed to be paid to Mr. Gupta, as recommended by the Nomination and Remuneration Committee and accepted by the Board of Directors, has been embodied in the Explanatory Statement of the proposed Special Resolution under item no. 5.

Comparative remuneration Profile with respect to Industry

Name of the Company	Designation	Total Remuneration (₹ in Lakhs)	Year
Mcleod Russel India Ltd.	Whole Time Director and CFO	197.46	2016-17
Goodrick Group Ltd.	Managing Director	184.87	2016-17
Warren Tea Ltd.	Managing Director	110.91	2016-17

Notice

Pecuniary Relationship	Except for the remuneration in consideration of his services rendered to the Company, Mr. RMG does not have any pecuniary relationship with the Company, except as disclosed in the relevant Notes to the Accounts. As a Shareholder of the Company, Mr. RMG and his relatives are also entitled to receive such dividend as may be declared by the Company in respect of each of the Financial Years.	Except for the remuneration in consideration of his services rendered to the Company, Mr. Gupta does not have any pecuniary relationship with the Company, except as disclosed in the relevant Notes to the Accounts. As a Shareholder of the Company, Mr. Gupta and his relatives are also entitled to receive such dividend as may be declared by the Company in respect of each of the Financial Years.

III. Other Information

(1) Reasons of Loss or inadequate Profit

During the Financial Year 2017-2018, the profitability of the Company has been adversely affected on account of continuing losses in the Rossell Hospitality Division of the Company, adversely impacting the overall profit of the Company.

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

The key focus at Rossell Hospitality is to try and achieve break-even point at outlet level. All out efforts have been engaged to enhance revenues and reduce the losses. The efforts and strategy push on the digital platform is yielding good growth as there is a change in the world order, whereby digital media is playing a paramount role in driving business in everyday life and the QSR segment is no exception.

(3) Expected increase in Productivity and Profits in measurable terms

Although the present fundamentals in the market have a favorable impact on the general business sentiments and growth in the various business verticals of the Company in days ahead, the productivity and profitability in respect of any of the businesses cannot be quantified in measurable terms, due to uncertainties involved.

IV. Disclosures

(1) Information on the Remuneration Package of the Managing Director and Whole Time Director

The details of the Remuneration package have been embodied in the Explanatory Statement of the proposed Special Resolution.

(2) Disclosure under Corporate Governance in the Report of the Board of Directors

The Report on Corporate Governance in Annexure 1 to the Report of the Board of Directors includes the required disclosures.

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015:

Particulars	(1)	(2)
Name of the Director	**Mr. R. M. Gupta**	**Mr. H.M. Gupta**
Date of Birth	16th March, 1987	13th September, 1954
Date of Appointment	9th February, 2018 as Whole Time Director	10th June, 1994 as Director 1st May, 1996 as Managing Director
Qualifications	Graduation from Suffolk University, Boston, USA.	B. A. (Hons.)
Expertise in specific functional areas	Mr. R MG has been associated with the Company since 1st January, 2008 and has worked in various capacities in the Company in the field of Business Development.	Over 43 years of rich experience in International Trade and Business besides having comprehensive knowledge of Tea and Aviation Industry.
Companies in which he/she holds Directorship	• Rossell India Ltd • Harvin Estates Private Ltd. • BMG Investments Private Ltd. • CAE Rossell India Ltd	• Rossell India Ltd. • BMG Enterprises Ltd. • Harvin Estates Private Ltd. • BMG Investments Private Ltd. • CAE Rossell India Ltd.

Chairman / Member of the Committees of the Board of the Companies on which he/she is a Director (include only Audit Committee and Shareholders'/ Investors' Grievance Committee)	NIL	NIL
Number of shares held in the Share Capital of the Company	7,43,599 Equity Shares of ₹ 2 each fully paid up.	18,53,785 Equity Shares of ₹ 2 each fully paid up.

Particulars	(3)	(4)
Name of the Director	**Mr. N.K. Khurana**	**Ms. Nayantara Palchoudhuri**
Date of Birth	22nd November, 1958	24th June, 1962
Date of Appointment	1st August, 1994 as Company Secretary-cum-Finance Manager and w.e.f. 1st Sept., 2017 as Director (Finance) and Company Secretary.	6th August, 2014 as Non Executive Non Independent Director and w.e.f. 9th February, 2018 as Independent Director
Qualifications	B.Com (H), LL.B., FCA, FCS, FCMA.	B.A.(Hons.) – Gold Medalist from Jadavpur University, M.A in Development Studies from University of London, M.phil from London School of Economics and Political Science.
Expertise in specific functional areas	Over 38 Years of wide experience of Corporate Management including Finance, Accounts, Legal, Commercial and Secretarial Functions, besides having in depth knowledge of Tea Industry.	Over 24 years of rich experience in the operations and management of Tea Industry.
Companies in which he/she holds Directorship	• Rossell India Ltd. • R.C. Merchandise Pvt. Ltd.	• Rossell India Ltd. • Washabarie Tea Co Pvt. Ltd. • West Bengal Tea Development Corporation Ltd. • Ludlow Jute & Specialties Ltd. • Tollygunge Club Ltd. • JSW Bengal Steel Ltd. • AMBA River Coke Ltd. • Vesuvius India Ltd. • Tide Water Oil Co. (INDIA) Ltd.
Chairman / Member of the Committees of the Board of the Companies on which he/she is a Director (include only Audit Committee and Shareholders'/ Investors' Grievance Committee)	Rossell India Ltd. – Member of the Stakeholders Relationship Committee	• Rossell India Ltd. – Member of the Audit Committee • AMBA River Coke Ltd. – Member of the Audit Committee. • Vesuvious India Ltd. – Member of Audit Committee, Stakeholders Relationship Committee.
Number of shares held in the Share Capital of the Company	3,700 Equity Shares of ₹ 2 each fully paid up	NIL

Notice

ROUTE MAP TO THE VENUE OF TWENTY FOURTH ANNUAL GENERAL METTING OF ROSSELL INDIA LIMITED

Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017

Report of the Board of Directors

for the year ended 31st March, 2018

Dear Members,

Your Directors have pleasure in presenting their Twenty Fourth Annual Report together with the Audited Accounts for the year ended 31st March, 2018.

FINANCIAL SUMMARY HIGHLIGHTS

₹ in Lakhs

Particulars	**Year ended 31st March 2018**	Year ended 31st March 2017
Profit before finance cost and Depreciation	**1,524.24**	680.43
Less : Finance Cost	**718.40**	589.50
Profit before Depreciation	**805.84**	90.93
Less : Depreciation	**967.08**	880.64
Profit (Loss) before Exceptional Items	**(161.24)**	(789.71)
Exceptional Items	**–**	–
Profit before Taxation	**(161.24)**	(789.71)
Less : Provision for current Taxation	**35.00**	–
Deferred Taxation adjustment	**(220.46)**	(658.93)
Profit (Loss) After Taxation	**24.22**	(130.78)
Other Comprehensive Income (Net of Tax)	**(28.95)**	(336.95)
Total Comprehensive Income	**(4.73)**	(467.73)

Your Company has adopted "Ind AS" with effect from 1st April 2017 in the current Financial Year with transition date as at 1st April, 2016. Financial statements for the year ended 31st March, 2017 have been re-stated to conform to Ind AS. Note 47 to the Financial Statement provides further explanation on the transition to Ind AS.

SHARE CAPITAL

During the year under review:

a. No Equity shares have been issued with differential voting rights. Hence, no disclosure is required in terms of Rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014.

b. No issue of Sweat Equity Share has been made. Hence, no disclosure is required in terms of Rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014.

c. There was no issue of Employee Stock Option. Hence, no disclosure is required in terms of Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

d. There was no provision made by the Company for any money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence, no disclosure is required in terms of Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.

e. The issued, subscribed and paid up share capital of the Company as on 1st April, 2017 at ₹ 733.93 lakhs divided into 3,66,96,475 Equity Shares of ₹ 2 each remained unchanged as on 31st March, 2018.

APPROPRIATION OF PROFIT AFTER TAX FOR TRANSFER TO RESERVES

As per Audited Accounts of the Company, profit after tax is not significant. In view of this, no amount is available for appropriation during the Financial Year 2017-2018 for transfer to General Reserve forming part of Other Equity.

DIVIDEND

Keeping the financial performance of the Company in view, your Directors do not recommend any Dividend, for the Financial Year 2017-2018.

THE STATE OF COMPANY'S AFFAIRS

REVENUE

The gross revenue from operations of your Company including sale of Tea, avionics equipment, food and beverage as well as receipts from technical and support services and sale of food and beverages by Kebab Xpress has increased to ₹ 19,852.39 lakhs for the year under review as against ₹ 16,324.96 lakhs in the previous year.

Report of the Board of Directors

PERFORMANCE

Rossell Tea

Yours Directors feel that the performance of Rossell Tea Division for the financial year 2017-2018 was satisfactory. The Division continued to reinforce its USP of being a quality producer of tea throughout the year in spite of inclement weather in Upper Assam, where four Group Tea Estates are situated. The Division once again produced high quality Orthodox teas, for which 'Rossell Tea' is the benchmark in the industry, and also amongst the top in the CTC category with 'Kharikatia' mark.

Tea production during the financial year was 53.25 lakh Kgs which was 8% higher than the previous year's production of 49.43 lakh Kgs. This is the highest crop produced by the Division in the last 4 years.

The beginning of the year saw good opening levels for both CTC and Orthodox teas. Good quality CTC prices ruled firm through the year and taking advantage of this, the Company produced 25.97 lakh Kgs CTC teas against 18.76 lakh Kgs in the previous year. The Orthodox market was a bit subdued during the year owing to excess production. Thus, Orthodox averages for the year at ₹ 229.21 per Kg. is lower than that of the previous year at ₹ 235.40 per Kg., however that of CTC is significantly higher at ₹ 208.03 per Kg. as compared to Rs 187.00 per kg. in the previous year.

In both the categories, Orthodox and CTC, the Division's averages are significantly higher than the Industry averages, which are, Orthodox at ₹ 210.96 per Kg. and CTC at ₹ 149.90 per Kg.

On the export front, the Company exported 9.40 lakh kilograms this year as against 8.90 lakh kilograms in the previous year. The export offerings were effected owing to the poor and inclement weather conditions in the Upper Assam region

Our product-mix allowed us to realize the best possible value for our teas. Improved productivities and efficiency, higher crop and stricter controls kept the costs under check and have helped in much better margins this year. The turnover has increased from ₹ 10,886.94 lakhs in the previous financial year to ₹ 11,515.00 lakhs in the current financial year.

Aviation Products and Services

Aerotech Services Division has four contracts for providing post sales technical support for Original Equipment Manufacturers (OEMs) equipment fitted on various Indian platforms of the three services viz Indian Air Force, Indian Army, Indian Navy and Hindustan Aeronautics Ltd. The Division is also now working with Larsen & Toubro, TATA and Mahindra on new projects which would lead to additional business in the future. The Field Service Engineers continue to enhance the skills and knowledge in the task assigned to the Division.

The Rossell Techsys Division continues its focus on export oriented business opportunities, in the aerospace and defense domain, with target global Original Equipment Manufacturers (OEMs) and has successfully added on a new customer, Lockheed Martin, with exciting future prospects. The emphasis on local domestic business continues to be minimal at the moment and confined to opportunities that provide skill development for anticipated future export business. All business obtained by the Division is on the basis of a highly price sensitive global competition basis.

The Division successfully maintains its certifications, such as AS 9100, ISO 9001, ISO 14001, ISO 27001, and the BS 18001. During the year, it acquired the distinction of being the first Aerospace and Defense Company in India to achieve full compliance to the ISO 31000 standards for risk mitigation and management. The Division is also accredited by CEMILAC, India's only military airworthiness certification body.

Rossell Hospitality

During the year under review, Kebab Xpress started a Delivery point from its Base kitchen in Okhla and de-commissioned one store owing to low footfalls at the mall. The revenue jumped by approx. 12% over that of the previous financial year. All Energies are currently engaged towards building the delivery side of business, which is looking promising.

PROSPECTS

Rossell Tea

Major producers, Sri Lanka and Kenya have had a good start to their 2018 season. Till March, 2018 Sri Lanka crop is 8 million kgs more than the previous year and Kenya up to February is 13 million kgs ahead with good cropping continuing thereafter as well.

In India too, the crop to March-end is ahead by 3 million kgs and it is expected that the April crop will add to it. Our estates too have recorded a good harvest in April.

This year we expect Quality CTC teas to command a premium. As regards the Orthodox teas which are predominantly exported, it is too early to predict and many external factors could influence the price.

Report of the Board of Directors

USA pulling out of the Iran Nuclear Deal and also imposing sanctions on Iran may have a detrimental effect on the exports to Iran. We are, however, hopeful that the Indian Government shall have a payment in Rupee terms as was done earlier. Exports are a critical area of performance for the Company and we are looking to export to new geographies and buyers, and thereby increase the basket. The Government has also enhanced the incentive to export by 2% from November, 2017 under the MEIS scheme.

The weakening of the Rupee against the western currencies should help enhancing our export earnings. In the financial year 2018-2019, we are confident that the exports will increase significantly over that in earlier years.

From the arrivals in the Auction Centers, it is again seen that the volumes of the Orthodox variety have increased for the fourth year running.

The minimum wages being discussed not only by the Government of Assam but by the Central Government as well can definitely have an impact on all industries including the Tea industry.

Aviation Products and Services

Aerotech Services has signed a new contract for three years w.e.f 1st April, 18. This would help increase our revenue. SAFRAN has involved the Division in providing demonstration of a new equipment to the private sector firms. On acceptance of this equipment, we are likely to get new contracts for support services.

Rossell Techsys Division maintains a healthy open order book with the order of $42 Million to be executed over the next 4 to 5 years. The total strategic agreements signed by the Division are of the order of close to $120M to be executed over the next 4 to 5 years. These strategic agreements translate to a potential of enhanced business of approximately another $40M to $50M over the next 4 to 5 years. As much of the strategic agreements are linked to the US government spend, actual realization is dependent on the socio-politico-economic situation of the US. Therefore, this may be viewed with necessary caution.

The Division has performed exceedingly well this financial year and has reported income from operations of ₹ 5,793.97 lakhs for the year as against ₹ 2,282.51 lakhs in the previous financial year. This has been the best financial year since the inception of the Division.

Rossell Hospitality

The emergence of digital technologies is changing the opportunity landscape for the food industry. Digital solutions are being used by businesses and brands to connect with consumers. Online ordering with integrated payment options provides a completely new dimension to consumer experience. The ground work done by in-house team and external agency during the Q1 and Q2 clearly indicate business buoyancy towards the digital side and the stage-wise implementation of all findings were plugged during the latter two quarters which has resulted in growth of revenues by over 19% and reduction in losses by 54%. The Division focused to capitalize on the dynamic change in the market place.

CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in any business and all the Divisions of the Company continue to concentrate on their own business with growth plans in short to medium terms.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following persons continued as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013 :

a) Mr. H. M. Gupta –Managing Director - Chief Executive Officer (CEO)

b) Mr. N. K. Khurana – Director (Finance) - Chief Financial Officer-cum- Company Secretary (CFO cum CS)

The Board at its Meeting held on 9th February 2018, has elevated Mr. R. M. Gupta (DIN - 05259454) to the Board by appointing him as Whole Time Director of the Company upon the recommendation of Nomination and Remuneration Committee as well as the Audit Committee of the Board for a period of 3 (Three) years commencing from 9th February 2018 till 8th February, 2021, subject to the approval of the Members in the 24th Annual General Meeting.

Accordingly, appointment of Mr. R. M. Gupta as Whole Time Director have been included as Special Business in the Notice calling the 24th Annual General Meeting of the Company.

Remuneration and other details of the Key Managerial Personnel for the Financial Year ended 31st March, 2018 are mentioned in the Extracts of the Annual Return in Form MGT-9 which is enclosed as **Annexure - 3** and forms part of this Report.

INDEPENDENT DIRECTOR'S 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 as prescribed under Section 149(6) of the Companies Act, 2013, was duly received by the Company.

Report of the Board of Directors

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013 and as stipulated under Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) read with schedule II thereof. A separate report on Corporate Governance in terms of Regulation 34(3) read with clause C of Schedule V of the SEBI Listing Regulations along with certificate from the Practicing Company Secretary confirming the compliance, is annexed as **Annexure-1** and forms part of this Report.

DETAILS OF BOARD MEETINGS

The Board of Directors met 5 (Five) times during the financial year 2017-2018 on various dates as given here-in-below:

Sl No.	Date of the meeting	No. of Directors attended the meeting
1.	25th May, 2017	6
2.	4th August, 2017	6
3.	7th November, 2017	6
4.	9th February, 2018	6
5.	27th March, 2018	7

Further details on Board of Directors are provided in the attached Corporate Governance Report.

COMMITTEES OF THE BOARD

a. Audit Committee

The Board has constituted the Audit Committee, which comprises of the following Directors :

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Dr. S.S. Baijal	Non-Executive-Independent	Chairman
2.	Mr. H. M. Parekh	Non-Executive-Independent	Member
3.	Mr. V. P. Agarwal	Non-Executive-Independent	Member
4.	Ms. Nayantara Palchoudhuri	Non-Executive Independent	Member

During the year under review, the Board accepted all the recommendations made by the Audit Committee.

Further details of Audit Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

b. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board has been constituted by the following Directors:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Dr. S.S. Baijal	Non-Executive-Independent	Member
3.	Mr. V. P Agarwal	Non-Executive-Independent	Member

Further details of Nomination and Remuneration Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

c. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board has been constituted by the following Directors:

Sl. No.	Name	Chairman/ Members
1.	Dr. S.S. Baijal	Chairman
2.	Mr. V. P Agarwal	Member
3.	Mr. N. K. Khurana	Member

Further details of Corporate Social Rresponsibility Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

The Committee had framed the CSR policy and the same was approved by the Board at its Meeting held on 6th August, 2014. The CSR Policy is available on Company's website at www.rossellindia.com. The CSR budget for the financial year 2017-2018 was prepared in accordance with the provisions of Section 135 (5) of the Companies Act, 2013 read with the Company's CSR Policy. The

Report of the Board of Directors

amount so budgeted was fully spent on or before 31st March, 2018, the detailed report on CSR Activities/ Initiatives is enclosed as **Annexure-2** which forms part of this Report.

d. **Stakeholders' Relationship Committee**

The Stakeholders Relationship Committee of the Board has been constituted by the following Directors:

Sl. No.	Name	Chairman/ Members
1.	Mr. H. M. Parekh	Chairman
2.	Mr. V. P Agarwal	Member
3.	Mr. N. K. Khurana	Member

Further details of Stakeholders Relationship Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

e. **Risk Management Committee**

Your Board has voluntarily constituted the Risk Management Committee in the manner prescribed in Regulation 21 of the SEBI Listing Regulations consisting of the following Directors:

Sl. No.	Name	Chairman/ Members
1.	Mr. H. M. Parekh	Chairman
2.	Ms. Nayantara Palchoudhuri	Member
3.	Mr. N. K. Khurana	Member

Further details of Risk Management Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

ANNUAL PERFORMANCE EVALUATION

In terms of the relevant provisions of the Companies Act 2013 and SEBI Listing Regulations, the Board had carried out an annual evaluation of its own performance and that of its Committees as well as individual Directors.

A structured questionnaire as prepared in terms of the criteria specified by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017 and approved by the Nomination and Remuneration Committee of the Board, were circulated to all the Directors to obtain their valuable feedback. After taking into consideration different views expressed by the Directors, covering various aspects of the Board's functioning such as adequacy of the Board's composition and structure, Board's culture, execution and performance of specific duties, obligations and governance, effectiveness of Board processes etc., the evaluation of the Board were conducted.

During the year, the performance evaluation was done at two levels - by the Board as well as by the Independent Directors at their separate Meeting. First, the Board, at their Meeting held on 9th February, 2018 reviewed the performance of the Board as a whole, its Committees and the individual Directors with reference to the aforesaid questionnaire.

Similarly, the Independent Directors at their separate Meetings held thereafter on the same day reviewed the performance of the Executive Chairman of the Board and other Non-Independent Directors as specified by SEBI in its aforesaid circular dated 5th January, 2017. They also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is given as **Annexure- 3**.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) read with Regulation 22 of the SEBI Listing Regulations, your Company has duly established Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of company's code of conducts or ethics policy. Audit Committee of the Board monitors and oversee the vigil mechanism.

The detailed policy related to this vigil mechanism is available in the Company's website at www.rossellindia.com.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 and confirm that :

Report of the Board of Directors

(a) in the preparation of the annual accounts for financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2018, and of the profit and loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(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.

AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

M/s. Khandelwal Ray & Co. Chartered Accountants, Kolkata (Firm Regn. No. 302035E), were appointed as the Auditors of your Company at the 23rd Annual General Meeting, held on 4th August, 2017 for a term of five consecutive Financial Years pursuant to Section 139 of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014.

The report given by the Auditors on the Financial Statement of the Company for the year under review, forms part of this Annual Report. There has been no qualification, reservation or adverse remark or disclaimer given by the Auditors in their report.

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

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014, your Company is required to have the audit of its cost accounting records relating to products manufactured by Rossell Tea Division and Rossell Techsys Division. M/s. Shome & Banerjee, Cost Accountants, conducted this audit for the Previous Financial Year ended 31st March, 2017 and submitted their report to the Central Government on 1st September, 2017.

In terms of Section 148(3) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company has, on the recommendation of the Audit Committee, re-appointed M/s. Shome & Banerjee, Cost Accountants as the Cost Auditor of the Company for the Financial Year 2018-2019.

Their remuneration is required to be ratified by the Members in the ensuing Annual General Meeting.

SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. A.K. Labh & Co., Practicing Company Secretaries as the Secretarial Auditors of the Company for the Financial Year 2017-2018. The report of the Secretarial Auditors in Form MR-3 is enclosed as **Annexure-4** to this report.

The report confirms that the Company had complied with the statutory provisions listed under Form MR-3 and the Company also has proper Board Processes and Compliance Mechanism. The Report does not contain any qualification, reservation or adverse remark or disclaimer, which requires any further comments or explanations in this report.

RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in the ordinary course of business, in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. All related party transactions are presented to the Audit Committee and the Board, if required for approval. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. Policy on Related party transactions, as approved by the Board is uploaded on the Company's website at the weblink:http://www.rossellindia.com/financialresult/Policy%20on%20Related%20Party%20Transactions.pdf

Necessary disclosure of Related Party Transactions in terms of clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in Form AOC-2 as **Annexure-5** to this report.

Report of the Board of Directors

LOANS, GUARANTEES OR INVESTMENTS

During the year under review, your Company has not granted any inter-corporate loan, neither provided any Guarantee in connection with any loan to any party, nor made any investment in terms of the provisions of Section 186 of the Companies Act, 2013. However, during the year under review, your Company has taken inter-corporate loan from BMG Investments Pvt. Ltd. in compliance with the provisions of Section 186 of the Companies Act, 2013, outstanding amount as on 31st March, 2018 being ₹ 310 lakhs. Particulars of existing Investments made by the Company, as required to be disclosed in terms of Section 134 (1) (g) of the Companies Act, 2013 is given in the accompanying financial statement (Note Nos. 5 and 6).

STATEMENTS OF SUBSIDIARIES / JOINT VENTURES

TThe wholly owned subsidiary, CAE Rossell India Limited, did not carry out any activity during the year under review. Your Company has a Joint venture entity named RV Enterprises Pte. Ltd., Singapore in which the Equity holding is 26%.

Accompanying Consolidated Financial Statement contains details financials of the Subsidiary / Associate Company (Joint Venture).

RISK MANAGEMENT POLICY

Your Company's business faces various risks - strategic as well as operational in respect of all its Divisions. The Company has an adequate risk management system, which takes care of identification, assessment and review of risks as well as their mitigation plans put in place by the respective risk owners. The risks which were being addressed by the Company during the year under review included risks relating to market conditions, environmental, information technology etc. The Company has developed and implemented the Risk Management Policy with an objective to provide a more structured framework for proactive management of all risks related to the business of the Company and to make it more certain that growth and earnings targets as well as strategic objectives are met.

The major risks and concerns being faced by various business segments of the Company are discussed in report on Management Discussion and Analysis, forming part of this Report.

Your Company has constituted Risk Management Committee of the Board in the manner stated in Regulation 21 of the SEBI Listing Regulations, 2015. The Risk Management Committee reviews the risk assessment and minimization procedure in the light of the Risk Management Policy of the Company.

In the opinion of the Board, there is no such element of risk which may threaten the present existence of the Company.

REMUNERATION POLICY

The Company follows a policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. Further details on the same have been given in the Report on Corporate Governance, which forms part of this report.

The required disclosure under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure- 6** to this report.

HUMAN RESOURCES

Your Company treats its "human resources" as one of the most important assets. The Management of the Company lays continuous focus on human resources, who are trained and updated on various issues from time to time to attain the required standards. The correct recruitment practices are in place to attract the best technical manpower to ensure that the Company maintains its competitive position with respect to execution. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis.

Industrial relations at all the units remain satisfactory, your Company employed 6,333 personnel on its roll as on 31st March, 2018.

Details of employee remuneration as required to be provided in terms of the provisions of Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure- 7**, forming part of this Report.

The total remuneration drawn by the Managing Director and Key Managerial Personnel forms part of Extracts from the Annual Return in Form MGT-9. Mr. H. M. Gupta, Executive Chairman in his capacity as the Chairman and Managing Director of BMG Enterprises Ltd., the Holding Company drew a remuneration of ₹ 6.00 lakhs as consolidated salary pursuant to Section 197 (14) of the Companies Act, 2013.

PREVENTION OF SEXUAL HARASSMENT

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Separate Internal Complaint Committees have been set up in for every Divisions/ Tea Estates of the Company to redress complaints received regarding sexual harassment in respect of

Report of the Board of Directors

each Divisions/ Tea Estates. However, during the year under review, the Company has not received any complaint of alleged sexual harassment from any of its Divisions/ Tea Estates.

AWARDS AND RECOGNITION

Rossell Techsys Division has been nominated for the "Boeing supplier of the year" for the fourth time running but missed out on receiving the award due to intense global competition. However, it more than made up for this miss by winning another prestigious award in the Aerospace and Defense global industry by winning the "supplier excellence award" from the American Helicopter Society. The Division has the distinction of being the first Indian company to win this prestigious award. This award has been received very recently by Mr. Rishab Mohan Gupta, Whole Time Director of the Company and Mr. Prabhat Kumar Bhagvandas, Chief Executive Officer of the Division on the 16th May 2018, at a ceremony held at Phoenix, USA.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

INTERNAL FINANCIAL CONTROLS

Your Company has adequate Internal Financial Control System at all levels of Management and they are reviewed from time to time. The Internal Audit is carried out in house as well as by firms of Chartered Accountants for all the Divisions of the Company. The Audit Committee of the Board looks into Auditor's review, which is deliberated upon and corrective action taken, where ever required.

TRANSFER OF UNCLAIMED DIVIDEND AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

In compliance with the provisions of Section 124 (5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, a sum of ₹ 81,097 being the dividend lying unclaimed out of the dividend declared by the Company for the Financial Year 2009-2010 were transferred to IEPF on 31st August, 2017. The details of the said unclaimed dividend transferred is available at the website of the Company at http://www.rossellindia.com/financials.html.

Similarly, during the period under review, (a) 1,72,925 shares pertaining to financial year 2008-2009 and (b) 18,240 shares pertaining to financial year 2009-2010 have been transferred to IEPF Authorities on 22nd November, 2017 and 12th January, 2018 respectively in compliance with the provisions of Section 124 of the Companies Act, 2013 and Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, after sending letters to those Shareholders and also making advertisement in the newspapers in this regard. Details of these shares transferred to IEPF are available on the website of the Company at http://www.rossellindia.com/financials.html.

DEPOSITS

Your Company has not accepted any deposits from public in terms of provisions contained in Chapter V of the Companies Act, 2013, or in terms of corresponding provisions of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS

A report on the Management Discussion and Analysis concerning all the business segments of the Company is given as **Annexure-8** to this report.

(a) **Conservation of energy**

(i)	the steps taken or impact on conservation of energy	Machinery up-gradation and replacement of equipment is an ongoing process at the Tea factories of Rossell Tea Division, with a view to conserve Fuel, Electrical Energy and other resources. Initiatives undertaken during the financial year 2017-2018 are as follows; a) Installation of Power Capacitors in the 400 V panel board to improve the power factor of the Electrical System and reduce line losses. b) Replacement of low efficiency and many times rewound induction motors of Dryers with IE2 motors of 15 HP and 30 HP towards energy conservation and savings in power. c) Installation of Gas Flow meter for Monitoring Natural Gas utilization. d) Replacement of Flat belt transmission to Gearbox transmission with a view to remove belt slippage and loss of power. e) Rossell Hospitality Division continue to replace Conventional lighting with LED lights which is brighter and also saves energy and are Eco friendly. f) Waste water from the RO is saved and stored for flushing and cleaning.

Report of the Board of Directors

(ii)	the steps taken by the company for utilizing alternate sources of energy	Rossell Tea Division has implemented an alternate source of energy provision at one of their factories, for withering and drying of teas by Natural Gas. This has replaced the use of coal, thereby reduction in cost as well as provision of clean operation. Study of the possibility of using Solar power at two Estates of Rossell Tea Division continues. Rossell Hospitality Division continue to replace Conventional lighting with LED lights which is brighter and also saves energy and are Eco friendly.
(iii)	the capital investment on energy conservation equipment	All Machinery movement and new acquisition is planned with the concept of energy conservation and fuel savings.

(b) Technology absorption

(i)	the efforts made towards technology absorption	In-house seminar, discussions with experts and training programmes has been ongoing for innovative ideas of production and knowledge updating. The concerned staff members are also sponsored to attend various seminars and workshops for their improvement in various aspects of functioning of the Company.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	There has been an overall improvement in quality of product and labour productivity, which results in economy of cost.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Imported one Color Sorter Machine, Jiexun Anysort from China, for Orthodox Sorting operation at one of the Estate.
	(a) the details of technology imported	NA
	(b) the year of import;	NA
	(c) whether the technology been fully absorbed	NA
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
(iv)	the expenditure incurred on Research and Development	The Company is a Member of Tea Research Association, Kolkata, which is registered under Sec. 35 (1) (ii) of the Income tax Act, 1961. A contribution of ₹ 10.98 lakhs was made during the year towards subscription by Rossell Tea Division.

(c) Foreign Exchange Earnings and Outgo

During the year, the total foreign exchange used was ₹ 123.57 lakhs on account of various expenses and ₹ 4,365.20 lakhs for imports of raw materials, stores as well as capital goods. The total foreign exchange earned was ₹ 8,620.70 lakhs.

MATERIAL CHANGES AND COMMITMENTS

You Directors confirm that there are no material changes and commitments, affecting the financial position of the company, which has occurred between the end of the financial year of the Company and the date of this report.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the business associates, shareholders and other stakeholders of the Company for their continued support.

For and on behalf of the Board
Rossell India Limited

Place : Kolkata
Date : 24th May, 2018

H.M.Gupta
Executive Chairman

Annexure 1 to the Report of the Board of Directors

REPORT ON CORPORATE GOVERNANCE - 2017-2018

In accordance with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as 'SEBI Listing Regulations'] read with Clause C of Schedule V thereof, the details of compliance by the Company with the norms on Corporate Governance are as under:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Board of Directors unequivocally supports the principles of Corporate Governance. Your Company espouses the cause of long term success in all areas of its business and commits itself to achieving this by outstanding standards of productivity, quality and performance. It continues to evolve, learn and adapt for the common good of its stakeholders.

Your Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

Your Company places great emphasis on values such as empowerment and integrity of its employees, well-being of the employees and communities surrounding our Tea Estates and other Business Establishments. Your Company is committed to transparency in decision making process, fair and ethical dealings with all its business associates, pollution free clean environment and last but not the least, accountability to all the stakeholders.

Your Company is further committed to the well-being of communities in general in the society through meaningful "Corporate Social Responsibility" initiatives.

2. BOARD OF DIRECTORS:

2.1 Composition and Category of Directors:

The composition of the Board of Directors of the Company represents an optimum combination of professionalism, knowledge and experience. The Board comprises of Seven (7) Directors as on 31st March, 2018, headed by the Executive Chairman, Mr. H.M. Gupta.

At present, majority of the Directors on the Board are Non-Executive Directors (including one woman Director) as detailed hereunder:

Name of the Director	DIN	Designation	Category of Directors
Mr. H.M. Gupta	00065973	Chairman	Executive
Dr. S.S. Baijal	00027961	Independent Director	Non-Executive
Mr. H.M. Parekh	00026530	Independent Director	Non-Executive
Mr. V. P. Agarwal	00083912	Independent Director	Non-Executive
Ms. Nayantara Palchoudhuri*	00581440	Independent Director	Non-Executive
Mr. N.K. Khurana**	00123297	Director (Finance) and Company Secretary	Executive
Mr. R. M. Gupta ***	05259454	Whole Time Director	Executive

Thus, the composition of the Board is well in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations.

Except Mr. H. M. Gupta and Mr. R. M. Gupta, being father and son belonging to the Promoters Group, none of the other Directors have any inter-se relationship among themselves and/or with any Key Managerial Personnel of the Company.

*The Board appointed Ms. Nayanatara Palchoudhuri as an Independent Director w.e.f. 9th February, 2018, subject to approval of the Members at the 24th Annual General Meeting.

** Mr. N.K. Khurana appointed as Director w.e.f. 1st September, 2017.

*** Mr. R. M. Gupta appointed as Director w.e.f. 9th February, 2018.

2.2 Board Meeting Proceedings, Attendance of each Director at the Board Meetings held during the year and at the last Annual General Meeting:

The Board has complete access to any information within the Company. Agenda papers containing all necessary information/documents are made available to the Board/Committee Members in advance to enable them to discharge their responsibilities effectively and take informed decisions. The information as specified in the Listing Regulations is regularly made available to the Board, whenever applicable, for discussion and consideration. The Company adheres to the Secretarial Standard-1 on the Board and Committee Meetings as prescribed by the Institute of Company Secretaries of India. The Board periodically reviews compliance by the Company with the applicable laws/statutory requirements concerning the business and affairs of the Company.

Annexure 1 to the Report of the Board of Directors

Post Meetings, all important decisions taken at the Meeting are communicated to the concerned Divisions and Persons. Action Taken Report is prepared by the Company Secretary and reviewed periodically by the Executive Chairman and the Company Secretary for the action taken / pending to be taken.

During the year under review, Five Board Meetings were held viz. 25th May, 2017, 4th August, 2017, 7th November, 2017, 9th February, 2018, and 27th March, 2018. The maximum interval between any two consecutive Meetings did not exceed 120 days.

The last Annual General Meeting was held on 4th August, 2017.

Details of Directors attendances during the year were as under:

Director	No. of Board Meetings Attended	Whether attended Last AGM
Mr. H.M. Gupta	5	Yes
Dr. S.S. Baijal	5	Yes
Mr. H.M. Parekh	5	Yes
Mr. V. P. Agarwal	5	Yes
Ms. Nayantara Palchoudhuri	5	Yes
Mr. C. S. Bedi [1]	2	Yes
Mr. N.K. Khurana [2]	3	Yes
Mr. R. M. Gupta [3]	2	Yes

1. Mr. C. S. Bedi ceases from the Directorship w.e.f. 1st September, 2017.

2 .Mr. N.K. Khurana appointed as Director w.e.f. 1st September, 2017.

3. Mr. R.M. Gupta appointed as Director w.e.f. 9th February, 2018.

2.3 Separate Meeting of Independent Directors:

As stipulated by Regulation 25 (3) of the SEBI Listing Regulations and Section 149(8) read with Clause VII of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 9th February, 2018, without the attendance of Non-Independent Directors. All the Independent Directors were present in that Meeting. The following Matters were inter-alia considered in that Meeting:

2.3.1 Reviewed the performance of non-independent Directors and the Board as a whole in accordance with the criteria specified by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017;

2.3.2 Reviewed the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors in terms of the aforesaid circular of SEBI;

2.3.3 Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

2.4 Number of other Boards or Board Committees in which he/she is a member or Chairperson:

As stipulated in Regulation 25(1) of the SEBI Listing Regulations, none of the Directors acts as an Independent Director in more than 7 Listed Companies and none of the Independent Directors is a whole time Director in any Listed Company. Further, in compliance with Regulation 26 of the SEBI Listing Regulations, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director.

The details of the Directorships, Chairmanships and the Committee memberships in other Companies (excluding Private Limited Companies, Foreign Companies and Section 8 Companies) held by the Directors as on 31st March , 2018, are given below:-

Director	No. of Companies		
	Member of Board	Board Committees #	
		Chairman	Member
Mr. H.M. Gupta	2	NIL	NIL
Dr. S.S. Baijal	2	2	2
Mr. H.M. Parekh	7	5	10
Mr. V. P. Agarwal	1	NIL	2
Ms. Nayantara Palchoudhuri	8	NIL	6
Mr. N. K. Khurana	1	NIL	1
Mr. R. M. Gupta	1	NIL	NIL

Annexure 1 to the Report of the Board of Directors

In terms of Regulation 26(1)(b) of the SEBI Listing Regulations only Chairmanship/Membership of Audit Committee and Stakeholders' Relationship Committee of public limited companies (whether Listed or not) have been considered.

2.5 Familiarization Programmes imparted to Independent Directors:

The present Independent Directors are already familiar with the nature of the industry and its operation since they have been associated with the Company for a substantial period of time. These Independent Directors are well aware of their duties and responsibilities as set out in their terms of appointment and expected time commitments. As per prevailing practice, each newly appointed Independent Director is taken through a formal induction program including the presentation from the Executive Chairman as well as various Business Heads on the Company's production, marketing, finance and other important aspects. The Company Secretary briefs the Director about his/her legal and regulatory responsibilities as a Director. The induction for Independent Directors includes interactive sessions with Executive Directors, Business and Functional Heads, Visit to the Tea Estates/ plant/ site etc. Further details on familiarization programme is available on the website of the Company at http://www.rossellindia.com.

2.6 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 the employees in the Senior Management grade of the Company. The said code, as amended from time to time is available on the Company's website at http://www.rossellindia.com.

All the Board Members and Senior Management personnel have confirmed compliance with the code. A declaration to that effect, signed by the Chief Executive Officer, in terms of Regulation 26(3) read with Part-D of Schedule V of the SEBI Listing Regulations, is attached and forms part of this Annual Report.

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has also approved and laid down the followings codes:

i) "Rossell Insider Code" to regulate, monitor and report Insider Trading by the Company's Directors, Employees and other Connected Persons.

ii) "Rossell Code of Fair Disclosure" to ensure Fair and timely Disclosure of Unpublished Price Sensitive Information to the Stock Exchanges.

In terms of Regulation 8 of the said Regulation, "Rossell Code of Fair Disclosure" is available on the Company's website at http://www.rossellindia.com.

Mr. N. K. Khurana, Director (Finance) and Company Secretary, acts as the Compliance Officer as well as Chief Investor Relation Officer under these Regulations.

2.7 Committees of the Board:

The Committees of the Board play an important role in the Corporate Governance and focus on specific areas and make informed decisions within the authority delegated. Each Committee is guided by its terms of reference, which provides for the scope, powers duties and responsibilities of the Committee. The recommendation and/or observations and decisions are placed before the Board for information or approval. The Chairman of respective Committee updates the Board regarding the discussions held/decisions taken at the Committee Meeting.

The Board has constituted the following Committees:

a) Audit Committee,

b) Nomination and Remuneration Committee,

c) Stakeholders Relationship Committee,

d) Corporate Social Responsibility Committee and

e) Risk Management Committee

3. AUDIT COMMITTEE:

3.1 Brief description and Composition:

The Board has constituted a well-qualified Audit Committee. All the four members of the Committee are Non-Executive Independent Directors including the Chairman. The Chairman of the Committee has in-depth knowledge in the areas of Finance and Accounts. The Committee has been meeting as and when required and at least once in every quarter of the Financial Year.

Annexure 1 to the Report of the Board of Directors

The Audit Committee of the Company is comprised of the following Directors as on 31st March, 2018:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Dr. S.S. Baijal	Non-Executive Independent	Chairman
2.	Mr. H. M. Parekh	Non-Executive-Independent	Member
3.	Mr. V. P. Agarwal	Non-Executive-Independent	Member
4.	Ms. Nayantara Palchoudhuri	Non-Executive-Independent	Member

3.2 Terms of reference:

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 SEBI Listing Regulations and Sec. 177 of the Companies Act, 2013 and briefly described below:

3.2.1 To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

3.2.2 To recommend the appointment, remuneration and terms of appointment of the Statutory Auditors, Cost Auditors and Internal Auditors of the Company;

3.2.3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

3.2.4 Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

b. Changes, if any, in accounting policies and practices and reasons for the same.

c. Major accounting entries involving estimates based on the exercise of judgment by Management.

d. Significant adjustments made in the financial statements arising out of audit findings.

e. Compliance with listing and other legal requirements relating to financial statements.

f. Disclosure of any related party transactions.

g. Modified opinion(s) in the draft audit report, if any.

3.2.5 To review with management, the quarterly financial statements before submission to the board for approval;

3.2.6 Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in the matter;

3.2.7 To review and monitor the Auditor's independence and performance and effectiveness of the Audit Process;

3.2.8 Approval or any subsequent modification of transactions of the Company with related parties;

3.2.9 Scrutiny of Inter-corporate loans and Investments;

3.2.10 Valuation of undertakings or assets of the Company, wherever it is necessary;

3.2.11 Evaluation of internal financial controls and risk management systems;

3.2.12 Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

3.2.13 Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

3.2.14 Discussion with internal auditors of any significant findings and follow up there on;

3.2.15 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

3.2.16 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

Annexure 1 to the Report of the Board of Directors

3.2.17 To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

3.2.18 To review the functioning of the Whistle Blower/ Vigil mechanism;

3.2.19 Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

3.2.20 Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.2.21 The Audit committee also reviews the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses;

e) The appointment, removal and terms of remuneration of the Internal Auditors for various divisions of the Company. And

f) Statement of deviations of issue proceeds, in case of any further issue of shares.

3.3 Meetings and attendance during the year:

During the year under review, 4 Meetings of the Audit Committee were held viz. 25th May, 2017, 4th August, 2017, 6th November, 2017 and 9th February, 2018.

The composition and attendance of the members at the Audit Committee Meetings as on 31st March, 2018 are as follows:

Name	Chairman /Member	Category of Director	No. of Audit Committee Meetings Attended
Dr. S.S. Baijal,	Chairman	Non-Executive-Independent	4
Mr. H.M. Parekh	Member	Non-Executive-Independent	4
Mr. V. P. Agarwal	Member	Non-Executive-Independent	4
Ms. Nayantara Palchoudhuri	Member	Non-Executive-Independent*	4

The Company Secretary acts as the Ex-Officio Secretary to the Committee. Statutory Auditors, Cost Auditors and Internal Auditors attend the Meeting whenever required. The Executive Chairman, Managing Director/Whole Time Director and other Senior Executives are also invited to attend and deliberate in the Meetings.

4. NOMINATION AND REMUNERATION COMMITTEE:

4.1 Brief description and Composition :

The Board has duly constituted Nomination and Remuneration Committee of the Board in compliance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations. The said committee comprises of three Non-Executive Independent Directors as follows:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Dr. S.S. Baijal	Non-Executive-Independent	Member
3.	Mr. V. P Agarwal	Non-Executive-Independent	Member

4.2 Terms of reference:

In accordance with Clause A, Schedule II, Part-D of the SEBI Listing Regulations read with Section 178(2) of the Companies Act, 2013, the Committee is empowered -

4.2.1 To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of Directors, Key Managerial Personnel and other employees;

4.2.2 To formulate criteria for evaluation/ performance appraisal of Independent Directors and the Board;

4.2.3 To devise policy on Board diversity;

Annexure 1 to the Report of the Board of Directors

4.2.4 To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.

4.2.5 To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent Directors.

4.3 Remuneration policy :

The Company follows a policy on remuneration of Directors and Senior Management Employees as formulated by the Nomination and Remuneration Committee detailed hereunder:

4.3.1 The remuneration of an individual shall be dependent upon the following parameters concerning an individual:

a) Age,

b) Qualifications,

c) Experience,

d) Core Competence,

e) Career advancement,

f) Special Skill, if any

g) Performance in the context of the duties and responsibilities assigned,

h) Industry Criteria,

i) Other relevant factors.

4.3.2 The level and composition of remuneration for each individual shall be reasonable and sufficient to attract, retain and motivate the person concerned, whether as Director or Key Managerial Personnel of the quality required to run the Company successfully;

4.3.3 Relationship of remuneration to performance should be clear and meets appropriate performance benchmarks as may be set up from time to time; and

4.3.4 Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of each of the Divisions of the Company and its goals:

4.4 Meeting and attendance during the year :

During the year under review, three Meetings of the Nomination and Remuneration Committee were held on 25th May, 2017, 9th February, 2018 and 27th March, 2018.

Name	No. of Nomination and Remuneration Committee Meetings Attended
Mr. H. M. Parekh	3
Dr. S.S. Baijal	3
Mr. V. P Agarwal	3

4.5 Performance Evaluation Criteria:

During the year, the performance evaluation was done at two levels - by the Board as well as by the Independent Directors at their separate Meeting. First, the Board, at their Meeting held on 9th February, 2018 reviewed the performance of the Board as a whole, its Committees, and the individual Directors with reference to the questionnaire prepared in terms of the Criteria specified by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017.

Subsequently, the Independent Directors at their separate Meetings held thereafter on the same day reviewed the performance of the Executive Chairman of the Board and other Non-Independent Directors as specified by SEBI in its aforesaid circular dated 5th January, 2017. They also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

5. REMUNERATION OF DIRECTORS:

5.1 Pecuniary Relationship of Non-Executive Directors:

The Company has no pecuniary relationship or transaction with its Non-Executive and Independent Directors other than

Annexure 1 to the Report of the Board of Directors

payment of sitting fees to them for attending Board and Committee meetings and Commission paid, if any, as approved by Members for their invaluable services to the Company.

5.2 Criteria of making payments to Non-Executive Directors:

The Non-Executive Independent Directors are entitled to receive sitting fees for attending the Meetings of the Board and various Committees of the Board of which they are members as well as commission on net profits of the Company, as approved by the Members. Presently your Company pays Sitting Fees as under:

Meeting	Siting Fees
Meeting of the Board of Directors	₹ 35,000/- per Meeting per Director
Meeting of the Audit Committee of the Board	₹ 25,000/- per Meeting per Director
Meeting of other Committees of the Board	₹ 5,000/- per Meeting per Director

The Company also reimburses the out-of- pocket expenses incurred by the Non-Executive Directors for attending Meetings. No payment by way of bonus, pension, incentives, stock options etc. was made to Non-Executive Directors.

5.3 Remuneration Paid to Directors:

Remuneration as per Terms of Service paid to Managing Directors and Whole Time Directors during the year 2017-2018:

₹ In lakhs

Sl No.	Name of Directors	Salary and Allowances	Commission	Value of Perquisites	Total
1	Mr. H.M. Gupta, Executive Chairman	96.00	-	14.75	110.75
2	Mr. C.S. Bedi, Managing Director	27.57	-	5.66	33.23
3	Mr. N. K. Khurana, Director(Finance) and Company Secretary	27.15	-	2.74	29.89
4	Mr. R. M. Gupta, Whole Time Director	5.46	-	-	5.46

1) Mr. H.M. Gupta (DIN 00065973)

Service contract: 1st April, 2018 to 31st March, 2021

Notice period : Three months

Severance Fee : Not Applicable

The Board of Directors, at its Meeting held on 27th March, 2018 has re-appointed Mr. H. M. Gupta for a further period of 3 years w.e.f. 1st April, 2018 till 31st March, 2021 subject to approval of the Members at the 24th Annual General Meeting.

2) Mr. C. S. Bedi (DIN 00123400)

Service contract: 1st October, 2016 to 30th September, 2019

Notice period : Three months

Severance Fee : Not Applicable

Re-appointment of Mr. C.S. Bedi was made by the Members in the 22nd Annual General Meeting for a period of 3 years w.e.f. 1st October, 2016 till 30th September, 2019, by adopting Special Resolutions. However, Mr. Bedi resigned from the office of Managing Director with effect from 1st September, 2017 giving three months' prior notice as per his terms of appointment.

3) Mr. N. K. Khurana (DIN 00123297)

Service contract: 1st September, 2017 to 31st August, 2020

Notice period : Three months

Severance Fee : Not Applicable

Appointment of Mr. N.K. Khurana was made by the Members in the 23rd Annual General Meeting for a period of 3 years w.e.f. 1st September, 2017 till 31st August, 2020, by adopting Special Resolutions.

4) Mr. R. M. Gupta (DIN 05259454)

The Board of Directors at its Meeting held on 9th February, 2018 has appointed Mr. R. M Gupta as a Whole Time Director w.e.f. that date on the terms and conditions as recommended by the Nomination and Remuneration Committee of the Board subject to approval of the Members at the 24th Annual General Meeting.

Annexure 1 to the Report of the Board of Directors

The siting fees, commissions paid/payable to Non-Executive Directors during the financial year 2017-2018 and their shareholding in the Company as on 31st March, 2018 are as under:

₹ In lakhs

Non-Executive Directors	Board Fees	Committee Fees	Total	Commission	No. of Shares held
Dr. S.S. Baijal	1.75	1.30	3.05	-	7,500
Mr. H.M. Parekh	1.75	1.45	3.20	-	-
Mr. V. P. Agarwal	1.75	1.50	3.25	-	-
Ms. Nayantara Palchoudhuri	1.75	1.05	2.80	-	-

Note: The above Fees and Commission excludes Service Tax/ GST.

There are no stock option plans of the Company.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

In terms of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the Company has a duly constituted Stakeholders Relationship Committee to specifically look into the mechanism of redressal of investors' grievances and recommend measures for overall improvement in the quality of investor services.

The Committee consists of two Non-Executive Independent Directors and one Executive Director as under as on 31st March, 2018:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Mr. V. P Agarwal	Non-Executive-Independent	Member
3.	Mr. N. K. Khurana	Director (Finance) and Company Secretary	Member

6.1 Terms of Reference:

In accordance with Clause B, Schedule II, Part-D of the SEBI Listing Regulations, the Committee is empowered to consider and resolve the grievances of the shareholders of the Company including complaints related to transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends.

6.2 Compliance Officer:

Mr. N.K. Khurana, Director (Finance) and Company Secretary is designated as the Compliance Officer of the Company.

6.3 Meeting and Attendance:

During the year under review, this Committee had Four meetings held on 25th May, 2017, 4th August, 2017, 6th November, 2017 and 19th January, 2018.

Name	No. of Stakeholders Relationship Committee Meetings Attended
Mr. H. M. Parekh	4
Mr. V. P. Agarwal	4
Mr. C.S. Bedi[1]	2
Mr. N.K. Khurana[2]	1

1 Ceased to be member of the Committee w.e.f. 1st September, 2017.

2 Inducted to the Committee as member w.e.f. 19th January, 2018.

6.4 Shareholders' Complaints:

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

a)	No. of complaints remaining unresolved as on 01.04.2017	Nil
b)	No. of complaints received from shareholders during the year	4
c)	No. of complaints Resolved during the year	4
d)	No. of Complaints pending unresolved as on 31.03.2018	Nil

Shareholders' grievances are resolved expeditiously. There is no grievance pending as on date.

Annexure 1 to the Report of the Board of Directors

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee of the Board is composed as under as on 31st March, 2018.

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Dr. S S Baijal	Non-Executive-Independent	Chairman
2.	Mr. V. P. Agarwal	Non-Executive-Independent	Member
3.	Mr. N. K. Khurana	Director (Finance) and Company Secretary	Member

The role of the CSR committee inter-alia includes:

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

b) To recommend the amount of expenditure to be incurred on the activities referred to in Clause (a) and

c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Committee has framed and the Board has approved at its meeting held on 6th August, 2014, the Company's Corporate Social Responsibility policy relating to the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and the expenditure thereon, excluding activities undertaken in the normal course of business of the Company. The said CSR policy is available at the company's website at www.rossellindia.com. The CSR Report for the Financial Year 2017-2018 is enclosed separately Annexure- 2 to the Boards Report, forming part of this Annual Report.

7.1 Meeting and Attendance:

During the year under review, the CSR Committee met twice i.e. on 25th May, 2017 and 9th February, 2018.

Name	No. of CSR Committee Meetings Attended
Dr. S S Baijal	2
Mr. V. P. Agarwal	2
Mr. C. S. Bedi[1]	1
Mr. N. K. Khurana[2]	1

1 Ceased to be member of the Committee w.e.f. 1st September, 2017.

2 Inducted to the Committee as member w.e.f. 9th February, 2018.

8. RISK MANAGEMENT COMMITTEE:

Constitution of Risk Management Committee is not mandatory for your Company in terms of Regulation 21(5) of the SEBI Listing Regulations, 2015, as part of its good Corporate Governance practice, the Board has voluntarily constituted the Risk Management Committee in the manner prescribed in Regulation 21 of the said Regulations. 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.

The Committee had framed Company's policy on Risk Assessment and Minimization which was duly approved by the Board. The major risks and concerns being faced by various business segments of the Company are discussed in the Report on Management Discussion and Analysis, forming part of this Annual Report.

The Risk Management Committee of the Board is composed as under as on 31st March, 2018:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Ms. Nayantara Palchoudhuri	Non-Executive-Non-Independent	Member
3.	Mr. N.K. Khurana	Director (Finance) and Company Secretary	Member

During the year under review, the Risk Management Committee held its Meeting on 8th March, 2018 and all Members of the Committee attended the same.

Annexure 1 to the Report of the Board of Directors

9. GENERAL BODY MEETINGS:

Location and time where last three AGMs were held:

Date	Location	Time
31st July, 2015	Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 6, Netaji Subhas Road, Kolkata 700001	11:00 a.m.
3rd August, 2016	Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017	10:30 a.m.
4th August, 2017	Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017	10:30 a.m.

No resolution was passed by the Members through Postal Ballots during the year under review. In the Annual General Meeting held on 4th August, 2017, all the resolutions were adopted by electronic voting.

The following Special Resolutions were passed in the Annual General Meetings held since the last three years:

9.1 In the 21st Annual General Meeting held on 31st July, 2015, approval of the Members obtained for re-appointment of Mr. H. M. Gupta, Managing Director (DIN: 00065973) designated as Executive Chairman for a further period of 2 (two)years and 11(eleven) months i.e. for the period from 1st May, 2015 to 31st March, 2018 in terms of the provisions of Section 188, 196,197 and other applicable provisions of the Companies Act, 2013 read with Section I and Section II of Part II of Schedule V to the said Act.

9.2 In the 22nd Annual General Meeting held on 3rd August, 2016, approval of the Members obtained for re-appointment of Mr. C. S. Bedi, Managing Director (DIN: 00123400) for a further period of 3 (Three) years i.e. for the period from 1st October, 2016 to 30th September, 2019 in terms of the provisions of Section 188, 196,197 and other applicable provisions of the Companies Act, 2013 read with Section I and Section II of Part II of Schedule V to the said Act.

9.3 In the 23rd Annual General Meeting held on 4th August, 2017, approval of the Members obtained for appointment of Mr. N. K. Khurana (DIN - 00123297) as the Whole Time Director of the Company, to be designated as Director (Finance) and Company Secretary for a period of 3 (Three) years commencing from 1st September, 2017 till 31st August, 2020 in terms of the provisions of Section 188, 196,197 and other applicable provisions of the Companies Act, 2013 read with Section I and Section II of Part II of Schedule V to the said Act.

No postal ballot by way of Special Resolution is proposed to be passed in the ensuing 24th Annual General Meeting.

10. MEANS OF COMMUNICATION:

10.1 Unaudited Quarterly results along with Limited Review Report are submitted to the Stock Exchanges in compliance with Regulation 33 of the SEBI Listing Regulations and published in leading newspapers such as Business Standard (English) (all editions) and Aajkal (Bengali) (Kolkata) in terms of Regulation 47 of the said Regulation. The quarterly results are simultaneously posted in the Website of the Company, www.rossellindia.com.

10.2 The Company has its own functional website www.rossellindia.com as required by the SEBI Listing Regulations, wherein a separate dedicated segment named 'Investors Information' has been created. All information and documents relating to quarterly and annual audited financial results, annual reports, quarterly shareholding pattern and information required to be disclosed under Reg. 30 and 46 of the SEBI Listing Regulations, etc. are regularly updated under that segment.

10.3 All material events/information relating to the Company that could influence the market price of its securities or investment decisions are timely disclosed to the Stock Exchanges as per the Company's 'Policy for Determination of Materiality of Events or Information for Disclosure to the Stock Exchanges', framed in terms of Regulation 30(4)(ii) of the SEBI Listing Regulations. All disclosures under this policy are also displayed on the Company's website www.rossellindia.com.

10.4 Management discussion and Analysis Report are covered by the Directors' Report.

10.5 No presentation was made to any Institutional Investor or Analyst during the year.

10.6 Company's E-mail address: rossell@rossellindia.com corporate@rosselltea.com

11. GENERAL SHAREHOLDERS' INFORMATION:

11.1 24th AGM date, time and venue:
8th August, 2018 at 10.30 A.M
Kala Kunj,
48, Shakespeare Sarani, Kolkata-700 017

Annexure 1 to the Report of the Board of Directors

11.2 Financial calendar 2018-2019 (Tentative):

The Financial Year of the Company is April to March.

Tentative Publication of Results during the financial year 2018-2019 was as follows:

Result Period	Tentative time of publication
1st quarter ended 30th June, 2018.	First Fortnight of August, 2018
2nd quarter and Half year ended 30th September, 2018.	First Fortnight of November, 2018.
3rd quarter ended 31st December, 2018.	First Fortnight of February, 2019.
Final Audited Results for the Financial Year 2018-2019 including for the 4th quarter ended 31st March, 2019.	Second Fortnight of May, 2019.

11.3 Book Closure for the 24th AGM: From 2nd August, 2018 to 8th August, 2018 (both days inclusive).

11.4 Dividend Payment date: Not Applicable.

11.5 Listing on Stock Exchanges:

The Company's securities are listed at:

1. **National Stock Exchange of India Ltd.**
   Exchange Plaza, Bandra-Kurla Complex,
   Bandra (E), Mumbai – 400051
2. **BSE Ltd.,**
   Phiroze Jeejeebhoy Towers,
   Dalal Street, Mumbai – 400 001
3. **The Calcutta Stock Exchange Ltd.,**
   7, Lyons Range, Kolkata-700 001

Listing Fees as prescribed have been paid to all the aforesaid Stock Exchanges upto the Financial Year 2018-2019.

Scrip Code:

Stock Exchange	Scrip Code
National Stock Exchange of India Ltd.	ROSSELLIND
BSE Ltd.,	533168
The Calcutta Stock Exchange Ltd.	10028199

11.6 Stock Price Data:

There was no transaction of the Equity Shares of the Company at The Calcutta Stock Exchange Limited during the year ended 31st March, 2018. The Monthly High and Low Prices for trading of the Equity Share at BSE and NSE are as under:

	BSE		NSE	
Month	High (₹)	Low (₹)	High (₹)	Low (₹)
April' 2017	133.50	116.00	134.00	116.00
May'2017	122.00	99.25	121.30	100.50
June'2017	109.00	89.00	108.80	87.10
July'2017	118.00	97.00	117.95	97.50
August ,2017	106.00	92.00	111.00	90.00
September '2017	117.00	97.05	115.00	97.55
October ' 2017	135.50	101.00	135.70	101.40
November' 2017	149.90	106.05	149.75	106.15
December' 2017	137.00	103.75	137.35	100.05
January '2018	129.00	100.65	129.90	102.55
February'2018	119.20	92.30	120.50	86.65
March' 2018	108.85	89.05	109.85	89.65

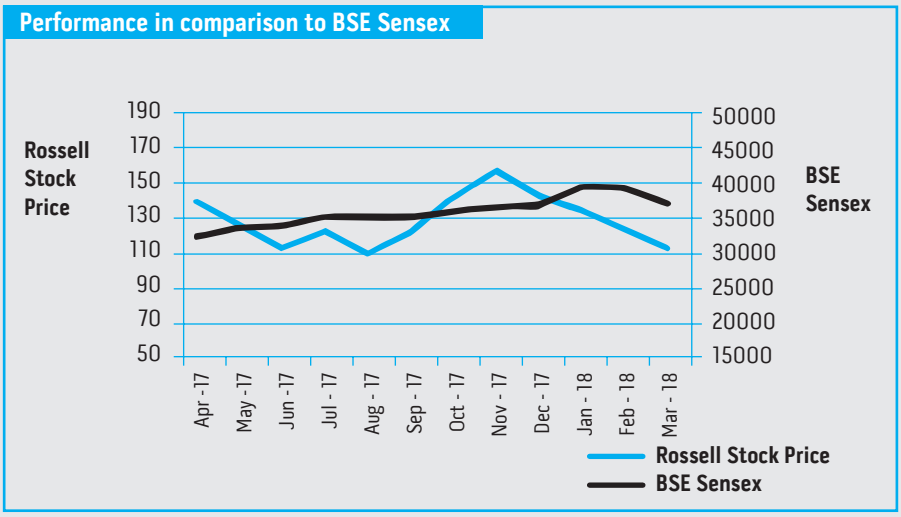
On 29th November, 2017 the stock price of your Company touched its 52 weeks high at ₹ 149.90 in BSE and ₹ 149.75 in NSE. The last traded price at the Bombay Stock Exchange on 24th May, 2018 was ₹ 89.95 and the same at NSE was ₹ 90.25.

Annexure 1 to the Report of the Board of Directors

11.7 Stock Performance:

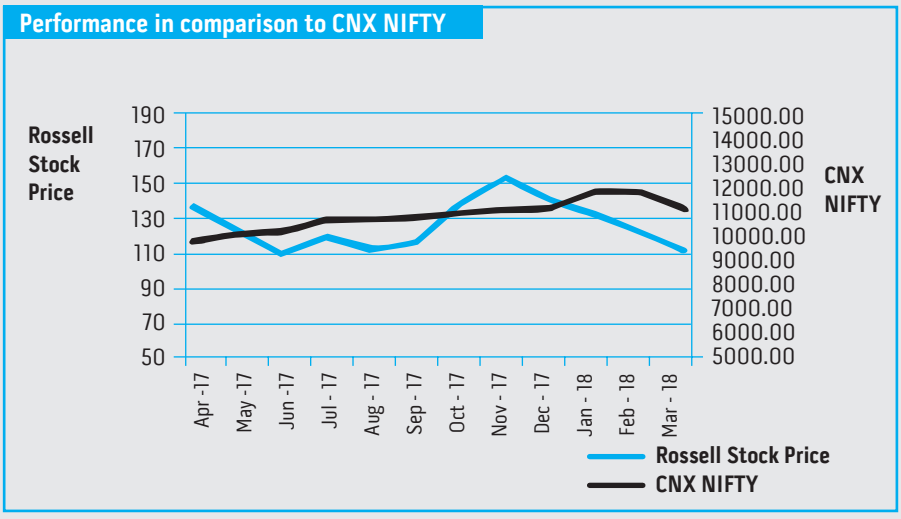
Company's Share Price vis-à-vis BSE Sensex:

(April, 2017 to March, 2018)



Company's Share Price vis-à-vis NSE CNX NIFTY:

(April, 2017 to March, 2018)



11.8 Share Transfer System:

All transfers, transmission or transposition of the shares of the Company are completed in compliance with the requirement of the Reg. 40 of SEBI Listing Regulations. Share Transfer requests, valid and complete in all respects, are normally processed within 15 days. The power to approve the transfers has been delegated by the Board to the Company Secretary and Compliance Officer for expediting the share transfer process. The Stakeholders Relationship Committee periodically reviews and takes on record the share transfer process.

The work relating to Registration of Transfer of shares both in physical and electronic form are handled by CB Management Services Pvt. Ltd., Registrar and Transfer Agents of the Company.

The Company's shares are compulsorily traded in the demat form with effect from 29th January, 2001 for all categories of shareholders. All electronic transfers are routed through the respective Accounts maintained with the Depository Participants (DPs) of the Investor.

ISIN Code No. allotted by NSDL/CDSL: INE 847C01020

Existing holders in physical mode are advised to open a Depository Account prior to any transaction.

Annexure 1 to the Report of the Board of Directors

11.9 Registrars and Share Transfer Agents:

All share management work both physical and demat are being handled by the Registrar and Share Transfer agent of the Company whose name and address is given below:
CB Management Services Private Limited,
P-22, Bondel Road, Kolkata 700 019
Phn: (033) 40116700; 40116718; 40116729
Fax : (033) 4011 6739
Email: rta@cbmsl.com, ranarc@cbmsl.com
Web Site : www.cbmsl.com

11.10 Dematerialization of Shares:

As on 31st March, 2018, 3,60,82,676 Nos. of Equity Shares, representing 98.32 % of the Equity Capital have been held in dematerialised form with NSDL and CDSL.

11.11 (i) Distribution of shareholding as on 31st March, 2018

Range		No. of Shareholders	% of holders	No. Shares held	% of holding
From	To				
1	500	6,677	85.66	9,15,514	2.50
501	1000	541	6.94	4,13,703	1.13
1001	2000	253	3.25	3,93,488	1.07
2001	3000	76	0.97	1,93,109	0.53
3001	4000	43	0.55	1,56,838	0.43
4001	5000	49	0.63	2,30,598	0.63
5001	10000	81	1.04	5,91,849	1.61
10001	50000	53	0.68	10,56,725	2.88
50001	100000	7	0.09	5,25,098	1.43
100001	ABOVE	15	0.19	3,22,19,553	87.80
	TOTAL	**7,795**	**100.00**	**3,66,96,475**	**100.00**

(ii) Shareholding pattern as at 31st March, 2018

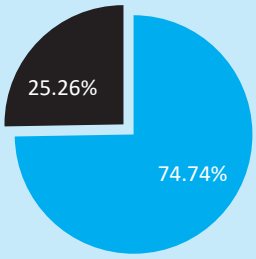
Category shareholders	No. of shareholder	No. of shareholding	% Shareholding
A. Promoters			
Indian Promoter (Individual)	3	32,91,054	8.97
Indian Promoter (Body Corporate)	3	2,41,34,609	65.77
Sub Total –A	**6**	**2,74,25,663**	**74.74**
B. Public – Institutional Holding			
State Government	1	150	0.00
Nationalised/Other Banks	5	1,19,104	0.32
Mutual Funds	2	1,50,010	0.41
Foreign Portfolio Investors	1	28,13,417	7.67
Sub Total - B	**9**	**30,82,681**	**8.40**
C. Public- Non Institutional Holding			
Bodies Corporate	194	14,86,706	4.05
Trust	1	75	0.00
Resident Individual (not exceeding ₹ 2 lacs)	7,466	35,18,903	9.59
Resident Individual (exceeding ₹ 2 lacs)	2	8,34,158	2.27
Non-Resident Indians	82	76,282	0.21
Clearing Members/ Corporates	33	47,317	0.13
Unclaimed Suspense Account	1	33,525	0.09
Investor Education and Protection Fund	1	1,91,165	0.52
Sub Total -C	**7,780**	**61,88,131**	**16.86**
Grand Total (A+B+C)	**7,795**	**3,66,96,475**	**100.00**

Annexure 1 to the Report of the Board of Directors

Shareholding Pattern

% of Shares held by Promoter Group

% of Shares held by public



Total Number of Equity Shares	3,66,96,475	100.00%
Number of Shares held by Promoter Group*	2,74,25,663	74.74%
Number of Shares held by Public	92,70,812	25.26%

*Not pledged or encumbered in any manner

11.12 Transfer of Unclaimed Dividend and Corresponding shares to Investor Education and Protection Fund:

Shareholders are requested to refer to the Notice of the 24th Annual General Meeting for the due dates for transfer of unclaimed dividends and corresponding shares for the year ended 31st March, 2011 to Investor Education and Protection Fund. This information is also posted in the Investor Relation section of the Company's website.

Shareholders, who have not yet encashed their dividend warrants, are requested to immediately contact the Company or its Registrar & Transfer Agents - CB Management Services Pvt. Ltd., P-22, Bondel Road, Kolkata-700 019 for claiming their unpaid/unclaimed dividends, if any.

During the year under review, your Company has transferred a sum of ₹ 81,097 being the dividend lying unclaimed out of the dividend declared by the Company for the Financial Year 2009-2010 to the Investor Education and Protection Fund on 31st August, 2017 pursuant to the provisions of Section 124 (5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

11.13 Transfer of shares corresponding to dividend which have remained unclaimed for seven years and transferred to IEPF Suspense Account with NSDL:

During the period under review, (a) 1,72,925 shares pertaining to financial year 2008-2009 and (b) 18,240 shares pertaining to financial year 2009-2010 have been transferred to IEPF Authorities on 22nd November, 2017 and 12th January, 2018 respectively in compliance with the provisions of Section 124 of the Companies Act, 2013 and Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 after sending letters to those Shareholders and also making an advertisement in the newspapers in this regard. Details of these shares transferred to IEPF are available on the website of the Company at http://www.rossellindia.com/financials.html.

You may please note that in terms of Rule 7 of the IEPF Rules, 2016 shareholders can claim refund of the dividend amount as well as the corresponding shares transferred to IEPF Authorities, following the procedures laid down therein.

11.14 Disclosure relating to Demat Suspense Account/Unclaimed Suspense Account:

In according with the Regulation 39 read with Schedule VI of the Listing Regulations, shareholders whose certificates were returned undelivered and lying with the Company were transferred and held by the Company in the dematerialized mode in the "Unclaimed Suspense Account" maintained with IL&FS securities services limited. These shares are released to the shareholders after proper verification of their identity, once the request is received from the concerned shareholder. The details of the shares held and released from the Suspense Account are as follows:-

Annexure 1 to the Report of the Board of Directors

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and outstanding shares in the unclaimed suspense account at the beginning of the Financial Year 2017-2018.	480	1,09,535
Number of shareholders who approached the Company for transfer of shares and shares transferred from Unclaimed Suspense Account during 2017-2018.	3	600
Number of shares transferred to IEPF Authorities in compliance with the provisions of Section 124 of the Companies Act, 2013 and Rule 6 of the IEPF Rules.	406	75,410
Aggregate number of shareholders and outstanding shares in the suspense account at the end of the Financial Year 2017 -2018.	71	33,525

The voting rights on these shares will remain frozen till the rightful owner claims the shares.

11.15 Plant Locations:

The Company owns seven Tea Estates in Assam, as given below as on date. Each estate has its own well-equipped Factory for processing of Black Tea:

ASSAM

Dist. Dibrugarh
Dikom, Romai, Namsang

Dist. Tinsukia
Nokhroy

Dist. Baksa
Nagrijuli

Dist. Golaghat
Bokakhat

Dist. Jorhat
Kharikatia

Note: Particulars of Area under Tea, Crop & Yield are given later in the Report.

The **Design and Development unit of Rossell Techsys Division** is located at Bangalore at the following addresses:

No. 71 and 74, 3rd Cross, Export Promotional Industrial Park

Whitefield, Bangalore – 560 066

Rossell Hospitality Division of the Company has Twelve Indian Fast Food Outlets - "Kebab Xpress" at the following places as on 31st March, 2018:

1.	N BLOCK INNER CIRCLE, CONNAUGHT PLACE N-5, Connaught Place, Opposite Palika Bazaar, Gate-5, New Delhi, Delhi - 110001	2.	V3S MALL, LAXMI NAGAR G2 & G8, V3S Mall, Laxmi Nagar, New Delhi Delhi – 110091
3.	MOMENTS MALL, KIRTI NAGAR 2nd Floor, Food Court Moments Mall, Kirti Nagar, New Delhi Delhi - 110015	4.	PACIFIC MALL, SUBHASH NAGAR K9 & K10, Ground Floor Pacific Mall, Subhash Nagar, New Delhi Delhi – 110018
5.	THE QUTUB TIFFIN, MEHRAULI Ground Floor, The Qutub Tiffin, Mehrauli, New Delhi Delhi – 110030	6.	DLF CYBER HUB, GURGAON 112, First Floor, DLF Cyber Hub, Gurgaon Haryana - 122002

Annexure 1 to the Report of the Board of Directors

7.	HUDA CITY CENTRE METRO STATION, GURGAON 6, Ground Floor, HUDA City Centre Metro Station, Gurgaon Haryana – 122002	8.	Shop No. 118, First Floor, Unity One Mall, MLCP, Rohini West, New Delhi, Delhi-110085
9.	THE GREAT INDIA PLACE, NOIDA 301 A, Third Floor, TGIP Mall, Sector 38, Noida Uttar Pradesh - 201301	10.	SHIPRA MALL, INDIRAPURAM Second Floor, Food Court Shipra Mall, Vaibhav Khand Indirapuram Ghaziabad Uttar Pradesh – 201014
11.	3rd Floor, Food Court, Logix City Center Noida Uttar Pradesh-201301	12.	C-3, Main Market, Malviya Nagar, New Delhi Delhi-110017

11.16 Address for correspondence:

Registrar & Share Transfer Agent including Depository Registrar

CB Management Services Private Limited,

P-22, Bondel Road,

Kolkata-700 019

Tel: (033) 40116700 / 40116711 / 40116718 / 40116720

Fax: (033) 2287-0263

E-Mail: rta@cbmsl.com

Compliance Officer

Mr. N. K. Khurana

Director (Finance) and Company Secretary,

Membership No. FCS - 2173

Rossell India Limited,

Jindal Towers, Block 'B', 4th Floor,

21/1A/3, Darga Road,

Kolkata- 700 017

Tel: (033) 2287-4794/4061-6083

Fax: (033) 2290 3035

E-mail:nirmal.khurana@rossellindia.com/ nk.khurana@rosselltea.com

12. Other Disclosures:

12.1 Related party transactions:

Disclosures on materially significant related party transactions:

The Company has not entered into any transactions of material nature, with its Promoters, the Directors or their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company. The transactions undertaken during the year have been disclosed as Clause. 6 in Note V to the Financial Statements for the year ended 31st March, 2018.

12.2 Non Compliance/penalties :

No penalties / strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority for non-compliance of any laws on any matter related to capital markets, during the last three years.

12.3 Whistle Blower Policy - Vigil Mechanism:

Pursuant to Sec 177(9) read with (Meeting of Board and its Power) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations , Company has duly established vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conducts or ethics policy. 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.

Further in terms of Regulation 46(2)(e) of the SEBI Listing Regulations, detailed policy related to the Whistle Blower - Vigil Mechanism is available in the Company's website at www.rossellindia.com.

Annexure 1 to the Report of the Board of Directors

12.4 Mandatory requirements:

The Company has complied all mandatory Corporate Governance requirements as stipulated in the SEBI Listing Regulations.

All other discretionary requirements as stipulated in Part-E, Schedule II of the SEBI Listing Regulations have been adopted to the extent applicable.

12.5 CEO/CFO Certification:

In terms of Regulation 17 (8) read with Schedule-II, Part-B of the SEBI Listing Regulations, the Executive Chairman (CEO) and the Chief Financial Officer (CFO) of the Company have certified to the Board that the financial statements for the year ended 31st March, 2018 do not contain any false or misleading statement and that these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

12.6 Adoption of Non-Mandatory requirements:

The Company strives to comply with the non mandatory (discretionary) requirements as specified in Part E of Schedule II of SEBI Listing Regulations as far as possible.

Internal Auditors Report: The Internal Auditors of the Company directly submit their reports to the attention of the Chairman of the Audit Committee of the Board.

Auditors Report : There has been no qualification/ adverse remark by the Auditors in their Audit Report for the year.

12.7 Web-Link where policy on determining 'material' subsidiaries:

The Company does not have any Material Subsidiary.

12.8 Web Link for Policy on dealing with Related party Transactions:

The Company's policy on Related Party Transaction is available on the Company's website at www.rossellindia.com

12.9 Compliance confirmation:

The Company has complied with all corporate governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, 2015.

12.10 Commodity price risk or foreign exchange risk and hedging activities :

Black Tea, the main Product manufactured by the Company, is subject to price risk, as the price is determined by the prevailing market conditions and 'Cost plus pricing' model has no role in determining such prices. The Company is well conversant with this risk and always gear itself to align its product mix and other attributes of the product to meet the market demand.

The Company's Policy is to take appropriate steps to guard the risks arising out of major foreign currency exposure for its import paybles and export receivables.

For and on behalf of the Board

Place : Kolkata
Date : 24th May, 2018

(H. M. Gupta)
Executive Chairman

Annexure 1 to the Report of the Board of Directors

CERTIFICATE FROM PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
Rossell India Limited

We have examined the compliance of conditions of Corporate Governance by **Rossell India Limited** ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the year ended 31.03.2018.

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 for an expression of opinion on the financial statements of the Company.

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 stipulated in the above-mentioned Listing Regulations, as applicable.

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

For **A. K. Labh & Co.**
Company Secretaries

CS A. K. Labh
Practicing Company Secretary
FCS – 4848 / CP No.-3238

Place : Kolkata
Dated : 24th May, 2018

Annexure 2 to the Report of the Board of Directors

REPORT ON CSR ACTIVITIES/INITIATIVES

[Pursuant to Section 135 of the Act read with Companies (CSR Policy) Rules, 2014]]

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is http://www.rossellindia.com/financial-result/CSR_Policy.pdf
2	The Composition of the CSR Committee	i) Dr. S. S. Baijal - Chairman [Independent Director] ii) Mr. V. P Agarwal - Member [Independent Director] iii) Mr. N. K. Khurana – Member [Director (Finance) and Company Secretary]
3	Average net profit of the company for last three financial years.	₹ 344.84 Lakhs
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 6.89 Lakhs
5	Details of CSR activities/projects undertaken during the year:	
	a) total amount to be spent for the financial year as approved by the CSR Committee	₹ 16.70 Lakhs
	b) amount un-spent, if any	N.A.
	c) manner in which the amount spent during financial year,	The manner in which the amount is spent is detailed in the **Annexure-A** below.

Annexure -A

1	2	3	4	5	6	7	8
Sr. No	CSR project/ Direct Expenditure on Projects	Sector in which the Project is covered	Projects/ Programmes 1. Local area/ others- 2.specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount of outlay (budget) project/ programme wise ₹ In lakhs	Amount spent on the project/ programme ₹ In lakhs	Cumulative spend upto to the reporting period ₹ In lakhs	Amount spent: Direct/ through implementing agency
A.	**Direct Expenditure on Projects**						
1.	Running and Maintenance of Free Dispensary	Promoting Preventive Health Care	Delhi, NCR Area	7.00	7.00	7.00	Through BMG Foundation, Delhi
2.	Community Based Crèches at Urban Slums	Promoting Education among little Children	Delhi, NCR Area	8.00	8.00	8.00	Through Mobile Creches, Delhi

Annexure 2 to the Report of the Board of Directors

1	2	3	4	5	6	7	8
Sr. No	CSR project/ Direct Expenditure on Projects	Sector in which the Project is covered	Projects/ Programmes 1. Local area/ others- 2.specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount of outlay (budget) project/ programme wise ₹ In lakhs	Amount spent on the project/ programme ₹ In lakhs	Cumulative spend upto to the reporting period ₹ In lakhs	Amount spent: Direct/ through implemen-ting agency
3.	Extending support towards education of differently abled children.	Promoting Education	The Society for Welfare of Differently Abled Persons (Physically Handicapped) Education and Research Centre at Pune area.	1.20	1.20	1.20	Direct Spending
4.	Support to blind students by contributing towards food, education, boarding, lodging etc.	Promoting Education	Bharat Blind School Shahdara, 510-A, Circular Road, Shahdara – 110 032, Delhi	0.50	0.49	0.49	Direct Spending
B.	**Overheads**			**-**	**-**	**-**	
	Total			**16.70**	**16.69**	**16.69**	

Responsibility Statement

The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Place : Kolkata
Date : 24th May, 2018

H. M. Gupta
Executive Chairman and CEO

Dr. S. S. Baijal
Chairman of CSR Committee

Annexure 3 to the Report of the Board of Directors

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2018

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

I. REGISTRATION AND OTHER DETAILS

1	CIN	L01132WB1994PLC063513
2	Registration Date	10th June, 1994
3	Name of the Company	ROSSELL INDIA LIMITED
4	Category/Sub-Category of the Company	Public Company Limited by Shares
5	Whether listed Company (Yes/No)	Yes
6	Address of the Registered Office and contact details	Jindal Towers, Block - "B", 4th Floor,, 21/1A/3, Darga Road, Kolkata – 700017, West Bengal
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	C B Management Services Pvt. Ltd., P - 22, Bondel Road, Kolkata, West Bengal - 700019, Tel; 033-22806692/93/94, 40116700/6711/6718/6723 Email : rta@cbmsl.com

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.	Tea & Tea Products	99611272	59.05
2.	Aviation Products and Services	98882	32.34

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	CAE Rossell India Ltd.	U80102DL2008PLC179630	Wholly Owned Subsidiary	100%	Sec 2(87)
2.	R. V. Enterprizes Pte. Ltd., Singapore	N.A	Joint Venture / Associate	26%	Sec. 2 (6)

Annexure 3 to the Report of the Board of Directors

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				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	32,91,054	-	32,91,054	8.97	32,91,054	-	32,91,054	8.97	-
(b) Central Govt									-
(c) State Govt (s)									
(d) Bodies Corp.	2,41,34,609	-	2,41,34,609	65.77	2,41,34,609	-	2,41,34,609	65.77	
(e) Banks / FI									-
(f) Any Other....									
SUB TOTAL : (A)(1)	**2,74,25,663**	**-**	**2,74,25,663**	**74.74**	**2,74,25,663**	**-**	**2,74,25,663**	**74.74**	-
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**2,74,25,663**	-	**2,74,25,663**	**74.74**	**2,74,25,663**	**-**	**2,74,25,663**	**74.74**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,50,010	-	1,50,010	0.41	1,50,010	-	1,50,010	0.41	-
b) Banks / FI	-	90,300	90,300	0.24	28,804	90,300	1,19,104	0.32	0.08
c) Central Govt.	-	150	150	0.00	-	150	150	0.00	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investors	34,67,391	-	34,67,391	9.45	28,13,417	-	28,13,417	7.67	1.78
h) Foreign Venture Capital Funds	-	-	-	-	-		-	-	-
i) Others (specify)	-	-	-	-	-		-	-	-
Sub-total (B)(1)	**36,17,401**	**90,450**	**37,07,851**	**10.10**	**29,92,231**	**90,450**	**30,82,681**	**8.40**	**1.70**
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	14,01,129	4,055	14,05,184	3.83	16,07,080	3,300	16,10,380	4.39	0.56
(ii) Overseas									
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	22,93,601	4,94,309	27,87,910	7.60	31,48,854	3,51,799	35,00,653	9.54	1.94
(ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	10,51,129	1,50,000	12,01,129	3.27	6,84,158	1,68,250	8,52,408	2.33	0.94
(c) Others (specify)	1,68,588	150	1,68,738	0.46	33,525	-	33,525	0.09	0.37
(d) Investor Education and Protection Fund Authority, Ministry of Corporate Affairs.	-	-	-	-	1,91,165	-	1,91,165	0.51	0.51
Sub-total (B)(2):	**49,14,447**	**6,48,514**	**55,62,961**	**15.16**	**56,64,782**	**5,23,349**	**61,88,131**	**16.86**	**1.70**
Total Public Shareholding (B)=(B)(1) + (B)(2)	**85,31,848**	**7,38,964**	**92,70,812**	**25.26**	**86,57,013**	**6,13,799**	**92,70,812**	**25.26**	**-**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**3,59,57,511**	**7,38,964**	**3,66,96,475**	**100.00**	**3,60,82,676**	**6,13,799**	**3,66,96,475**	**100.00**	**-**

Annexure 3 to the Report of the Board of Directors

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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.	BMG ENTERPRISES LTD.	2,31,13,795	62.99	0.00	2,31,13,795	62.99	0.00	0.00
2.	BMG INVESTMENTS PVT LTD	5,49,769	1.50	0.00	5,49,769	1.50	0.00	0.00
3.	HARVIN ESTATE PVT.LTD.	4,71,045	1.28	0.00	4,71,045	1.28	0.00	0.00
4.	HARSH MOHAN GUPTA	18,53,785	5.05	0.00	18,53,785	5.05	0.00	0.00
5.	RISHAB MOHAN GUPTA	7,43,599	2.03	0.00	7,43,599	2.03	0.00	0.00
6.	VINITA GUPTA	6,93,670	1.89	0.00	6,93,670	1.89	0.00	0.00
	TOTAL	**2,74,25,663**	**74.74**	**0.00**	**2,74,25,663**	**74.74**	**0.00**	**0.00**

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

		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
	At the beginning of the year	2,74,25,663	74.74	2,74,25,663	74.74
		No change in Promoters' Shareholding during the year			
	At the end of the year	2,74,25,663	74.74	2,74,25,663	74.74

(iv) Shareholding Pattern of top ten Shareholders

SL	Folio No/DP	SOLE/FIRST NAME OF THE SHAREHOLDER		DATE	NO. OF SHARE	%TO TOT	NO. OF SHARE	%TO TOT
1	IN30134820011233	ELARA INDIA OPPORTUNITIES FUND LIMITED	At the begining of the year	01-04-2017	34,67,391	9.45	34,67,391	9.45
			SALE	01-12-2017	3,24,000	0.88	31,43,391	8.57
			SALE	08-12-2017	3,12,557	0.85	28,30,834	7.72
			SALE	12-01-2018	17,417	0.05	28,13,417	7.67
			At the end of the year	31-03-2018	–	–	28,13,417	7.67
2	IN30115121312415	ASWINI AGARWAL	At the beginning of the year	01-04-2017	9,31,129	2.54	9,31,129	2.54
			SALE	18-08-2017	1,044	–	9,30,085	2.54
			SALE	25-08-2017	589	–	9,29,496	2.54
			SALE	01-09-2017	2,000	0.01	9,27,496	2.53
			SALE	08-09-2017	4,870	0.01	9,22,626	2.52
			SALE	15-09-2017	6,500	0.02	9,16,126	2.50
			SALE	22-09-2017	123	–	9,16,003	2.50
			SALE	29-09-2017	2,273	0.01	9,13,730	2.49
			SALE	06-10-2017	2,136	0.01	9,11,594	2.48
			SALE	13-10-2017	15,100	0.04	8,96,494	2.44
			SALE	20-10-2017	6,869	0.02	8,89,625	2.42
			SALE	27-10-2017	5,789	0.02	8,83,836	2.40
			SALE	31-10-2017	14,672	0.04	8,69,164	2.36
			SALE	10-11-2017	218	–	8,68,946	2.36
			SALE	17-11-2017	1,189	–	8,67,757	2.36
			SALE	24-11-2017	29,848	0.08	8,37,909	2.28
			SALE	01-12-2017	56,808	0.15	7,81,101	2.13

Annexure 3 to the Report of the Board of Directors

SL	Folio No/DP	SOLE/FIRST NAME OF THE SHAREHOLDER		DATE	NO. OF SHARE	%TO TOT	NO. OF SHARE	%TO TOT
			SALE	08-12-2017	22,059	0.06	7,59,042	2.07
			SALE	22-12-2017	9,115	0.02	7,49,927	2.05
			SALE	29-12-2017	20,439	0.06	7,29,488	1.99
			SALE	05-01-2018	14,704	0.04	7,14,784	1.95
			SALE	12-01-2018	3,742	0.01	7,11,042	1.94
			SALE	19-01-2018	9,500	0.03	7,01,542	1.91
			SALE	02-02-2018	2,619	0.01	6,98,923	1.90
			SALE	16-02-2018	4,765	0.01	6,94,158	1.89
			SALE	23-02-2018	10,000	0.03	6,84,158	1.86
			At the end of the year	31-03-2018			6,84,158	1.86
3	IN30124110023723	GURGAON INFOSPACE LIMITED	At the beginning of the year	01-04-2017	2,69,518	0.73	2,69,518	0.73
			SALE	30-09-2017	2,69,518	0.73	–	–
			At the end of the year	31-03-2018			–	–
4	IN30124110000029	GLOBAL CREDIT CAPITAL LTD.	At the beginning of the year	01-04-2017	2,27,100	0.62	2,27,100	0.62
	IN30124110000029	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2018			2,27,100	0.62
5	IN30124110010156	PNR CAPITAL SERVICES LIMITED	At the beginning of the year	01-04-2017	1,68,300	0.46	1,68,300	0.46
	IN30124110010156	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2018			1,68,300	0.46
6	A00355	ASWINI KUMAR AGARWAL	At the beginning of the year	01-04-2017	1,50,000	0.41	1,50,000	0.41
	A00355	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2018			1,50,000	0.41
7	IN30081210489442	ADMINISTRATOR OF THE SPECIFIED UNDERTAKING OF THE UNIT TRUST OF INDIA - ASSET RECONSTRUCTI ON FUND	At the beginning of the year	01-04-2017	1,50,000	0.41	1,50,000	0.41
	IN30081210489442	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2018			1,50,000	0.41
8	IN30032710574035	SHANTI DEVI AGARWAL	At the beginning of the year	01-04-2017	1,20,000	0.33	1,20,000	0.33
			SALE	01–09–2017	1,462	–	1,18,538	0.33
			SALE	08–09–2017	13,626	0.04	1,04,912	0.29
			SALE	22–09–2017	93	–	1,04,819	0.29
			SALE	29–09–2017	6,046	0.02	98,773	0.27
			SALE	06–10–2017	18,123	0.05	80,650	0.22
			SALE	13–10–2017	22,400	0.06	58,250	0.16
			SALE	17–11–2017	1,189	–	57,061	0.16
			SALE	24–11–2017	9,718	0.03	47,343	0.13
			SALE	01–12–2017	12,224	0.03	35,119	0.10
			At the end of the year	31–03–2018			35,119	0.10
9	IN30124110022791	ALKYONE REALTORS PRIVATE LIMITED	At the beginning of the year	01-04-2017	1,11,600	0.30	1,11,600	0.30
	IN30124110022791	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2018			1,11,600	0.30
10	IN30124110022629	AVG REALTORS PRIVATE LIMITED	At the beginning of the year	01-04-2017	1,00,000	0.27	1,00,000	0.27
		NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2018			1,00,000	0.27
11	IN30124110023723	GURGAON INFOSPACE LIMITED	At the beginning of the year	01-04-2017	2,69,518	0.73	2,69,518	0.73
			BUY	19-01-2018	28,632	0.08	2,98,150	0.81
			At the end of the year	31-03-2018			2,98,150	0.81
12	I00006	INDIAN BANK	At the beginning of the year	01-04-2017	90,000	0.25	90,000	0.25
		NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2018			90,000	0.25

Annexure 3 to the Report of the Board of Directors

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

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginnings of the year		Shareholding at the end of the year	
	Name of the Director/KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. H.M.Gupta	18,53,785	5.05	18,53,785	5.05
2	Dr. S. S. Baijal	7,500	0.02	7,500	0.02
3	Mr. C.S.Bedi	500	0.00	500	0.00
4	Mr. N.K.Khurana	3,700	0.01	3,700	0.01
5	Mr. R. M. Gupta	7,43,599	2.03	7,43,599	2.03

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,614.25	3,498.83	NIL	8,113.08
ii) Interest due but not paid	0.19	NIL	NIL	0.19
iii) Interest accrued but not due	23.81	12.75	NIL	36.56
Total (i+ii+iii)	**4,638.25**	**3,511.58**	**NIL**	**8,149.83**
Change in Indebtedness during the financial year				
▪ Addition	1,08,121.31	11,658.54	425.00	1,20,204.85
▪ Reduction	1,04,737.70	13,511.58	115.00	1,18,364.28
Net Change	**3,383.61**	**(1,853.04)**	**310.00**	**1,840.57**
Indebtedness at the end of the financial year				
i) Principal Amount	7,997.01	1,650.00	310.00	9,957.01
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	24.85	8.54	NIL	33.39
Total (i+ii+iii)	**8,021.86**	**1,658.54**	**310.00**	**9,990.40**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager* ₹ in lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. H. M. Gupta	Mr. C. S. Bedi (1)	Mr. N. K. Khurana (2)	Mr. R. M. Gupta (3)	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96.00	27.57	27.15	5.46	156.18
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14.75	5.66	2.74	–	23.15
	(c) Profits in lieu of salary under	–	–	–	–	–
2.	Stock Option	–	–	–	–	–
3.	Sweat Equity	–	–	–	–	–
4.	Commission	–	–	–	–	–
	- as % of profit	–	–	–	–	–
	- others, specify...					
5.	Others, please specify	–	–	–	–	–
	Total (A)	**110.75**	**33.23**	**29.89**	**5.46**	**179.33**
	Ceiling as per the Act (@10% of the profits calculated under section 198 of the Companies Act, 2013)					NIL

* Minimum Remuneration paid during the year.

(1) Mr. C. S. Bedi, ceases from the Directorship w.e.f. 1st September, 2017
(2) Mr. N. K. Khurana appointed as Director w.e.f. 1st September, 2017
(3) Mr. R. M. Gupta appointed as Director w.e.f. 9th February, 2018

Annexure 3 to the Report of the Board of Directors

B. Remuneration to other Directors : ₹ in lakhs

Sl. N	Particulars of Remuneration	Name of Directors			Total Amount
1.	**Independent Directors**	**Dr. S.S. Baijal**	**Mr. H.M. Parekh**	**Mr. V. P. Agarwal**	
	▪ Fee for attending board / committee meetings	3.05	3.20	3.25	9.50
	▪ Commission	–	–	–	–
	▪ Others, please specify	–	–	–	–
	Total (1)	**3.05**	**3.20**	**3.25**	**9.50**
2.	**Other Non-Executive Directors**	**Ms. Nayantara Palchoudhuri**			
	▪ Fee for attending board / committee meetings	2.80			2.80
	▪ Commission	–			–
	▪ Others, please specify	–			–
	Total (2)	2.80			**2.80**
3.	**Total (1+2)**				**12.30**
	Total Managerial Remuneration (Excluding Fees)				**NIL**
	Overall Ceiling as per the Act (@1% of profits calculated Under Section 198 of the Companies Act, 2013)				**NIL**

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
	Mr. N.K. Khurana (From 1st April, 2017 to 31st August, 2017)	**Chief Financial Officer-cum- Company Secretary**	**Total**
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19.39	19.39
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.82	1.82
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5.	Others, please specify		
	Total	**21.21**	**21.21**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

No penalty/punishment levied and/or compounding of offences done during the financial year 2017-2018.

Annexure 4 to the Report of the Board of Directors

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

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

To
The Members,
Rossell India Limited
Jindal Towers, Block – "B", 4th Floor,
21/1A/3, Darga Road,
Kolkata – 700 017
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rossell India Limited** having its Registered Office at "Jindal Towers", Block – "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal (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 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 31.03.2018 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.

AUDITORS' RESPONSIBILITY

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding 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 processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statues as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;

(iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Annexure 4 to the Report of the Board of Directors

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) 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;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts:

1. Food Safety and Standards Act, 2006
2. Tea Act, 1953
3. Tea Waste Control Order, 1959
4. Tea (Marketing) Control Order, 2003
5. Tea (Distribution & Export) Control Order, 2005
6. Plant Protection Code (Formulated by Tea Board of India)
7. Plantations Labour Act, 1951

to the extent of their applicability to the Company during the financial year ended 31.03.2018 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(ii) SEBI (Share Based Employee Benefits) Regulations, 2014 ;

(iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;

(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

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, if any, during the period under review were carried out in compliance with the provisions of the Act.

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

(d) 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.

For **A. K. Labh & Co.**
Company Secretaries

CS A. K. Labh
Practicing Company Secretary
FCS – 4848 / CP No.-3238

Place : Kolkata
Dated : 24th May, 2018

Annexure 5 to the Report of the Board of Directors

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

1) Details of contracts or arrangements or transactions not at arm's length basis :

	(a)	Name(s) of the related party and nature of relationship	The Company has not entered in to any contract or arrangement or transactions with its related parties which is not at arm's length during the financial year 2017-18.
	(b)	Nature of contracts/arrangements/transactions	
	(c)	Duration of the contracts / arrangements/transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Justification for entering into such contracts or arrangements or transactions	
	(f)	Date(s) of approval by the Board	
	(g)	Amount paid as advances, if any	
	(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2) Details of material contracts or arrangement or transactions at arm's length basis :

	(a)	Name(s) of the related party and nature of relationship	The Company has not entered in to any material contract or arrangement or transactions with its related parties during the financial year 2017-18.
	(b)	Nature of contracts/arrangements/transactions	
	(c)	Duration of the contracts / arrangements/transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Date(s) of approval by the Board	
	(f)	Amount paid as advances, if any	

For and on behalf of the Board

Place : Kolkata
Date : 24th May, 2018

(H. M. Gupta)
Executive Chairman

Annexure 6 to the Report of the Board of Directors

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Requirement of Rule 5(1)		Particulars
Clause(i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	1. Mr. H.M. Gupta, Executive Chairman – 211.38 : 1.00 2. Mr. C.S. Bedi, Managing Director* – 63.42 : 1.00 3. Mr. N. K. Khurana – Director(Finance) and Company Secretary* – 101.49 : 1.00 4. Mr. R. M. Gupta – Whole Time Director** – 20.96 : 1.00 Sitting Fees/ Commission paid to Non-Executive Directors have not been considered to ascertain this ratio. *Mr. C.S. Bedi retired from the position of Managing Director w.e.f. 1st September, 2017 and Mr. N. K. Khurana appointed as Whole Time Director designated as Director (Finance) effective from the same date. **Mr. R. M. Gupta appointed as Whole Time Director w.e.f. 9th February, 2018.
Clause (ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	1. Mr. H.M. Gupta, Executive Chairman & CEO – 0.17% 2. Mr. N.K. Khurana, Director (Finance), CFO and CS – 7.26%
Clause(iii)	The percentage increase in the median remuneration of employees in the financial year.	During the financial year 2017-2018, the percentage increase in the median remuneration of employees as compared to previous year was approximately 0.17%
Clause(iv)	The number of permanent employees on the rolls of company.	There were 6,333 Employees as on 31st March, 2018.
Clause (viii)	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.	The average increase in remuneration of employees is made in accordance with the Remuneration Policy of the Company, where employees are granted increments based on their performance as well as the performance of the Company. However, unionised employees in the Rossell Tea Division are governed by respective Agreement (Industry wise) and the average increase in remuneration is in accordance with the terms of such Agreement. Average percentile increase in the salaries of employees, other than the Managerial Personnel, in the last Financial Year 2017-2018 was around 8%. The Executive Chairman and other whole time Directors of the Company was paid Minimum Remuneration in view of inadequate profit, within the limit permissible under the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
Clause (xii)	Affirmation that the remuneration is as per the remuneration policy of the company.	The Company affirms that the remuneration of Directors, Senior Management and Employees is as per the Remuneration Policy of the Company.

Annexure 7 to the Report of the Board of Directors

Statement of Particulars of employees pursuant to Section 134 (3)(q) of the Companies Act,2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Designation	No. of Shares held (Percentage)	Remuneration Received [₹ in lakhs p.a.]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held
1.	H.M. Gupta	Executive Chairman	18,53,785 Equity Shares (5.05)	110.75	B. A. (Hons.)	43	63	1st May, 1996	BMG Enterprises Ltd. – Chairman and Managing Director (still continuing)
2.	P.K. Bhagvandas	CEO – Rossell Techsys Division	NIL	79.86	B. Tech, M.B.A	36	56	17th January, 2011	MD – Broadcom India Pvt. Ltd.
3.	R.M Gupta	Whole Time Director	7,43,599 Equity Shares (2.03)	77.30	Graduate from Suffolk University, Boston, USA.	10	31	1st January, 2008	N.A.
4.	N.K. Khurana	Director (Finance) and Company Secretary	3,700 Equity Shares (0.01)	51.10	B.Com (Hons.), LL.B., FCA, FCS, FCMA.	38	59	1st August, 1994	Assam Frontier Tea Ltd. - Head of Finance and Company Secretary
5.	AVM (Retd.) S. K. Sofat	VP- Aerotech Services	NIL	49.98	Graduate of Defence Services Staff College and Higher Air Command Course	48	69	1st February, 2008	Air Vice Marshall, Indian Air Force
6.	Shyam Karigiri	VP – Rossell Techsys	NIL	48.00	BE , Mysore University ME, Wichita State University, USA and an MBA from Arizona State University, USA.	21	47	6th February, 2017	UTC Aerospace Systems- Senior Management
7.	Jagjit Singh Kandhari	Chief Operating Officer – Rossell Hospitality	NIL	46.02	MBA/B.Com/ Graduate in Hotel Management	28	48	3rd October, 2011	Blue Foods- GM – (Northern Region)
8.	Indrajit Roy	VP (Marketing)- Rossell Tea	NIL	41.70	B. Com, Diploma in Export Management	36	56	1st September, 2009	Hindustan Unilever Ltd. – Operational Manager – Specialty Tea
9.	Digant Parikh	VP (Finance)	NIL	41.63	MBA(Finance), ICWA Inter	26	46	1st November, 2011	MB Parikh Fin Stocks Ltd. Managing Director
10.	Sudarshan R R J	VP- Rossell Techsys	NIL	40.01	BE- Electronics and Communications Engineering and Master's Degree in Business Management.	31	54	30th September, 2011	Formerly was a Senior Air Force Officer

Notes :

1. Remuneration as defined under Sec. 2(78) of the Companies Act, 2013 includes Salary, Allowances and Perquisites as defined under the Income Tax Act, 1961 and excludes contributions to Provident and other Funds.
2. The nature of employment is contractual and is subject to the rules and regulations of the Company in force from time to time.
3. None of the persons listed above, except Mr. H.M. Gupta, Mr. R.M. Gupta (related inter-se), are relative of any of the Directors/ KMPs of the Company.

Annexure 8 to the Report of the Board of Directors

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. INDUSTRY STRUCTURE AND DEVELOPMENTS

Rossell Tea

The total world tea crop in the Financial Year 2017-2018 is around 5,800 million kgs of which the main producers are China – 2,600 million kgs, India – 1,325 million kgs followed by Kenya, Sri Lanka and Turkey. The major increase in production in the decade has come from China and India.

In India, the small tea growers segment has contributed significantly and now produces about 47%of the total crop. The North Indian crop was 1,091.40 million kgs against 1,016.94 million kgs, whilst South India's contribution was 233.65 million kgs as compared to 212.21 million kgs. The total overall production is 1,325 million kgs as against 1,250 million kgs, an increase of 75 million kgs (6%). Exports increased from 228 million kgs in 2016-2017 to 257 million kgs this fiscal.

The weather continues to play a vital role in tea production. Cropping in central and lower Assam region was good which resulted in record production in our Kharikatia and Nagrijuli Tea estates. Growing conditions in the Upper Assam region however, were relatively poor with wet weather leading to increased pest and disease activity owing to heavy rains and overcast conditions.

The CTC market during the year was much improved. Orthodox on the other hand was slightly subdued owing to increased production and lack of demand for the top grades from overseas continental buyers.

Taking advantage of this and given the flexibility in our processing capabilities, we made a higher proportion of CTC teas moving from 1.88 million kgs to 2.60 million kgs.

The Division continues to upgrade its assets, be it the fields by uprooting, rejuvenation and replanting, and also the factories. All the Division's capital expenditure programs were completed on schedule and put to use. The workers are our greatest assets and we are continuously improving their living and working environment through better hygiene, sanitation, housing and water supply.

Aviation Products and Services

Aerotech Services timely and quality delivery service has made the OEMs rely on your Company. Our contracts with OEMs will continue to be extended in the coming years. The Division is now taking on complex tasks without any assistance of the OEM.

Rossell Techsys Division has grown by over 100% in the current financial year and continues to keep the momentum on all fronts. The future is exciting but is also fraught with challenge and opportunities. Some of these are highlighted later.

Rossell Hospitality

While the medium to long-term prospects for the organized Food Service Industry is promising, during the year under review, the impact of GST implementation was felt across its various segments in the second half of FY 2018. On a brighter side, a 5% levy of GST in most restaurants has reduced the burden for consumers. Favorable Demographics, Rising Income levels, Changing Consumer Lifestyle, Growing Awareness of Cuisine, Emergence of New Retailing Centers are increasing access to the food service industry.

b. OPPORTUNITIES AND THREATS

Rossell Tea

(i) Production

World crop does to an extent affect the export of Teas and the price levels, however it is the increase in the Indian crop which has a direct impact on the domestic sales and also on exports to some extent.

Both Sri Lanka and Kenya have had an excellent start to their 2018 season. Till March-end, Sri Lanka is ahead by 8 million kgs and Kenya by 10 million kgs. Indian crop till March-end is ahead by 3 million kgs and there is every likelihood that April too will be in surplus. Production of Tea at Rossell Tea is also up by 19% till mid-May in the 2018-19 fiscal.

With production increasing in India substantially from the Small Growers Segment, which is predominantly the average to medium quality, it will have an impact on medium segment producers. As Rossell Tea is a top quality producer of CTC and Orthodox teas, the over- production of average teas will not impact its price realization.

(ii) Climate Change

In the last decade this phenomena has become very important and has impacted the Agricultural outputs of various products including that of Tea.

Temperatures have generally been on the rise and distribution of rainfall has become erratic and unpredictable. There are prolonged dry spells coupled with long periods of excessive wet conditions leading to droughts and flooding in different areas.

Annexure 8 to the Report of the Board of Directors

Owing to deforestation and the climatic changes the pest activity has increased considerably and we are also seeing new pests and diseases that have not been encountered before.

At Rossell, we practice sustainable agriculture which to some extent, minimizes the impact of such erratic conditions. We also adopt strategies like irrigation, drainage, shade planting and regulation to obviate the negative impact.

(iii) Consumption

Consumption in the Indian subcontinent is increasing around 3% annually. In China too, the consumption has seen a huge increase both in Green tea and recently in CTC Black tea as well.

The Government would need to promote tea drinking amongst the youth to boost consumption further as our per capita consumption is still very low at 780 gms/year.

(iv) Quality

The Company's stated policy and practice is to produce the best possible quality of CTC and Orthodox Tea. With consistent delivery on this front, we have built brand equity for the Company and are today a benchmark for the industry in the international as well as domestic market for both Orthodox and CTC Teas.

(v) Markets

Tea consumption is growing across the globe in US, Canada, Australia, China, Middle Eastern countries, CIS, Russia, Turkey, China, India and other Asian countries. While in the traditional markets of UK and Germany, consumption has somewhat saturated and is constant.

The Iranian market which takes more than 50% of the Orthodox production of India is an important destination for us as around half of our exports are made there.

The Company is confident of exporting more teas during the fiscal. New geographies and buyers are currently being explored and we expect to export a significant quantity of tea during this fiscal.

The enhanced Government incentive through the MEIS scheme and the weakening Rupee should help us in bolstering our exports.

Aviation Products and Services

The Government of India has issued a new Defense Production Policy with major thrust for foreign OEMs to produce the equipment in India. This will help your Aerotech Services Division as it will be involved in providing help during the Transfer of Technology and Annual Maintenance Contract phases.

Rossell Techsys Division sees opportunities in the US region, where it has enlisted the services of very capable and highly networked individuals in the pursuit of business. There is serious business to be acquired in that region but will entail teaming and / or partnership with local companies that have synergetic objectives, work culture and ethics. Increased focus by the US government is expected to keep much of this business internal to the US and will need the Division to strategize approach to this business.

Rossell Hospitality

Growing disposable income, increasing urbanization, growth of tourism industry, India gaining attention of international players, improving retail infrastructure and domestic consumption potential are all contributing to the good opportunity in the segment. Any downturn in the economy hurting consumer's sentiments directly affects sales. With a base kitchen support, the Division is able to bring consistency across all food categories. Risks and rewards will continue to exist and will be an integral part of the playing field.

c. SEGMENT-WISE BUSINESS PERFORMANCE

Rossell Tea

The Tea production at our estates during the fiscal was 53.24 lakh kgs as against 49.43 lakh Kgs in 2016-2017, an increase of 8%.

Exports during the year have been slightly better at 9.40 lakh Kgs as compared to the previous year, which was 8.90 lakh Kgs.

The enhanced crop not only helped in improving the productivity and efficiency parameters, but also in keeping our costs under check and thereby improving the profitability.

The Revenue of the Division has increased from ₹ 10,886.94 lakhs in 2016-2017 to ₹ 11,515.00 lakhs in 2017-2018.

The Division has made an operating profit (before interest and other finance charges) of ₹ 1,235.98 lakhs as against ₹ 462.68 lakhs in the previous year.

Annexure 8 to the Report of the Board of Directors

Aviation Products and Services

The performance of Aetrotech Business Division continues to be profitable.

The overall performance of the Rosell Techsys Division has been exceptional. On the sales front, the performance has well exceeded targets set at the commencement of the financial year 2017-2018. The total sales was ₹ 5,701.34 lakhs as against the original estimate of ₹ 5,262.00 lakhs. The Division also exceeded profitability targets by achieving an EBITDA of 457.74 lakhs against an EBITDA of ₹ 96 lakhs estimated at the start of the year. The revenue increase has been due to rise in shipments over multiple platforms to the Division's premier customer Boeing. On the expenses side total operating costs have been well controlled.

Rossell Hospitality

Rossell Hospitality ended the financial year 2017-2018 with a total of 12 stores and one delivery point across Delhi NCR. The revenues have increased from 1,329.73 lakhs to 1,684.10 lakhs in the year under review.

d. OUTLOOK

Rossell Tea

Though the rains in February & March 2018 were delayed which led to the March crop being marginally lower, the production in April 2018 was a record in the last 4 years. Early May however, has been wet with overcast conditions which has induced pest activity. We have started the year on a positive note and are confident of a good year in terms of production.

The markets too for both CTC and Orthodox have opened up firm and this should auger well for the Division.

Our renewed focus on quality and improvement in the grade-mix should help us with higher unit realization.

The trade agreement between India and Iran on the backdrop of the US sanctions would play a pivotal role for exports to Iran.

The rupee weakening should help us in garnering higher export earnings.

Aviation Products and Services

Aerotech Services Division has obtained one more contract from a new OEM. The Division continues to complete its assigned tasks in time to the satisfaction of the customers and OEMs.

The overall outlook of Rossell Techsys Division looks extremely bright. The focus shall shift to quality of execution as opposed to business opportunities. As the Division rapidly scales in terms of number of people, it is mandatory that it retains its operating culture, best practices and ensure that none of its fundamentals gets diluted.

Rossell Hospitality

We see the strong fundamentals in the Indian economy and thus expect a good growth in FY 2018-2019. The Division continued to focus on enhancing operations, tightening efficiencies and on creating more synergies for cementing the path for sustainable growth. The Revenues increase in the Delivery business is from food Aggregators and now the team is focusing on building this a lot more, which shall increase top lines substantially. Rossell Hospitality's strategy is to consolidate the business parameters on existing outlets and work on each unit economics to carve the way ahead with significant upside to the revenues. The trends for the last two quarters are very encouraging and on this basis the Division would be able to achieve break-even at store's level soon. The Division has plans to commission "Dark kitchens" in the first quarter of FY 2018-2019. ("Dark Kitchen" is a term used for Kitchen in a zone with no face, however they have visibility across all digital mediums and food aggregators from where a consumer can place order: "Dark kitchens" create meals exclusively for the booming online delivery market: It is an asset light format with "kitchen only" set up required and revenue is generated only through delivery through self-delivery process and numerous aggregators).

e. RISKS AND CONCERNS

Rossell Tea

Weather continues to play an important role in the success or failure of any agro-horticultural produce including Tea Plantations.

Tea is a perennial crop and hence with climate change and erratic weather conditions, the leaf growth and bushes are affected which in turn affect tea production.

Good agricultural practices and timely intervention can obviate and mitigate the loss to a great extent. Planting trees and augmenting irrigation to counter droughts and having adequate drainage for countering floods are some measures being adopted.

There are some external factors which are of concern and these are being addressed with the concerned authorities through the Industry associations and bodies :

Annexure 8 to the Report of the Board of Directors

- Minimum wages – Constant dialogue and representation is being done with the authorities by the Industry Association to see that the wage increase is within limits.
- Exports to Iran on the backdrop of the US sanctions may have payment-related problems. The Industry is working closely with the Government to circumvent this.
- High oil prices may lead to increase in the cost of inputs. However, we are monitoring this closely. All effort is on to improve efficiency and productivity to mitigate the cost increase, if any.

There is need to produce Quality Tea for higher average price realisation and a concerted effort and focus are being given on this aspect by the Division. The weak rupee should help in bolstering our export earnings.

Aviation Products and Services

Aerotech Services Division is subject to Penalty Clause in the contract for delay in providing service. The Division since its inception has ensured that there is no delay in providing timely quality service. The only risk is in variation of foreign exchange rates as it can affect the overall earning.

The primary risk for Rossell Techsys Division continues to be the dependency on a single large customer, who adopts a strategy of "compete to bid" to lower cost. That Division continues to be vulnerable to predatory pricing by companies desiring to compete intensely. Most of the contracts / strategic agreements are long term in nature. Hence these are susceptible to major variations in foreign exchange especially when the rupee gains. The Division has firm fixed price commitments pegged at a single forex rate during the term of contract. These contracts are usually between 5 and 7 years. Therefore, it is challenging to formulate an effective hedging strategy.

Rossell Hospitality

Keeping in perspective the dynamism of the industry, the risk of slowdown in consumer demand, unexpected regulatory changes in the food service industry, and paucity of trained manpower and high attrition of entry level employees are some of the key risks for the industry.

f. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are adequate internal control system at all levels of Management of the Company. These are reviewed from time to time and improved upon, where required.

The Internal Audit is carried out largely by Firms of Chartered Accountants. The Audit Committee of the Board looks into Auditors' observations, which is deliberated upon and necessary instructions issued to the concerned person of the related Division to take corrective measures.

g. FINANCIAL AND OPERATIONAL PERFORMANCE

Along with the continual emphasis on quality upgradation of products and services, prudent cost management has been the stated objective of all the Divisions of the Company.

The operating profit before interest and depreciation in respect of Rossell Tea Division for the year was ₹ 1,752.09 lakhs, as againgst ₹ 920.98 lakhs in the previous year.

The Aviation Products and Services business segment of the Company made a profit of ₹ 683.84 lakhs before interest and depreciation against ₹ 486.99 lakhs in the previous year.

Rossell Hospitality Division posted a loss before depreciation of ₹ 961.80 lakhs as against ₹ 1036.80 lakhs in the previous years.

The overall profit before interest and depreciation of the Company is ₹ 1,524.24 Lakhs as against ₹ 680.43 lakhs in the previous year. The financial base of your Company remains strong and we expect further strengthening thereof with better financial and operational performance.

h. HUMAN RESOURCES DEVELOPMENT

Human resources are most valuable assets for the Company – at corporate level as well as at Divisions/ Units level. Thus, adequate attention is given by the Company for their development and well-being.

Training and Development is one of the integral part of Human Resources function. Emphasis is given by the Management on talent acquisition, correct recruitment practices and retention planning with effective organizational development. The Human Resource Policy of the Company is to ensure that the best talent is retained and developed so that each of the Divisions of the Company maintains its competitive position with respect to execution.

Industrial relations at all the Divisions of the Company remains excellent. Your Company employs 6,333 personnel across all its Divisions and at corporate level.

Compliance **Certificate**

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Schedule II Part B of the said Regulations]

The Board of Directors
Rossell India Limited
Jindal Towers
Block 'B', 4th Floor
21/1A/3, Darga Road
Kolkata - 700 017

Dear Sirs,

We hereby certify to the Board that:

a) We have reviewed Financial Statements and Cash Flow Statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee :

   (i) Significant changes in internal control, if any, during the year.

   (ii) Significant changes in accounting policies, if any, during the Financial year 2017-2018, subject to disclosure of the same in the notes to the financial statements

   (iii) Instances of significant fraud of which we become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully

Place : Delhi
Date : 24th May, 2018

H. M. GUPTA
Chief Executive Officer

N. K. KHURANA
Chief Financial Officer

Declaration

In terms of Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, it is hereby declared that the Company has obtained affirmation from all members of the Board and Senior Management Personnel that they have complied with the Code of Conduct for Directors and Senior Management of the Company for Financial Year 2017-2018 and shall comply with such Code during the Financial Year 2018-2019.

Place : Delhi
Date : 24th May, 2018

H. M. GUPTA
Chief Executive Officer

Independent Auditors' Report

TO THE MEMBERS OF
ROSSELL INDIA LIMITED

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Standalone Ind AS financial statements of Rossell India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements to 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 under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement in the Standalone Ind AS financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

MATTER OF EMPHASIS

The Company has invested an amount of ₹ 2,011.49 lakhs in an Associate Company in Singapore. Due to continuing loss of the Associate Company, the Investments in Shares in the Associate Company has impaired and the Company has provided impairment loss ascertained on the basis of Equity Method on its investment in Equity Shares in entirety and on a part of investment in Preference Shares. As explained by the management, further impairment loss, if any, on the remaining part of investment in preferance shares in the Associate Company will be ascertained at the end of the subsequent year on the basis of performance of the Associate Company. This is, however, not a qualification.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its Profit/(loss) including total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Independent Auditors' Report

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order

2. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   e. On the basis of the written representations received from the Directors as on March 31, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.

   f. Our report on adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, has been stated in Annexure B

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

      i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements. Refer Note 39 in Notes to the Financial Statements.

      ii) The Company has made provisions as at March 31, 2018, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts – Refer Note 34 in Notes to the Financial Statements.

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

For **KHANDELWAL RAY & CO.**,
Chartered Accountants
(Registration No.302035E)

Supriyo Raychaudhuri
Partner
Membership No. 037202

Place : Kolkata
Date : 24th May, 2018

Annexure A to the Independent Auditors Report

As referred to in paragraph I of our Report on "Other Legal and Regulatory Requirements", we state that:

i. (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.

(b) These fixed assets have been physically verified by the management at a reasonable interval. No material discrepancies were noticed on such verification as compared to book records.

(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 deeds of all the immovable properties are in the name of the Company, except one Tea Estate, which is in the name of the previous owner and as represented by the Management, the execution of Deed of Conveyance in respect thereof is pending sale permission from the concerned authorities of the Government of Assam. The immovable properties comprising six Tea Estates (having Registered Deed of Conveyance) are mortgaged with the Banks in connection with loan taken for the purpose of business of the Company, as confirmed by them. Additional land acquired during the year under report from Karnataka Industrial Development Board awaits registration of relevant lease deed.

ii. (a) The inventory , excluding those lying with third parties, have been physically verified by the management during the year, at reasonable intervals.

(b) In our opinion, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The discrepancies noticed on such verification of stocks as compared to book records were not material and these have been properly dealt with in the books of account.

iii. The Company has not granted any loan, secured or unsecured to Companies, Firms, Limited Liability Partnership, other parties or Subsidiaries covered in the Register maintained under Section 189 of the Act.

Accordingly, Clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of Companies Act with respect to loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted Deposits within the meaning of Section 73 to Section 76 of the Act and the Rules framed thereunder.

vi. The Central Government has specified for the maintenance of cost records under sub-sec. (1) of Sec.148 of the Act. We have broadly reviewed the records and Accounts maintained by the Company. We are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of such records to determine whether records are accurate and complete.

vii. (a) According to the information and explanation given to us and on the basis of records of the Company examined by us, we are of the opinion that the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and services tax, duty of custom, duty of excise, value added tax and cess and other material statutory dues applicable to it.

There is no arrears outstanding statutory dues as at the last day of the financial year for a period of more than 6 months from the date they became payable.

(b) According to the information and explanation given and records examined by us, there are no dues of Sales Tax or Service Tax or duty of Customs or value added tax, which have not been deposited on account of any dispute.

viii. According to the information and explanations given and on the basis of records examined by us, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not taken loan from any financial institution or raised any money through issue of Debentures.

Annexure A to the Independent Auditors Report

ix. According to information and explanations given to us, in our opinion the term loans taken have been applied for the purpose for which they were obtained. During the year Company has not raised money by way of initial Public Offer or further Public Offer.

x. During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

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 the accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **KHANDELWAL RAY & CO.**,
Chartered Accountants
(Registration No.302035E)

Supriyo Raychaudhuri
Partner
Membership No. 037202

Place : Kolkata
Date : 24th May, 2018

Annexure B to the Independent Auditors Report

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

We have audited the internal financial controls over financial reporting of Rossell India Limited ("the Company") as of 31st March, 2018 in conjunction with out audit of the Ind AS Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 Ind AS 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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS 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.

Annexure B to the Independent Auditors Report

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KHANDELWAL RAY & CO.**,
Chartered Accountants
(Registration No.302035E)

Supriyo Raychaudhuri
Partner
Membership No. 037202

Place : Kolkata
Date : 24th May, 2018

Balance Sheet as at 31st March, 2018

₹ in lakhs

Particulars	Note No.	31st March, 2018	31st March, 2017	1st April, 2016
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	4	**17,464.43**	17,273.90	16,318.87
(b) Capital work-in-progress		**753.35**	560.05	316.84
(c) Other Intangible Assets	4	**150.45**	99.53	60.20
(d) Investment in Subsidiary and Associate	5	**1,767.95**	1,777.13	2,016.49
(e) Financial Assets				
(i) Non-Current Investments	6	**52.59**	349.59	2,629.78
(ii) Loans	7	**4.40**	3.87	11.99
(iii) Other Financial Assets	8	**501.87**	399.47	711.03
(f) Other Non-current Assets	9	**145.60**	364.26	119.37
(g) Deferred Tax Assets (Net)	10	**905.87**	676.52	-
Total Non-Current Assets		**21,746.51**	21,504.32	22,184.57
(2) Current assets				
(a) Inventories	11	**5,169.42**	3,240.00	2,006.21
(b) Biological Assets other than Bearer Plants	12	**81.17**	61.57	49.81
(c) Financial Assets				
(i) Trade Receivables	13	**1,483.77**	1,813.36	2,025.40
(ii) Cash and Cash Equivalents	14	**166.69**	426.17	246.25
(iii) Loans	15	**4.69**	3.93	6.94
(iv) Other Financial Assets	16	**9.00**	11.41	20.09
(d) Current Tax Assets (Net)	17	**50.55**	61.23	-
(e) Other Current Assets	18	**1,040.26**	598.18	589.90
Total Current Assets		**8,005.55**	6,215.85	4,944.60
TOTAL ASSETS		**29,752.06**	27,720.17	27,129.17
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	19	**733.93**	733.93	733.93
(b) Other Equity		**16,136.19**	16,229.24	16,287.97
Total Equity		**16,870.12**	16,963.17	17,021.90
(2) Liabilities				
(a) Non-Current Liabilities				
(i) Financial Liabilities				
Borrowings	20	**857.14**	1,492.50	1,207.50
(ii) Deferred Tax Liabilities (Net)	10	**-**	-	24.00
(iii) Other Non-Current Liabilities	21	**166.18**	130.18	-
(iv) Other Non-Current Financial Liabilities	22		64.45	283.46
(v) Other Non-Current Provisions	23	**-**	6.60	33.12
Total Non-Current Liabilities		**1,023.32**	1,693.73	1,548.08
(b) Current Liabilities				
(i) Financial Liabilities				
Borrowings	24	**8,464.51**	5,705.58	4,956.43
Trade Payables	25	**1,024.06**	525.56	575.10
Other Financial Liabilities	26	**873.84**	1,181.42	1,292.53
(ii) Other Current Liabilities	27	**1,496.21**	1,650.71	1,697.87
(iii) Current Tax Liabilities (Net)	28	**-**	-	37.26
Total Current Liabilities		**11,858.62**	9,063.27	8,559.19
Total Liabilities		**12,881.94**	10,757.00	10,107.27
TOTAL EQUITY AND LIABILITIES		**29,752.06**	27,720.17	27,129.17

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
Executive Chairman
DIN: 00065973

H. M. Parekh
Director
DIN: 00026530

N. Palchoudhuri
Director
DIN: 00581440

Dr. S. S. Baijal
Director
DIN: 00027961

V. P. Agarwal
Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Profit and Loss Statement for the year ended 31st March, 2018

₹ in lakhs

Particulars	Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
Revenue from operations	29	**19,852.39**	16,324.96
Other Income	30	**201.47**	328.82
Total Income		**20,053.86**	16,653.78
Expenses			
Cost of materials consumed	31	**3,593.56**	1,990.41
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	32	**(207.82)**	(42.66)
Central Excise Duty		**14.24**	3.04
Employee benefit expense	33	**9,399.82**	8,688.94
Finance cost	34	**718.40**	589.50
Depreciation and amortization expense	35	**967.08**	880.64
Corporate Social Responsibility (CSR) activities	40	**16.69**	31.95
Other expenses	36	**5,713.13**	5,301.67
Total Expenses		**20,215.10**	17,443.49
Profit (Loss) before tax		**(161.24)**	(789.71)
Income Tax Expense			
(i) Current Tax			-
Agricultural Income Tax	37	**35.00**	-
(ii) Deferred Tax - Charge / (Credit)	37	**(220.46)**	(658.93)
Total Tax Expense		**(185.46)**	(658.93)
Profit (Loss) for the Year		**24.22**	(130.78)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment defined benefit obligations		**(31.34)**	(133.18)
(ii) Income Tax relating to these items		**9.78**	41.59
Items that will be reclassified to profit or loss			
(i) Net Gain on Hedge Transactions		**2.68**	-
(ii) Impairment recognised by revaluation of Investment in Associate		**(9.18)**	(245.36)
(iii) Income Tax relating to these items		**(0.89)**	-
Other Comprehensive Income for the year, net of tax		**(28.95)**	(336.95)
Total Comprehensive Income for the year		**(4.73)**	(467.73)
Earning per Equity Share [Nominal Value per share : ₹ 2]			
(Previous Year : ₹ 2)]			
(1) Basic	38	**0.07**	(0.36)
(2) Diluted		**0.07**	(0.36)

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
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Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Cash Flow Statement for the year ended 31st March, 2018

₹ in lakhs

	2017-2018		2016-2017	
A. Cash Flow from Operating Activities				
Profit before Tax		**(161.24)**		(789.71)
- Adjustment for :				
Depreciation and Amortization expense	**967.08**		880.64	
Finance Cost	**880.95**		878.76	
Loss (Gain) on Exchange on restatement of SWAP Transactions	**13.54**		(14.27)	
Provision for Forex Loss on Swap Transactions written back	**(176.09)**		(274.99)	
Loss on Disposal of Property, Plant and Equipment (Net)	**19.14**		22.65	
Liabilities no more required written back (net)	**(15.46)**		(14.80)	
Changes in Fair Value of Financial Instruments (Equity)	**(3.00)**		(19.89)	
Net Gain on sale of Investments	**(32.05)**	**1,654.11**	(237.18)	1,220.92
		1,492.87		431.21
Items Considered in Investing Activity :				
Interest on Deposits etc.	**(22.87)**		(55.28)	
Dividend Income from Equity Investments designated at FVTPL	**(0.38)**	**(23.25)**	–	(55.28)
		1,469.62		375.93
Operating Profit before Working Capital Changes				
- Adjustment for :				
Trade Receivables, Loans, Advances and Other Assets	**(230.69)**		518.37	
Inventories	**(1,929.42)**		(1,233.79)	
Trade Payable, Other Liabilities and Provisions	**394.28**	**(1,765.83)**	19.14	(696.28)
Cash Generated from Operations		**(296.21)**		(320.35)
Direct Taxes (Net of refund)	**(24.32)**		(98.49)	
		(24.32)		(98.49)
Cash Flow before Extraordinary Items		**(320.53)**		(418.84)
Extraordinary Items		**-**		-
Net Cash Flow from Operating Activities		**(320.53)**		(418.84)
B. Cash Flow from Investing Activities :				
Purchase of Property, Plant and Equipment, Other Intangible Assets including				
Advances for Capital Assets		**(1,226.12)**		(2,173.72)
Sale of Property, Plant and Equipment		**37.14**		76.96
Purchase of Investments		**-**		(31.36)
Sale/ Redemption of Investments		**332.05**		2,562.62
Interest Received		**22.87**		55.28
Dividend Received		**0.38**		-
Net Cash Flow from Investing Activities		**(833.68)**		489.78

Cash Flow Statement for the year ended 31st March, 2018

₹ in lakhs

	2017-2018		2016-2017	
C. Cash Flow from Financing Activities				
Intercorporate Deposits Paid/ Refunded (Net)		–		5.00
Proceeds of Working Capital Loan from Bank (Net)		**2,758.93**		749.15
Proceeds of Term Loan from Banks		–		1,200.00
Repayment of Term Loan From Banks		**(915.00)**		(990.00)
Interest Paid		**(711.54)**		(624.60)
Gain/ (Loss) on Foreign Currency Translations		**1.52**		(21.22)
Forex Loss on Swap Transactions (Net)		**(150.85)**		(209.35)
Dividend Paid and Tax thereon		**(88.33)**		–
Net Cash Flow from Financing Activities		**894.73**		108.98
Net Increase in Cash and Cash Equivalents (A+B+C)		**(259.48)**		179.92
Cash and Cash Equivalents at the beginning of the Financial Year (Refer Note 14)		**426.17**		246.25
Cash and Cash Equivalents at the end of the Financial Year (Refer Note 14)		**166.69**		426.17

Notes:
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 - "Statement of Cash Flow".

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
Executive Chairman
DIN: 00065973

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Director
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Director
DIN: 00027961

V. P. Agarwal
Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Statement of changes in Equity for the year ended 31st March, 2018

₹ in lakhs

A. Equity Share Capital

Balance at the beginning on 1st Aptil, 2016	733.93
Changes during the year 2016–2017	–
Balance at the end on 31st March, 2017	733.93
Changes during the year 2017–2018	–
Balance at the end on 31st March, 2018	**733.93**

B. Changes in Equity

	Securities Premium Reserve	General Reserve	Retained Earnings		Capital Reserve	Total
			Surplus (Deficit)	Other Comprehensive Income		
As at 1st April, 2016	2,609.55	12,863.28	567.13	–	248.01	16,287.97
Profit for the year	–	–	(130.78)			(130.78)
Adjustment for restating Property, Plant and Equipment		275.83				275.83
Remeasurements of post-employment defined benefit obligations			133.18			133.18
Items of Other Comprehensive Income recognised directly in Retained Earnings (Net of Tax)	–	–	–	–	–	–
a. Remeasurements of post-employment defined benefit obligations	–	–	–	(91.59)	–	(91.59)
b. Impairment recognised by revaluation of Investment in Associate by Equity Method	–	–	–	(245.36)	–	(245.36)
As at 31st March, 2017	2,609.55	13,139.11	569.53	(336.95)	248.01	16,229.24
Profit for the year	–	–	24.22	–	–	24.22
Dividend Paid	–	(73.39)	–	–	–	(73.39)
Tax on Dividend	–	–	(14.94)	–	–	(14.94)
Items of Other Comprehensive Income recognised directly in Retained Earnings (Net of Tax)						
a. Remeasurements of post-employment defined benefit obligations	–	–	–	(21.56)	–	(21.56)
b. Impairment recognised by revaluation of Investment in Associate by Equity Method	–	–	–	(9.18)	–	(9.18)
c. Gain on Hedge Transactions	–	–	–	1.79	–	1.79
As at 31st March, 2018	**2,609.55**	**13,065.72**	**578.81**	**(365.90)**	**248.01**	**16,136.19**

Nature and purpose of each Reserve

a) Capital Reserve

This represents the amounts received as compensation for Land acquired by Oil India Ltd. from the Tea Estates of the Company as well as certain adjustments relating to various Schemes of Arrangements the Company had entered in to in the earlier years.

b) Securities Premium Reserve

Securities Premium Reserve was created as per the Scheme of Arrangement with the value of net assets taken over by the Company and again used to credit the premium on issue of Equity Shares by the Company from time to time. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

c) General Reserve

General Reserve is created for ploughing back the profits earned by the Company and retained before payment of dividend. This is free reserve and available for utilisation in accordance with the provisions of the Companies Act, 2013.

d) Retained Earnings

Retained earnings represent accumulated profits earned by the Company and remaining undistributed as on date.

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

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Executive Chairman
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Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Notes to the Financial Statements for the year ended 31st March, 2018

1. Company Overview

Rossell India Limited (the Company) is a Public Limited Company incorporated and domiciled in India. The Company was incorporated on 10th June, 1994 under the Companies Act, 1956 with its registered office at Kolkata, West Bengal. The Equity Shares of the Company are listed on National, Bombay and Calcutta Stock Exchanges. The Company is engaged in the following business activities:

a. Cultivation, Manufacture and Sell of Bulk Tea,

b. Design and Development of Aviation Products and Aviation related Services

c. Operation of Quick Service Restaurants under the Brand name "Kebab Xpress"

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the Act) and the other relevant provisions of the Act and Rules made thereunder.

The financial statements up to the year ended 31st March, 2017 were prepared in accordance with Accounting Standard as notified under Companies (Accounting Standard) Rules, 2006 (as amended) (refer to as Indian GAAP and previous GAAP) as notified under Section 133 of the Act and the other relevant provisions of the Act.

Thus, these financial statements for the year ended 31st March, 2018 are the First Financial Statements of the Company under Ind AS. Accordingly, Ind AS 101 – First-time Adoption of Indian Accounting Standard has been applied. Note No. 47 below provides from previous GAAP to Ind AS, as effected the Company's Financial position, Financial performance and Cash Flows.

2.2 Basis of Measurement

The financial statement has been prepared on a historical cost basis except the following items:

a) Certain financial assets and liabilities (including derivative instruments) which are measured at fair value.

b) Biological Assets other than Bearer Plants, which are measured at fair value less Cost to sell.

c) Defined benefit plans – plan assets measured at fair value

2.3 Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires management to use of certain critical accounting estimates and assumptions. It also requires management to exercise judgment in the process of applying accounting policies. Actual results could differ from those estimates. These estimates, judgements, assumptions affect application of the accounting policies and the reported amounts of assets, liabilities, revenue, expenditure, contingent liabilities etc.

The estimates and underlying assumptions are reviewed on an ongoing basis and changes are made as management becomes aware of changes in the circumstances surrounding the estimates. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the financial statements in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.4 Classification of current and non-current

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 Ind AS 1 – Presentation of financial statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

3 Significant Accounting Policies

3.1 Property, Plant and Equipment

3.1.1 Tangible Assets (Other than Bearer Plants)

Property, Plant and Equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, Plant and Equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working

Notes to the Financial Statements for the year ended 31st March, 2018

condition for its intended use and estimated attributable costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of Property, Plant and Equipment is recognized in Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. 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 recognized in profit or loss.

Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets less its residual value, over their useful lives on a Straight Line basis. Estimated useful lives of the assets are 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 changes in estimate is accounted for on a prospective basis.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment (other than Bearer Plants) recognized as of 1st April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost.

3.1.2 Bearer Plants

Bearer Plants comprising of mature tea bushes and shade trees are stated at cost / deemed cost less accumulated depreciation and impairment losses, if any.

The cost of uprooting of old tea bushes, rehabilitation of land, replanting and young tea upkeep and maintenance up to the year 3 from the year of planting are capitalized as mature plants, capital work-in-progress. From year 4 onwards capital work-in-progress is treated as Bearer Plants and depreciated using Straight Line Method over the expected useful life of 70 years, when the Bearer Plants reaches maturity stage with residual value as 'Nil'.

Depreciation on Bearer Plants is recognized so as to write off its cost over useful lives, using the Straight Line Method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

On transition to Ind AS, the Company has recognized Bearer Plants for the first time as required by Ind AS 101 at fair value as of 1st April, 2016 (transition date) and used the fair value as deemed cost.

3.1.3 Intangible Assets

Intangible Assets of the Company comprise acquired Computer Software having a finite life. Cost of software is capitalized when it is expected to provide future enduring economic benefits. The capitalization cost includes licence fee, cost of implementation and system integration services. The costs are capitalized in the year in which the relevant Software is implemented for use and is amortised across a period not exceeding 10 years.

3.2 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

3.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of insurance claim for damage / shortage of finished goods and are net of sales return, sales tax / value added tax, GST and trade allowances.

Notes to the Financial Statements for the year ended 31st March, 2018

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

3.4 Financial Instruments

Financial assets and financial liabilities are recognized 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 recognized on the trade date i.e. the date when the Company commits to purchase or sell the asset.

3.4.1 Financial Assets

Recognition and Classification

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

- those subsequently measured at amortized 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 amortized 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 amortized cost and is not a part of hedging relationship is recognized in profit or loss when the asset is derecognized 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 recognized 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 derecognized, the cumulative gains or losses recognized 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 amortized 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 recognized in the profit or loss (other than impairment losses on investment in Subsidiary, Joint Venture and Associate) where there is an objective evidence of impairment based on reasonable and supportable information that is available without undue cost or effort. For all financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company recognizes loss allowances on trade receivables when there is an objective evidence that the Company will not be able to collect all the due amount depending on product categories and the payment mechanism prevailing in the industry.

Income recognition on financial assets

Interest income from financial assets is recognized 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.

Notes to the Financial Statements for the year ended 31st March, 2018

3.4.2 Financial Liabilities

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 amortized 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. .

3.4.3 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 expired.

3.4.4 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.

3.5 Derivatives and hedging activities

The Company holds derivative financial instruments such as forward contracts, currency and interest rate swap to mitigate risk of changes in exchange and interest rates. The counterparty for these contracts is generally banks.

3.5.1 Derivatives

Derivatives are measured at fair value. All fair value gains and losses are recognized in profit and loss except where the derivatives qualify as hedging instruments in cash flow hedges or net investment hedges.

3.5.2 Cash flow hedges that qualify for hedge accounting:

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the Other Comprehensive Income.

3.6 Investment in Subsidiaries, Joint Ventures and Associates

Investments in Subsidiaries, Joint Ventures and Associates are initially recognized at cost as per Ind AS 27 – Separate Financial Statements. The carrying amount of investment in Joint Ventures and Associates is revised as per equity method prescribed in Ind AS 28 – Investment in Associates and Joint Ventures. The Company's share of those changes is recognized in the Other Comprehensive Income.

3.7 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of Property, Plant and Equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a Straight Line basis over the useful life of the related assets and presented within other income.

3.8 Income Tax

The Income Tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Notes to the Financial Statements for the year ended 31st March, 2018

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income / loss for the year or any adjustment or receivable in respect of previous year.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference 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 realized, 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 recognized in profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.9 Inventories

Stock of finished goods is valued at lower of cost and net realizable value. Finished goods, produced from agricultural produce viz. Black Tea, is valued at lower of cost arrived at by adding the cost of conversion to the fair value of agricultural produce viz. Green Leaves and the net realizable value. Agricultural produces, viz. Green Leaves harvested from the Company's own Tea Estates, are valued at fair value less cost to sale at the point of harvest.

Raw Materials purchased (including Bought Green Leaves) and Stores and Spare Parts are valued at or under cost. Work-in-progress is valued at works cost based on technical evaluation of the stage of completion.

Provision is made for obsolete, slow moving and defective inventories, wherever necessary and reviewed from time to time.

Costs are ascertained to the individual item of inventory by adopting weighted average method. Net realizable value is the estimated selling price for inventories less all selling costs.

3.10 Biological Assets

Biological Assets of the Company comprises of unharvested Green Tea Leaves. These are recognized as such when and only when, (a) the Company controls the assets as a result of past events, (b) it is probable that future economic benefits associated with such assets will flow to the Company and (c) the fair value or cost of assets can be measured reliably. These assets are measured at its fair value less cost to sell. The gain or loss arising from change in such value is included in Statement of Profit and Loss.

3.11 Agricultural Produce

Agricultural Produce of the Company comprises of harvested Green Tea Leaves from its own Tea Estates. These are valued at fair value less cost to sell on the reporting date. The gain or loss arising from change in such value is included in the Statement of Profit and Loss under the head Consumption of Raw Materials (Green leaves).

3.12 Employee Benefits

3.12.1 These are recognized at the undiscounted amount as expense for the year in which the related service is rendered.

3.12.2 The Company is contributing regularly to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. The Company also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the eligible employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.

3.12.3 Defined Benefit Gratuity Plan is also maintained by the Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized, in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.

Notes to the Financial Statements for the year ended 31st March, 2018

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the year in which they occur, directly in Other Comprehensive Income and eventually included in retained earnings in the Statement of changes in Other Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost.

3.12.4 Leave encashment liability for eligible employees is provided for at the end of the year, as actually ascertained and paid/provided for and the charge is recognized in the Profit and Loss Statement.

3.13 Leases

Leases are recognized as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a Straight line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.14 Borrowing costs

Borrowing costs consist of interest and transactions costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets or for self-created assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

3.15 Provisions and Contingent Liabilities

Provisions are recognized 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 recognized 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 possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

3.16 Operating Segments

In terms of Ind AS 108, Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) viz. the Chief Executive officer (Executive Chairman) of the Company. The Chief Operating Decision Maker is responsible for allocating resources and assessing performance of the operating segments, which are engaged in separate business activities from which it earns revenue and incur expenses. For each of the segments discreet Financial Results are available.

Notes to the Financial Statements

₹ in lakhs

4. Property, Plant and Equipment

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	Deemed Cost as at 1st April, 2016	Additions during the Year	Disposal during the Year	As at 31st March, 2017	As at 1st April, 2016	Deprecia-tion for the year	Disposal during the Year	As at 1st April, 2017	As at 31st March, 2017
Land - Tea Estates	7,016.03	73.53	–	7,089.56	–	–	–	–	7,089.56
Land - Leasehold	1,082.16	–	–	1,082.16	0.30	10.93		11.23	1,070.93
Bearer Plants - Tea Bushes	1,400.05	12.73	–	1,412.78	–	26.23	–	26.23	1,386.55
Buildings	3,086.51	279.36	–	3,365.87	700.52	103.59	–	804.11	2,561.76
Leasehold Improvements	408.33	292.95	26.41	674.87	80.68	74.43	2.59	152.52	522.35
Plant and Equipment	4,795.21	667.76	78.41	5,384.56	1,827.42	290.58	6.86	2,111.14	3,273.42
Furniture and Fixtures	893.79	103.93	16.30	981.42	320.93	88.27	14.92	394.28	587.14
Vehicles	1,068.24	54.57	49.15	1,073.66	561.56	112.35	47.45	626.46	447.20
Office Equipment	316.74	52.78	7.95	361.57	129.64	74.22	6.82	197.04	164.53
Computers	350.62	88.87	–	439.49	200.21	68.82	–	269.03	170.46
31st March, 2017	20,417.68	1,626.48	178.22	21,865.94	3,821.26	849.42	78.64	4,592.04	17,273.90

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	Deemed Cost as at 1st April, 2017	Additions during the Year	Disposal during the Year	As at 31st March, 2018	As at 1st April, 2017	Deprecia-tion for the year	Disposal during the Year	As at 1st April, 2018	As at 31st March, 2018
Land - Tea Estates	7,089.56	27.76	–	**7,117.32**	–	–	–	**–**	**7,117.32**
Land - Leasehold	1,082.16	76.73	–	**1,158.89**	11.23	11.12	–	**22.35**	**1,136.54**
Bearer Plants - Tea Bushes	1,412.78	110.88	15.66	**1,508.00**	26.23	43.69	0.22	**69.70**	**1,438.30**
Buildings	3,365.87	181.25	–	**3,547.12**	804.11	105.15	–	**909.26**	**2,637.86**
Leasehold Improvements	674.87	90.13	25.38	**739.62**	152.52	95.06	11.93	**235.65**	**503.97**
Plant and Equipment	5,384.56	423.89	24.02	**5,784.43**	2,111.14	340.06	6.87	**2,444.33**	**3,340.10**
Furniture and Fixtures	981.42	52.75	4.14	**1,030.03**	394.28	92.02	2.03	**484.27**	**545.76**
Vehicles	1,073.66	97.95	39.25	**1,132.36**	626.46	109.16	31.38	**704.24**	**428.12**
Office Equipment	361.57	21.81	1.22	**382.16**	197.04	47.34	0.96	**243.42**	**138.74**
Computers	439.49	85.74	–	**525.23**	269.03	78.48	–	**347.51**	**177.72**
31st March, 2018	**21,865.94**	**1,168.89**	**109.67**	**22,925.16**	**4,592.04**	**922.08**	**53.39**	**5,460.73**	**17,464.43**

Notes to the Financial Statements

₹ in lakhs

Other Intangible Assets

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	Deemed Cost as at 1st April, 2016	Additions during the year (Acquired Separately)	Disposal during the Year	As at 31st March, 2017	As at 1st April, 2016	Amortisa-tion for the Year	Disposals during the Year	As at 1st April, 2017	As at 31st March, 2017
Computer Software	249.87	72.36	–	322.23	191.48	31.22	–	222.70	99.53
31st March, 2017	249.87	72.36	–	322..23	191.48	31.22	–	222.70	99.53

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	Deemed Cost as at 1st April, 2017	Additions during the year (Acquired Separately)	Disposal during the Year	As at 31st March, 2018	As at 1st April, 2017	Amortisa-tion for the Year	Disposals during the Year	As at 1st April, 2018	As at 31st March, 2018
Computer Software	322.23	95.92	–	**418.15**	222.70	45.00	–	**267.70**	**150.45**
31st March, 2018	**322.23**	**95.92**	**–**	**418.15**	**222.70**	**45.00**	**–**	**267.70**	**150.45**

		31st March, 2018	31st March, 2017	1st April, 2016
5.	**INVESTMENT IN SUBSIDIARY AND ASSOCIATE**			
	Investment in Equity Instrument - Subsidiary			
	Unquoted			
	CAE Rossell India Limited - 1,10,000 (31.03.2017-1,10,000, 01.04.2016 - 50,000) Shares of ₹ 10 each (Extent of holding - 100%)	**11.00**	11.00	5.00
	Investment in Equity Instrument - Associate			
	Unquoted-Net of Impairment as per Equity Method			
	R V Enterprizes Pte. Ltd. - 3,61,000 (31.03.2017-3,61,000,01.04.2016 -3,61,000) Shares of Singapore$ 1 each (Note below) (Extent of holding - 26%)	**–**	–	120.05
	Investment in Preference Instruments - Associate			
	Unquoted-Net of Impairment as per Equity Method			
	R V Enterprizes Pte. Ltd. - 34,45,725 (31.03.2017-34,45,725, 01.04.2016- 34,45,725) Shares of US$ 1 each (Note below) (Extent of holding - 23.93%)	**1,756.95**	1,766.13	1,891.44
		1,767.95	1,777.13	2,016.49
	A. Aggregate amount of Quoted Invetments	**–**	–	–
	B. Aggregate amount of Unquoted Investments	**1,767.95**	1,777.13	2,016.49
	C. Aggregate amount of Impairment in Value of Investments	**254.54**	245.36	-

Disclosure pertaining to First time adoption under Paragraph 31 of Ind AS 101 :

i. The aggregate deemed cost of those investments for which deemed cost is their previous GAAP carrying amount - ₹ 2,016.49 lakhs

ii. The aggregate deemed cost of those investments for which deemed cost is fair value - ₹ Nil.

iii. The aggregate adjustment to carrying amounts reported under previous GAAP - ₹ Nil.

Notes : The above amount of impairment in value of investments in Equity and Preference Shares of Associate Company has been ascertained based on Equity Method of Accounting as per Ind AS 28. Further impairment, at this stage, could not be estimated in view of non-availability of reliable information in this regard.

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
6.	**NON-CURRENT INVESTMENTS**			
	Unquoted			
	In Equity Instruments - Others			
	Assam Hospitals Limited - 50,000 Shares of Rs. 10 each measured at FVTPL	**52.59**	49.59	29.70
	Investment in Mutual Funds Units - At amortised cost	**-**	-	2,015.00
	Investment in Tax Free Bonds and Debentures - At amortised cost	**-**	300.00	585.08
		52.59	349.59	2,629.78
	A. Aggregate amount of Quoted Invetments	**-**	-	-
	B. Aggregate amount of Unquoted Investments	**52.59**	349.59	2,629.78
	C. Aggregate amount of Impairment in Value of Investments	**-**	-	-

7.	**LOANS**			
	Non-Current unsecured Considered Good			
	Loan to Related Party			
	Subsidiary	**–**	–	5.00
	Loan to Employees	**4.40**	3.87	6.99
		4.40	3.87	11.99

8.	**OTHER FINANCIAL ASSETS**			
	Security Deposits	**298.01**	260.66	436.02
	Other Deposits	**200.60**	0.56	0.43
	Deposit with Assam Financial Corporation	**0.01**	135.00	271.33
	Deposit with Bank under Lien with State's VAT authorities as Security Deposit	**3.25**	3.25	3.25
		501.87	399.47	711.03

9.	**OTHER NON-CURRENT ASSETS**			
	Capital Advances	**60.01**	278.67	33.78
	Subsidies receivable from Government	**85.59**	85.59	85.59
		145.60	364.26	119.37

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
10.	**DEFERRED TAX ASSETS (NET)**			
	Deferred Tax Liabilities			
	The balance comprises temporary differences attributable to:			
	i) Property, Plant and Equipment and Other Intangible Assets	**357.42**	330.28	24.00
	ii) Deferred tax related to OCI items	**-**	-	-
	iii) Financial Assets at Fair Value through Profit or Loss	**10.47**	9.81	-
	iv) On Biological Asset at Fair Value	**6.12**	3.67	
	v) Other Items	**-**	-	-
	Deferred Tax Liabilities (A)	**374.01**	343.76	24.00
	Deferred Tax Assets			
	The balance comprises temporary differences attributable to:			
	i) Losses under aplicable Tax Laws	**716.80**	453.21	-
	ii) Deferred tax related to OCI items	**51.37**	41.59	-
	iii) Fair value of Inventory	**11.35**	24.06	
	iv) Minimum Alternate Tax Credit Entitlement	**497.07**	497.07	-
	v) Other Items	**3.29**	4.35	-
	Deferred Tax Assets (B)	**1,279.88**	1,020.28	-
	Net Deferred Tax Liabilities (A-B)	**(905.87)**	(676.52)	24.00

11.	**INVENTORIES**			
	Raw Materials (Green Leaf - Agricultural Produce)- At fair value	**14.62**	15.66	25.05
	Raw Materials (Others)- At cost	**3,858.78**	2,141.60	910.29
	Finished Goods (Black Paper - Agricultural Produce) - At fair Value	**15.79**	-	-
	Stock-in Trade - At Lower of Cost and net realisable value	**0.13**	0.18	0.32
	Finished Goods - At lower of Cost and net realisable value [including in transit ₹ 64.34 Lakhs (31.03.2017 - ₹ 93.58 Lakhs and 01.04.2016 - ₹ 122.71 Lakhs)]	**471.01**	394.63	600.27
	Stores and Spares- At or under cost	**385.32**	370.16	406.39
	Work-in-Progress - At works cost	**423.77**	317.77	63.89
		5,169.42	3,240.00	2,006.21

12.	**BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS**			
	Fair Value of Biological Assets Other than Bearer Plants (Unharvested Green Tea Leaves)	**81.17**	61.57	49.81
		81.17	61.57	49.81

13.	**TRADE RECEIVABLES**			
	Unsecured Considered Good	**1,483.77**	1,813.36	2,025.40
		1,483.77	1,813.36	2,025.40

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
14.	**CASH AND CASH EQUIVALENTS**			
	Balance with Banks - Current Accounts	**120.95**	371.61	193.48
	Cash on hand	**22.48**	32.22	26.29
	Bank Deposits with less than 12 months maturity			
	- under lien with Central Excise Authority for Clean Energy Cess on Coal Purchase	**9.74**	9.19	8.63
	Remittance in Transit	**0.29**	–	–
	Dividend Accounts *	**13.23**	13.15	17.85
	Total	**166.69**	426.17	246.25
	* Earmarked for payment of unclaimed dividend			

15.	**CURRENT LOANS**			
	Unsecured Considered Good			
	Loan to Employees	**4.69**	3.93	6.94
		4.69	3.93	6.94

16.	**OTHER FINANCIAL ASSETS**			
	Interest accrued on Deposits			
	Subsidiary Company	**–**	–	0.05
	Others	**5.50**	11.41	20.04
	Derivatives not designated as Hedges - Forward Contracts	**0.82**	–	–
	Derivatives designated as Hedges -Forecasted Cash Flow Hedge	**2.68**	–	–
		9.00	11.41	20.09

17.	**CURRENT TAX ASSETS (NET)**			
	Agricultural Income Tax	**35.00**	40.00	–
	Income Tax	**15.55**	21.23	–
		50.55	61.23	–

18.	**OTHER CURRENT ASSETS**			
	Advances to Suppliers, Service Providers etc.	**137.98**	90.48	125.82
	Advances Recoverable	**58.73**	210.73	78.21
	Prepaid Expenses	**59.88**	59.47	48.24
	Other Receivables	**18.79**	55.21	157.32
	Input Tax Credit/ Refund (GST) Receivable	**577.62**	-	-
	Subsidies receivable from Government	**112.32**	122.00	88.64
	Export Incentives Receivables	**74.94**	60.29	91.67
		1,040.26	598.18	589.90

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
19.	**EQUITY SHARE CAPITAL**			
	Authorized			
	4,50,00,000 Equity Shares of ₹ 2 each	**900.00**	900.00	900.00
	Issued, Subscribed and Paid Up			
	3,66,96,475 Equity Shares of ₹ 2 each fully paid up	**733.93**	733.93	733.93
A.	**Rights, Preferences and Restrictions attached to the Ordinary Share**			
	The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share and is entitled to participate in Dividend, which may be proposed by the Board of Directors. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.			
B.	**Equity Shares held by Holding Company**			
	BMG Enterprises Ltd.	**2,31,13,795**	2,31,13,795	2,31,13,795
C.	**Shareholders holding more than 5% of the aggregate Equity Share capital in the Company**			
	Name of the Shareholder	**No. of Equity Shares and % of Holding**	No. of Equity Shares and % of Holding	No. of Equity Shares and % of Holding
	BMG Enterprises Ltd., Holding Company	**2,31,13,795**	2,31,13,795	2,31,13,795
		62.99	62.99	62.99
	Elara India Opportunities Fund Ltd.	**28,13,417**	34,67,391	34,67,391
		7.67	9.45	9.45
	Harsh Mohan Gupta, Executive Chariman	**18,53,785**	18,53,785	18,53,785
		5.05	5.05	5.05
D.	**Reconciliation of Number of Shares**			
	Equity Shares outstanding at the beginning of the year	**3,66,96,475**	3,66,96,475	3,66,96,475
	Add: Equity Shares issued during the year	**-**	-	-
	Equity Shares outstanding at the end of the year	**3,66,96,475**	3,66,96,475	3,66,96,475

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
20.	**NON CURRENT BORROWINGS**			
	SECURED			
	Term Loans from Banks			
	HDFC Bank Limited	**112.50**	1,207.50	2,197.50
	Less: Current maturities of long term debts	**112.50**	915.00	990.00
		–	292.50	1,207.50
	a) Nature of Security			
	Equitable Mortgage of Namsang T.E. of the Company			
	b) Rate of Interest - 9.45% p.a.			
	c) Terms of Repayment			
	Repayment in 20 Equal Quarterly Instalments commencing from December, 2012			
	HDFC Bank Limited	**1,200.00**	1,200.00	–
	Less: Current maturities of long term debts	**342.86**	–	–
		857.14	1,200.00	–
	a) Nature of Security			
	Equitable Mortgage of Namsang T.E. of the Company			
	b) Rate of Interest - 8.75% p.a.			
	c) Terms of Repayment			
	Repayment in 20 Equal Quarterly Instalments commencing from May, 2018			
	The Federal Bank Limited	**180.00**	–	–
	Less: Current maturities of long term debts	**180.00**	–	–
		–	–	–
	a) Nature of Security			
	Equitable Mortgage of Kharikatia T.E. of the Company			
	b) Rate of Interest - 9.68% p.a.			
	c) Terms of Repayment			
	Repayment in 20 Equal Quarterly Instalments commencing from March, 2014			
		857.14	1,492.50	1,207.50

21.	**OTHER NON - CURRENT LIABILITIES**			
	Statutory Dues	**41.59**	65.35	–
	Employees' Benefits Payable	**7.27**	–	–
	Government Grants			
	Opening Balance	**64.83**	–	–
	Grant during the year	**54.10**	64.83	–
	Less : Released to Profit and Loss Statement	**1.61**	–	–
	Closing Balance	**117.32**	64.83	–
		166.18	130.18	–

22.	**OTHER NON - CURRENT FINANCIAL LIABILITIES**			
	Derivatives not designated as Hedges- Currency and Interest Rate Swap (Net of Principle receivable and payable - ₹ 292.50 lakhs, 2017 - ₹ 915 lakhs)	**-**	64.45	283.46
		-	64.45	283.46

23.	**OTHER NON- CURRENT PROVISIONS**			
	Provision for Employees' Benefits	**–**	6.60	33.12
		–	6.60	33.12

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
24.	**CURRENT BORROWINGS**			
	Secured Loans repayble on demand from Banks Cash Credit, Packing Credit and Demand Loans	**6,504.51**	2,206.75	4,456.43
	Nature of Security			
	Secured by first pari passu charge by way of mortgage of immovable properties and hypothecation of movable properties of certain Tea Estates , both present and future.			
	Unsecured			
	Short-term Loan from Banks	**1,650.00**	3,498.83	500.00
	Intercorporate Deposits (Related Party)	**310.00**	-	-
		8,464.51	5,705.58	4,956.43

25.	**TRADE PAYABLES**			
	Trade Payables			
	a) Total outstanding dues of micro enterprises and small enterprises (Note below)	**22.63**	3.28	1.85
	b) Total outstanding dues other than micro enterprises and small enterprises	**1,001.43**	522.28	573.25
		1,024.06	525.56	575.10
	Note: To the extent the Company has received information from the Suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, the details are provided under Sec. 22 of that Act:			
	1. Principal amount remaining unpaid at the end of the year	**22.63**	3.28	1.85
	2. Interest accrued and paid thereon in terms of Sec. 16	**–**	–	–
	3. Interest remaining accrued and unpaid at the end of the year	**–**	–	–

26.	**OTHER FINANCIAL LIABILITIES**			
	Current maturities of long-term debts	**635.36**	915.00	990.00
	Interest accrued but not due on borrowings	**33.39**	36.75	31.06
	Unpaid Dividends (Note below)	**13.23**	13.15	17.85
	Capital Liabilities	**127.71**	54.28	21.14
	Derivatives not designated as Hedges- Currency and Interest Rate Swap (Net of Principle receivable and payable - ₹ 292.50 lakhs 2017 - ₹ 915 lakhs)	**64.15**	162.24	232.48
		873.84	1,181.42	1,292.53
	Note: Amount due for transfer to Investor Education and Protection Fund within 1 year - ₹ 1.66 lakhs			

27.	**OTHER CURRENT LIABILITIES**			
	Advances from Customers	**143.38**	260.67	282.60
	Liabilities for Expenses	**1,132.17**	1,154.90	1,205.44
	Statutory dues	**152.67**	188.66	110.19
	Due to Rossell India Empoyees' Gratuity Fund	**67.99**	46.48	99.64
		1,496.21	1,650.71	1,697.87

28.	**CURRENT TAX LIABILITIES (NET)**			
	Provision for Central Income Tax	**–**	–	37.26
	Provision for Agricultural Income Tax	**–**	–	
		–	–	37.26

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
29.	**REVENUE FROM OPERATIONS**		
	(a) Sale of Products		
	Black Tea	**11,515.00**	10,886.94
	Black Pepper	**0.12**	10.10
	Avionics, Aviation and Electronic Equipment	**5,701.34**	2,797.09
	Food and Beverage	**1,678.64**	1,325.01
		18,895.10	15,019.14
	(b) Sale of Services		
	Receipts for Technical and Support Services	**605.17**	1,017.37
		605.17	1,017.37
	(c) Other Operating Revenues		
	Subsidy		
	- Tea Board Replanting and Irrigation Subsidy	**1.61**	-
	- Tea Board Orthodox Subsidy Scheme	**82.29**	94.03
	Refund of Service Tax	**-**	3.55
	Sundry Receipts	**67.72**	26.73
	Prior Period Income (Net)	**-**	15.11
	Changes in Fair Value of Biological Assets	**19.60**	11.76
	Incentive under MEIS entitlement and other Benefits relating to exports / premium on sale thereof	**180.90**	137.27
		352.12	288.45
		19,852.39	16,324.96

30.	**OTHER INCOME**		
	Interest Income from Financial Assets at amortised cost		
	On Deposits-at amortised cost	**11.01**	13.56
	On Debt Instruments- at amortised cost	**11.86**	41.72
	On Loans-at effective interest basis	**2.26**	1.67
	Interest Income from Tax Refunds	**0.42**	–
	Dividend Income from Equity Investments in a Subsidiary Company	**–**	–
	Dividend Income from Equity Investments designated at FVTPL	**0.38**	–
	Profit on Sale of Investments	**32.05**	237.18
	Liabilities no Longer Required Written Back (Net of Prior Year adjustment)	**26.97**	14.80
	Net Gain on Foreign Currency Transaction and Translation	**112.70**	-
	Fair Value Gain on Derivatives (Net)	**0.82**	-
	Changes in Fair Value of Financial Instruments (Equity)	**3.00**	19.89
		201.47	328.82

31.	**COST OF MATERIALS CONSUMED**		
	Purchased Green Leaf Consumed*	**220.98**	177.91
	Consumption of Raw Materials	**3,372.58**	1,812.50
		3,593.56	1,990.41
	* Includes change in Fair Value of Stock of Own Green Leaf on reporting dates		

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
32.	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**		
	Stock of Work in Progress at the beginning of the year	**317.77**	63.89
	Less: Stock of Work in Progress at the end of the year	**423.77**	317.77
	(Increase) / Decrease	**(106.00)**	(253.88)
	Stock of Finished Goods/ Stock in Trade at the beginning of the year	**389.37**	600.59
	Less: Stock of Finished Goods/ Stock in Trade at the end of the year	**491.19**	389.37
	(Increase) / Decrease	**(101.82)**	211.22
		(207.82)	(42.66)

33.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, Wages and Bonus	**7,542.80**	6,939.38
	Contribution to Provident and other Funds	**938.11**	948.92
	Workmen and Staff Welfare	**918.91**	800.64
		9,399.82	8,688.94

34.	**FINANCE COST**		
	Interest Cost on Financial Liabilities carried at amortised cost		
	On Term Loans	**154.02**	195.74
	On Working Capital Loans	**567.37**	450.81
	On Inter Corporate Deposits (Related Party)	**8.98**	-
	Other Borrowings Cost	**1.25**	1.64
	Net Loss on Foreign Currency Transactions (Net)	**(1.52)**	21.22
	Loss on DerivativesTransactions (Currency and Interest Swap)	**164.39**	195.08
		894.49	864.49
	Less: Provision for Forex Loss on Currecy Swap Transactions		
	Written back	**176.09**	274.99
		718.40	589.50
	Disclosure pursuant to Pararaph 26 of Ind AS 23 Borrowings Cost		
	a) The amount of interest capitalised during the year on self constructed assets (Bearer Plants - Capital work in Progress)	**13.31**	13.16
	b) Capitalisation rate used to determine the amount of interest eligible for Capitalisation as per Paragraph 14	**8.29%**	8.32%

35.	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation on Property, Plant and Equipment	**922.08**	849.42
	Amortization of Other Intangible Assets	**45.00**	31.22
		967.08	880.64

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
36.	**OTHER EXPENSES**		
	Consumption of Stores and Spare Parts	**955.67**	840.34
	Power and Fuel	**1,199.52**	1,151.40
	Cess on Green Leaf	**90.42**	83.81
	Tea Cess	**5.25**	25.04
	Rent	**742.64**	660.62
	Rates and Taxes	**76.95**	46.15
	Repairs to Building	**134.19**	142.03
	Repairs to Machinery	**198.48**	210.11
	Other Repairs	**221.61**	231.42
	Vehicles Maintenance	**213.56**	225.69
	Transportation Expenses	**240.52**	233.72
	Freight and Shipment Charges	**52.78**	43.87
	Warehousing and Other Selling Expenses	**332.01**	239.55
	Post Sale Warranty Expenses	**-**	3.13
	Brokerage	**88.79**	87.33
	Commission on Sales	**80.50**	55.85
	Legal and Professional Fees	**167.72**	150.61
	Insurance	**88.71**	94.90
	Directors' Fee and Commission	**12.03**	15.53
	Auditors' Remuneration (Note below)	**7.54**	6.94
	Traveling and Conveyance	**314.26**	315.23
	Miscellaneous Expenses	**470.84**	415.75
	Loss (net) on Disposal of Property, Plant and Equipment	**19.14**	22.65
		5,713.13	5,301.67
	Note: Break up of Auditors' Remuneration		
	As Auditor	**4.50**	4.02
	For Other Services		
	Tax Audit Fee	**0.50**	0.50
	Certification Job	**2.38**	2.21
	Reimbursement of Expenses	**0.16**	0.21
		7.54	6.94

37.	**INCOME TAX EXPENSE**		
	A. Amount recognised in Profit and Loss Statement		
	Current Tax		
	Assam Agricultural Income Tax for the year	**35.00**	–
	Income Tax for the year	**–**	–
	Total Current Tax	**35.00**	–
	Defered Tax		
	Defered Tax (Credit)	**(220.46)**	(658.93)

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
37.	**INCOME TAX EXPENSE** *(Contd.)*		
	B. Amount recognised in Other Comprehensive Income		
	Defered Tax Charge (Credit)		
	Items that will not be reclassified to profit or loss		
	On Remeasurements of post-employment defined benefit obligations	**9.78**	41.59
	Items that will be reclassified to profit or loss		
	On Net Gain on Hedge Transactions	**(0.89)**	–
	Net Deferred Tax	**8.89**	41.59
	C. Reconciliation of Effective Tax		
	The Income Tax Expense for the year reconciled with Accounting Profit as under		
	Profit (Loss) before tax	**(161.24)**	(789.71)
	Income Tax Expense thereon(Nil being Assessed Loss as per Computation)	**-**	-
	Effect of -		
	Tax @ 10% of Agricultural Book Profit - Agricultural Income Tax	**(35.00)**	-
	Deferred Tax Assets on carried Forward Tax Losses	**716.80**	453.21
	MAT Credit receivable	**497.07**	497.07
	Differential Depreciation allowable under Income Tax	**(357.42)**	(306.28)
	Deferred Tax attributable to other items	**(635.99)**	14.93
	Income Tax Expense recognised in Profit and Loss Statement	**(185.46)**	(658.93)

38.	**EARNINGS PER SHARE**		
	Profit (Loss) for the Year	**24.22**	(130.78)
	Weighted average number of Equity Shares outstanding for the		
	purpose of Basic/ Diluted Earnings per Equity Share	**366.96**	366.96
	Earnings per Equity Share of ₹ 2 each	**0.07**	(0.36)

		31st March, 2018	31st March, 2017	1st April, 2016
39.	**CONTINGENT LIABILITIES AND COMMITMENTS**			
	(i) Estimated amount of Contingent Liabilities not provided for			
	a. Claims againgst the Company not acknowledged as Debts			
	Income Tax	**–**	–	2.94
	Clean Energy Cess	**–**	7.19	7.19
	Service Tax	**–**	12.70	–
	Interest on PF Arrears for Pre-acquisiton Period in respect of Kharikatia T.E.	**–**	–	75.43
	b. Bank Guarantees outstanding	**127.10**	159.40	128.27
	(ii) Commitments			
	Estimated amount of contracts to be executed on Capital Account and not provided for (net of Advances)	**30.18**	42.81	111.21
	(iii) Operating Leases			
	The Company has entered in to "Operating Lease for Premises" as defined in the Ind AS 17. Significant terms of Leases are:			
	a) No transfer of Ownership on termination of Lease,			
	b) No compensation for transfer on termination of Lease and			

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
	c) No renewal of Lease on expiry of the Lease Period.			
	The future Minimum Lease Payments (MLP) under cancellable Operating Leases in the aggregate and for each of the following periods are as under:			
	Not later than 1 year	**746.79**	706.40	621.71
	Later than 1 year but not later than 5 years	**2,666.86**	3,246.04	3,699.78
	Later than 5 years	**214.10**	363.70	616.37
		3,627.75	4,316.14	4,937.86
	Rental and Other Expenses debited to the Statement of Profit and Loss			
	Rent	**705.41**	620.72	
	Other Heads	**0.99**	0.99	
		706.40	621.71	

		31st March, 2018
40.	**DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILIT**	
	a. Gross amount required to be spent by the Company during the year : ₹ 6.89 lakhs.	
	b. Amount spent during the year as detailed hereunder :	
	1) Mobile Cheches, Delhi	**8.00**
	Community based creches at urban slum	
	2) BMG Foundation for promotiong Preventive Health Care	**7.00**
	3) Bharat Blind School for supporting blind students by contributing towards food and education.	**0.49**
	4) The Society for Welfare of Differently Abled Persons (Physically Handicapped) Education and Research Centre.	**1.20**
	Total Direct Expenses incurred during the year	**16.69**

All the above expenses were paid in full during the year ended 31st March, 2018 and there was no unpaid balance on this account as on 31.03.2018.

41.	**SEGMENT INFORMATION**	
	In terms of Ind AS 108, the Company has the following reportable Operating Segments as Primary Segments:	
	Business Activity	**Operating Segment**
	A. Cultivation, Manufacture and Sale of Tea	Cultivation, Manufacture and Sell of Bulk Tea,
	B. Aviation Products and Services	Design and Development of Aviation Products and Aviation related Services
	C.Hospitality	Operation of Quick Service Restaurants under the Brand name "Kebab Xpress"

		31st March, 2018	31st March, 2017
	Segments' Revenue		
	A. Cultivation, Manufacture and Sale of Tea	**11,771.08**	11,158.18
	B. Aviation Products and Services	**6,397.21**	3,837.30
	C.Hospitality	**1,684.10**	1,329.48
	Total Revenue from Operations	**19,852.39**	16,324.96
	Revenue from External Custmors'		
	Country of Domicile		
	India	**11,489.28**	9,952.65

Notes to the Financial Statements

₹ in lakhs

	31st March, 2018	31st March, 2017
Foreign Countries		
USA	**5,789.19**	3,100.05
UK	**396.83**	246.39
France	**329.47**	730.62
Germany	**475.41**	474.79
Other Countries	**1,372.21**	1,820.46
Total	**8,363.11**	6,372.31
	19,852.39	16,324.96
Information about Major Customers		
The Boeing Company, USA	**5,446.38**	2,723.11
% of Total Revenue	**27.43**	16.68
Segments' Results		
A. Cultivation, Manufacture and Sale of Tea	**1,235.98**	462.68
B. Aviation Products and Services	**371.00**	225.35
C.Hospitality	**(1,091.41)**	(1,176.31)
	515.57	(488.28)
Less: Interest	**730.10**	648.19
Exchange Loss on Derivative and other transactions	**(11.70)**	(79.91)
Unallocated Expenses net of unallocated Income	**(41.59)**	(266.85)
Profit (Loss) before Tax	**(161.24)**	(789.71)
Segments' Assets		
A. Cultivation, Manufacture and Sale of Tea	**15,939.31**	16,537.45
B. Aviation Products and Services	**9,683.96**	6,771.43
C.Hospitality	**1,115.65**	1,278.60
	26,738.92	24,587.48
Add: Unallocated	**3,013.14**	3,132.69
Total Assets	**29,752.06**	27,720.17
Segment Assets include the following Capital Expenditure for the year		
A. Cultivation, Manufacture and Sale of Tea	**497.32**	796.89
B. Aviation Products and Services	**721.14**	647.32
C.Hospitality	**9.14**	216.44
	1,227.60	1,660.65
Add: Unallocated	**37.21**	38.22
Total Additions to Property, Plant and Equipment during the year	**1,264.81**	1,698.87
Segment Assets also include the amount of investment in Associate (Joint Venture) in Equity and Preference Instruments accounted for by Equity Method.	**1,756.95**	1,766.13
Segments' Liabilities		
A. Cultivation, Manufacture and Sale of Tea	**9,528.23**	9,596.04
B. Aviation Products and Services	**3,111.89**	857.74
C.Hospitality	**110.35**	109.89
	12,750.47	10,563.67
Add: Unallocated	**131.47**	193.33
	12,881.94	10,757.00

Notes to the Financial Statements

₹ in lakhs

42.	EMPLOYEE BENEFIT OBLIGATION
	Defined Contribution Plans
	The Company operates defined contribution scheme for payment of pension for certain eligible employees. Under the scheme, contributions are made by the Company, based on current salaries, to the recognized Superannuation Fund maintained by the Company. The Company is also contributing to the Governments administered Provident Funds in respect of all the qualifying employees.
	An amount of ₹ **736.65 lakhs** (2017 – ₹ 666.66 Lakhs) has been charged to the Statement of Profit and Loss on account of defined contribution schemes.
	Defined Benefit Plans
	The Company also operates defined benefit scheme in respect of gratuity benefit towards its employees. This schemes offer specified benefits to the employees on retirement, death, disability or cessation of employment. The liability arising for the Defined Benefit Scheme is determined in accordance with the advice of independent, professionally qualified actuary, using the Projected Unit Credit (PUC) actuarial method as at year end. The Company makes regular contribution for this Employee Benefit Plan to a recognized Gratuity Fund. This Fund is administered through approved Trust, which operate in accordance with the Trust Deed and Rules.
	Gratuity - Funded

		31st March, 2018	31st March, 2017
Disclosure of Defined Benefit Cost			
A.	**Profit and Loss**		
1.	Current Service Cost	**141.52**	121.55
2.	Past Service Cost - Plan amendments	**23.55**	-
3.	Curtailment Cost/(Credit)	**-**	-
4.	Settlement Cost/(Credit)	**-**	-
5.	Service Cost	**165.07**	121.55
6.	Net interest on net defined benefit liability / (asset)	**(4.30)**	(7.91)
7.	Immediate recognition of (gains)/losses - other long term employee benefit plans	**-**	-
8.	**Cost recognised in the Statement of Profit and Loss Account**	**160.77**	113.64
B.	**Other Comprehensive Income (OCI)**		
1.	Actuarial (gain)/loss due to DBO experience	**80.83**	81.73
2.	Actuarial (gain)/loss due to DBO assumption changes	**(60.73)**	90.01
3.	Actuarial (gain)/loss arising during the period	**20.10**	171.74
4.	Return on plan assets (greater)/less than discount rate	**11.24**	(38.56)
5.	**Actuarial (gains)/losses recognized in OCI**	**31.34**	133.18
C.	**Defined Benefit Cost**		
1.	Service Cost	**165.07**	121.55
2.	Net interest on net defined benefit liability / (asset)	**(4.30)**	(7.91)
3.	Actuarial (gains)/losses recognized in OCI	**31.34**	133.18
4.	Immediate recognition of (gains)/losses - other long term employee benefit plans	**-**	-
5.	**Defined Benefit Cost**	**192.11**	246.82
Movement of Defined Benefit Obligation and Plan Assets			
A.	**Change in Defined Benefit Obligations (DBO)**		
1.	DBO at the end of prior period	**1,951.12**	1,742.22
2.	Current Service Cost	**141.52**	121.55
3.	Interest Cost on the DBO	**134.49**	129.20
4.	Curtailment Cost/(Credit)	**-**	-
5.	Settlement Cost/(Credit)	**-**	-

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
6.	Past Service Cost - Plan amendments	**23.55**	-
7.	Acquisitions	**-**	-
8.	Actuarial (gain)/loss - experience	**80.83**	81.73
9.	Actuarial (gain)/loss - demographic assumptions	**-**	-
10	Actuarial (gain)/loss - financial assumptions	**(60.73)**	90.01
11	Benefits Paid directly by the Company	**-**	-
12	Benefits paid from plan assets	**(267.38)**	(213.59)
13	DBO at the end of current period	**2,003.40**	1,951.12
B.	**Change in Fair Value of Assets**		
1	Fair value of assets at the end of the prior period	**1,940.39**	1,742.36
2	Acquisition adjustment	**-**	-
3	Interest income on plan assets	**138.79**	137.11
4	Employer contributions	**202.83**	246.49
5	Return on plan assets greater / (lesser) than discount rate	**(11.23)**	38.56
6	Benefits paid	**(267.38)**	(224.13)
7	Fair Value of assets at the end of current period	**2,003.40**	1,940.39
'Actuarial Assumptions as at 31st March, 2018			
1.	Discount Rate (%)	**7.70**	7.40
2.	Rate of Salary Increase (%)	**5.00**	5.00
	The Discount Rate as at 31st March, 2018 is based on the yield on Government Bonds as on 28th March, 2018.		
Sensitivity Analysis			
A.	**Discount Rate (%)**	**7.70**	7.40
1	Effect on DBO due to 1% increase in Discount Rate	**(182.11)**	(172.93)
	Percentage Impact	**(9.10)**	(8.86)
2	Effect on DBO due to 1% decrease in Discount Rate	**214.99**	204.57
	Percentage Impact	**10.70**	10.48
B.	**Salary escalation rate (%)**	**5.00**	5.00
1	Effect on DBO due to 1% increase in Salary Escalation Rate	**217.00**	203.99
	Percentage Impact	**10.80**	10.46
2	Effect on DBO due to 1% decrease in Salary Escalation Rate	**(186.68)**	(175.48)
	Percentage Impact	**(9.30)**	(8.99)
	Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.		
IV.	Actuarial Calculations under Indian Accounting Standard (Ind AS) 19 - Additional Disclosure Information		
A.	**Maturity Profile of the Defined Benefit Obligation**		
1.	Within 1 year	**103.89**	93.57
2.	1-2 year	**138.77**	113.22
3.	2-3 year	**122.46**	284.21
4.	3-4 year	**158.64**	120.04
5.	4-5 year	**175.84**	171.27
6.	5-10 year	**1,205.01**	1,081.57

Notes to the Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
B.	Expected employer contribution to the plan for next year March, 2019 (Taken as Payable to the Fund as at the year end)	**67.99**	46.48

C.	**Plan Asset Information as at 31st March, 2018**	**Percentage**	Percentage
	Government of India Securities (Central and State)	**44.34**	48.51
	High quality Corporate Bonds (including Public Sector Bonds)	**22.61**	24.07
	Equity Shares of Listed Companies	**-**	-
	Property	**-**	-
	Cash (including Special Deposits)	**7.12**	6.27
	Schemes of Insurance - Conventional Products	**7.98**	9.05
	Schemes of Insurance - ULIP Products	**13.66**	9.24
	Other	**4.29**	2.86
	Total	**100.00**	100.00

43. Related Party Disclosure

The Related Party disclosures as per Ind AS 24 are as under:

Subsidary Company (Fully Owned)

CAE Rossell India Ltd.

Associate

R V Enterprizes Pte. Ltd, Singapore (Joint Venture)
Extent of holdings of Equity Shares - 26%)

Holding Company

BMG Enterprises Ltd
(Extent of holdings of Equity Shares - 62.99%)

Enterprises over which the Key Management Personnel or their relatives have signficant influence

BMG Investments Private Ltd
Harvin Estates Private Ltd
BMG Foundation

Key Management Personnel

Mr. H.M.Gupta	Executive Chairman
Mr. C.S.Bedi	Managing Director (Upto 31st August, 2017)
Mr. N K Khurana	Director (Finance) and Company Secretary (w.e.f. 1st September, 2017)
Mr. R M Gupta	Whole Time Director (w.e.f. 9th February, 2018)*
Dr. S S Baijal	Non-Executive Director
Mr. V P Agarwal	Non-Executive Director
Mr. H M Parekh	Non-Executive Director
Ms. Nayantara Palchoudhuri	Non-Executive Director

Relatives of Key Management Personnel with whom transcations took place during the year

Mr. R M Gupta	Son of Mr. H M Gupta (upto 8th February, 2018)*
Mrs. Vinita Gupta	Wife of Mr. H M Gupta
Ms. Samara Gupta	Daughter of Mr. H M Gupta
Mrs. Sonia Bedi	Wife of Mr. C S Bedi

Notes to the Financial Statements

₹ in lakhs

		Financial Year	
		31st March, 2018	31st March, 2017
	Transactions/ balance with Subsidiary		
	a) Loan to Subsidiary - CAE Rossell India Ltd :		
	At the beginning of the year		
	Principal	-	5.00
	Interest	-	-
	Given during the year	-	0.75
	Refund during the year	-	5.75
	Interest received	-	0.13
	At the end of the year		
	Principal	-	-
	Interest	-	-
	b) Purchase of Equity Share	-	6.00
	c) Balance of Investment at year end	**11.00**	11.00
	Transactions/ balance with Associates		
	Cost of Investment at year end	**2,016.49**	2,016.49
	- Since Impaired and Value net of Impairment	**1,756.95**	1,766.13
	Transactions/ balances with Enterprises over which the Key Management		
	Personnel or their relatives have signficant influence	-	-
	a) Loan from BMG Enterprises Ltd., Holding Company		
	At the beginning of the year		
	Principal	-	-
	Interest	-	-
	Received during the year	**115.00**	-
	Repayment during the year	**115.00**	-
	Interest paid	**2.25**	-
	At the end of the year		
	Principal	-	-
	Interest	-	-
	b) Loan from BMG Investment Pvt Ltd		
	At the beginning of the year		
	Principal	-	-
	Interest	-	-
	Received during the year	**310.00**	-
	Repayment during the year	-	-
	Interest paid	**6.73**	-
	At the end of the year		
	Principal	**310.00**	-
	Interest	-	-
	Transactions/ balances with Enterprises where significant influence is exercisable		
	a) Rent paid for Office Space		
	- Harvin Estate Pvt. Ltd.	**6.00**	6.00
	b) Rent for Residential Accommodation		
	- Harvin Estate Pvt. Ltd.	**6.00**	6.00
	c) Contribution made for charitable purpose (Included in CSR Activities)		
	- BMG Foundation	**7.00**	12.00

Notes to the Financial Statements

₹ in lakhs

	Financial Year	
	31st March, 2018	31st March, 2017
Transactions with Key Management Personnel:		
a) Short Term Employment Benefits		
- Mr. H. M. Gupta	**110.90**	110.72
- Mr. C. S. Bedi (Upto 31st August, 2018 in the Financial Year 2017-2018)	**32.11**	81.07
- Mr. N. K. Khurana [As Director (Finance) and Company Secretary w.e.f 01.09.2017]	**26.48**	-
- Mr. N. K. Khurana [As CFO cum Company secretary till 31.08.2017]	**18.76**	56.79
- Mr. R M Gupta [As Whole Time Director w.e.f 09.02.2018]	**10.98**	-
b) Post-Employment Benefit		
- Mr. H. M. Gupta	**10.08**	10.08
- Mr. C. S. Bedi (Upto 31st August, 2018 in the Financial Year 2017-2018)	**5.00**	24.30
- Mr. N. K. Khurana [As Director (Finance) and Company Secretary w.e.f 01.09.2017]	**6.48**	-
- Mr. N. K. Khurana [As CFO cum Company Secretary upto 31.08.2017]	**4.63**	18.02
- Mr. R M Gupta [As Whole Time Director w.e.f 09.02.2018]	**1.13**	-
c) Long-Term Employment Benifit		
- Mr. N. K. Khurana [As Director (Finance) and Company Secretary w.e.f 01.09.2017]	**1.22**	-
- Mr. N. K. Khurana [As CFO cum Company secretary till 31.08.2017]	**0.87**	1.13
d) Interest Free Advance to Mr. N K Khurana		
At the beginning of the year	**-**	1.88
Received during the year	**-**	-
Repayment during the year	**-**	1.88
At the end of the year	**-**	-
e) Rent for Residential Accommodation		
- Mr. C. S. Bedi (Upto 31st August, 2018 in the Financial Year 2017-2018)	**1.75**	4.20
Transactions with relatives of Key Management Personnel		
a) Short Term Employment Benefits		
- Mr. R M Gupta [As Executive Vice President till 08.02.2018]	**66.48**	73.01
- Mrs. Vinita Gupta	**40.15**	34.15
- Ms. Samara Gupta	**35.65**	31.37
b) Post-Employment Benefits		
- Mr. R M Gupta [As Executive Vice President till 08.02.2018]	**6.83**	7.05
- Mrs. Vinita Gupta	**6.88**	4.78
- Ms. Samara Gupta	**4.16**	3.23
c) Rent for Residential Accommodation		
- Mrs. Sonia Bedi (Upto 31st August, 2018 in the Financial Year 2017-18)	**1.75**	4.20
Transactions with Post Employment Benefit Plan - Contributions		
a) Contribution to Rossell India Employees' Gratuity Fund as perActurial Valuation	**205.61**	246.49
b) Balance payable to Rossell India Employees' Gratuity Fund	**67.99**	46.48
Transactions with Non-Executive Directors		
Sitting Fees		
- Dr. S S Baijal	**3.05**	3.85
- Mr. V P Agarwal	**3.25**	4.05
- Mr. H M Parekh	**3.20**	4.00
- Ms. Nayantara Palchoudhuri	**2.80**	3.50

Notes to the Financial Statements

₹ in lakhs

44. Form AOC-I

(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 subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

₹ in lakhs

1.	Sl. No.	1
2.	Name of the Subsidiary	CAE Rossell India Limited Wholly Owned Subsidiary
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31st March, 2018
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees
5.	Share Capital	11.00
6.	Reserves and Surplus	(10.68)
7.	Total Assets	0.50
8.	Total Liabilities	0.18
9.	Investments	-
10.	Turnover	-
11.	Profit before Taxation	(0.20)
12.	Provision for Taxation	-
13.	Profit after Taxation	(0.20)
14.	Proposed Dividend	Nil
15.	% of shareholding	100

1. Names of subsidiaries which are yet to commence operations
   - The above subsidiary is yet to commence any operations.
2. Names of subsidiaries which have been liquidated or sold during the year- None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ in lakhs

	Name of Associates/Joint Ventures	R. V. Enterprizes Pte. Ltd., Singapore
1.	Latest audited Balance Sheet Date	31st March, 2018
2.	Shares of Associate/Joint Ventures held by the company on the year end	26%
	No.	3,61,007 Equity Shares of Singapore $ 1 each and 34,44,725 Preference Shares of US Dollar 1 each
	Amount of Investment in Associates/Joint Venture	2,011.49 (Book value after impairment ₹ 1,756.95)
	Extend of Holding %	26
3.	Description of how there is significant influence	Since the holding is more than 20% of total Share Capital, as per explanation to Sec. 2 (6) of the Companies Act, 2013, this Company is an Associate Company.
4.	Reason why the associate/joint venture is not consolidated	Not Applicable
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	2,119.65 (USD 3.259 Million converted at year end exchange rate of ₹ 65.04)
6.	Profit / Loss for the year	(15.61) (Loss After Tax) (USD 0.024 Million converted at year end exchange rate of ₹ 65.04)
	i. Considered in Consolidation	Yes
	i. Not Considered in Consolidation	Not Applicable

1. Names of associates or joint ventures, which are yet to commence operations - Not Applicable
2. Names of associates or joint ventures, which have been liquidated or sold during the year - Not Applicable

Notes to the Financial Statements

₹ in lakhs

45. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company's business activities expose it to certain financial risks - market risk, liquidity risk and credit risk. In order to minimize those risks, the Company has risk management policies and procedures in place as approved by the Risk Management Committee of the Board of Directors of the Company after due evaluation of key risks facing the business of the Company:

a) Market Risk

The Company's business of Cultivation, Manufacture and Sale of Tea is primarily agricultural in nature. Moreover, the sale price of Tea is largely determined by the market forces of demand and supply. Thus, adverse weather conditions and uncertain tea market expose it to the risk that the fair value or future cash flows may adversely fluctuate. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to various market risks. Other Market risks are as under:

i. Foreign Currency Risk

The Company undertakes significant transactions denominated in foreign currency with its customers in relation to Exports by Rossell Tea Division and 100% EOU of Rossell Techsys Division as well as dealing with Foreign OEMs in relation to Aerotech Services Division. This results in wide exposure to exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement of risks arising from recognized assets and liabilities, which are not in the Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, Euro and British Pound Sterling etc.

The Company, as Risk Management Policy, hedges its exposure in foreign exchange whenever considered appropriate based on their perception about such market and reviews periodically its exposure therein to ensure that results from fluctuating currency exchange rate are appropriately managed.

The exposure to foreign currency as on 31st March, 2018 is given as under:

	USD	EURO	GBP	TOTAL
Financial Assets (A)				
Trade Receivable	1,346.58	–	–	1,346.58
Receivable under Derivative / Hedges Transactions (Net)	3.50	–	–	3.50
	1,350.08	**–**	**–**	**1,350.08**
Financial Liabilities (B)				
Trade Payable	508.92	–	–	508.92
Payable under Derivatives – Currency and Interest Rates Swap	64.15	–	–	64.15
	573.07	**–**	**–**	**573.07**
Net Exposure in Foreign Currency (A-B)	**777.01**	**–**	**–**	**777.01**

The impact of sensitivity analysis (10% appreciation / depreciation of the foreign currency with respect to functional currency) arising on account of above outstanding foreign currency denominated assets and liabilities would be ₹ 77.70 lakhs.

ii. 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 objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimize counter party risks.

The Company is exposed to interest rate volatilities primarily with respect to its borrowings from banks as well as by way of inter corporate deposit. Such volatilities primarily arise due to changes in Marginal Cost of Lending rates of Banks as well as other economic parameters of the Country. The Company manages such risk by operating with Banks having strong fundaments and comparatively lower Marginal Cost of Lending Rates in the Market.

Notes to the Financial Statements

₹ in lakhs

Interest rate sensitivity

Since the significant amount of borrowings of the Company are short term in nature, the possible volatility in the interest rate is minimal.

b) liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty, including seasonality, in meeting its obligations due to shortage of liquid assets.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle, ensuring optimal movements of its inventories and avoid blockage of working capital in non-productive current assets.

The remaining contractual maturities of significant financial liabilities payable within one year (other than borrowings from the Banks) as at 31st March, 2018 are as under:

Trade Payables	1,024.06
Other Financial Liabilities	873.84
Other Current Liabilities	1,496.21
Total	**3,394.11**

c) Credit Risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss to the Company.

The Company has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's based on which, the terms of payment are decided. Credit limits are set for each customer which are reviewed at periodic intervals. The credit risk of the Company is low as the Company sells a significant volume of its Teas through the auction system which is on cash and carry basis. The exports are made mostly to worldwide reputed Corporates like Boeing, Starbucks, and Taylors of Harrogate etc., and otherwise backed by letter of credit or on advance basis.

The Company has no expected credit loss as on 31st March, 2018 and thus no provision has been made by the Company in respect thereof.

46. 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 (unadjusted) in active market for identical assets or liabilities

Level 2: 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 all 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 (unobservable inputs)

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 31st March, 2018, 31st March, 2017 and 1st April, 2016.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Notes to the Financial Statements

₹ in lakhs

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

	Level 1	Level 2	Level 3	Total
1. Financial assets and liabilities measured at fair value – recurring fair value measurements as at 31st March, 2018				
Financial Assets (A)				
Derivatives not designated as Hedges – Forward Contract	0.82	-	-	0.82
Derivatives not designated as Hedges – Forecasted Cash Flow Hedge	2.68	-	-	2.68
Investment in Equity Instruments measured at FVTPL	-	52.59	-	52.59
Total	**3.50**	**52.59**	**-**	**56.09**
Financial Liabilities (B)				
Derivatives not designated as Hedges -				
Currency and Interest Rate Swap (Net of Principle receivable and payable – ₹ 292.50 lakhs)	64.15	-	-	64.15
Total	**64.15**	**-**	**-**	**64.15**
Net (A) – (B)	**(60.65)**	**52.59**	**-**	**(8.06)**
2. Biological Assets other than Bearer Plants measured at Fair Value				
Unharvested Green Tea leaves	-	-	81.17	81.17
Agricultural Produce				
– Green Leaf		14.62	-	14.62
– Black Pepper		15.79	-	15.79
Total	**-**	**30.41**	**81.17**	**111.58**
Grand Total (1 + 2)	**(60.65)**	**83.00**	**81.17**	**103.52**

47. THE RECONCILIATION OF TOTAL EQUITY AS AT 31ST MARCH, 2017 AND 1ST APRIL, 2016

Particulars		Note No.	31st March, 2017	1st April, 2016
Total Equity (Shareholders' Fund) as reported as per previous GAAP			**16,662.53**	16,941.75
Adjustments:				
1.	Impact of valuation of Inventory of Black Tea as per Ind AS 2	1	**(5.44)**	71.60
2.	Impact of recognising Agricultural Produce (Green Leaf) at Fair Value as per Ind AS 41	2	**15.66**	25.05
3.	Impact of recognising Biological Assets (Unharvested Green Leaf) at fair value	3	**61.57**	49.82
4.	Derecognition of Expenses on Internally Generated Brand & Trade Mark as per Ind AS 38	4	**(9.95)**	(13.63)
5.	Recognition of Mark to Market Loss on Derivative Instruments as per Ind AS 32	5	**(18.28)**	(77.39)
6.	Replanting Subsidy reclassified as Deferred Income as per Ind AS 20	6	**(64.83)**	–
7.	Effect of Change in Fair Value of Investment as per Ind AS 109	7	**44.59**	24.70
8.	Capitalisation of Interest attributable to Self Created Asset as per Ind AS 23	8	**13.16**	–
9.	Remeasurements of post-employment defined benefit obligations	9	**133.18**	–
10.	Impact of Defered Tax credit as per Ind AS 12		**467.93**	–
11.	Other Comprehensive Income (Net of Tax)		**(336.95)**	–
Total Adjustments			**300.64**	80.15
Total Equity (Shareholders' Fund) as per Ind AS			**16,963.17**	17,021.90

Notes to the Financial Statements

₹ in lakhs

Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017

Particulars		Note No.	31st March, 2017
(Loss) as reported in Previous GAAP			(746.05)
Adjustments:			
1.	Effect of Changes in value of Inventory of Black Tea as per Ind AS 2	1	(77.04)
2.	Effect of Changes in value of Stock of Agricultural Produce (Green Leaf) at Fair Value as per Ind AS 41	2	(9.39)
3.	Impact of recognising Biological Assets (Unharvest Green Leaf) at Fair Value	3	11.75
4.	Derecognition of Internally Generated Brand & Trade Mark as per Ind AS 38	4	3.68
5.	Recognition of Mark to Market Loss on Derivative Instruments as per Ind AS 32	5	59.11
6.	Replanting Subsidy reclassified as Deferred Income as per Ind AS 20	6	(64.83)
7.	Effect of Change in Fair Value of Investment as per Ind AS 109	7	19.89
8.	Capitalisation of Interest attributable to Self Created Asset as per Ind AS 23	8	13.16
			(789.71)
	Tax Effect thereon		(658.93)
	(Loss) After Tax as per Ind AS		(130.78)
	Reclassification of Actuarial Gain (Loss) on Defined Benefit Plan to Other Comprehensive Income as per Ind AS 19	9	(133.18)
	Income Tax effect thereon		41.59
	Impairment in Investment in Associate Company		(245.36)
	Total Comprehensive Income		(467.73)

Notes to the Reconciliations

1. Under Previous GAAP, Stock of Black Tea was valued at the lower of cost and net realisable value. Cost comprised of all cost of purchase/ production of green leaf, cost of conversion and other costs in bringing the Stock to its present location. Under Ind AS, while there is no change in the cost of conversion and other costs, the green leaf imputed in Stock of Black Tea has been taken at fair value at the time of harvest, less cost to sell.

2. Under Previous GAAP, stock of Green Leaf harvested was not recognised and corresponding production of Black Tea was being adjusted. Under Ind AS, stock of harvested Green leaf is measured and valued at its fair price at the point of harvest less cost to sell and is classified as Stock of Raw Materials.

3. Under Previous GAAP, Biological Assets (unharvested Green Leaf on Tea Bushes) was not required to be recognised. Under Ind AS these have been recognised at fair value less cost to sell and change in fair value has been recognised in the Statement of Profit and Loss.

4. The Company had its own Internally Generated Brand by one of its Division and expenses incurred thereon were capitalised under the head Brand and Trademarks as an Intangible Asset under Previous GAAP. Under Ind AS, these expenses are chargeable to the Statement of Profit and Loss. The effect of derecognition of Brand is given effect on the date of transition to Ind AS.

5. Under Previous GAAP, Mark to Market Losses in respect of Foreign Exchange Derivative Contracts were not required to be recognised. However, as a prudent accounting practice adopted by the Company, the exchange losses on the reporting date were provided for as part of Finance Cost. Under Ind AS, all Derivative Contracts are stated at fair value. Accordingly, M2M loss has been provided for as on the reporting date.

6. Under Previous GAAP, Replanting Subsidy was recognised as Income in the year of receipt and taken in Statement of Profit and Loss. Under Ind AS, such Government Grant is treated as Deferred Income and credited to the Statement of Profit and Loss on Straight Line Basis over the useful life of the Replanted Section(s) for which it was sanctioned.

Notes to the Financial Statements

7. Under Previous GAAP, investment in Equity instruments were classified as Long Term Investment based on intended holding period and realisability, These were carried at Cost less provision for permanent diminution of value. Under Ind AS, these investments (other than Equity instruments of Associates, Subsidiary and Joint Ventures) are required to be measured at fair value and changes in such fair value routed through Statement of Profit and Loss.

8. In keeping with the requirement of Ind AS 41, expenses incurred on uprooting, replanting and maintenance of young tea are being capitalised as Capital work-in-progress- Bearer Plants. Bearer Plants, thus being self created assets, interest incurred on the general borrowings, attributable to such creation, qualify for capitalisation in accordance with Ind AS 23. Under previous GAAP, there was no such capitalisation of this nature was contemplated.

9. Under Ind AS remeasurements i.e. actuarial gains and losses and the return on plan assets greater/ less than the discount rate are recognised in Other Comprehensive Income instead of Statement of Profit and Loss. Under Previous GAAP, these remeasurements were a charge in the Statement of Profit and Loss.

Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March 2017

₹ in lakhs

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(1,271.73)	852.89	(418.84)
Net cash flow from investing activities	487.50	2.28	489.78
Net cash flow from financing activities	964.15	(855.17)	108.98
Net increase/(decrease) in cash and cash equivalents	179.92	179.92	179.92
Cash and cash equivalents as at 1st April 2016 (Note)	249.50	(3.25)	246.25
Cash and cash equivalents as at 31st March 2017	429.42	(3.25)	426.17

Note:

Adjustment of ₹ 3.25 Lakhs in Cash and cash equivalent is due to regrouping of Deposit with Bank under Lien with State's VAT authorities as Security Deposit under Other Financial Assets.

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
Executive Chairman
DIN: 00065973

H. M. Parekh
Director
DIN: 00026530

N. Palchoudhuri
Director
DIN: 00581440

Dr. S. S. Baijal
Director
DIN: 00027961

V. P. Agarwal
Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Independent Auditors' Report on Consolidated Financial Statements

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying Consolidated Ind AS Financial Statements of Rossell India Limited (the "Company"), its Subsidiary, CAE Rossell India Limited and Associate Company (Joint Venture), R. V. Enterprizes Pte. Ltd., Singapore (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity Financial Statements for the year then ended and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Management is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (the "Act") that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance including Consolidated Other Comprehensive Income, Consolidated Cash Flow of the Group and Consolidated Change in Equity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015. The Management of the Company, its Subsidiary and its Associate Company (Joint Venture) are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company, its Subsidiary and its Associate Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these Consolidated Ind AS Financial Statements by the Management.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our examination in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the examination to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of the material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, we considered the internal financial control relevant to the Group's preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor referred to in the Other Matter below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

MATTER OF EMPHASIS

The Auditors of the Associate Company (Joint Venture) in Singapore reported that they have not been able to independently verify management's evaluation of impairment assessment of loans to the subsidiary of such Company and accordingly the said Auditors were unable to determine whether any adjustment in the financial statements of the Associate Company (Joint Venture) on account of such impairment was necessary.

The Management of the Company, however, has provided impairment loss in entirety on its investment in Equity Shares of the Associate Company (Joint Venture) in Singapore following Equity Method of accounting prescribed under Ind AS 28 and also on a part of investment in Preference shares in the same Associate Company (Joint Venture).

This is not a qualification.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the Financial Statements of the Subsidiary and Associate Company (Joint Venture) as noted under the other matter below, the Consolidated Ind AS Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2018,

b) In the case of the Consolidated Statement of Profit and Loss, including Consolidated Total Comprehensive Income, of the Profit / (Loss) of the Group for the year ended on that date,

Independent Auditors' Report on Consolidated Financial Statements

c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

d) In the case of Statement of Consolidated Change in Equity, such change of the Group for the year ended on that date.

OTHER MATTERS

Financial Statement of Subsidiary, CAE Rossell India Limited and Associate Company (Joint Venture), R. V. Enterprizes Pte. Ltd., which reflect total assets ₹ 2,336.73 lakhs as at March 31, 2018, total revenue of ₹ Nil and net cash outflow amounting to ₹ 0.21 lakhs for the year then ended, have been audited by other auditors whose report has been furnished to us and our opinion in terms of Sub Section (3) and (11) of Section 143 of the Act in so far as it relates to aforesaid Subsidiary and Joint Venture is based solely on the report of the other auditors.

Our opinion on the Consolidated Ind AS Financial Statement and other report on other legal and regulatory requirements below are not qualified in respect of above matter.

For **KHANDELWAL RAY & CO.**,
Chartered Accountants
(Registration No.302035E)

Supriyo Raychaudhuri
Partner
Membership No. 037202

Place : Kolkata
Date : 24th May, 2018

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. Based on the Auditors' Report on the Financial Statement of the Associate Company (Joint Venture), we confirm that "in the opinion of their auditors the accounting and other records required by the Companies Act, Chapter 50 to be kept by the Company had been properly kept in accordance with the provisions of that Act."
2. As required by section 143(3) of the Act, we report, to the extent applicable, 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 examination of the Consolidated Financial Statements;
   b. In our opinion, proper books of account as required by law relating to the preparation of the Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
   c. The Consolidated Ind AS Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Change in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;
   d. In our opinion, the Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
   e. On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2018, taken on record by the Board of Directors of the Holding Company and the reports of the auditors of its Subsidiary Company incorporated in India, none of the Directors of the Company and its Subsidiary, incorporated in India, is disqualified as on March 31, 2018 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 of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
   g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
      i) The Group has disclosed the impact of pending litigations on the Consolidated Financial position of the Group in its Consolidated Ind AS Financial Statements as of March 31, 2018. Refer Note 39 in Notes to the Financial Statements.
      ii) The Group has made provisions in its Consolidated Ind AS Financial Statements, as required under the applicable law or Accounting Standards for material foreseeable losses on long term / derivative contracts. Refer note 34 in Notes the Financial Statements.
      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its Subsidiary Company incorporated in India.

For **KHANDELWAL RAY & CO.**,
Chartered Accountants
(Registration No.302035E)

Supriyo Raychaudhuri
Partner
Membership No. 037202

Place : Kolkata
Date : 24th May, 2018

Annexure A to the Independent Auditors Report

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

We have audited the internal financial controls over financial reporting of Rossell India Limited ("the Company"), its Subsidiary, CAE Rossell India Limited and Associate Company (Joint Venture), R. V. Enterprizes Pte. Ltd., Singapore (collectively referred to as "the Group") in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended 31st March, 2018.

Management's Responsibility for Internal Financial Controls

The Management of Holding and its Subsidiary Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Annexure A to the Independent Auditors Report

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Group 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 31st March, 2018, based on the internal control over financial reporting criteria established by the Group 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the Subsidiary Company and Joint Venture, is based on the corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

For **KHANDELWAL RAY & CO.**,
Chartered Accountants
(Registration No.302035E)

Supriyo Raychaudhuri
Partner
Membership No. 037202

Place : Kolkata
Date : 24th May, 2018

Consolidated Balance Sheet as at 31st March, 2018

₹ in lakhs

Particulars	Note No.	31st March, 2018	31st March, 2017	1st April, 2016
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	4	**17,464.43**	17,273.90	16,318.87
(b) Capital work-in-progress		**753.35**	560.05	316.84
(c) Other Intangible Assets	4	**150.45**	99.53	60.20
(d) Investment in Associate	5	**1,756.95**	1,766.13	2,011.49
(e) Financial Assets				
(i) Non-Current Investments	6	**52.59**	349.59	2,629.78
(ii) Loans	7	**4.40**	3.87	6.99
(iii) Other Financial Assets	8	**501.87**	399.47	711.03
(f) Other Non-current Assets	9	**145.60**	364.26	119.37
(g) Deferred Tax Assets (Net)	10	**905.87**	676.52	-
Total Non-Current Assets		**21,735.51**	21,493.32	22,174.57
(2) Current assets				
(a) Inventories	11	**5,169.42**	3,240.00	2,006.21
(b) Biological Assets other than Bearer Plants	12	**81.17**	61.57	49.81
(c) Financial Assets				
(i) Trade Receivables	13	**1,483.77**	1,813.36	2,025.40
(ii) Cash and Cash Equivalents	14	**167.17**	426.86	246.88
(iii) Loans	15	**4.69**	3.93	6.94
(iv) Other Financial Assets	16	**9.00**	11.41	20.04
(d) Current Tax Assets (Net)	17	**50.57**	61.25	-
(e) Other Current Assets	18	**1,040.26**	598.18	589.90
Total Current Assets		**8,006.05**	6,216.56	4,945.18
TOTAL ASSETS		**29,741.56**	27,709.88	27,119.75
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	19	**733.93**	733.93	733.93
(b) Other Equity		**16,125.51**	16,218.77	16,278.04
Total Equity		**16,859.44**	16,952.70	17,011.97
(2) Liabilities				
(a) Non-Current Liabilities				
(i) Financial Liabilities				
Borrowings	20	**857.14**	1,492.50	1,207.50
(ii) Deferred Tax Liabilities (Net)	10	**-**	-	24.00
(iii) Other Non-Current Liabilities	21	**166.18**	130.18	-
(iv) Other Non-Current Financial Liabilities	22	-	64.45	283.46
(v) Other Non-Current Provisions	23	**-**	6.60	33.12
Total Non-Current Liabilities		**1,023.32**	1,693.73	1,548.08
(b) Current Liabilities				
(i) Financial Liabilities				
Borrowings	24	**8,464.51**	5,705.58	4,956.43
Trade Payables	25	**1,024.24**	525.74	575.59
Other Financial Liabilities	26	**873.84**	1,181.42	1,292.53
(ii) Other Current Liabilities	27	**1,496.21**	1,650.71	1,697.91
(iii) Current Tax Liabilities (Net)	28	**-**	-	37.24
Total Current Liabilities		**11,858.80**	9,063.45	8,559.70
Total Liabilities		**12,882.12**	10,757.18	10,107.78
TOTAL EQUITY AND LIABILITIES		**29,741.56**	27,709.88	27,119.75

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
Executive Chairman
DIN: 00065973

H. M. Parekh
Director
DIN: 00026530

N. Palchoudhuri
Director
DIN: 00581440

Dr. S. S. Baijal
Director
DIN: 00027961

V. P. Agarwal
Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Consolidated Profit and Loss Statement for the year ended 31st March, 2018

₹ in lakhs

Particulars	Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
Revenue from operations	29	**19,852.39**	16,324.96
Other Income	30	**201.47**	328.69
Total Income		**20,053.86**	16,653.65
Expenses			
Cost of materials consumed	31	**3,593.56**	1,990.41
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	32	**(207.82)**	(42.66)
Central Excise Duty		**14.24**	3.04
Employee benefit expense	33	**9,399.82**	8,688.94
Finance cost	34	**718.40**	589.50
Depreciation and amortization expense	35	**967.08**	880.64
Corporate Social Responsibility (CSR) activities	40	**16.69**	31.95
Other expenses	36	**5,713.33**	5,302.09
Total Expenses		**20,215.30**	17,443.91
Share of Profit (Loss) of Associates and Joint Ventures (Note 2.6)		**-**	-
Profit (Loss) before tax		**(161.44)**	(790.26)
Income Tax Expense			
(i) Current Tax			
Agricultural Income Tax	37	**35.00**	-
(ii) Deferred Tax - Charge / (Credit)	37	**(220.46)**	(658.93)
Total Tax Expense		**(185.46)**	(658.93)
Profit (Loss) for the Year		**24.02**	(131.33)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment defined benefit obligations		**(31.34)**	(133.18)
(ii) Income Tax relating to these items		**9.78**	41.59
Items that will be reclassified to profit or loss			
(i) Net Gain on Hedge Transactions		**2.68**	-
(ii) Impairment recognised by revaluation of Investment in Associate		**(9.18)**	(245.36)
(iii) Income Tax relating to these items		**(0.89)**	-
Other Comprehensive Income for the year, net of tax		**(28.95)**	(336.95)
Total Comprehensive Income for the year		**(4.93)**	(468.28)
Profit (Loss) for the Year			
Attributable to :			
Owners of the parents		**24.02**	(131.33)
Non-controlling interests		**-**	-
Total Comprehensive Income for the year			
Attributable to :			
Owners of the parents		**(4.93)**	(468.28)
Non-controlling interests		**-**	-
Earning per Equity Share [Nominal Value per share : ₹ 2]			
(Previous Year : ₹ 2)]			
(1) Basic	38	**0.07**	(0.36)
(2) Diluted		**0.07**	(0.36)

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
Executive Chairman
DIN: 00065973

H. M. Parekh
Director
DIN: 00026530

N. Palchoudhuri
Director
DIN: 00581440

Dr. S. S. Baijal
Director
DIN: 00027961

V. P. Agarwal
Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Cash Flow Statement for the year ended 31st March, 2018

	2017-2018		2016-2017	
A. Cash Flow from Operating Activities				
Profit before Tax		**(161.44)**		(790.26)
- Adjustment for :				
Depreciation and Amortization expense	**967.08**		880.64	
Finance Cost	**880.95**		878.76	
Loss (Gain) on Exchange on restatement of SWAP Transactions	**13.54**		(14.27)	
Provision for Forex Loss on Swap Transactions written back	**(176.09)**		(274.99)	
Loss on Disposal of Property, Plant and Equipment (Net)	**19.14**		22.65	
Liabilities no more required written back (net)	**(15.46)**		(14.80)	
Changes in Fair Value of Financial Instruments (Equity)	**(3.00)**		(19.89)	
Net Gain on sale of Investments	**(32.05)**	**1,654.11**	(237.18)	1,220.92
		1,492.67		431.21
Items Considered in Investing Activity :				
Interest on Deposits etc.	**(22.87)**		(55.15)	
Dividend Income from Equity Investments designated at FVTPL	**(0.38)**	**(23.25)**	–	(55.15)
		1,469.42		375.51
Operating Profit before Working Capital Changes				
- Adjustment for :				
Trade Receivables, Loans, Advances and Other Assets	**(230.69)**		518.37	
Inventories	**(1,929.42)**		(1,233.79)	
Trade Payable, Other Liabilities and Provisions	**394.27**	**(1,765.84)**	18.75	(696.67)
Cash Generated from Operations		**(296.42)**		(321.16)
Direct Taxes (Net of refund)	**(24.32)**		(98.49)	
		(24.32)		(98.49)
Cash Flow before Extraordinary Items		**(320.74)**		(419.65)
Extraordinary Items		**-**		-
Net Cash Flow from Operating Activities		**(320.74)**		(419.65)
B. Cash Flow from Investing Activities :				
Purchase of Property, Plant and Equipment, Other Intangible Assets including				
Advances for Capital Assets		**(1,226.12)**		(2,173.72)
Sale of Property, Plant and Equipment		**37.14**		76.96
Purchase of Investments		**-**		(25.36)
Sale/ Redemption of Investments		**332.05**		2,562.62
Interest Received		**22.87**		55.15
Dividend Received		**0.38**		-
Net Cash Flow from Investing Activities		**(833.68)**		495.65
C. Cash Flow from Financing Activities				

Cash Flow Statement for the year ended 31st March, 2018

	2017-2018		2016-2017	
Intercorporate Deposits Paid/ Refunded (Net)		–		–
Proceeds of Working Capital Loan from Bank (Net)		**2,758.93**		749.15
Proceeds of Term Loan from Banks		–		1,200.00
Repayment of Term Loan From Banks		**(915.00)**		(990.00)
Interest Paid		**(711.54)**		(624.60)
Gain/ (Loss) on Foreign Currency Translations		**1.52**		(21.22)
Forex Loss on Swap Transactions (Net)		**(150.85)**		(209.35)
Dividend Paid and Tax thereon		**(88.33)**		–
Net Cash Flow from Financing Activities		**894.73**		108.98
Net Increase in Cash and Cash Equivalents (A+B+C)		**(259.69)**		179.98
Cash and Cash Equivalents at the beginning of the Financial Year (Refer Note 14)		**426.86**		246.88
Cash and Cash Equivalents at the end of the Financial Year (Refer Note 14)		**167.17**		426.86

Notes:
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 - "Statement of Cash Flow".

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
Executive Chairman
DIN: 00065973

H. M. Parekh
Director
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N. Palchoudhuri
Director
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Dr. S. S. Baijal
Director
DIN: 00027961

V. P. Agarwal
Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Consolidated Statement of changes in Equity for the year ended 31st March, 2018

₹ in lakhs

A. Equity Share Capital

Balance at the beginning on 1st Aptil, 2016	733.93
Changes during the year 2016–2017	-
Balance at the end on 31st March, 2017	733.93
Changes during the year 2017–2018	-
Balance at the end on 31st March, 2018	**733.93**

B. Changes in Equity

	Securities Premium Reserve	General Reserve	Retained Earnings		Capital Reserve	Total
			Surplus (Deficit)	Other Comprehensive Income		
As at 1st April, 2016	2,609.55	12,863.28	557.20	248.01	-	16,278.04
Profit for the year	-	-	(131.33)			(131.33)
Other Comprehensive Income				-		-
Adjustment for restating Property, Plant and Equipment		275.83				275.83
Remeasurements of post-employment defined benefit obligations			133.18			133.18
Items of Other Comprehensive Income recognised directly in Retained						-
Earnings (Net)	-	-			(91.59)	(91.59)
Impairment of Investment					(245.36)	(245.36)
As at 31st March, 2017	2,609.55	13,139.11	559.05	248.01	(336.95)	16,218.77
Profit for the year	-	-	24.02			24.02
Dividend Paid	-	(73.39)	-			(73.39)
Dividend Tax			(14.94)			(14.94)
Other Comprehensive Income			-			-
Items of Other Comprehensive Income recognised directly in Retained						-
Earnings (Net of Tax)	-				(28.95)	(28.95)
a. Remeasurements of post-employment defined benefit obligations					(21.56)	(21.56)
b. Impairment recognised by revaluation of Investment in Associate by Equity Method					(9.18)	(9.18)
c. Gain on Hedge Transactions					1.79	1.79
As at 31st March, 2018	**2,609.55**	**13,065.72**	**568.13**	**248.01**	**(365.90)**	**16,125.51**

Nature and purpose of each Reserve

a) Capital Reserve

This represents the amounts received as compensation for Land acquired by Oil India Ltd. from the Tea Estates of the Company as well as certain adjustments relating to various Schemes of Arrangements the Company had entered in to in the earlier years.

b) Securities Premium Reserve

Securities Premium Reserve was created as per the Scheme of Arrangement with the value of net assets taken over by the Company and again used to credit the premium on issue of Equity Shares by the Company from time to time. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

c) General Reserve

General Reserve is created for ploughing back the profits earned by the Company and retained before payment of dividend. This is free reserve and available for utilisation in accordance with the provisions of the Companies Act, 2013.

d) Retained Earnings

Retained earnings represent accumulated profits earned by the Company and remaining undistributed as on date.

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
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Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

1. Company Overview

Rossell India Limited (the Company) is a Public Limited Company incorporated and domiciled in India. The Company was incorporated on 10th June, 1994 under the Companies Act, 1956 with its registered office at Kolkata, West Bengal. The Equity Shares of the Company are listed on National, Bombay and Calcutta Stock Exchanges. The Company is engaged in the following business activities:

a. Cultivation, Manufacture and Sell of Bulk Tea,

b. Design and Development of Aviation Products and Aviation related Services

c. Operation of Quick Service Restaurants under the Brand name "Kebab Xpress"

2.1 Basis of Preparation

These Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the Act) and the other relevant provisions of the Act and Rules mad thereunder.

The Consolidated Financial Statements up to the year ended 31st March, 2017 were prepared in accordance with Accounting Standard as notified under Companies (Accounting Standard) Rules, 2006 (as amended) (refer to as Indian GAAP and previous GAAP) as notified under Section 133 of the Act and the other relevant provisions of the Act.

Thus, these Consolidated Financial Statements for the year ended 31st March, 2018 are the First Financial Statements of the Group under Ind AS. Accordingly, Ind AS 101 – First-time Adoption of Indian Accounting Standard has been applied. Note No 44 below provides an explanation from previous GAAP to Ind AS, as effected the Company's Financial position, Financial performance and Cash Flows.

2.2 Basis of Measurement

The Consolidated Financial Statement has been prepared on a historical cost basis except the following items:

a) Certain financial assets and liabilities (including derivative instruments) which are measured at fair value.

b) Biological Assets other than Bearer Plants, which are measured at fair value less cost to sell.

c) Defined benefit plans – plan assets measured at fair value

2.3 Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires management to use of certain critical accounting estimates and assumptions. It also requires management to exercise judgment in the process of applying accounting policies. Actual results could differ from those estimates. These estimates, judgements, assumptions affect application of the accounting policies and the reported amounts of assets, liabilities, revenue, expenditure, contingent liabilities etc.

The estimates and underlying assumptions are reviewed on an ongoing basis and changes are made as management becomes aware of changes in the circumstances surrounding the estimates. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the financial statements in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.4 Basis of Consolidation

(i) Subsidiary

Subsidiary is the entity controlled by the Group. This control comes on an entity when the group is exposed to, or has rights to, variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity. The Financial Statement of Subsidiary is included in the Consolidated Financial Statements from the date on which the control commences and till the date control ceases.

The Group combines of Financial Statements of the Parents and the Subsidiary on line by line basis by aggregating like items of assets, liabilities, income and expenses. The intro-group balances and intro-group transactions have been full eliminated.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(ii) Associate

Associate is an entity in which the Group has significant influence, but not control or joint control over the financial and operating policies. A Joint Venture is an arrangement rather than rights of its assets and obligations for its liabilities.

(iii) Equity Method

Interest in Associate (Joint Venture) is accounted for using the Equity Method of Accounting. Under this Method, the investment is initially recognized at costs and adjusted thereafter to recognize the Group's Share of the post-acquisition profit or loss as well as Other Comprehensive Income of the Investee. In case of continuous losses, the Group's Shares in those losses are adjusted with cost of investment to impair such cost to that extent.

When the Group's Share of losses in an Equity Accounted Investment equals or exceeds its interest in the entity, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

2.5 Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Holding and Subsidiary Companies normal operating cycle and other criteria set out in the Ind AS 1 – Presentation of financial statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, both the Companies have ascertained the operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

2.6 Share of Profit (Loss) of Associate (Joint Venture)

Based on Consolidated Financial Statements prepared in accordance with the above basis, the Share of Profit (Loss) of Associate (Joint Venture) has been ascertained as under:

Year ended 31st March, 2018	Year ended 31st March, 2017
(15.44)	(209.44)

Following the Equity Method of Accounting, the aforesaid losses have been adjusted with the value of investments by the Parent Company as part of Loss on Impairment of Investment (Note 5) and therefore shown as Nil for both the years.

3. Significant Accounting Policies

The fully owned subsidiary, CAE Rossell India Ltd. has not yet started any business activity. The Parent, Rossell India Limited has adopted the following significant accounting policies as per the various requirements of Ind AS:

3.1 Property, Plant and Equipment

3.1.1 Tangible Assets (Other than Bearer Plants)

Property, Plant and Equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, Plant and Equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated attributable costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. 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 recognized in profit or loss.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets less its residual value, over their useful lives on a straight line basis. Estimated useful lives of the assets are 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 changes in estimate is accounted for on a prospective basis.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment (other than Bearer Plants) recognized as of 1st January, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost.

3.1.2 Bearer Plants

Bearer Plants comprising of mature tea bushes and shade trees are stated at cost / deemed cost less accumulated depreciation and impairment losses, if any.

The cost of uprooting of old tea bushes, rehabilitation of land, replanting and young tea upkeep and maintenance up to the year 3 from the year of planting are capitalized as mature plants, capital work-in-progress. From year 4 onwards capital work-in-progress is treated as Bearer Plants and depreciated using Straight Line Method over the expected useful life of 70 years, when the Bearer Plants reaches maturity stage with residual value as 'Nil'.

Depreciation on Bearer Plants is recognized so as to write off its cost over useful lives, using the Straight Line Method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

On transition to Ind AS, the Company has recognized Bearer Plants for the first time as required by Ind AS 101 at fair value as of 1st January, 2015 (transition date) and used the fair value as deemed cost.

3.1.3 Intangible Assets

Intangible Assets of the Company comprise acquired Computer Software having a finite life. Cost of software is capitalized when it is expected to provide future enduring economic benefits. The capitalization cost includes licence fee, cost of implementation and system integration services. The costs are capitalized in the year in which the relevant Software is implemented for use and is amortised across a period not exceeding 10 years.

3.2 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

3.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of insurance claim for damage / shortage of finished goods and are net of sales return, sales tax / value added tax, GST and trade allowances.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

3.4 Financial Instruments

Financial assets and financial liabilities are recognized 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 recognized on the trade date i.e. the date when the Company commits to purchase or sell the asset.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

3.4.1 Financial Assets

Recognition and Classification

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

- those subsequently measured at amortized 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 amortized 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 amortized cost and is not a part of hedging relationship is recognized in profit or loss when the asset is derecognized 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 measure 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 recognized 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 derecognized, the cumulative gains or losses recognized 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 amortized 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 recognized in the profit or loss (other than impairment losses on investment in Subsidiary, Joint Venture and Associate) where there is an objective evidence of impairment based on reasonable and supportable information that is available without undue cost or effort. For all financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company recognizes loss allowances on trade receivables when there is an objective evidence that the Company will not be able to collect all the due amount depending on product categories and the payment mechanism prevailing in the industry.

Income recognition on financial assets

Interest income from financial assets is recognized 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.

3.4.2 Financial Liabilities

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 amortized 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.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

3.4.3 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.

3.4.4 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.

3.5 Derivatives and hedging activities

The Company holds derivative financial instruments such as forward contracts, currency and interest rate swap to mitigate risk of changes in exchange and interest rates. The counterparty for these contracts is generally banks.

3.5.1 Derivatives

Derivatives are measured at fair value. All fair value gains and losses are recognized in profit and loss except where the derivatives qualify as hedging instruments in cash flow hedges or net investment hedges.

3.5.2 Cash flow hedges that qualify for hedge accounting:

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the Other Comprehensive Income.

3.6 Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are initially recognized at cost as per Ind AS 27 – Separate Financial Statements. The carrying amount of investment in joint ventures and associates is revised as per equity method prescribed in Ind AS 28 – Investment in associates and joint ventures. The Company's share of those changes is recognized in the Other Comprehensive Income.

3.7 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of Property, Plant and Equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a Straight Line basis over the useful life of the related assets and presented within other income.

3.8 Income Tax

The Income Tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income / loss for the year or any adjustment or receivable in respect of previous year.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference 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 realized, 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 recognized in profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.9 Inventories

Stock of finished goods is valued at lower of cost and net realizable value. Finished goods, produced from agricultural produce viz. Black Tea, is valued at lower of cost arrived at by adding the cost of conversant to the fair value of agricultural produce viz. Green Leaves and the net realizable value. Agricultural produces, viz. Green Leaves harvested from the Company's own Tea Estates, are valued at fair value less cost to sale at the point of harvest.

Raw Materials purchased (including Bought Green Leaves) and Stores and Spare Parts are valued at or under cost. Work-in-progress is valued at works cost based on technical evaluation of the stage of completion.

Provision is made for obsolete, slow moving and defective inventories, wherever necessary and reviewed from time to time.

Costs are ascertained to the individual item of inventory by adopting weighted average method. Net realizable value is the estimated selling price for inventories less all selling costs.

3.10 Biological Assets

Biological Assets of the Company comprises of unharvested Green Tea Leaves. These are recognized as such when and only when, (a) the Company controls the assets as a result of past events, (b) it is probable that future economic benefits associated with such assets will flow to the Company and (c) the fair value or cost of assets can be measured reliably, These assets are measured at its fair value less cost to sell. The gain or loss arising from change in such value is included in Statement of Profit and Loss.

3.11 Agricultural Produce

Agricultural Produce of the Company comprises of harvested Green Tea Leaves from its own Tea Estates. These are valued at fair value less cost to sell on the reporting date. The gain or loss arising from change in such value is included in the Statement of Profit and Loss under the head Consumption of Raw Materials (Green leaves)

3.12 Employee Benefits

3.12.1 These are recognized at the undiscounted amount as expense for the year in which the related service is rendered.

3.12.2 The Company is contributing regularly to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. The Company also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the eligible employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.

3.12.3 Defined Benefit Gratuity Plan is also maintained by the Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the year in which they occur, directly in Other Comprehensive Income and eventually included in retained earnings in the Statement of changes in Other Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

3.12.4 Leave encashment liability for eligible employees is provided for at the end of the year, as actually ascertained and paid/ provided for and the charge is recognized in the Profit and Loss Statement.

3.13 Leases

Leases are recognized as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.14 Borrowing costs

Borrowing costs consist of interest and transactions costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets or for self-created assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

3.15 Provisions and Contingent Liabilities

Provisions are recognized 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 recognized 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 possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

3.16 Operating Segments

In terms of Ind AS 108, Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) viz. the Chief Executive officer (Executive Chairman) of the Company. The Chief Operating Decision Maker is responsible for allocating resources and assessing performance of the operating segments, which are engaged in separate business activities from which it earns revenue and incur expenses. For each of the segments discreet Financial Results are available.

Notes to the Consolidated Financial Statements

₹ in lakhs

4. Property, Plant and Equipment

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	Deemed Cost as at 1st April, 2016	Additions during the Year	Disposal during the Year	As at 31st March, 2017	As at 1st April, 2016	Depreciation for the year	Disposal during the Year	As at 1st April, 2017	As at 31st March, 2017
Land - Tea Estates	7,016.03	73.53	–	7,089.56	–	–	–	–	7,089.56
Land - Leasehold	1,082.16	–	–	1,082.16	0.30	10.93		11.23	1,070.93
Bearer Plants - Tea Bushes	1,400.05	12.73	–	1,412.78	–	26.23	–	26.23	1,386.55
Buildings	3,086.51	279.36	–	3,365.87	700.52	103.59	–	804.11	2,561.76
Leasehold Improvements	408.33	292.95	26.41	674.87	80.68	74.43	2.59	152.52	522.35
Plant and Equipment	4,795.21	667.76	78.41	5,384.56	1,827.42	290.58	6.86	2,111.14	3,273.42
Furniture and Fixtures	893.79	103.93	16.30	981.42	320.93	88.27	14.92	394.28	587.14
Vehicles	1,068.24	54.57	49.15	1,073.66	561.56	112.35	47.45	626.46	447.20
Office Equipment	316.74	52.78	7.95	361.57	129.64	74.22	6.82	197.04	164.53
Computers	350.62	88.87	–	439.49	200.21	68.82	–	269.03	170.46
31st March, 2017	20,417.68	1,626.48	178.22	21,865.94	3,821.26	849.42	78.64	4,592.04	17,273.90

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	Deemed Cost as at 1st April, 2017	Additions during the Year	Disposal during the Year	As at 31st March, 2018	As at 1st April, 2017	Depreciation for the year	Disposal during the Year	As at 1st April, 2018	As at 31st March, 2018
Land - Tea Estates	7,089.56	27.76	–	7,117.32	–	–	–	**–**	**7,117.32**
Land - Leasehold	1,082.16	76.73	–	1,158.89	11.23	11.12	–	**22.35**	**1,136.54**
Bearer Plants - Tea Bushes	1,412.78	110.88	15.66	1,508.00	26.23	43.69	0.22	**69.70**	**1,438.30**
Buildings	3,365.87	181.25	–	3,547.12	804.11	105.15	–	**909.26**	**2,637.86**
Leasehold Improvements	674.87	90.13	25.38	739.62	152.52	95.06	11.93	**235.65**	**503.97**
Plant and Equipment	5,384.56	423.89	24.02	5,784.43	2,111.14	340.06	6.87	**2,444.33**	**3,340.10**
Furniture and Fixtures	981.42	52.75	4.14	1,030.03	394.28	92.02	2.03	**484.27**	**545.76**
Vehicles	1,073.66	97.95	39.25	1,132.36	626.46	109.16	31.38	**704.24**	**428.12**
Office Equipment	361.57	21.81	1.22	382.16	197.04	47.34	0.96	**243.42**	**138.74**
Computers	439.49	85.74	–	525.23	269.03	78.48	–	**347.51**	**177.72**
31st March, 2018	**21,865.94**	**1,168.89**	**109.67**	22,925.16	**4,592.04**	**922.08**	**53.39**	**5,460.73**	**17,464.43**

Notes to the Consolidated Financial Statements

₹ in lakhs

Other Intangible Assets

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	Deemed Cost as at 1st April, 2016	Additions during the year (Acquired Separately)	Disposal during the Year	As at 31st March, 2017	As at 1st April, 2016	Amortisa-tion for the Year	Disposals during the Year	As at 1st April, 2017	As at 31st March, 2017
Computer Software	249.87	72.36	–	322.23	191.48	31.22	–	222.70	99.53
31st March, 2017	249.87	72.36	–	322..23	191.48	31.22	–	222.70	99.53

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	Deemed Cost as at 1st April, 2017	Additions during the year (Acquired Separately)	Disposal during the Year	As at 31st March, 2018	As at 1st April, 2017	Amortisa-tion for the Year	Disposals during the Year	As at 1st April, 2018	As at 31st March, 2018
Computer Software	322.23	95.92	–	**418.15**	222.70	45.00	–	**267.70**	**150.45**
31st March, 2018	**322.23**	**95.92**	**–**	**418.15**	**222.70**	**45.00**	**–**	**267.70**	**150.45**

		31st March, 2018	31st March, 2017	1st April, 2016
5.	**INVESTMENT IN ASSOCIATE**			
	Investment in Equity Instrument - Associate			
	Unquoted-Net of Impairment as per Equity Method			
	R V Enterprizes Pte. Ltd. - 3,61,000 (31.03.2017- 3,61,000, 01.04.2016 -3,61,000) Shares of Singapore$ 1 each (Extent of holding - 26.00%) (Note below)	**–**	–	120.05
	Investment in Preference Instruments - Associate			
	Unquoted-Net of Impairment as per Equity Method			
	R V Enterprizes Pte. Ltd. - 34,45,725 (31.03.2017- 34,45,725, 01.04.2016- 34,45,725) Shares of US$ 1 each (Extent of holding - 23.93%) (Note below)	**1,756.95**	1,766.13	1,891.44
		1,756.95	1,766.13	2,011.49
	A. Aggregate amount of Quoted Invetments	**–**	–	–
	B. Aggregate amount of Unquoted Investments	**1,756.95**	1,766.13	2,011.49
	C. Aggregate amount of Impairment in Value of Investments	**254.54**	245.36	–

Disclosure pertaining to First time adoption under Paragraph 31 of Ind AS 101 :

i. The aggregate deemed cost of those investments for which deemed cost is their previous GAAP carrying amount - ₹ 2,016.49 lakhs

ii. The aggregate deemed cost of those investments for which deemed cost is fair value - ₹ Nil.

iii. The aggregate adjustment to carrying amounts reported under previous GAAP - ₹ Nil.

Note: The above amount of impairment in value of investments in Equity and Preference Shares of Associate Company, has been ascertained based on Equity Method of Accounting as per Ind AS 28. Further impairment, at this stage, could not be estimated in view of non-availability of reliable information in this regard.

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
6.	**NON-CURRENT INVESTMENTS**			
	Unquoted			
	In Equity Instruments - Others			
	Assam Hospitals Limited - 50,000 Shares of ₹ 10 each measured at FVTPL	**52.59**	49.59	29.70
	Investment in Mutual Funds Units - At amortised cost	**-**	-	2,015.00
	Investment in Tax Free Bonds and Debentures - At amortised cost	**-**	300.00	585.08
		52.59	349.59	2,629.78
	A. Aggregate amount of Quoted Invetments	**-**	-	-
	B. Aggregate amount of Unquoted Investments	**52.59**	349.59	2,629.78
	C. Aggregate amount of Impairment in Value of Investments	**-**	-	-

7.	**NON-CURRENT LOANS**			
	Unsecured Considered Good			
	Loan to Employees	**4.40**	3.87	6.99
		4.40	3.87	6.99

8.	**OTHER FINANCIAL ASSETS**			
	Security Deposits	**298.01**	260.66	436.02
	Other Deposits	**200.60**	0.56	0.43
	Deposit with Assam Financial Corporation	**0.01**	135.00	271.33
	Deposit with Bank under Lien with State's VAT authorities as Security Deposit	**3.25**	3.25	3.25
		501.87	399.47	711.03

9.	**OTHER NON-CURRENT ASSETS**			
	Capital Advances	**60.01**	278.67	33.78
	Subsidies receivable from Government	**85.59**	85.59	85.59
		145.60	364.26	119.37

10.	**DEFERRED TAX ASSETS (NET)**			
	Deferred Tax Liabilities			
	The balance comprises temporary differences attributable to:			
	i) Property, Plant and Equipment and Other Intangible Assets	357.42	330.28	24.00
	ii) Deferred tax related to OCI items	-	-	-
	iii) Financial Assets at Fair Value through Profit or Loss	10.47	9.81	-
	iv) On Biological Asset at Fair Value	6.12	3.67	-
	v) Other Items	-	-	-
	Deferred Tax Liabilities (A)	374.01	343.76	24.00

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
	Deferred Tax Assets			
	The balance comprises temporary differences attributable to:			
	i) Losses under aplicable Tax Laws	**716.80**	453.21	-
	ii) Deferred tax related to OCI items	**51.37**	41.59	-
	iii) Fair value of Inventory	**11.35**	24.06	
	iv) Minimum Alternate Tax Credit Entitlement	**497.07**	497.07	-
	v) Other Items	**3.29**	4.35	-
	Deferred Tax Assets (B)	**1,279.88**	1,020.28	-
	Net Deferred Tax Liabilities (A-B)	**(905.87)**	(676.52)	24.00

11.	**INVENTORIES**			
	Raw Materials (Green Leaf - Agricultural Produce)- At fair value	**14.62**	15.66	25.05
	Raw Materials (Others)- At cost	**3,858.78**	2,141.60	910.29
	Finished Goods (Black Paper - Agricultural Produce) - At fair Value	**15.79**	-	-
	Stock-in Trade - At Lower of Cost and net realisable value	**0.13**	0.18	0.32
	Finished Goods - At lower of Cost and net realisable value	**471.01**	394.63	600.27
	[including in transit ` 64.34 Lakhs (31.03.2017 - ₹ 93.58 Lakhs and 01.04.2016 - ₹ 122.71 Lakhs)]			
	Stores and Spares- At or under cost	**385.32**	370.16	406.39
	Work-in-Progress - At works cost	**423.77**	317.77	63.89
		5,169.42	3,240.00	2,006.21

12.	**BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS**			
	Fair Value of Biological Assets Other than Bearer Plants (Unharvested Green Tea Leaves)	**81.17**	61.57	49.81
		81.17	61.57	49.81

13.	**TRADE RECEIVABLES**			
	Unsecured Considered Good	**1,483.77**	1,813.36	2,025.40
		1,483.77	1,813.36	2,025.40

14.	**CASH AND CASH EQUIVALENTS**			
	Balance with Banks - Current Accounts	**121.42**	372.29	193.85
	Cash on hand	**22.49**	32.23	26.55
	Bank Deposits with less than 12 months maturity			
	- under lien with Central Excise Authority for Clean Energy Cess on Coal Purchase	**9.74**	9.19	8.63
	Remittance in Transit	**0.29**	-	-
	Dividend Accounts *	**13.23**	13.15	17.85
	Total	**167.17**	426.86	246.88
	* Earmarked for payment of unclaimed dividend			

15.	**CURRENT LOANS**			
	Unsecured Considered Good			
	Loan to Employees	**4.69**	3.93	6.94
		4.69	3.93	6.94

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
16.	**OTHER FINANCIAL ASSETS**			
	Interest accrued on Deposits	**5.50**	11.41	20.04
	Derivative not designated as Hedges - Forward Contracts	**0.82**	-	-
	Derivatives designated as Hedges -Forecasted Cash Flow Hedge	**2.68**	-	-
		9.00	11.41	20.04

17.	**CURRENT TAX ASSETS (NET)**			
	Agricultural Income Tax	**35.00**	40.00	-
	Income Tax	**15.57**	21.25	-
		50.57	61.25	-

18.	**OTHER CURRENT ASSETS**			
	Advances to Suppliers, Service Providers etc.	**137.98**	90.48	125.82
	Advances Recoverable	**58.73**	210.73	78.21
	Prepaid Expenses	**59.88**	59.47	48.24
	Other Receivables	**18.79**	55.21	157.32
	Input Tax Credit/ Refund (GST) Receivable	**577.62**	-	-
	Subsidies receivable from Government	**112.32**	122.00	88.64
	Export Incentives Receivables	**74.94**	60.29	91.67
		1,040.26	598.18	589.90

19.	**EQUITY SHARE CAPITAL**			
	Authorized			
	4,50,00,000 Equity Shares of ₹ 2 each	**900.00**	900.00	900.00
	Issued, Subscribed and Paid Up			
	3,66,96,475 Equity Shares of ₹ 2 each fully paid up	**733.93**	733.93	733.93
		733.93	733.93	733.93

20.	**NON CURRENT BORROWINGS**			
	SECURED			
	Term Loans from Banks			
	HDFC Bank Limited	**112.50**	1,207.50	2,197.50
	Less: Current maturities of long term debts	**112.50**	915.00	990.00
		-	292.50	1,207.50
	a) Nature of Security			
	Equitable Mortgage of Namsang T.E. of the Company			
	b) Rate of Interest - 9.45% p.a.			
	c) Terms of Repayment			
	Repayment in 20 Equal Quarterly Instalments commencing from December, 2012			
	HDFC Bank Limited	**1,200.00**	1,200.00	-
	Less: Current maturities of long term debts	**342.86**	-	-
		857.14	1,200.00	-

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017	1st April, 2016
	a) Nature of Security			
	Equitable Mortgage of Namsang T.E. of the Company			
	b) Rate of Interest - 8.75% p.a.			
	c) Terms of Repayment			
	Repayment in 20 Equal Quarterly Instalments commencing from May, 2018			
	The Federal Bank Limited	**180.00**	-	-
	Less: Current maturities of long term debts	**180.00**	-	-
		-	-	-
	a) Nature of Security			
	Equitable Mortgage of Kharikatia T.E. of the Company			
	b) Rate of Interest - 9.68% p.a.			
	c) Terms of Repayment			
	Repayment in 20 Equal Quarterly Instalments commencing from March, 2014			
		857.14	1,492.50	1,207.50
21.	**OTHER NON - CURRENT LIABILITIES**			
	Statutory Dues	**41.59**	65.35	-
	Employees' Benefits Payable	**7.27**	-	-
	Government Grants			
	Opening Balance	**64.83**	-	-
	Grant during the year	**54.10**	64.83	-
	Less : Released to Profit and Loss Statement	**1.61**	-	-
	Closing Balance	**117.32**	64.83	-
		166.18	130.18	-
22.	**OTHER NON - CURRENT FINANCIAL LIABILITIES**			
	Derivatives not designated as Hedges- Currency and Interest Rate Swap (Net of Principle receivable and payable - ₹ 292.50 lakhs, 2017 - ₹ 915 lakhs)	**-**	64.45	283.46
		-	64.45	283.46
23.	**OTHER NON- CURRENT PROVISIONS**			
	Provision for Employees' Benefits	**-**	6.60	33.12
		-	6.60	33.12
24.	**CURRENT BORROWINGS**			
	Secured Loans repayble on demand from Banks Cash Credit, Packing Credit and Demand Loans	**6,504.51**	2,206.75	4,456.43
	Nature of Security			
	Secured by first pari passu charge by way of mortgage of immovable properties and hypothecation of movable properties of certain Tea Estates , both present and future.			
	Unsecured			
	Short-term Loan from Banks	**1,650.00**	3,498.83	500.00
	Intercorporate Deposits (Related Party)	**310.00**	-	-
		8,464.51	5,705.58	4,956.43

Notes to the Consolidated Financial Statements

₹ in lakhs

25.	**TRADE PAYABLES**			
	Trade Payables			
	a) Total outstanding dues of micro enterprises and small enterprises (Note below)	**22.63**	3.28	1.85
	b) Total outstanding dues other than micro enterprises and small enterprises	**1,001.61**	522.46	573.74
		1,024.24	525.74	575.59
	Note: To the extent the Company has received information from the Suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, the details are provided under Sec. 22 of that Act:			
	1. Principal amount remaining unpaid at the end of the year	**22.63**	3.28	1.85
	2. Interest accrued and paid thereon in terms of Sec. 16	**-**	-	-
	3. Interest remaining accrued and unpaid at the end of the year	**-**	-	-

26.	**OTHER FINANCIAL LIABILITIES**			
	Current maturities of long-term debts	**635.36**	915.00	990.00
	Interest accrued but not due on borrowings	**33.39**	36.75	31.06
	Unpaid Dividends (Note below)	**13.23**	13.15	17.85
	Capital Liabilities	**127.71**	54.28	21.14
	Derivatives not designated as Hedges- Currency and Interest Rate Swap (Net of Principle receivable and payable - ₹ 292.50 lakhs, 2017 - ₹ 915 lakhs)	**64.15**	162.24	232.48
		873.84	1,181.42	1,292.53
	Note: Amount due for transfer to Investor Education and Protection Fund within 1 year - ₹ 1.66 lakhs			

27.	**OTHER CURRENT LIABILITIES**			
	Advances from Customers	**143.38**	260.67	282.60
	Liabilities for Expenses	**1,132.17**	1,154.90	1,205.44
	Statutory dues	**152.67**	188.66	110.23
	Due to Rossell India Empoyees' Gratuity Fund	**67.99**	46.48	99.64
		1,496.21	1,650.71	1,697.91

28.	**CURRENT TAX LIABILITIES (NET)**			
	Provision for Central Income Tax	**–**	–	37.24
	Provision for Agricultural Income Tax	**–**	–	
		–	–	37.24

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
29.	**REVENUE FROM OPERATIONS**		
	(a) Sale of Products		
	Black Tea	**11,515.00**	10,886.94
	Black Pepper	**0.12**	10.10
	Avionics, Aviation and Electronic Equipment	**5,701.34**	2,797.09
	Food and Beverage	**1,678.64**	1,325.01
		18,895.10	15,019.14
	(b) Sale of Services		
	Receipts for Technical and Support Services	**605.17**	1,017.37
		605.17	1,017.37
	(c) Other Operating Revenues		
	Subsidy		
	- Tea Board Replanting and Irrigation Subsidy	**1.61**	-
	- Tea Board Orthodox Subsidy Scheme	**82.29**	94.03
	Refund of Service Tax	**-**	3.55
	Sundry Receipts	**67.72**	26.73
	Prior Period Income (Net)	**-**	15.11
	Changes in Fair Value of Biological Assets	**19.60**	11.76
	Incentive under MEIS entitlement and other Benefits relating to exports / premium on sale thereof	**180.90**	137.27
		352.12	288.45
		19,852.39	16,324.96

30.	**OTHER INCOME**		
	Interest Income from Financial Assets at amortised cost		
	On Deposits-at amortised cost	**11.01**	13.56
	On Debt Instruments- at amortised cost	**11.86**	41.59
	On Loans-at effective interest basis	**2.26**	1.67
	Interest Income from Tax Refunds	**0.42**	-
	Dividend Income from Equity Investments in a Subsidiary Company	**-**	-
	Dividend Income from Equity Investments designated at FVTPL	**0.38**	-
	Profit on Sale of Investments	**32.05**	237.18
	Liabilities no Longer Required Written Back (Net of Prior Year adjustment)	**26.97**	14.80
	Net Gain on Foreign Currency Transaction and Translation	**112.70**	-
	Fair Value Gain on Derivatives (Net)	**0.82**	-
	Changes in Fair Value of Financial Instruments (Equity)	**3.00**	19.89
		201.47	328.69

31.	**COST OF MATERIALS CONSUMED**		
	Purchased Green Leaf Consumed*	**220.98**	177.91
	Consumption of Raw Materials	**3,372.58**	1,812.50
		3,593.56	1,990.41
	* Includes change in Fair Value of Stock of Own Green Leaf on reporting dates		

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
32.	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**		
	Stock of Work in Progress at the beginning of the year	**317.77**	63.89
	Less: Stock of Work in Progress at the end of the year	**423.77**	317.77
	(Increase) / Decrease	**(106.00)**	(253.88)
	Stock of Finished Goods/ Stock in Trade at the beginning of the year	**389.37**	600.59
	Less: Stock of Finished Goods/ Stock in Trade at the end of the year	**491.19**	389.37
	(Increase) / Decrease	**(101.82)**	211.22
		(207.82)	(42.66)

33.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, Wages and Bonus	**7,542.80**	6,939.38
	Contribution to Provident and other Funds	**938.11**	948.92
	Workmen and Staff Welfare	**918.91**	800.64
		9,399.82	8,688.94

34.	**FINANCE COST**		
	Interest Cost on Financial Liabilities carried at amortised cost		
	On Term Loans	**154.02**	195.74
	On Working Capital Loans	**567.37**	450.81
	On Intercorpoarte Deposits (Related Party)	**8.98**	-
	Other Borrowings Cost	**1.25**	1.64
	Net Loss on Foreign Currency Transactions (Net)	**(1.52)**	21.22
	Loss on Derivatives Transactions (Currency and Interest Swap)	**164.39**	195.08
		894.49	864.49
	Less: Provision for Forex Loss on Currecy Swap Transactions		
	Written back	**176.09**	274.99
		718.40	589.50
	Disclosure pursuant to Pararaph 26 of Ind AS 23 Borrowings Cost		
	a) The amount of interest capitalised during the year on self constructed assets (Bearer Plants - Capital work in Progress)	**13.31**	13.16
	b) Capitalisation rate used to determine the amount of interest eligible for Capitalisation as per Paragraph 14	**8.29%**	8.32%

35.	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation on Property, Plant and Equipment	**922.08**	849.42
	Amortization of Other Intangible Assets	**45.00**	31.22
		967.08	880.64

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
36.	**OTHER EXPENSES**		
	Consumption of Stores and Spare Parts	**955.67**	840.34
	Power and Fuel	**1,199.52**	1,151.40
	Cess on Green Leaf	**90.42**	83.81
	Tea Cess	**5.25**	25.04
	Rent	**742.64**	660.62
	Rates and Taxes	**77.02**	46.45
	Repairs to Building	**134.19**	142.03
	Repairs to Machinery	**198.48**	210.11
	Other Repairs	**221.61**	231.42
	Vehicles Maintenance	**213.56**	225.69
	Transportation Expenses	**240.52**	233.72
	Freight and Shipment Charges	**52.78**	43.87
	Warehousing and Other Selling Expenses	**332.01**	239.55
	Post Sale Warranty Expenses	**-**	3.13
	Brokerage	**88.79**	87.33
	Commission on Sales	**80.50**	55.85
	Legal and Professional Fees	**167.72**	150.61
	Insurance	**88.71**	94.90
	Directors' Fee and Commission	**12.03**	15.53
	Auditors' Remuneration	**7.66**	7.06
	Traveling and Conveyance	**314.26**	315.23
	Miscellaneous Expenses	**470.85**	415.75
	Loss (net) on Disposal of Property, Plant and Equipment	**19.14**	22.65
		5,713.33	5,302.09

37.	**INCOME TAX EXPENSE**		
	A. Amount recognised in Profit and Loss Statement		
	Current Tax		
	Assam Agricultural Income Tax for the year	**35.00**	-
	Income Tax for the year	**-**	-
	Total Current Tax	**35.00**	-
	Defered Tax		
	Defered Tax (Credit)	**(220.46)**	(658.93)
	B. Amount recognised in Other Comprehensive Income		
	Defered Tax Charge (Credit)		
	Items that will not be reclassified to profit or loss		
	On Remeasurements of post-employment defined benefit obligations	**9.78**	41.59
	Items that will be reclassified to profit or loss		
	On Net Gain on Hedge Transactions	**(0.89)**	-
	Net Deferred Tax	**8.89**	41.59

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
37.	**INCOME TAX EXPENSE** *(Contd.)*		
	C. Reconciliation of Effective Tax		
	The Income Tax Expense for the year reconciled with Accounting Profit as under		
	Profit (Loss) before tax	**(161.44)**	(790.26)
	Income Tax Expense thereon (Nil being Assessed Loss as per Computation)	**-**	-
	Effect of -		
	Tax @ 10% of Agricultural Book Profit - Agricultural Income Tax	**(35.00)**	-
	Deferred Tax Assets on carried Forward Tax Losses	**716.80**	453.21
	MAT Credit receivable	**497.07**	497.07
	Differential Depreciation allowable under Income Tax	**(357.42)**	(306.28)
	Deferred Tax attributable to other items	**(635.99)**	14.93
	Income Tax Expense recognised in Profit and Loss Statement	**(185.46)**	(658.93)

38.	**EARNINGS PER SHARE**		
	Profit (Loss) for the Year	**24.02**	(131.33)
	Weighted average number of Equity Shares outstanding for the		
	purpose of Basic/ Diluted Earnings per Equity Share	**366.96**	366.96
	Earnings per Equity Share of ₹ 2 each	**0.07**	(0.36)

39.	**CONTINGENT LIABILITIES AND COMMITMENTS**		
	(i) Estimated amount of Contingent Liabilities not provided for		
	a. Claims againgst the Company not acknowledged as Debts		
	Income Tax	**-**	-
	Clean Energy Cess	**-**	7.19
	Service Tax	**-**	12.70
	Interest on PF Arrears for Pre-acquisiton Period in respect of Kharikatia T.E.	**-**	-
	b. Bank Guarantees outstanding	**127.10**	159.40
	(ii) Commitments		
	Estimated amount of contracts to be executed on Capital Account and not provided for (net of Advances)	**30.18**	42.81
	(iii) Operating Leases		
	The Company has entered in to "Operating Lease for Premises" as defined in the Ind AS 17. Significant terms of Leases are:		
	a) No transfer of Ownership on termination of Lease,		
	b) No compensation for transfer on termination of Lease and		
	c) No renewal of Lease on expiry of the Lease Period.		
	The future Minimum Lease Payments (MLP) under cancellable Operating Leases in the aggregate and for each of the following periods are as under:		
	Not later than 1 year	**746.79**	706.40
	Later than 1 year but not later than 5 years	**2,666.86**	3,246.04
	Later than 5 years	**214.10**	363.70
		3,627.75	4,316.14
	Rental and Other Expenses debited to the Statement of Profit and Loss		
	Rent	**705.41**	620.72
	Other Heads	**0.99**	0.99
		706.40	621.71

Notes to the Consolidated Financial Statements

₹ in lakhs

40.	**SEGMENT INFORMATION**	
	In terms of Ind AS 108, the Company has the following reportable Operating Segmants as Primary Segments:	
	Business Activity	**Operating Segment**
	A. Cultivation, Manufacture and Sale of Tea	Cultivation, Manufacture and Sell of Bulk Tea,
	B. Aviation Products and Services	Design and Development of Aviation Products and Aviation related Services
	C. Hospitality	Operation of Quick Service Restaurants under the Brand name "Kebab Xpress"

		31st March, 2018	31st March, 2017
	Segments' Revenue		
	A. Cultivation, Manufacture and Sale of Tea	**11,771.08**	11,158.18
	B. Aviation Products and Services	**6,397.21**	3,837.30
	C. Hospitality	**1,684.10**	1,329.48
	Total Revenue from Operations	**19,852.39**	16,324.96
	Revenue from External Custmors'		
	Country of Domicile		
	India	**11,489.28**	9,952.65
	Foreign Countries		
	USA	**5,789.19**	3,100.05
	UK	**396.83**	246.39
	France	**329.47**	730.62
	Germany	**475.41**	474.79
	Other Countries	**1,372.21**	1,820.46
	Total	**8,363.11**	6,372.31
		19,852.39	16,324.96
	Information about Major Customers		
	The Boeing Company, USA	**5,446.38**	2,723.11
	% of Total Revenue	**27.43**	16.68
	Segments' Results		
	A. Cultivation, Manufacture and Sale of Tea	**1,235.98**	462.68
	B. Aviation Products and Services	**370.80**	224.80
	C.Hospitality	**(1,091.41)**	(1,176.31)
		515.37	(488.83)
	Less: Interest	**730.10**	648.19
	Exchange Loss on Derivative and other transactions	**(11.70)**	(79.91)
	Unallocated Expenses net of unallocated Income	**(41.59)**	(266.85)
	Profit (Loss) before Tax	**(161.44)**	(790.26)
	Segments' Assets		
	A. Cultivation, Manufacture and Sale of Tea	**15,939.31**	16,537.45
	B. Aviation Products and Services	**9,684.46**	6,772.14
	C.Hospitality	**1,115.65**	1,278.60
		26,739.42	24,588.19
	Add: Unallocated	**3,002.14**	3,121.69
	Total Assets	**29,741.56**	27,709.88

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
	Segment Assets include the following Capital Expenditure for the year		
	A. Cultivation, Manufacture and Sale of Tea	**497.32**	796.89
	B. Aviation Products and Services	**721.14**	647.32
	C. Hospitality	**9.14**	216.44
		1,227.60	1,660.65
	Add: Unallocated	**37.21**	38.22
	Total Additions to Property, Plant and Equipment during the year	**1,264.81**	1,698.87
	Segment Assets also include the amount of investment in Associate (Joint Venture) in Equity and Preference Instruments accounted for by Equity Method	**1,756.95**	1,766.13
	Segments' Liabilities		
	A. Cultivation, Manufacture and Sale of Tea	**9,528.23**	9,596.04
	B. Aviation Products and Services	**3,112.08**	857.92
	C. Hospitality	**110.35**	109.89
		12,750.66	10,563.85
	Add: Unallocated	**131.47**	193.33
		12,882.13	10,757.18

41. EMPLOYEE BENEFIT OBLIGATION

Defined Contribution Plans

The Parent Company operates defined contribution scheme for payment of pension for certain eligible employees. Under the scheme, contributions are made by the Company, based on current salaries, to the recognized Superannuation Fund maintained by the Company. The Company is also contributing to the Governments administered Provident Funds in respect of all the qualifying employees.

An amount of ₹ **736.65 lakhs** (2017 – ₹ 666.66 Lakhs) has been charged to the Statement of Profit and Loss on account of defined contribution schemes.

Defined Benefit Plans

The Parent Company also operates defined benefit scheme in respect of gratuity benefit towards its employees. This schemes offer specified benefits to the employees on retirement, death, disability or cessation of employment. The liability arising for the Defined Benefit Scheme is determined in accordance with the advice of independent, professionally qualified actuary, using the Projected Unit Credit (PUC) actuarial method as at year end. The Company makes regular contribution for this Employee Benefit Plan to a recognized Gratuity Fund. This Fund is administered through approved Trust, which operate in accordance with the Trust Deed and Rules.

Gratuity - Funded

		31st March, 2018	31st March, 2017
Disclosure of Defined Benefit Cost			
A.	**Profit and Loss**		
1.	Current Service Cost	**141.52**	121.55
2.	Past Service Cost - Plan amendments	**23.55**	-
3.	Curtailment Cost/(Credit)	**-**	-
4.	Settlement Cost/(Credit)	**-**	-
5.	Service Cost	**165.07**	121.55
6.	Net interest on net defined benefit liability / (asset)	**(4.30)**	(7.91)
7.	Immediate recognition of (gains)/losses - other long term employee benefit plans	**-**	-
8.	**Cost recognised in the Statement of Profit and Loss Account**	**160.77**	113.64

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
B.	**Other Comprehensive Income (OCI)**		
1.	Actuarial (gain)/loss due to DBO experience	**80.83**	81.73
2.	Actuarial (gain)/loss due to DBO assumption changes	**(60.73)**	90.01
3.	Actuarial (gain)/loss arising during the period	**20.10**	171.74
4.	Return on plan assets (greater)/less than discount rate	**11.24**	(38.56)
5.	**Actuarial (gains)/losses recognized in OCI**	**31.34**	133.18
C.	**Defined Benefit Cost**		
1.	Service Cost	**165.07**	121.55
2.	Net interest on net defined benefit liability / (asset)	**(4.30)**	(7.91)
3.	Actuarial (gains)/losses recognized in OCI	**31.34**	133.18
4.	Immediate recognition of (gains)/losses - other long term employee benefit plans	**-**	-
5.	**Defined Benefit Cost**	**192.11**	246.82
Movement of Defined Benefit Obligation and Plan Assets			
A.	**Change in Defined Benefit Obligations (DBO)**		
1.	DBO at the end of prior period	**1,951.12**	1,742.22
2.	Current Service Cost	**141.52**	121.55
3.	Interest Cost on the DBO	**134.49**	129.20
4.	Curtailment Cost/(Credit)	**-**	-
5.	Settlement Cost/(Credit)	**-**	-
6.	Past Service Cost - Plan amendments	**23.55**	-
7.	Acquisitions	**-**	-
8.	Actuarial (gain)/loss - experience	**80.83**	81.73
9.	Actuarial (gain)/loss - demographic assumptions	**-**	-
10	Actuarial (gain)/loss - financial assumptions	**(60.73)**	90.01
11	Benefits Paid directly by the Company	**-**	-
12	Benefits paid from plan assets	**(267.38)**	(213.59)
13	DBO at the end of current period	**2,003.40**	1,951.12
B.	**Change in Fair Value of Assets**		
1	Fair value of assets at the end of the prior period	**1,940.39**	1,742.36
2	Acquisition adjustment	**-**	-
3	Interest income on plan assets	**138.79**	137.11
4	Employer contributions	**202.83**	246.49
5	Return on plan assets greater / (lesser) than discount rate	**(11.23)**	38.56
6	Benefits paid	**(267.38)**	(224.13)
7	Fair Value of assets at the end of current period	**2,003.40**	1,940.39
'Actuarial Assumptions as at 31st March, 2018			
1.	Discount Rate (%)	**7.70**	7.40
2.	Rate of Salary Increase (%)	**5.00**	5.00
	The Discount Rate as at 31st March, 2018 is based on the yield on Government Bonds as on 28th March, 2018.		

Notes to the Consolidated Financial Statements

₹ in lakhs

		31st March, 2018	31st March, 2017
Sensitivity Analysis			
A.	**Discount Rate**	**7.70**	7.40
1	Effect on DBO due to 1% increase in Discount Rate	**(182.11)**	(172.93)
	Percentage Impact	**(9.10)**	(8.86)
2	Effect on DBO due to 1% decrease in Discount Rate	**214.99**	204.57
	Percentage Impact	**10.70**	10.48
B.	**Salary escalation rate**	**5.00**	5.00
1	Effect on DBO due to 1% increase in Salary Escalation Rate	**217.00**	203.99
	Percentage Impact	**10.80**	10.46
2	Effect on DBO due to 1% decrease in Salary Escalation Rate	**(186.68)**	(175.48)
	Percentage Impact	**(9.30)**	(8.99)
	Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.		
IV.	Actuarial Calculations under Indian Accounting Standard (Ind AS) 19 - Additional Disclosure Information		
A.	**Maturity Profile of the Defined Benefit Obligation**		
1.	Within 1 year	**103.89**	93.57
2.	1-2 year	**138.77**	113.22
3.	2-3 year	**122.46**	284.21
4.	3-4 year	**158.64**	120.04
5.	4-5 year	**175.84**	171.27
6.	5-10 year	**1,205.01**	1,081.57
B.	Expected employer contribution to the plan for next year March, 2019 (Taken as Payable to the Fund as at the year end)	**67.99**	46.48

C.	**Plan Asset Information as at 31st March, 2018**	**Percentage**	Percentage
	Government of India Securities (Central and State)	**44.34**	48.51
	High quality Corporate Bonds (including Public Sector Bonds)	**22.61**	24.07
	Equity Shares of Listed Companies	**-**	-
	Property	**-**	-
	Cash (including Special Deposits)	**7.12**	6.27
	Schemes of Insurance - Conventional Products	**7.98**	9.05
	Schemes of Insurance - ULIP Products	**13.66**	9.24
	Other	**4.29**	2.86
	Total	**100.00**	100.00

Notes to the Consolidated Financial Statements

₹ in lakhs

42. Related Party Disclosure

The Related Party disclosures as per Ind AS 24 are as under:

Associate

R V Enterprizes Pte. Ltd, Singapore (Joint Venture)
Extent of holdings of Equity Shares - 26%)

Holding Company

BMG Enterprises Ltd
(Extent of holdings of Equity Shares - 62.99%)

Enterprises over which the Key Management Personnel or their relatives have signficant influence

BMG Investments Private Ltd
Harvin Estates Private Ltd
BMG Foundation

Key Management Personnel

Mr. H.M.Gupta	Executive Chairman
Mr. C.S.Bedi	Managing Director (Upto 31st August, 2017)
Mr. N K Khurana	Director (Finance) and Company Secretary (w.e.f. 1st September, 2017 - CFO Cum Company Secretary till 31st August, 2017)
Mr. R M Gupta	Whole Time Director (w.e.f. 9th February, 2018)*
Dr. S S Baijal	Non-Executive Director
Mr. V P Agarwal	Non-Executive Director
Mr. H M Parekh	Non-Executive Director
Ms. Nayantara Palchoudhuri	Non-Executive Director

Relatives of Key Management Personnel with whom transcations took place during the year

Mr. R M Gupta	Son of Mr. H M Gupta (upto 8th February, 2018)*
Mrs. Vinita Gupta	Wife of Mr. H M Gupta
Ms. Samara Gupta	Daughter of Mr. H M Gupta
Mrs. Sonia Bedi	Wife of Mr. C S Bedi

	Financial Year	
	31st March, 2018	31st March, 2017
Transactions/ balance with Associates		
Cost of Investment at year end	**2,016.49**	2,016.49
- Since Impaired and Value net of Impairment	**1,756.95**	1,766.13
Transactions/ balances with Enterprises over which the Key Management		
Personnel or their relatives have signficant influence	**-**	-
a) Loan from BMG Enterprises Ltd., Holding Company		
At the beginning of the year		
Principal	**-**	-
Interest	**-**	-
Received during the year	**115.00**	-
Repayment during the year	**115.00**	-
Interest paid	**2.25**	-
At the end of the year		
Principal	**-**	-
Interest	**-**	-
b) Loan from BMG Investment Pvt Ltd		
At the beginning of the year		
Principal	**-**	-
Interest	**-**	-
Received during the year	**310.00**	-
Repayment during the year	**-**	-

Notes to the Consolidated Financial Statements

₹ in lakhs

		Financial Year	
		31st March, 2018	31st March, 2017
	Interest paid	**6.73**	-
	At the end of the year		
	Principal	**310.00**	-
	Interest	**-**	-
	Transactions/ balances with Enterprises where significant influence is exercisable		
	a) Rent paid for Office Space		
	- Harvin Estate Pvt. Ltd.	**6.00**	6.00
	b) Rent for Residential Accommodation		
	- Harvin Estate Pvt. Ltd.	**6.00**	6.00
	c) Contribution made for charitable purpose (Included in CSR Activities)		
	- BMG Foundation	**7.00**	12.00
	Transactions with Key Management Personnel:		
	a) Short Term Employment Benefits		
	- Mr. H. M. Gupta	**110.90**	110.72
	- Mr. C. S. Bedi (Upto 31st August, 2018 in the Financial Year 2017-2018)	**32.11**	81.07
	- Mr. N. K. Khurana [As Director (Finance) and Company Secretary w.e.f 01.09.2017]	**26.48**	-
	- Mr. N. K. Khurana [As CFO cum Company secretary till 31.08.2017]	**18.76**	56.79
	- Mr. R M Gupta [As Whole Time Director w.e.f 09.02.2018]	**10.98**	-
	b) Post-Employment Benefit		
	- Mr. H. M. Gupta	**10.08**	10.08
	- Mr. C. S. Bedi (Upto 31st August, 2018 in the Financial Year 2017-2018)	**5.00**	24.30
	- Mr. N. K. Khurana [As Director (Finance) and Company Secretary w.e.f 01.09.2017]	**6.48**	-
	- Mr. N. K. Khurana [As CFO cum Company Secretary upto 31.08.2017]	**4.63**	18.02
	- Mr. R M Gupta [As Whole Time Director w.e.f 09.02.2018]	**1.13**	-
	c) Long-Term Employment Benifit		
	- Mr. N. K. Khurana [As Director (Finance) and Company Secretary w.e.f 01.09.2017]	**1.22**	-
	- Mr. N. K. Khurana [As CFO cum Company secretary till 31.08.2017]	**0.87**	1.13
	d) Interest Free Advance to Mr. N K Khurana		
	At the beginning of the year	**-**	1.88
	Received during the year	**-**	-
	Repayment during the year	**-**	1.88
	At the end of the year	**-**	-
	d) Rent for Residential Accommodation		
	- Mr. C. S. Bedi (Upto 31st August, 2018 in the Financial Year 2017-2018)	**1.75**	4.20

Notes to the Consolidated Financial Statements

₹ in lakhs

	Financial Year	
	31st March, 2018	31st March, 2017
Transactions with relatives of Key Management Personnel		
a) Short Term Employment Benefits		
- Mr. R M Gupta [As Executive Vice President till 08.02.2018]	**66.48**	73.01
- Mrs. Vinita Gupta	**40.15**	34.15
- Ms. Samara Gupta	**35.65**	31.37
b) Post-Employment Benefits		
- Mr. R M Gupta [As Executive Vice President till 08.02.2018]	**6.83**	7.05
- Mrs. Vinita Gupta	**6.88**	4.78
- Ms. Samara Gupta	**4.16**	3.23
c) Rent for Residential Accommodation		
- Mrs. Sonia Bedi (Upto 31st August, 2018 in the Financial Year 2017-18)	**1.75**	4.20
Transactions with Post Employment Benefit Plan - Contributions		
a) Contribution to Rossell India Employees' Gratuity Fund as per		
Acturial Valuation	**205.61**	246.49
b) Balance payable to Rossell India Employees' Gratuity Fund	**67.99**	46.48
Transactions with Non-Executive Directors		
Sitting Fees		
- Dr. S S Baijal	**3.05**	3.85
- Mr. V P Agarwal	**3.25**	4.05
- Mr. H M Parekh	**3.20**	4.00
- Ms. Nayantara Palchoudhuri	**2.80**	3.50

43. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Parent Company's business activities expose it to certain financial risks - market risk, liquidity risk and credit risk. In order to minimize those risks, the Company has risk management policies and procedures in place as approved by the Risk Management Committee of the Board of Directors of the Company after due evaluation of key risks facing the business of the Company:

a) Market Risk

The Company's business of Cultivation, Manufacture and Sale of Tea is primarily agricultural in nature. Moreover, the sale price of Tea is largely determined by the market forces of demand and supply. Thus, adverse weather conditions and uncertain tea market expose it to the risk that the fair value or future cash flows may adversely fluctuate. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to various market risks. Other Market risks are as under:

i. Foreign Currency Risk

The Company undertakes significant transactions denominated in foreign currency with its customers in relation to Exports by Rossell Tea Division and 100% EOU of Rossell Techsys Division as well as dealing with Foreign OEMs in relation to Aerotech Services Division. This results in wide exposure to exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognized assets and liabilities, which are not in the Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, Euro and British Pound Sterling etc.

The Company, as Risk Management Policy, hedges its exposure in foreign exchange whenever considered appropriate based on the their perception about such market and reviews periodically its exposure therein to ensure that results from fluctuating currency exchange rate are appropriately managed.

Notes to the Consolidated Financial Statements

₹ in lakhs

The exposure to foreign currency as on 31st March, 2018 is given as under:

	USD	EURO	GBP	TOTAL
Financial Assets (A)				
Trade Receivable	1,346.58	–	–	1,346.58
Receivable under Derivative / Hedges Transactions (Net)	3.50	–	–	3.50
	1,350.08	**–**	**–**	**1,350.08**
Financial Liabilities (B)				
Trade Payable	508.92	–	–	508.92
Payable under Derivatives – Currency and Interest Rates Swap	64.15	–	–	64.15
	573.07	**–**	**–**	**573.07**
Net Exposure in Foreign Currency (A-B)	**777.01**	**–**	**–**	**777.01**

The impact of sensitivity analysis (10% appreciation / depreciation of the foreign currency with respect to functional currency) arising on account of above outstanding foreign currency denominated assets and liabilities would be ₹ 77.70 lakhs.

ii. 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 objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimize counter party risks.

The Company is exposed to interest rate volatilities primarily with respect to its borrowings from banks as well as by way of inter corporate deposit. Such volatilities primarily arise due to changes in Marginal Cost of Lending rates of Banks as well as other economic parameters of the Country. The Company manages such risk by operating with Banks having strong fundaments with comparatively lower Marginal Cost of Lending Rates in the Market.

Interest rate sensitivity

Since the significant amount of borrowings of the Company are short term in nature, the possible volatility in the interest rate is minimal.

b) liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty, including seasonality, in meeting its obligations due to shortage of liquid assets.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle, ensuring optimal movements of its inventories and avoid blockage of working capital in non-productive current assets.

The remaining contractual maturities of significant financial liabilities payable within one year (other than borrowings from the Banks) as at 31st March, 2018 are as under:

Trade Payables	1,024.06
Other Financial Liabilities	873.84
Other Current Liabilities	1,496.21
Total	**3,394.11**

c) Credit Risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss to the Company.

The Company has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's based on which, the terms of payment are decided. Credit limits are set for each customer which are reviewed at periodic intervals. The credit risk of the Company is low as the Company sells a significant volume of its Teas through the auction system which is on cash and carry basis. The exports are made mostly to worldwide reputed Corporates like Boeing, Starbucks, and Taylors of Harrogate etc., and otherwise backed by letter or credit or on advance basis.

Notes to the Consolidated Financial Statements

₹ in lakhs

The Company has no expected credit loss as on 31st March, 2018 and thus no provision has been made by the Company in respect thereof.

44. THE RECONCILIATION OF TOTAL EQUITY AS AT 31ST MARCH, 2017 AND 1ST APRIL, 2016

Particulars		Note No.	31st March, 2017	1st April, 2016
Total Equity (Shareholders' Fund) as reported as per previous GAAP			16,937.42	17,311.76
Adjustments:				
1.	Impact of valuation of Inventory of Black Tea as per Ind AS 2	1	(5.44)	71.60
2.	Impact of recognising Agricultural Produce (Green Leaf) at Fair Value as per Ind AS 41	2	15.66	25.05
3.	Impact of recognising Biological Assets (Unharvested Green Leaf) at fair value	3	61.57	49.82
4.	Derecognition of Expenses on Internally Generated Brand & Trade Mark as per Ind AS 38	4	(9.95)	(13.63)
5.	Recognition of Mark to Market Loss on Derivative Instruments as per Ind AS 32	5	(18.28)	(77.39)
6.	Replanting Subsidy reclassified as Deferred Income as per Ind AS 20	6	(64.83)	–
7.	Effect of Change in Fair Value of Investment as per Ind AS 109	7	44.59	24.70
8.	Capitalisation of Interest attributable to Self Created Asset as per Ind AS 23	8	13.16	–
9.	Remeasurements of post-employment defined benefit obligations	9	133.18	–
10.	Impact of Deferred Tax credit as per Ind AS 12 Income Taxes		467.93	-
11.	Impact on adoption of Equity Method for Investment in Associates as per Ind AS 28		(285.36)	(379.94)
Total Adjustments			352.23	(299.79)
12.	Other Comprehensive Income (Net of Tax)		(336.95)	–
Total Equity (Shareholders' Fund) as per Ind AS			16,952.70	17,011.97

RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars		Note No.	Year ended 31st March, 2017
(Loss) as reported in Previous GAAP			(963.31)
Adjustments:			
1.	Share of Loss of the Associate Company		216.71
2.	Effect of Changes in value of Inventory of Black Tea as per Ind AS 2	1	(77.04)
3.	Effect of Changes in value of Stock of Agricultural Produce (Green Leaf) at Fair Value as per Ind AS 41	2	(9.39)
4.	Impact of recognising Biological Assets (Unharvest Green Leaf) at fair value	3	11.75
5.	Derecognition of Internally Generated Brand & Trade Mark as per Ind AS 38	4	3.68
6.	Recognition of Mark to Market Loss on Derivative Instruments as per Ind AS 32	5	59.11
7.	Replanting Subsidy reclassified as Deferred Income as per Ind AS 20	6	(64.83)
8.	Effect of Change in Fair Value of Investment as per Ind AS 109	7	19.89
9.	Capitalisation of Interest attributable to Self Created Asset as per Ind AS 23	8	13.16
			(790.26)
	Tax Effect thereon		658.93
	(Loss) After Tax as per Ind AS		(131.33)
	Reclassification of Actuarial Gain (Loss) on Defined Benefit Plan to Other Comprehensive Income as per Ind AS 19	9	(133.18)
	Income Tax effect thereon		41.59
	Impairment in Investment in Associate Company		(245.36)
	Total Comprehensive Income for the year		(468.28)

Notes to the Consolidated Financial Statements

Notes to the Reconciliations

1. Under Previous GAAP, Stock of Black Tea was valued at the lower of cost and net realisable value. Cost comprised of all cost of purchase/ production of green leaf, cost of conversion and other costs in bringing the Stock to its present location. Under Ind AS, while there is no change in the cost of conversion and other costs, the green leaf imputed in Stock of Black Tea has been taken at fair value at the time of harvest, less cost to sell.
2. Under Previous GAAP, stock of Green Leaf harvested was not recognised and corresponding production of Black Tea was being adjusted. Under Ind AS, stock of harvested Green leaf is measured and valued at its fair price at the point of harvest less cost to sell and is classified as Stock of Raw Materials.
3. Under Previous GAAP, Biological Assets (unharvested Green Leaf on Tea Bushes) was not required to be recognised. Under Ind AS these have been recognised at fair value less cost to sell and change in fair value has been recognised in the Statement of Profit and Loss.
4. The Company had its own Internally Generated Brand by one of its Division and expenses incurred thereon were capitalised under the head Brand and Trademarks as an Intangible Asset under Previous GAAP. Under Ind AS, these expenses are chargeable to the Statement of Profit and Loss. The effect of derecognition of Brand is given effect on the date of transition to Ind AS.
5. Under Previous GAAP, Mark to Market Losses in respect of Foreign Exchange Derivative Contracts were not required to be recognised. However, as a prudent accounting practice adopted by the Company, the exchange losses on the reporting date were provided for as part of Finance Cost. Under Ind AS, all Derivative Contracts are stated at fair value. Accordingly, M2M loss has been provided for as on the reporting date.
6. Under Previous GAAP, Replanting Subsidy was recognised as Income in the year of receipt and taken in Statement of Profit and Loss. Under Ind AS, such Government Grant is treated as Deferred Income and credited to the Statement of Profit and Loss on Straight Line Basis over the useful life of the Replanted Section(s) for which it was sanctioned.
7. Under Previous GAAP, investment in Equity instruments were classified as Long Term Investment based on intended holding period and realisability, These were carried at Cost less provision for permanent diminution of value. Under Ind AS, these investments (other than Equity instruments of Associates, Subsidiary and Joint Ventures) are required to be measured at fair value and changes in such fair value routed through Statement of Profit and Loss.
8. In keeping with the requirement of Ind AS 41, expenses incurred on uprooting, replanting and maintenance of young tea are being capitalised as Capital work-in-progress- Bearer Plants. Bearer Plants, thus being self created assets, interest incurred on the general borrowings attributable to such creation qualify for capitalisation in accordance with Ind AS 23. Under previous GAAP, there was no such capitalisation of this nature was contemplated.
9. Under Ind AS remeasurements i.e. actuarial gains and losses and the return on plan assets greater/ less than the discount rate are recognised in Other Comprehensive Income instead of Statement of Profit and Loss. Under Previous GAAP, these remeasurements were a charge in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

Impact of Ind AS adoption on the Consolidated Cash Flow Statement for the year ended 31st March 2017

₹ in lakhs

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(1,329.52)	909.87	(419.65)
Net cash flow from investing activities	606.91	(111.26)	495.65
Net cash flow from financing activities	891.82	(787.84)	103.98
Net increase/(decrease) in cash and cash equivalents	169.21	10.77	179.98
Cash and cash equivalents as at 1st April 2016 (Note)	271.53	(24.65)	246.88
Cash and cash equivalents as at 31st March 2017	440.74	(13.88)	426.86

Note:

Adjustments in Cash and Cash Equivalents comprise of the following:

1.	Regrouping of Deposit with Bank under Lien with State's VAT authorities as Security Deposit under Other Financial Assets	3.25
2.	Elimination of Cash and Cash Equivalents representing Share in Associate Company (Joint Venture) upon adoption of Equity Method of Accounting	10.63
		13.88

In terms of our Report of even date

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

Supriyo Raychaudhuri
Partner
Membership No.037202

Place: Kolkata
Date: 24th May, 2018

H. M. Gupta
Executive Chairman
DIN: 00065973

H. M. Parekh
Director
DIN: 00026530

N. Palchoudhuri
Director
DIN: 00581440

Dr. S. S. Baijal
Director
DIN: 00027961

V. P. Agarwal
Director
DIN: 00083912

N. K. Khurana
Director (Finance) and
Company Secretary / CFO
DIN: 00123297

10 Years at a Glance

FINANCIAL YEAR	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Quantative Information (lakh Kgs.)										
Black Tea										
Saleable production	53.24	49.43	50.78	48.89	55.59	43.54	39.93	40.03	42.89	41.67
Sales	53.12	50.60	49.20	48.87	55.16	43.09	41.02	39.65	42.63	41.85
Financial Information										₹ in lakhs
Turnover - Black Tea	11,515.00	10,886.94	11,767.01	10,890.51	12,175.74	9,057.89	7,037.51	6,757.36	6,807.17	5,363.52
- Others	7,985.27	5,149.57	3,989.32	2,785.03	1,604.89	1,103.39	945.92	835.89	839.24	388.26
Total Turnover	**19,500.27**	**16,036.51**	**15,756.33**	**13,675.54**	**13,780.63**	**10,161.28**	**7,983.43**	**7,593.25**	**7,646.41**	**5,751.78**
Other Income	553.59	617.27	884.54	647.69	812.79	584.16	398.82	285.72	220.65	209.54
Total Revenue	**20,053.86**	**16,653.78**	**16,640.87**	**14,323.23**	**14,593.42**	**10,745.44**	**8,382.25**	**7,878.97**	**7,867.06**	**5,961.32**
Expenses	18,529.62	15,973.35	13,790.76	12,067.42	10,419.68	7,678.13	5,777.82	5,143.82	4,976.69	4,608.50
Profit before Depreciation and Interest	**1,524.24**	**680.43**	**2,850.11**	**2,255.81**	**4,173.74**	**3,067.31**	**2,604.43**	**2,735.15**	**2,890.37**	**1,352.82**
Depreciation	967.08	880.64	953.01	956.41	416.00	306.86	195.74	180.10	164.17	136.61
Profit (Loss) before Interest	**557.16**	**(200.21)**	**1,897.10**	**1,299.40**	**3,757.74**	**2,760.45**	**2,408.69**	**2,555.05**	**2,726.20**	**1,216.21**
Finance Cost	718.40	589.50	691.48	724.45	884.55	217.69	56.17	138.34	227.11	209.54
Profit (Loss) before Exceptional item	**(161.24)**	**(789.71)**	**1,205.62**	**574.95**	**2,873.19**	**2,542.76**	**2,352.52**	**2,416.71**	**2,499.09**	**1,006.67**
Exceptional Item	-	-	-	-	-	1,358.45	(72.00)	-	-	-
Profit (Loss) before Tax	**(161.24)**	**(789.71)**	**1,205.62**	**574.95**	**2,873.19**	**3,901.21**	**2,280.52**	**2,416.71**	**2,499.09**	**1,006.67**
Current Tax										
- For Current Year	35.00	-	300.00	170.00	650.00	820.00	475.00	485.00	500.00	197.50
- For Earlier Years	-	-	100.00	-	-	-	-	-	-	-
Deffered Tax Adjustment	(220.46)	(658.93)	(151.84)	4.48	183.00	53.00	(65.00)	5.00	68.00	113.00
Profit (Loss) after Tax	**24.22**	**(130.78)**	**957.46**	**400.47**	**2,040.19**	**3,028.21**	**1,870.52**	**1,926.71**	**1,931.09**	**696.17**
Earning Per Share ₹ 2 each (₹)*	0.07	(0.36)	2.61	1.09	5.56	8.25	5.10	5.25	26.31	10.48
Dividend Per Share of ₹ 2 each (₹)*	-	0.20**	0.50	0.50	0.50	0.50	0.40	0.40	2.00	1.50

* Face Value of ₹ 10 per Share upto the FY 2009-2010

** Dividend paid from General Reserve

Note:

The Company has adopted "Ind AS" with effect from 1st April 2017 in the Financial Year 2017-2018 with transition date as at 1st April, 2016. The Financial information for the year 2016-2017 have been re-stated to conform to Ind AS.

STATEMENT OF APPROXIMATE AREA, CROP AND YIELD

TEA ESTATES	Tea Bearing Area in Hectares	Crop (Kgs.) 2017-2018	Yield per Bearing Hectare
DIKOM	585	12,81,297	2,190
NOKHROY	318	5,22,919	1,644
NAGRIJULI	546	10,75,659	1,970
BOKAKHAT	285	4,83,306	1,696
ROMAI	286	5,45,533	1,907
NAMSANG	291	4,97,659	1,710
KHARIKATIA	434	8,68,513	2,001
TOTAL	**2,745**	**52,74,886**	**1,922**

Notes

ROSSELL INDIA LIMITED
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Fax: +91-33-2290 3035

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