Dhunseri

in an expansion mode

Dhunseri Tea & Industries Limited

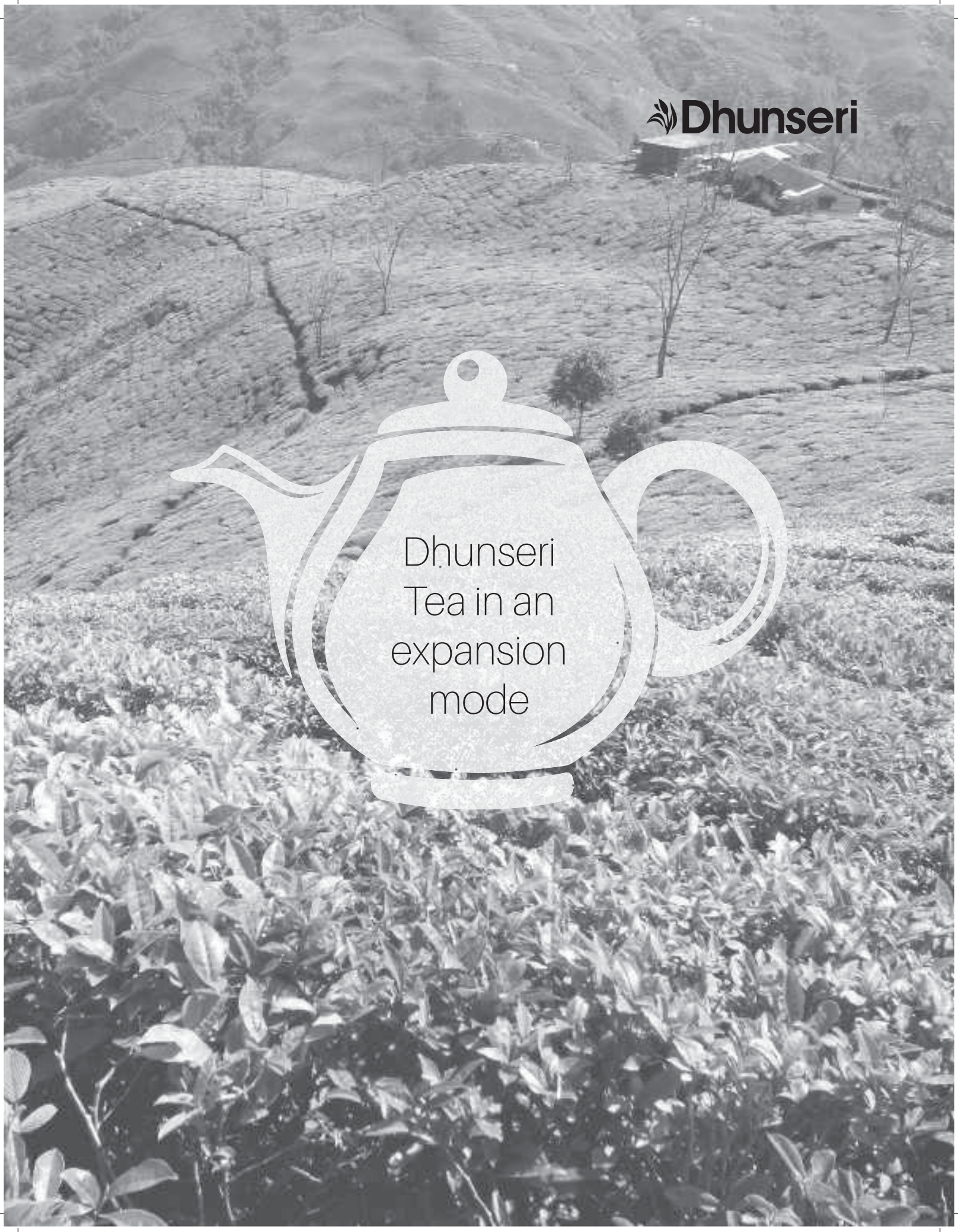
Annual Report 2017 - 18

Foward-looking Statement

In this annual report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion on future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

01 Corporate Identity
06 Chairman's Statement
08 Financial Highlights
10 Directors' Report
30 Secretarial Audit Report
31 Corporate Governance Report
45 Standalone Auditors' Report and Financial Statements
94 Consolidated Auditors' Report and Financial Statements
149 Notice


Dhunseri
Dhunseri
Tea in an
expansion
mode

Sustainable business expansion has always been at the centrestage of the overall strategy at Dhunseri Tea. Dhunseri Tea is amongst the top ten tea manufacturers globally. We have 10 Tea Estates in Assam, India and 2 Tea Estates in Malawi, Africa with about 7200 hectares under Tea/Macadamia Plantations.

We invested in good agricultural practices for improving yield and quality of our produce. We also acquired African plantations to geographically de-risk our tea business and expand the area under Tea and Macadamia cultivation.

Our strategic initiatives for growth comes from quality driven approach and benchmarking ourselves with global best practices. Our determination for continuous improvement in how we do things, is the key to unlocking our potential.

We strive to grow

bigger

Organic expansion

At Dhunseri Tea, we believe in continued focus on business growth through...

Improvement in crop yield

Land being a finite resource, we have been focusing on increasing yield per hectare. We replace old bushes with high yielding clonal varieties. As old bushes age, we replace and replenish these tea bushes to get new bushes to start delivering enhanced quality and productivity over time. We have continuously increased irrigation coverage to counter vagaries of nature. All these efforts have generated incremental volumes.

Improvement in product quality and price realization

We believe, quality of product defines quality of business. We use best agricultural methods, better plucking, pruning and processing equipment to enhance quality. This increases our realization, apart from winning customer loyalty.

Market expansion

Dhunseri Tea has focused on retail market through tea packeting. We have 5% market share in Packet Tea in India and command leadership position in Rajasthan. We have consistently focused on brand building and expanding our distribution network in Rajasthan.

Expansion
through acquisition

Keeping in mind the constraint of land, the primary way to grow is by acquiring new plantations.

The Company acquired land contiguous to our existing plantations in Africa for Tea and Macadamia. The African plantation has contributed revenues of about Rs. 110.07 crores during 2017-18.

The Company always looks for opportunities for sustainable growth and will continue to do so in future to enhance our growth momentum.

Enhancing
Quality, Securing Sustainable Growth

Dhunseri Tea is a quality driven Company. Over the years, we have strategically invested in high yield quality clones, efficient irrigation, integrated pest management and continuous processing equipment to enhance the tea quality. Our blending competence deliver consistent color, taste and aroma and meet consumer expectations . Our quality produce not only generates better realization but also customer loyalty. Our focus on Packet Tea segment has improved our sustainability.

We are accredited with ISO 22000-2005 Food and Safety standards and our produce has been certified by Trustea, Fairtrade, Rainforest Alliance, HACCP, PPC and FASSAI.

Chairman's
Statement

Entrenched business model, strong financial positon, deep-rooted belief system and long term vision positions us with unparalleled advantage in this challenging business environment.

Dear Shareholders,

I welcome you all to this 21st Annual General Meeting.

I am pleased to inform you that it has been our constant endeavor to improve the quality of our produce. The quality teas being manufactured by your Company enables us to consolidate its brand value and also sustain its market share in the long run. With improvement in quality, your Company will be amongst the best producers of Quality Assam CTC teas.

Mechanised harvesting has been started in the prune area to reduce the dependence on manual plucking which will ensure the timely harvest of ready leaves.

Integrated Pest & Nutrition Management is another thrust area for enhancing the yield of our plantations. Mechanization of other field operation will help timely completion of field work for better results.

We are presently contemplating a twofold growth strategy encompassing the domestic as well as in the global arena. Your Company had acquired in 2012-13 two Tea Estates at Malawi which now produces 4 lakh kgs of Macadamia nuts as well as 9 million kgs of tea out of the total annual tea production of the Company of about 20 million kgs.

We are now looking to enhance the growth of the Company in the Tea Sector by acquiring tea estates in India and abroad.

With this in view, your Company is exploring all opportunities for an expansion and to double its existing production capacity which is possible only through acquisitions of Tea Estates at a competitive price.

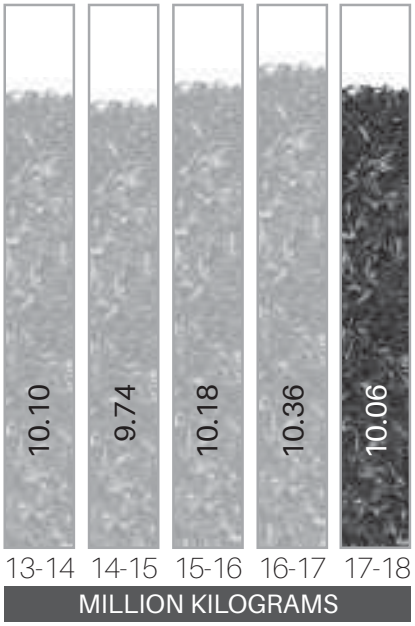
It is expected that this will enable your Company to achieve increased market share and also meet the growing demand for quality teas thereby resulting in improved profitability for the Company and better returns to the stakeholders.

Kolkata
21st May, 2018

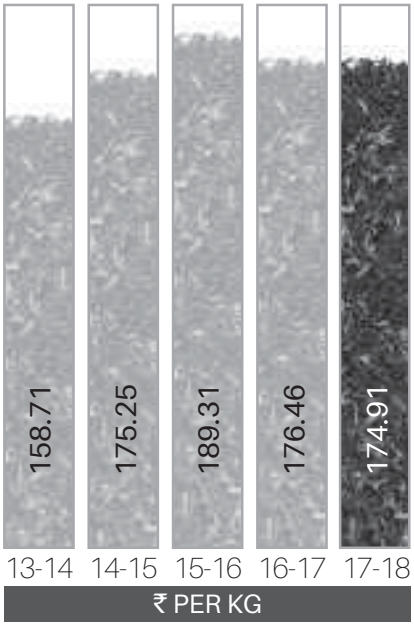
C. K. Dhanuka
Chairman

Performance Statement

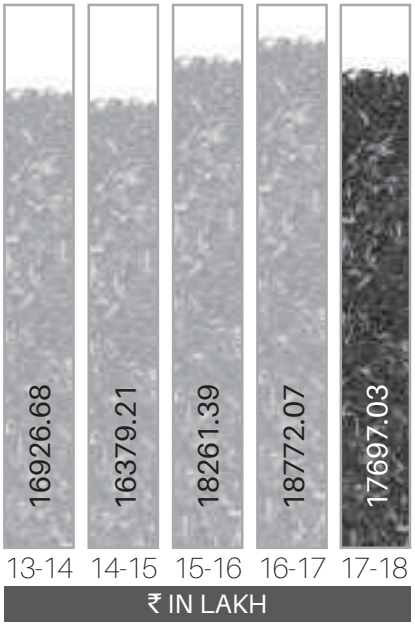
TEA PRODUCTION



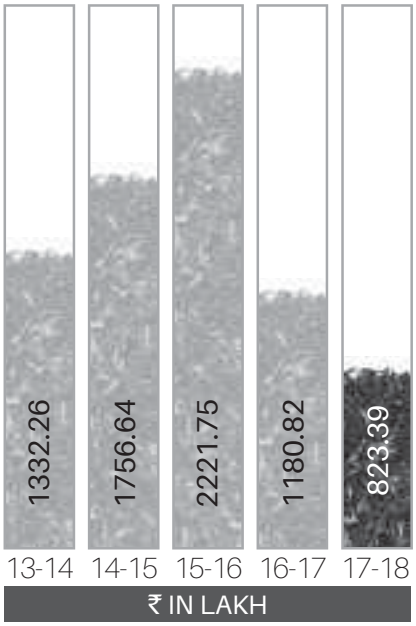
AVERAGE REALISATION



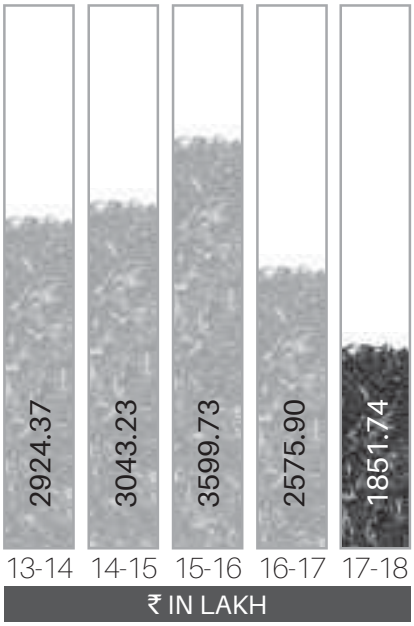
GROSS REVENUES



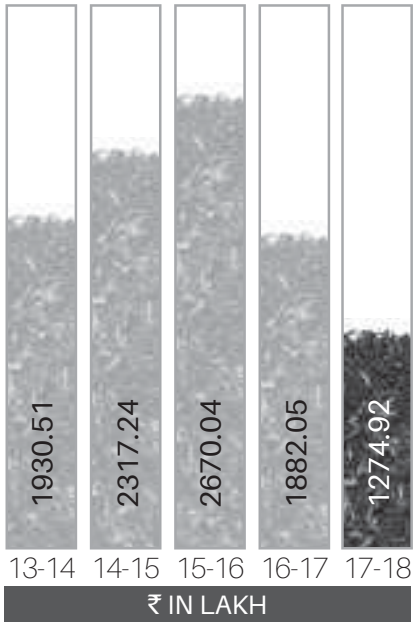
PAT



EBIDTA



CASH PROFIT



Note : The figures for year 2016-17 and 2017-18 are as per IND-AS.

Quality of Performance

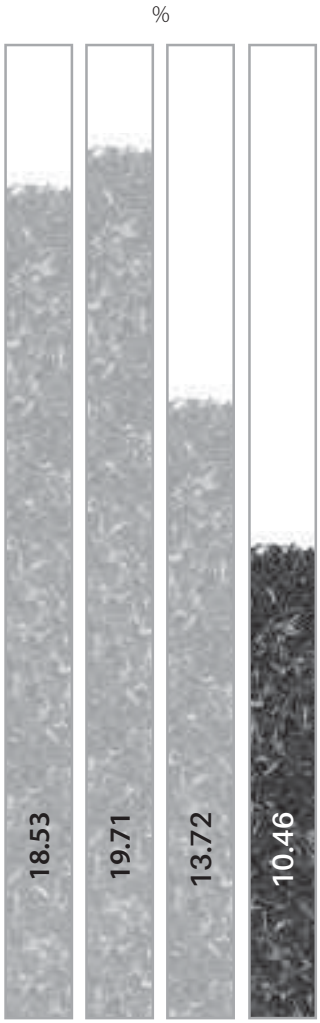
INCREASING PLANTATION TEA REALIZATIONS

Average realizations per kg of plantation tea

INCREASING PACKET TEA REALIZATIONS

Average realizations per kg of packet tea

ATTRACTIVE MARGINS



EBIDTA margin

Note : The figures for year 2016-17 and 2017-18 are as per IND-AS.

Directors' Report

We have pleasure in presenting the 21st Annual Report together with the Financial Statement of the Company for the year ended 31st March, 2018.

1. **Fianancial Results :** (₹ in lakhs)

	Particulars	Standalone		Consolidated	
		Accounting year ended		Accounting year ended	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017
1	**Income**				
a	Revenue from Operations	17701.63	18,773.04	28708.19	30,183.29
b	Other Income	186.31	221.46	1139.57	788.70
	Total Income from Operations	**17887.94**	**18,994.50**	**29847.76**	**30,971.99**
2	**Expenses**				
a	Cost of Materials Consumed #	3540.84	3362.50	3698.88	3,513.00
b	Changes in Inventories of finished goods	126.22	185.89	(69.86)	156.31
c	Changes in Inventories of biological assets	(12.62)	(1.16)	34.69	(1.04)
d	Employee benefits expense	6270.31	6270.24	7667.14	7437.36
e	Finance costs	446.76	326.32	899.73	808.72
f	Depreciation and amortization expense	743.90	723.58	1744.99	2088.89
g	Other expenses	6111.45	6601.13	13055.79	13410.41
	Total expenses	**17226.86**	**17468.50**	**27031.36**	**27413.65**
3	**Profit / (Loss) before tax (1-2)**	**661.08**	**1526.00**	**2816.40**	**3558.34**
	Tax expense				
	- Current Tax	130.06	367.53	486.03	996.63
	- Deferred Tax	(292.37)	(22.35)	(570.03)	(151.17)
4	**Tax expense (credit)**	**(162.31)**	**345.18**	**(84.00)**	**845.46**
5	**Profit / (Loss) for the period (3-4)**	823.39	1180.82	2900.40	2712.88
	Items that will not be reclassified to profit or loss				
	Re measurement of post employment benefit obligations	131.02	(115.68)	131.02	(115.68)
	Fair valuation of equity investments	850.07	1156.99	850.07	1157.12
	Income Tax relating to these items	(139.98)	36.84	(139.98)	36.84
	Items that will be reclassified to profit or loss				
	Exchange differences on translation of foreign operations	-	-	(1167.09)	(2037.57)
6	**Other comprehensive income for the year (net of tax)**	**841.11**	**1078.15**	**(325.98)**	**(959.29)**
7	**Total comprehensive income for the period**	1664.50	2258.97	2574.42	1753.59
8	**Paid-up equity share capital**	700.50	700.50	700.50	700.50
	(Face value Rs.10/- each)				
9	**Earnings per share (of Rs 10/- each)**				
	(a) Basic (Rs)	11.75	16.86	41.40	38.73
	(b) Diluted (Rs)	11.75	16.86	41.40	38.73

Cost of materials consumed represents Green Leaf purchased from third parties.

Directors' Report *(Contd.)*

2. **Dividend:**

The Directors recommend a dividend of Rs. 8.00 per equity share i.e. @ 80 % for the financial year ended 31st March, 2018 subject to approval of the shareholders at the ensuing Annual General Meeting. The dividend on equity shares, if approved by the members would involve a cash outflow of ₹ 675.59 lakhs including dividend tax.

3. **Transfer to reserves**

The directors have decided to retain the entire amount of Rs. 442.35 lakhs in the retained earnings.

4. **Operations:**

The total tea manufacturing and sales in respect of the Indian operations for the year under review was 10.07 and 10.12 mn kg. as against 10.36 and 10.62 mn kg. respectively in the previous year. The production for the year under review was comparatively less. The sales in terms of volume was also comparatively less. The average realization was comparatively less during the year under review in comparison to the previous year.

The total tea manufacturing and sales in respect of the African operations for the year under review was about 8.70 and 8.52 mn kg. as against 8.70 and 8.64 mn kg. respectively in the previous year. The production was almost equal to the previous year but the sales were comparatively less during the year under review. The average realization was almost equal to the previous year.

The production and sale of macadamia in terms of volume was about 0.30 and 0.28 mn. kg as against 0.26 and 0.28 mn kg respectively in the previous year. The production of macadamia during the year under review was comparatively more whereas the sales were almost similar in comparison to the previous year.

5. **Subsidiary Companies**

The Company has following four wholly owned subsidiaries as on March 31, 2018 :

i) Dhunseri Petrochem & Tea Pte Ltd (DPTPL)

ii) Makandi Tea & Coffee Estates Ltd (MTCEL)

iii) Kawalazi Estate Company Ltd (KECL)

iv) A.M. Henderson & Sons Ltd. (AMHSL)

The entire share capital of the subsidiary AMHSL is held by MTCEL and that of MTCEL and KECL are held by DPTPL and that of DPTPL is held by the Company, making them 100% wholly owned subsidiaries of the Company incorporated outside India.

There has been no material change in the nature of the business of the subsidiaries.

During the year M/s. Elfin Heights Private Limited, a wholly owned subsidiary was disposed of by the Company.

There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

Pursuant to provisions of Section 129(3) of the Act, a statement in Form AOC-1 containing the salient features of the financial statements of the Company's subsidiaries is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

6. **Listing**

The equity shares of the Company are listed on BSE and NSE.

7. **Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors confirm:

(i) that in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;

(ii) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that they have prepared the annual accounts on a 'going concern' basis.

(v) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

(vi) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

The work performed by the internal auditor, statutory auditor and secretarial auditor and the reviews performed by management and the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

8. Directors & Key Managerial Personnel

Mr. Ashok Kumar Lohia (DIN: 00132070) resigned w.e.f. 10.8.2017.

Mr. Basudeo Beriwala (DIN: 00119319) resigned with effect from the conclusion of the board meeting held on 21st May, 2018.

Mr. Vivek Goenka (DIN: 00042285) and Prof. Ashoke Kumar Dutta (DIN: 00045170) were appointed as Additional Directors of the Company at the Board Meetings held on 30th August, 2017 and 21st May, 2018 respectively. They shall hold office till the conclusion of the ensuing AGM of the Company. Mr.Vivek Goenka and Prof. Ashoke Kumar Dutta are proposed to be appointed as Independent Directors at the ensuing 21st AGM of the Company for a consecutive period of five years w.e.f. 30th August, 2017 and 21st May, 2018 respectively.

Section 149(13) states that the provisions of sub-section (6) and (7) of Section 152 of the Companies Act, 2013 relating to retirement of directors by rotation is not applicable to the independent directors.

The Company has received declarations from its Independent Directors under Section 149(7) confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Mr. Rajiv Kumar Sharma (DIN: 05197101), retires by rotation at the ensuing 21st Annual General Meeting and being eligible offers himself for reappointment.

Mr. Vikash Jain was appointed as Chief Financial Officer of the Company w.e.f. 14.12.2017 in place of Mrs. Bhavana Khemka who resigned.

9. Number of Meetings of the Board

The Board met four times during the financial year 2017-18. The details have been provided in the Corporate Governance Report in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is annexed to this Report.

10. Board evaluation

An annual evaluation of the performances of the Board, its committees and that of the individual directors was undertaken during the year on the basis of the criteria such as the composition, structure, functioning, effectiveness of the Board, the Committee Meetings, the contribution and preparedness of individual directors to the board and committees etc after seeking inputs from all the directors.

In a separate meeting of the Independent Directors the performance of non-independent directors, the Chairman and the Board as a whole was evaluated.

11. Policy on directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report.

12. Internal financial control systems and their adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of the Corporate Governance Report.

13. Audit committee

The details pertaining to composition of audit committee are included in the Corporate Governance Report.

14. Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Lovelock & Lewes, Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of five years at the 17th Annual General Meeting (AGM) of the Company held on 8th September, 2014, subject to ratification of their appointment at every AGM. Their reappointment for the year 2018-19 is required to be ratified by the shareholders at the ensuing 21st AGM of the Company.

15. Auditors' report and secretarial auditors' report

The auditors' report and secretarial auditors' report are self-explanatory and does not contain any qualifications, reservations or adverse remarks and have been annexed to the report.

16. Risk management

Although the requirement of Risk Management Committee is not mandatory for your Company. the management has to constantly monitor the risks and functions and systematically

address them through mitigating actions on a continuous basis. The audit committee has additional oversight in the area of financial risks and controls.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of the Corporate Governance Report.

17. **Particulars of loans, guarantees and investments**

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

18. **Transactions with Related Parties**

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

Your Directors draw attention of the members to Note No. 40 to the financial statement which sets out related party disclosures.

19. **Management's Discussion And Analysis Report**

The Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Corporate Governance Report.

20. **Corporate Social Responsibility**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure I of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the Company's website: www.dhunseritea.com.

21. **Extract of Annual Return**

As stipulated under Section 92(3) of the Act, an extract of annual return is given in Annexure II in the prescribed Form MGT-9, which forms part of this report.

22. **Particulars of employees**

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

	Non-executive Directors	Remuneration for the Year ended 31.03.2018 (₹)	Ratio to median remuneration
1.	Mr. Mrigank Dhanuka (till 14.02.2018)	20,000	*
2.	Mr. R.K. Sharma	40,000	0.66:1
3.	Mr. Bharat Bajoria	65,000	1.07:1
4.	Mr. Basudeo Beriwala	95,000	1.56:1
5.	Ms. Nandini Khaitan	65,000	1.07:1
6.	Mr. Ashok Kumar Lohia (upto 10.08.2017)	Nil	*
7.	Mr. Vivek Goenka (w.e.f 30.08.2018)	60,000	*
	Executive Directors		
1.	Mr. C.K. Dhanuka	29,37,727	48.16:1
2.	Mr. Mrigank Dhanuka (w.e.f. 14.02.2018)	3,86,590	*

* Since this information is for part of the year, the same is not comparable.

The median remuneration of employees for financial year 2017-18 is ₹ 0.61 lacs.

b. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

	Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
1	Mr. C. K. Dhanuka, Managing Director	-23.63
2.	Mr. Mrigank Dhanuka, Executive Director (w.e.f.14.02.2018)	*
3	Mr. Bharat Bajoria	No change
4.	Mr. Basudeo Beriwala	No change
5.	Ms. Nandini Khaitan	No change
6	Mr. Ashok Kumar Lohia (upto 10.08.2017)	*
7.	Mr. R. K. Sharma	No change
8.	Mr. Vivek Goenka (w.e.f. 30.08.2017)	*
9.	Mr. P. C. Dhandhania, Chief Executive Officer	0.21
10.	Ms. Bhavna Khemka, Chief Financial Officer (upto 14.12.2017)	*
11.	Mr. Vikash Jain, Chief Financial Officer (w.e.f. 14.12.2017)	*
12.	Mr. R. Mahadevan, Company Secretary	10.35

* Since this information is for part of the year, the same is not comparable.

c. The percentage increase in the median remuneration of employees in the financial year: 5.36 %.

d. The number of permanent employees on the rolls of Company: 5025.

e. Average percentile increase / decrease already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase / decrease in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :

Average percentile increase / decrease already made in the salaries of employees other than the managerial personnel in the financial year 2017-18 was - 0.17 % and in the case of managerial remuneration the increase / decrease was – 37.00 %. The remuneration payable to executive directors has variable component which is dependent on the profit of the Company and other employees remuneration has fixed pay which depends on his/ her performance.

f. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.

g. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is set out in Annexure IV forming part of this report.

23. Disclosure requirements

As stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the corporate governance report along with the auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

The code of conduct for the board of directors and the senior management adopted by the Company is available on the Company's website (http://dhunseritea.com/investors-investors/code-of-conduct/)

Details of the familiarization programme of the independent directors are available on the Company's website (http://dhunseritea.com/wp-content/uploads/ 2015/06/ Familiarisation-Programme-of-Independent-Directors.pdf).

Policy for determining material subsidiaries of the Company is available on the Company's website (http://dhunseritea.com/ wp-content/uploads/2015/ 03/policy-for-determining-material-subsidiary.pdf).

Policy on dealing with related party transactions is available on the Company's website (http://dhunseritea.com/wp-content/uploads/2015/04/Related-party-transaction-policy.pdf).

Directors' Report *(Contd.)*

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns The provisions of this policy are in line with the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and the said policy is available on the Company's website (http://dhunseritea.com/wp-content/uploads/2015/03/vigil-mechanism.pdf).

24. **Deposits from public**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

25. **State of Company's affairs**

The present state of the company's affairs is progressive enough viz-a-viz the industry and there is no any development which could result in an adverse situation for the company in the near future. There is neither any change in the nature of business of the Company nor any significant and material orders was passed by any regulator or court or tribunals impacting the going concern status affecting the company's operation in future.

26. **Reporting of frauds by auditors**

During the year under review, the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which need to be mentioned in the Board's report.

27. **Secretarial Standards**

The Company complies with all applicable secretarial standards.

28. **Material changes and commitments, if any, affecting the financial position of the Company**

There are no such material changes and commitments which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

29. **Particulars regarding conservation of energy & technology absorption etc**

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure III which forms part of this report.

30. **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has set up Internal Complaints Committee (ICC) under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints received and /or disposed off during 2017-18. The Committee met once during the year.

31. **Green Initiatives**

As part of our green initiative, the electronic copies of this Annual Report including the Notice of the 21st AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of this Annual Report including the Notice of the 21st AGM are sent by permitted mode.

The Company is providing e-voting facility to all its members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting is provided in Note 10 annexed to the Notice.

32. **Acknowledgement**

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

For and on behalf of the Board of Directors

Kolkata — **C.K.DHANUKA**

21st May, 2018 — Chairman

Annexure - I

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programme proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programme :**

   The Company aims at carrying out directly or indirectly various CSR activities either through Dhanuka Dhunseri Foundation (DDF) or through any other implementing agency as may be recommended to the Board by the CSR Committee.

   The CSR policy of the Company encompasses the following activities :

   - Extending financial support to institutions for promoting education.
   - Hostel for students.
   - Day care centres and such other activities including measures for mitigating the inequalities amongst the socially and economically backward groups.
   - Eradicating hunger, poverty and malnutrition.
   - Health care (including preventive health care) and sanitation (including contribution to such programs of the Government for promotion of sanitation).
   - Making available safe drinking water.

   The Company regularly provides financial assistance in association with various organizations to carry out CSR activities in these areas.

   An amount of Rs.39.36 lakhs (approx.) was disbursed to DDF by the Company during the year 2017-18 which is engaged in various philanthropic activities as aforementioned.

2. **The composition of the CSR committee:** The Company has a CSR Committee of directors comprising of Mr. Basudeo Beriwala, Chairman of the Committee, Mr. Chandra Kumar Dhanuka and Ms. Nandini Khaitan.
3. **Average net profit of the company for last three financial years for the purpose of computation of CSR:** Rs.1959.79 lakhs (approx.)
4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Rs.39.20 lakhs (approx.)
5. **Details of CSR spent during the financial year**
   a. Total amount to be spent for the financial year: Rs.39.36 lakhs
   b. Amount unspent: Nil
   c. Manner in which the amount spent during the financial year: Attached
6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:** Nil / NA
7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

P.C. Dhandhania	Basudeo Beriwala	C.K.Dhanuka
Chief Executive Officer	Chairman, Corporate Social Responsibility Committee	Chairman

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the State and district where project or programs was undertaken	Amount Outlay (budget) project or programs wise (₹)	Amount spent on the projects or programs Subheads: (1) Direct Expenditure (2) Overheads (₹)	Cumulative Expenditure upto the reporting period (₹)	Amount Spent:Direct or through implementing agency
1	Nature Cure & Yoga Centre	Healthcare (including preventive healthcare)	Diamond Harbour Road Bishnupur, Joka, State: West Bengal Dist. 24 Parganas(South)	39,35,785	39,35,785	39,35,785	Through Dhanuka Dhunseri Foundation (DDF) Implementing Agency

Annexure - II

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	:-	L15500WB1997PLC085661
(ii)	Registration Date	:-	07/10/1997
(iii)	Name of the Company	:-	DHUNSERI TEA & INDUSTRIES LIMITED (DTIL)
(iv)	Category/Sub-Category of the Company	:-	Company limited by shares / Non Government Company
(v)	Address of the Registered Office and contact details	:-	"DHUNSERI HOUSE", 4A, WOODBURN PARK, KOLKATA - 700 020 Tel : 91 033 2280 1950 (5 lines) , Fax: 91 033 2287 8350/9274 Email : mail@dhuseritea.com; Website : www.dhunseritea.com
(vi)	Whether listed company	:-	YES
(vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any	:-	MAHESHWARI DATAMATICS PVT. LTD. 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001 Tel : 91 033 2243 5029, 91 033 2248 2248 Fax: 91 033 2248 4787 Email : mdpldc@yahoo.com; Website : www.mdpl.in

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	Growing of Tea	1271	65
2	Manufacture of Tea	1079	25
3	Tea Processing & Blending	10791	10

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associates	% of shares held	Applicable Section
1	Dhunseri Petrochem & Tea Pte Ltd. 160, Robinson Road # 17-01, SBF Center Singapore 068914	201136419H	SUBSIDIARY	100%	2(87)
2	Kawalazi Estate Co. Ltd. Thunga Estate Makandi, Thyolo Road, Malawi	2135	SUBSIDIARY	100%	2(87)
3	Makandi Tea & Coffee Estates Ltd. Thunga Estate Makandi, Thyolo Road, Malawi	2868	SUBSIDIARY	100%	2(87)
4	A.M.Henderson & Sons Ltd. Chiwale Estate, Sharpe Road, Thunga, Thyolo, P.O. Box 5247, Limbe	542	SUBSIDIARY	100%	2(87)

The entire issued and paid up share capital of Company 4 above is held by Company 3 and that of Companies 2 & 3 above are held by Company 1 and that of Company 1 above is held by this Company.

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 [As on 01.04.2017]				No of Shares held at the end of the year [As on 31.03.2018]				% change during the year
	Demat	Physical	Total	% of total share	Demat	Physical	Total	% of total share	
A. Promoters									
(1) Indian									
a) Individual/ HUF	181476	0	181476	2.5907	181476	0	181476	2.5907	0.0000
b) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Bodies Corporate	4459398	0	4459398	63.6607	4497142	0	4497142	64.1995	0.5388
e) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Any other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (A)(1)	4640874	0	4640874	66.2514	4678618	0	4678618	66.7902	0.5388
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Other - Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	4640874	0	4640874	66.2514	4678618	0	4678618	66.7902	0.5388
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	194782	0	194782	2.7806	240	0	240	0.0034	-2.7772
b) Banks/FI	7174	413	7587	0.1083	1515	402	1917	0.0274	-0.0809
c) Central Govt	200	0	200	0.0029	200	0	200	0.0029	0.0000
d) State Govt(s)	0	35	35	0.0005	0	35	35	0.0000	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	377839	0	377839	5.3939	354093	0	354093	5.0549	-0.3390
g) FIIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors	7820	0	7820	0.1116	23255	0	23255	0.3320	0.2204
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total (B)(1)	587815	448	588263	8.3978	379303	437	379740	5.4211	-2.9767
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	423969	2278	426247	6.0849	395242	938	396180	5.6557	-0.4292
ii) Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	970259	78509	1048768	14.9718	1160942	53884	1214826	17.3424	2.3706
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	242706	0	242706	3.4648	195108	0	195108	2.7853	-0.6795

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2017]				No. of Shares held at the end of the year [As on 31.03.2018]				% change during the year
	Demat	Physical	Total	% of total share	Demat	Physical	Total	% of total share	
c) Others (Specify)									
Non Resident Indians	34607	1618	36225	0.5171	23573	40	23613	0.3371	-0.1800
Qualified Foreign Investor									
Custodian of Enemy Property	221		221	0.0032	221		221	0.0032	0.0000
Foreign Nationals	0	266	266	0.0038	0	122	122	0.0017	-0.0021
Clearing Members	18796	0	18796	0.2683	39856	0	39856	0.5690	0.3007
Trusts	60	31	91	0.0013	60	31	91	0.0013	0.0000
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	2494	0	2494	0.0356	76576	0	76576	1.0931	1.0575
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2)	1693112	82702	1775814	25.3508	1891578	55015	1946593	27.7888	2.4380
Total Public Shareholding (B)=(B)(1)+(B)(2)	2280927	83150	2364077	33.7486	2270881	55452	2326333	33.2098	-0.5388
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	6921801	83150	7004951	100.0000	6949499	55452	7004951	100.0000	0.0000

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding held at the beginning of the year [As on 01.04.2017]			Shareholding held at the end of the year [As on 31.03.2018]			% 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	Dhunseri Investments Ltd	3206397	45.7733	0.0000	3206397	45.7733	0.0000	0.0000
2	Naga Dhunseri Group Limited	615751	8.7902	0.0000	615751	8.7902	0.0000	0.0000
3	Dhunseri Petrochem Ltd	265000	3.7831	0.0000	302744	4.3219	0.0000	0.5388
4	Mint Investments Limited	296425	4.2316	0.0000	296425	4.2316	0.0000	0.0000
5	Chandra Kumar Dhanuka Karta of Shankarlal Chandra Kumar (Huf)	80000	1.1420	0.0000	80000	1.1420	0.0000	0.0000
6	Trimplex Investments Limited	57625	0.8226	0.0000	57625	0.8226	0.0000	0.0000
7	Mrigank Dhanuka	23184	0.3310	0.0000	23184	0.3310	0.0000	0.0000
8	Madhuting Tea Private Limited	18200	0.2598	0.0000	18200	0.2598	0.0000	0.0000
9	Mrigank Dhanuka C/O. Aayan Dhanuka Trust	18000	0.2570	0.0000	18000	0.2570	0.0000	0.0000
10	MRIGANK DHANUKA C/O. Aman Dhanuka Trust	18000	0.2570	0.0000	18000	0.2570	0.0000	0.0000
11	Aruna Dhanuka	16502	0.2356	0.0000	16502	0.2356	0.0000	0.0000
12	Chandra Kumar Dhanuka	9400	0.1342	0.0000	9400	0.1342	0.0000	0.0000
13	Chandra Kumar Dhanuka	9104	0.1300	0.0000	9104	0.1300	0.0000	0.0000
14	Tarulika Khaitan C/O. Tarugreve Trust	4000	0.0571	0.0000	4000	0.0571	0.0000	0.0000
15	Tarulika Khaitan	2400	0.0343	0.0000	2400	0.0343	0.0000	0.0000
16	Chandra Kumar Dhanuka C/O Sew Bhagwan & Sons.	886	0.0126	0.0000	886	0.0126	0.0000	0.0000
	Total	4640874	66.2513	0.0000	4678618	66.7902	0.0000	0.5388

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

Sl. No.	Shareholder's Name	Shareholding at the beginning [01.04.2017]/ end of the year [31.03.2018]		Increase/ Decrease in shareholding	Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
1	Chandra Kumar Dhanuka C/o Shree Shaligram Trust					
	01.04.2017	9400	0.1342			
	31.03.2018	9400	0.1342	No Change	9400	0.1342
2	Mrigank Dhanuka C/o Aman Dhanuka Trust					
	01.04.2017	18000	0.2570			
	31.03.2018	18000	0.2570	No Change	18000	0.2570
3	Dhunseri Petrochem Ltd					
	01.04.2017	2650000	3.7831			
	23/02/2018 - Transfer	37744	0.5388		302744	4.3219
	31.03.2018	302744	4.3219	+37744	302744	4.3219
4	Dhunseri Investments Limited					
	01.04.2017	3206397	45.7733			
	31.03.2018	3206397	45.7733	No Change	3206397	45.7733
5	Naga Dhunseri Group Limited					
	01.04.2017	615751	8.7902			
	31.03.2018	615751	8.7902	No Change	615751	8.7902
6	Trimplex Investments Limited					
	01.04.2017	57625	0.8226			
	31.03.2018	57625	0.8226	No Change	57625	0.8226
7	Tarulika Khaitan C/o Tarugreve Trust					
	01.04.2017	4000	0.0571			
	31.03.2018	4000	0.0571	No Change	4000	0.0571
8	Madhuting Tea Private Limited					
	01.04.2017	18200	0.2598			
	31.03.2018	18200	0.2598	No Change	18200	0.2598
9	Mint Investments Limited					
	01.04.2017	296425	4.2316			
	31.03.2018	296425	4.2316	No Change	296425	4.2316
10	Mrigank Dhanuka C/o Ayaan Dhanuka Trust					
	01.04.2017	18000	0.2570			
	31.03.2018	18000	0.2570	No Change	18000	0.2570
11	Chandra Kumar Dhanuka C/o Sew Bhagwan & Sons					
	01.04.2017	886	0.0126			
	31.03.2018	886	0.0126	No Change	886	0.0126
12	Chandra Kumar Dhanuka Karta of Shankarlal Chandra Kumar (HUF)					
	01.04.2017	80000	1.1420			
	31.03.2018	80000	1.1420	No Change	80000	1.1420

Sl. No.	Shareholder's Name	Shareholding at the beginning [01.04.2017]/ end of the year [31.03.2018]		Increase/ Decrease in shareholding	Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
13	Chandra Kumar Dhanuka					
	01.04.2017	9104	0.1300			
	31.03.2018	9104	0.1300	No Change	9104	0.1300
14	Mrigank Dhanuka					
	01.04.2017	23184	0.3310			
	31.03.2018	23184	0.3310	No Change	23184	0.3310
15	Aruna Dhanuka					
	01.04.2017	16502	0.2356			
	31.03.2018	16502	0.2356	No Change	16502	0.2356
16	Tarulika Khaitan					
	01.04.2017	2400	0.0343			
	31.03.2018	2400	0.0343	No Change	2400	0.0343

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

Sl. No.	Shareholder's Name	Shareholding at the beginning [01.04.2017]/ end of the year [31.03.2018]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	GENERAL INSURANCE CORPORATION OF INDIA				
	01.04.2017	144000	2.0557		
	31.03.2018	144000	2.0557	144000	2.0557
2	LIFE INSURANCE CORPORATION OF INDIA				
	01.04.2017	68605	0.9794		
	31.03.2018	68605	0.9794	68605	0.9794
3	THE NEW INDIA ASSURANCE COMPANY LIMITED				
	01.04.2017	165234	2.3588		
	28.07.2017 - Transfer	-23746	0.3390	141488	2.0198
	31.03.2018	141488	2.0198	141488	2.0198
4	PARAM CAPITAL RESEARCH PRIVATE LIMITED#				
	01.04.2017	35000	0.4996		
	21.04.2017 - Transfer	-2750	0.0393	32250	0.4604
	28.04.2017 - Transfer	-5262	0.0751	26988	0.3853
	05.05.2017 - Transfer	-9028	0.1289	17960	0.2564
	12.05.2017 - Transfer	-5792	0.0827	12168	0.1737
	19.05.2017 - Transfer	-12168	0.1737	0	0.0000
	31.03.2018	0	0.0000	0	0.0000
5	WEST BENGAL INDUSTRIAL DEVELOPMENT CORPORATION LTD				
	01.04.2017	183000	2.6124		
	31.03.2018	183000	2.6124	183000	2.6124

Sl. No.	Shareholder's Name	Shareholding at the beginning [01.04.2017]/ end of the year [31.03.2018]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
6	L & T MUTUAL FUND TRUSTEE LTD #				
	01.04.2017	190590	2.7208		
	14.04.2017 - Transfer	10000	0.1428	200590	2.8635
	21.04.2017 - Transfer	5000	0.0714	205590	2.9349
	12.05.2017 - Transfer	-1813	0.0259	203777	2.9090
	19.05.2017 - Transfer	-7944	0.1134	195833	2.7956
	26.05.2017 - Transfer	-4996	0.0713	190837	2.7243
	16.06.2017 - Transfer	-2796	0.0399	188041	2.6844
	23.06.2017 - Transfer	-108	0.0015	187933	2.6829
	30.06.2017 - Transfer	-1128	0.0161	186805	2.6668
	07.07.2017 - Transfer	-2869	0.0410	183936	2.6258
	14.07.2017 - Transfer	-21586	0.3082	162350	2.3176
	21.07.2017 - Transfer	-4726	0.0675	157624	2.2502
	28.07.2017 - Transfer	-12310	0.1757	145314	2.0744
	04.08.2017 - Transfer	-200	0.0029	145114	2.0716
	11.08.2017 - Transfer	-1557	0.0222	143557	2.0494
	18.08.2017 - Transfer	-1290	0.0184	142267	2.0309
	25.08.2017 - Transfer	-591	0.0084	141676	2.0225
	01.09.2017 - Transfer	-8541	0.1219	133135	1.9006
	20.10.2017 - Transfer	-4104	0.0586	129031	1.8420
	27.10.2017 - Transfer	-223	0.0032	128808	1.8388
	10.11.2017 - Transfer	-25747	0.3676	103061	1.4713
	17.11.2017 - Transfer	-1162	0.0166	101899	1.4547
	24.11.2017 - Transfer	-101899	1.4547	0	0.0000
	31.03.2018	0	0.0000	0	0.0000
7	GYAN TRADERS LIMITED				
	01.04.2017	74498	1.0635		
	18.08.2017 - Transfer	200	0.0029	74698	1.0664
	08.09.2017 - Transfer	302	0.0043	75000	1.0707
	30.03.2018 - Transfer	1576	0.0225	76576	1.0932
	31.03.2018	76576	1.0932	76576	1.0932
8	MEENAKSHI MERCENTILES LTD *				
	01.04.2017	0	0.0000		
	09.02.2018 - Transfer	50000	0.7138	50000	0.7138
	31.03.2018	50000	0.7138	50000	0.7138

Sl. No.	Shareholder's Name	Shareholding at the beginning [01.04.2017]/ end of the year [31.03.2018]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9	MAHESH TEJRAJ INANI *				
	01.04.2017	20535	0.2931		
	02.06.2017 - Transfer	499	0.0071	21034	0.3003
	18.08.2017 - Transfer	1000	0.0143	22034	0.3145
	25.08.2017 - Transfer	2500	0.0357	24534	0.3502
	08.09.2017 - Transfer	3500	0.0500	28034	0.4002
	02.02.2018 - Transfer	-6328	0.0903	21706	0.3099
	09.02.2018 - Transfer	-541	0.0077	21165	0.3021
	23.02.2018 - Transfer	1100	0.0157	22265	0.3178
	31.03.2018	22265	0.3178	22265	0.3178
10	DR RAMESH CHIMANLAL SHAH				
	01.04.2017	32350	0.4618		
	07.07.2017 - Transfer	-1000	0.0143	31350	0.4475
	14.07.2017 - Transfer	-1350	0.0193	30000	0.4283
	15.12.2017 - Transfer	-1000	0.0143	29000	0.4140
	12.01.2018 - Transfer	-1000	0.0143	28000	0.3997
	19.01.2018 - Transfer	-1500	0.0214	26500	0.3783
	31.03.2018	26500	0.3783	26500	0.3783
11	HARSHADKUMAR PRABHUDAS TANNA *				
	01.04.2017	22580	0.3223		
	02.06.2017 - Transfer	2046	0.0292	24626	0.3516
	12.01.2018 - Transfer	861	0.0123	25487	0.3638
	31.03.2018	25487	0.3638	25487	0.3638
12	ASHA MUKUL AGRAWAL #				
	01.04.2017	52721	0.7526		
	21.04.2017 - Transfer	-4130	0.0590	48591	0.6937
	16.06.2017 - Transfer	-6201	0.0885	42390	0.6051
	23.06.2017 - Transfer	-11390	0.1626	31000	0.4425
	07.07.2017 - Transfer	-881	0.0126	30119	0.4300
	14.07.2017 - Transfer	-5119	0.0731	25000	0.3569
	08.09.2017 - Transfer	-6841	0.0977	18159	0.2592
	15.09.2017 - Transfer	-2004	0.0286	16155	0.2306
	22.09.2017 - Transfer	-3423	0.0489	12732	0.1818
	30.09.2017 - Transfer	-19	0.0003	12713	0.1815
	06.10.2017 - Transfer	-280	0.0040	12433	0.1775
	13.10.2017 - Transfer	-12433	0.1775	0	0.0000
	31.03.2018	0	0.0000	0	0.0000
13	LINCOLN P COELHO				
	01.04.2017	30000	0.4283		
	31.03.2018	30000	0.4283	30000	0.4283
	31.03.2017	0	0.0000	0	0.0000

* Not in the list of Top 10 shareholders as on 01/04/2017 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2018.

\# Ceased to be in the list of Top 10 shareholders as on 31/03/2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2017.

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholder's Name	Shareholding at the beginning [01.04.2017]/ end of the year [31.03.2018]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	CHANDRA KUMAR DHANUKA				
	- Managing Director				
	At the beginning of the year - 01.04.2017	9104	0.1300		
	At the end of the year -31.03.2018			9104	0.1300
2	MRIGANK DHANUKA				
	- Executive Director (w.e.f. 14.02.2018)				
	At the beginning of the year - 01.04.2017	23184	0.3310		
	At the end of the year -31.03.2018	23184	0.3310	23184	0.3310
3	BASUDEO BERIWAL				
	- Non Executive/Independent Director				
	At the beginning of the year - 01.04.2017	0	0.0000		
	At the end of the year -31.03.2018			0	0.0000
4	ASHOK KUMAR LOHIA				
	- Non Executive/Independent Director (till 10.08.2017)				
	At the beginning of the year - 01.04.2017	0	0.0000		
	At the end of the year -31.03.2018			0	0.0000
5	NANDINI KHAITAN				
	- Non Executive/Independent Director				
	At the beginning of the year - 01.04.2017	0	0.0000		
	At the end of the year -31.03.2018			0	0.0000
6	BHARAT BAJORIA				
	- Non Executive/Independent Director				
	At the beginning of the year - 01.04.2017	0	0.0000		
	At the end of the year -31.03.2018			0	0.0000
7	RAJIV KUMAR SHARMA				
	- Non Executive / Non Independent Director				
	At the beginning of the year - 01.04.2017	100	0.0000		
	At the end of the year -31.03.2017			100	0.0000
8	VIVEK GOENKA				
	- Non Executive/ Independent Director (w.e.f. 30.08.2017)				
	At the beginning of the year - 01.04.2017	0	0.0000		
	At the end of the year -31.03.2018			0	0.0000
9	PRAKASH CHANDRA DHANDHANIA				
	- Chief Executive Officer				
	At the beginning of the year - 01.04.2017	0	0.0000		
	At the end of the year -31.03.2018			0	0.0000

Sl. No.	Shareholder's Name	Shareholding at the beginning [01.04.2017]/ end of the year [31.03.2018]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
10	BHAVANA KHEMKA				
	- Chief Financial Officer (till 14.12.2017)				
	At the beginning of the year - 01.04.2017	0	0.0000		
	At the end of the year - 31.03.2018			0	0.0000
11	VIKASH JAIN				
	- Chief Financial Officer (w.e.f. 14.12.2017)				
	At the begning of the year - 01.04.2017	0	0.0000		
	At the end of the year - 31.03.2018			0	0.0000
12	R MAHADEVAN IYER				
	- Company Secretary				
	At the beginning of the year - 01.04.2017	6	0.0000		
	At the end of the year -31.03.2018			6	0.0000

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1524.20	2184.95		3709.15
(ii) Interest due but not paid	-	-		-
(iii) Interest accrued but not due	-	20.46		20.46
Total (i + ii + iii)	1524.20	2205.41	-	3729.61
Change in Indebtedness during the financial year				
Addition	141.86	-	-	141.86
Reduction	-	(85.68)	-	(85.68)
Net Change	141.86	(85.68)	-	56.18
Indebtedness at the end of the financial year				
(i) Principal Amount	1666.06	2112.45	-	3778.51
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	7.28	-	7.28
Total (i + ii + iii)	1666.06	2119.73	-	3785.79

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL, PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Total Amount (₹)	
		Mr. C K Dhanuka Managing Director	Mr. Mrigank Dhanuka Executive Director
1.	Gross Salary		
	(a) Salary as per provisions contained	10,53,667	1,72,769
	in Section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11,40,505	
	(c) Profits in lieu of salary under Section 179(3)		
	Income-tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commision		
	- as % of profit	4,00,000	2,00,000
	- others, specify..		
5.	Others, please specify #	3,43,555	13,821
	Total	**29,37,727**	**3,86,590**
	Ceiling as per the Act	10% of the net profits calculated u/s 198 of the Act	

Mr. C. K. Dhanuka was appointed Managing Director for 5 years w.e.f. 09.09.2014 and Mr. Mrigank Dhanuka was appointed as an Executive Director for 5 years w.e.f. 14.02.2018.

Includes Companies contribution to Provident Fund, Superannuation & Gratuity Fund.

B. Remuneration to other Directors

	Particulars of Remuneration	Name of the Directors				Total Amount (₹)
3.	Independent Directors	Basudeo Beriwala	Bharat Bajoria	Nandini Khaitan *	Vivek Goenka	
	i) Fee for attending Board meeting	40,000	40,000	40,000	30,000	150,000
	ii) Fee for attending Committee meetings	55,000	25,000	25,000	30,000	135,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	95,000	65,000	65,000	60,000	2,85,000
4.	Other Non-Executve Director	Mrigank Dhanuka#	Rajiv Kr Sharma			
	Fee for attending Board meeting	20,000	40,000	-	-	60,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	20,000	40,000	-	-	60,000
	Total B = (1+2)	1,15,000	1,05,000	65,000	60,000	3,45,000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

* Paid to Khaitan & Co. LLP

No sitting fee was payable to Mr. Mrigank Dhanuka since his appointment as an Executive Director w.e.f.14.02.2018.

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

	Particulars of Remuneration	Key Managerial Personnel				Total Amount (₹)
		P C Dhandhania CEO	Bhavana Khemka* CFO	Vikash Jain* Chief Financial Officer	R Mahadevan Company Secretary	
1.	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	13,20,000	6,03,663	5,50,000	6,84,000	31,57,663
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	69,752	42,750	56,600	187,670	3,56,772
	(c) Profits in lieu of salary under Section 179(3) Income-tax Act, 1961					
2.	Stock Option					
3.	Sweat Equity					
4.	Commision					
	- as % of profit					
	- others, specify..					
5.	Others, please specify#	3,39,200	84,637	71,155	113,460	6,08,452
	Total	17,28,952	7,31,050	6,77,755	9,85,130	41,22,887

* Employed for part of the year; Mr. Vikash Jain was appointed CFO w.e.f. 14.12.2017 in place of Ms. Bhavana Khemka who resigned.
# Includes Company's contribution to Provident Fund, Gratuity Fund & Superannuation Fund (where applicable).

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

	Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A.	COMPANY					
	Penalty	None				
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty	None				
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	None				
	Punishment					
	Compounding					

Annexure - III

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2018.

A. Conservation of Energy:

i) Steps taken or impact on conservation of energy:

Old Generator sets which were replaced with fuel efficient new Generator sets resulted in more KWH per litre of diesel in Tea Estates and contained the Power & Fuel cost.

The CFL/ LED Bulbs which replaced the condensed bulbs in the factories and bungalows helped in reducing the energy consumption.

Supply of high calorific value coal from North-East Coalfields (Marghereta) with less ash content helped to maintain the required temperature for improvement in Quality as well as reduction in coal consumption.

Automatic Voltage Regulator have been installed at Dhunseri Tea Estate to utilize efficiently the grid supply to overcome the low voltage supply.

Capacitors are used to improve the power factor to 90 and above in most of the factories.

Interlocking of machineries have been initiated to reduce the connected load wherever possible and to minimize demand charges.

ii) Steps taken by the Company for using alternate sources of energy:

a) Tufflex sheets are used for natural light to reduce the consumption of electricity in all the factory buildings and stores.

b) Sunlight Powered bulbs made from plastic bottles to light up stores and other areas in the factory during day time will save energy.

iii) Capital investment on energy conservation equipment:

Trial runs of the continuous physical withering (CPW) machines at its tea factories at Dhunseri and Bahipookri was initiated last year. However, the same will be fully operational this year and is expected to bring quality improvement by even withering.

B. Technology Absorption:

(i) The efforts made towards technology absorption:

Indigenously developed technologies for the improvement of production both in field and factory were adopted and required modifications and innovations were done on a continuous basis.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Garden has used pruning machines to save on manpower and utilise the saved manpower for other development works.

Augor machines are used for digging pits for planting to save manpower and also speed up the planting work.

Machine plucking harvester are being undertaken and it is proposed to cover larger areas during the current Season. Quality parameters for machine plucking is monitored and action is being taken to improve the same.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) The details of technology imported: Nil

(b) The year of import: Nil

(c) Whether the technology been fully absorbed: Not applicable

(d) If not fully absorbed, areas where absorption has not taken place and the reasons therefore : Not applicable.

(iv) The expenditure incurred on Research and Development:

The Company subscribes to Tea Research Associations, which does R & D work for the tea industries and their expert advice is also being obtained through visits by their Advisory Officers to the garden from time to time.

C. Foreign Exchange Earnings and Outgo:

Earnings in foreign exchange Rs. 15.59 lakhs (Previous year Rs.16.34 lakhs)

Foreign Exchange Outgo Rs.102.58 Lakhs (Previous year Rs.49.58 lakhs)

Annexure - IV

Details Pertaining to Employees as required under Section 197(12) of the Companies Act, 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl.	Name	Qualification	Designation	Date of Birth	Date of Joining	Remuneration (₹)
1	Chandra Kumar Dhanuka	B.Com	Chairman & Managing Director	19-01-54	07-02-75	29,37,727
2	Kailash Kumar Tibrewalla	M.Com	Senior Vice President	22-07-50	01-07-69	19,93,410
3	Prakash Chandra Dhandhania	M.Sc (Agriculture)	Chief Executive Officer	06-09-61	25-04-07	17,28,952
4	Vivek Bhasin	B.Com(Hons)	Chief Executive Plantations	27-12-62	01-04-06	14,29,057
5	Anuj Kumar Jha	B.Sc (Stat)	Marketing Manager	01-11-60	14-06-12	13,09,274
6	Ashwin Ohri	B.Sc. (Botany)	General Manager	31-07-59	08-07-12	12,31,300
7	Raja Shah	B.Com(Hons)	Purchase Manager	26-06-69	08-05-14	10,69,240
8	Jiten Kumar Gogoi	B.Sc (Geology)	Manager	16-03-65	26-10-10	9,94,500
9	R. Mahadevan	M.Com; L.LB; A.I.C.W.A; A.C.S	Company Secretary	07-07-53	09-09-14	9,85,130
10	Gokul Bhuyan	MA (History)	General Manager	24-05-60	22-06-02	9,83,100

Persons in service for the whole year and drawing emoluments more than Rs.1,02,00,000/- per annum, other than above

NIL

Persons employed for part of the year drawing emoluments more than Rs. 8,50,000/- per month

NIL

Note:
1) None of the employees listed above is a relative of any director of the Company.
2) Other than Mr. C. K. Dhanuka, who holds 9104 shares and Mr. R.Mahadevan who holds 6 shares, none of the other employees listed above hold any equity shares in the Company.
3) Nature of employment is contractual.

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Dhunseri Tea & Industries Limited
CIN: L15500WB1997PLC085661
Dhunseri House, 4A, Woodburn Park,
Kolkata – 700 020

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dhunseri Tea & Industries Limited** (hereinafter referred as 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2018 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2018, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder and Companies Act, 1956, to the extent not repealed;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable to the Company during the Audit Period;**

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI (ICDR) Regulations, 2009);- **Not Applicable to the Company during the Audit Period**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014 - **Not applicable to the Company during the Audit Period**;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable to the Company during the Audit Period**;

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable to the Company during the Audit Period**;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable to the Company during the Audit Period**;

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015 (herewith referred as Listing Regulations); and

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

Secretarial Audit Report *(Contd.)*

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors for the Board Meetings, including Committees thereof, along with agenda and detailed notes on agenda 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 by the directors.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously and recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the audit period, there was no other event/action having major bearing on the Company's affairs.

For **M Shahnawaz & Associates**
Practicing Company Secretaries

Md. Shahnawaz
Proprietor
Membership No.: 21427
CP No.: 15076

Kolkata
May 21, 2018

Corporate Governance Report

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with para C,D and E of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

1. Company's Philosophy

The Company philosophy is based on transparency, accountability and integrity in all its dealings without compromising on any of its obligations. It seeks to ensure all regulatory compliances, fair play, justice and enhancement of long-term shareholder value.

The Company shall constantly endeavour to improve upon all these aspects on an ongoing basis.

2. Board of Directors (Board)

a) Composition of Board

The Board comprises of four Non-Executive Independent Directors including a women director, one Non-Executive/Non-Independent Director and two Executive / Non-independent Directors comprising of the Promoter Director who is the Chairman of the Board and an Executive Director who is related to the promoter. The number of Non-Executive Independent Directors are more than half the total strength of the Board. The composition of the Board as on 31st March, 2018 is as under:

Mr. C. K. Dhanuka (DIN 00005684)	Promoter Director Appointed as Managing Director w.e.f. 09.09.2014. Not Liable to retirement by rotation
Mr. M. Dhanuka (DIN 00005666)	Executive Director w.e.f. 14.02.2018 Promoter Relative Liable to retirement by rotation
Mr. R. K. Sharma @ (DIN 05197101)	Non-Executive / Non-Independent Director Liable to retirement by rotation
Mr. B.D. Beriwala (DIN 00118319)	Non-Executive Independent Director Not liable to retirement by rotation
Mr. B. Bajoria (DIN 00109241)	Non-Executive Independent Director Not liable to retirement by rotation
Ms. N. Khaitan (DIN 06941351)	Non-Executive Independent Director Not liable to retirement by rotation
Mr. Vivek Goenka (DIN 00042285)	Appointed as an Additional Director w.e.f. 30.08.2017 in the capacity of a Non-executive Independent Director.

@ Retiring by rotation at the ensuing 21st AGM of the Company.

b) **Attendance of Directors at Board Meetings and at the 20th AGM and other directorships / committee memberships held**

During the financial year 2017-18, the Board met four times on the following dates:

22nd May, 2017, 30th August, 2017; 13th December, 2017 and 14th February, 2018.

The attendance and number of other directorships /committee memberships of the directors of the Company are given below:

Name of Director	No. of Board meetings attended	Whether attended last AGM on 07.08.2017	Number of Directorships#	Other Committee Memberships@	
				Member	Chairman
Mr. C. K. Dhanuka	4	Yes	8	6	2
Mr. M. Dhanuka	3	No	6	1	-
Mr. R. K. Sharma	4	Yes	2	-	-
Mr. B. D. Beriwala	4	Yes	2	-	-
Mr. B. Bajoria	4	No	7	2	-
Mr. A. K. Lohia (till 10.08.2017)	-	Yes	-	-	-
Ms. N. Khaitan	4	Yes	4	-	-
Mr Vivek Goenka (w.e.f. 30.08.2017)	3	N.A.	1	-	

The board meetings were all held at the Registered Office of the Company.

\# Includes Directorship & Alternative Directorship held in Public Company (not exceeding 10 in number) as well as directorship in Private Companies (if any) which are either holding or subsidiary company of a public company.

@ Only the memberships /chairmanships of Audit Committee and Stakeholders Relationship Committee have been considered.

c) **Remuneration of Directors, sitting fees, salary, perquisites and commission**

i) **Details of remuneration paid /payable to Executive Director**

Name of Director	Salary	Perquisites	Other Benefits #	Commission	Total (₹)
Mr. C. K. Dhanuka	10,53,667	11,40,505	3,43,555	4,00,000	29,37,727
Mr. Mrigank Dhanuka (from 14.02.18 to 31.03.18)	1,72,769	-	13,821	2,00,000	3,86,590

\# includes Company's contribution to PF, Superannuation and Gratuity Funds

Mr. C.K. Dhanuka was appointed Managing Director of the Company, for a period of five years w.e.f. 9th September, 2014 on terms and conditions as approved by members at the 18th Annual General Meeting of the Company held on Friday,14th August, 2015.

Mr. Mrigank Dhanuka was appointed as an Executive Director of the Company for a period of five years w.e.f. 14.02.2018 on terms and conditions as per the agreement entered into between the Company and Mr. Mrigank Dhanuka subject to approval of the members at the ensuing 21st AGM of the Company.

Mr. C. K. Dhanuka holds 9,104 shares and Mr. Mrigank Dhanuka holds 23,184 shares of the Company which were allotted to them on 22.09.2014 on demerger of the Tea Division of erstwhile Dhunseri Petrochem & Tea Limited as per the Scheme of Arrangement sanctioned by the Hon'ble High Court at Calcutta by an Order dated 07.08.2014.

Mr. C. K. Dhanuka and Mr. Mrigank Dhanuka (w.e.f. 14.02.2018) are not entitled to any sitting fees for attending board /committee meetings of the Company.

ii) Details of remuneration paid/payable to Non-Executive Directors :

Name of Director	Sitting Fees		Salary, Perquisites & Commission	Total
	Board Meetings	Committee Meetings		(₹)
Mr. Mrigank Dhanuka* (from 01.04.2017 to 13.02.2018)	20,000	-	-	20,000
Mr. R.K.Sharma	40,000	-	-	40,000
Mr. B.D.Beriwala	40,000	55,000	-	95,000
Mr. B.Bajoria	40,000	25,000	-	65,000
Mr. A.K.Lohia (from 01.04.2017 to 10.08.2017)	-	-	-	-
Ms. N. Khaitan#	40,000	25,000	-	65,000
Mr. Vivek Goenka (from 30.08.2017 to 31.03.2018)	30,000	30,000	-	60,000

* Mr. M. Dhanuka is related to Mr C.K. Dhanuka.

\# Paid to Khaitan & Co. LLP.

Details of shares held by non-executive directors in the Company as on 31st March, 2018:

Mr. R.K.Sharma holds 100 shares.

No other non-executive director holds any shares of the Company.

d) **Code of Conduct for Directors and Senior Management**

The Board of Directors at their meeting held on 9th September, 2014 adopted the code of conduct for the board members and senior management personnel of the Company. The code is put up on the Company's website www.dhunseritea.com.

The Code has been circulated to the members of the board and the senior management and they have all affirmed their compliance with the code.

A declaration to this effect is appearing along with the report.

3. **Audit Committee**

The Audit Committee comprises of three Independent Directors viz Mr. Basudeo Beriwala, Mr. Bharat Bajoria and Mr.Vivek Goenka and one Non-Independent Director viz Mr. C.K. Dhanuka.

Mr. Basudeo Beriwala is the Chairman of the Audit Committee.

Powers of Audit Committee

The powers of the Audit Committee are as follows :

i) To investigate any activity within its terms of reference.

ii) To seek information from any employee.

iii) To obtain outside legal or other professional advice.

iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee pursuant to Schedule II Part-C of "SEBI Listing Regulations, 2015" is as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

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 Section 134 of 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.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
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 up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the listed entity with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, 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.
14. Discussion with internal auditors of any significant findings and follow up there on.
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.
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.
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.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related-party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee, and

6. Statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
   (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7)

Mr. R. Mahadevan, Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee met four times during the year i.e. on 22nd May, 2017, 30th August, 2017, 13th December,2017 and 14th February, 2018.

The attendance of the directors at the Audit Committee Meetings is summarized below :-

Name	No.of meetings held	No. of meetings attended
Mr. B. D. Beriwala	4	4
Mr. C. K. Dhanuka	4	4
Mr. B. Bajoria	4	4
Mr. Vivek Goenka#	2	2

Appointed w.e.f. 30.08.2017

4. **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee comprises of three Independent Directors viz Mr. Basudeo Beriwala, Ms. N. Khaitan and Mr. Vivek Goenka and one Non-Independent Director viz Mr.C.K. Dhanuka.

Mr. Basudeo Beriwala is the Chairman of the Committee.

The Nomination and Remuneration Committee met thrice during the year on 30th August, 2017; 13th December, 2017 and 14th February, 2018.

The attendance of the directors at the Nomination & Remuneration Committee Meetings is summarized below :

Name	No.of meetings held	No. of meetings attended
Mr. B. D. Beriwala	3	3
Mr. C. K. Dhanuka	3	3
Ms. N. Khaitan	3	3
Mr. Vivek Goenka#	2	2

Appointed w.e.f. 30.08.2017

The terms of reference of the Nomination & Remuneration Committee inter-alia include the following:

i) They shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out the evaluation of every director's performance.

ii) They shall formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

iii) Devising a policy on Board diversity

While formulating the above policy the Committee shall inter-alia ensure the following:-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration of directors, key managerial personnel and senior management involves a balance between a fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The role of Nomination and Remuneration Committee inter-alia, includes the following:

(i) formulation of the 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 the directors, key managerial personnel and other employees;

(ii) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(iii) devising a policy on diversity of board of directors;

(iv) identifying 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.

(v) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Evaluation Policy:

The Nomination and Remuneration Committee approved an evaluation policy which provides for the evaluation of the Board, the Committees of the Board and individual directors including the Chairman of the Board. The policy provides for the evaluation to be carried out on an annual basis. The evaluation process is to focus on the functioning of the Board and its Committees, their composition, experience and competencies, attendance and other related issues with a view to initiate such action plan to improve their overall performance.

Separate Meeting of Independent Directors:

A separate meeting of independent directors was convened and held by them on 13th December, 2017. The meeting was held for reviewing the performance of the non-independent directors and the Board of the Company including the performance of the Chairperson of the Company as well as for assessing the quality, quantity and timeliness of flow of information between the company management and the Board.

All the independent directors participated in the said meeting.

Familiarization Program for Independent Directors :

The Chief Executive Officer, the Chief Financial Officer and the Company Secretary are jointly authorized for ensuring appropriate induction and training program for the directors including independent directors of the Company as and when requested by them for understanding any specific project, activity or process of the Company. The management provides such information and training either at the meeting of the Board of Directors or otherwise.

Remuneration Policy:

The policy is to provide market competitive compensation/ reward which drives performance culture and salary increases are based on performance rating, business affordability and market competitiveness. The remuneration generally comprises of fixed element including bonus payouts and is subject to review at regular intervals.

Non-Executive Directors:

The Non-Executive Directors are paid Rs.10,000/- each as sitting fees for attending board meetings and Rs.5,000/- each as sitting fees for attending the Audit Committee/Stakeholders Relationship Committee / Nomination & Remuneration Committee/ Corporate Social Responsibility Committee and Independent Directors Meetings.

No sitting fee is paid to directors for attending any other committee meetings of the Company.

The details of remuneration paid / payable to the Directors of the Company are detailed under Para 2(c) above.

5. **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee comprises of two Independent Directors viz Mr. Basudeo Beriwala and Ms. Nandini Khaitan and one Non-Independent Director viz Mr. C.K. Dhanuka.

Mr. Basudeo Beriwala is the Chairman of the Committee.

The Committee met once during the year on 22nd May, 2017.

The attendance of the directors at the Corporate Social Responsibility Committee Meeting is summarized below:-

Name	No.of meetings held	No. of meetings attended
Mr. B. D. Beriwala	1	1
Mr. C. K. Dhanuka	1	1
Ms. N. Khaitan	1	1

The terms of reference of the Corporate Social Responsibility Committee inter-alia include the following:

- The committee shall formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- The Committee shall recommend the amount of expenditure to be incurred on the above CSR activities; and
- Monitor the said CSR policy from time to time.

6. **Stakeholders Relationship Committee**

The Stakeholders Relationship Committee comprises of two Non-executive Independent Directors viz., Mr. Basudeo Beriwala and Mr. Vivek Goenka and one Non-Independent Director viz., Mr.C. K.Dhanuka.

Mr. Basudeo Beriwala is the Chairman of the Committee.

Mr. R. Mahadevan, Company Secretary acts as the Secretary to the Committee.

Two meetings of the Stakeholders Relationship Committee were held during the year i.e on 28th August, 2017 and 14th February, 2018.

The attendance at the Stakeholders Relationship Committee Meeting is summarized below:

Name	No.of meetings held	No. of meetings attended
Mr. B. D. Beriwala	2	1
Mr. C. K. Dhanuka	2	2
Mr. A. K. Lohia (resigned w.e.f. 10.08.2017)	-	-
Mr.Vivek Goenka (w.e.f. 30.08.2017)	1	1

The terms of reference of the Stakeholders Relationship Committee inter-alia include the following:

- Review the process and mechanism for redressal of investor grievance and to suggest measures for improving the same.
- Review and resolve the pending investors complaints, if any ,relating to transfer of shares, non-receipt of share certificate(s), non-receipt of interest
- Dividend warrants, non-receipt of annual report and any other grievance /complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time.

The role of the committee is to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

During the year six complaints were received and resolved by the Company. All valid requests for share transfers etc. received during the year were acted upon by the Company and no transfers etc were pending.

7. **Risk Management Committee**

The management constantly monitors all types of risks and functions and adopts suitable strategies from time to time so as to systematically address them on a continuous basis.

The charter for risk management inter-alia includes assessment, monitoring and mitigation of the risks involved in production, marketing, sales, purchase, finance, accounting, insurance, legal / compliances etc.

8. **Share Transfer Committee**

The Share Transfer Committee comprises of the following directors of the Company:

i) Mr. C. K. Dhanuka - Managing Director

ii) Mr. M. Dhanuka - Executive Director

iii) Mr. R. K. Sharma - Director

Mr. C.K. Dhanuka is the Chairman of the Committee.

The Committee met four times during the year i.e. on 5th April, 2017; 3rd July, 2017; 13th November, 2017 and 12th January, 2018.

The attendance of the directors at the share transfer committee meetings is summarized below:

Name	No.of meetings held	No. of meetings attended
Mr. C. K. Dhanuka	4	4
Mr. M. Dhanuka	4	2
Mr. R. K. Sharma	4	4

The Committee is authorized to deal with as well as accord approval and / or ratify the following matters :-

i) Share Transfers

ii) De-materialization / Re-materialization of shares(s).

iii) Sub-division / Consolidation / Transmission of share(s).

iv) Deletion of member(s) name on demise.

v) Issue of Duplicate Share Certificate(s)

vi) Other related matters.

The scrutiny and other formalities relating to share transfer etc. are undertaken by the Registrars & Share Transfer Agents of the Company viz., M/s. Maheshwari Datamatics Private Limited.

Corporate Governance Report *(Contd.)*

9.1 General Body Meetings

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	Details of Special Resolution
2016-17	Kala Kunj, Sangit Kala Mandir, 48, Shakespeare Sarani, Kolkata-700017	7th August, 2017	10.30 a.m.	None
2015-16	Kala Kunj, Sangit Kala Mandir, 48, Shakespeare Sarani, Kolkata-700017	11th August, 2016	10.30 a.m.	None
2014-15	Kala Kunj, Sangit Kala Mandir, 48, Shakespeare Sarani, Kolkata-700017	14th August, 2015	10.30 a.m.	None

Other than the above, there were no other General Meetings during the last three years.

9.2 Postal Ballot and postal ballot process

No resolution was put through postal ballot during the year.

9.3. Information about Directors seeking appointment/ re-appointment, etc.

The details of the directors of the Company seeking appointment / re-appointment is given in the Annexure to the Notice, under the head 'Information Pursuant to Regulations 36(3) & 26(4) of SEBI (LODR) Regulations, 2015.

10. Disclosures

a) There are no materially significant related party transactions made by the Company with its Promoters, Directors or their relatives, or the management, or subsidiaries etc. that may have potential conflict with the interests of the Company at large.

Transactions with related parties are disclosed in Note No. 40 under 'Notes annexed to and forming part of financial statements' in the Annual Report.

The policy has been uploaded in the company's website: http://dhunseritea.com/wp-content/uploads/2015/04/Related-party-transaction-policy.pdf

b) There were no strictures or penalties imposed either by SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter relating to the capital markets during the year under review.

c) The Company has adopted a vigil mechanism / whistle blower policy and no personnel is being denied access to the Audit Committee.

The policy has been uploaded on the company's website:

http://dhunseritea.com/wp-content/uploads/2015/03/vigil-mechanism.pdf

d) The Company has adopted all the mandatory requirements as recommended by SEBI (LODR) Regulations, 2015 with stock exchanges and is in the process of examining the implementation of some of the non-mandatory requirements.

e) There are no pecuniary relationships or transactions with Non-Executive Independent Directors other than those disclosed in this report.

f) The Company has formulated a policy for determining 'material' subsidiaries and such policy has been disclosed on the Company's website:

http://dhunseritea.com/wp-content/uploads/2015/03/policy-for-determining-material-subsidiary.pdf

11. CEO and CFO Certification

As per Part B of Schedule II of SEBI (LODR) Regulations, 2015, the CEO and the CFO of the Company certifies to the Board regarding the review of the financial statement, compliance with the accounting standard, maintenance of the internal control systems for financial reporting and accounting policies etc.

12. Means of Communication

The quarterly and annual results of the Company are generally published in Business Standard as well as in Arthik Lipi. The results are also posted in the Company's websites www.dhunseritea.com.

13. Management Discussion and Analysis Report

Industry Structure and Development

The Company's main business is plantation, manufacture and sale of Tea. Tea being a seasonal industry, the plantation

activities are carried out from March to December and is subject to the vagaries of the monsoon. The area under plantation is relatively constant. The crop yield depends on the climatic conditions to a very large extent. The steps initiated for increasing the crop yields by implementing improved agricultural practises is not only necessary under the circumstances but also becomes important for the industry for its survival.

Opportunities and Threats

The Company's major income is from sale of tea. The tea manufactured by the Company is sold through auctions as well as packeted and sold under its different brands and also through private sales. The costs of production of tea, comprises of various inputs which are required to be met by the Company as stipulated under various statutes both Central and State including the Plantation Labour Act. Thus, after meeting the various Central and State levies etc the industry is left with a very small margin to meet its other expenses for advertising, marketing and sale of the product.

Segment wise performance

The Company's main business operation is restricted to a single segment i.e. Tea which is manufactured and sold through either auction centres, packet sales or as bulk / private tea sales and is covered under the sections 'Financial Results' and 'Operations' respectively in the Directors' Report.

Outlook

Tea being a common man's drink is consumed widely throughout the country.

The Tea manufactured in the Country is almost sufficient to meet the internal domestic demands. The weather is of prime importance for the Tea manufacturing industry for achieving/ maintaining the production target for the industry. Due to the vagaries of the weather the production of tea fluctuates within a given range. However, in spite of this scenario the outlook for the tea industry appears to be good, due to its increasing demand and consumption.

Risk and Concern

The Management has to constantly monitor the risks and concerns associated with the industry which is dependent upon the vagaries of the weather to a very large extent and is also subject to changing market conditions and the trends. Further increased supply in the global market and slowdown of the economic growth may adversely affect the business prospects.

Internal Control System & their adequacy

The Company has an effective system of internal control, commensurate with its size and it ensures operational efficiency, accuracy in financial reporting and compliance of applicable laws and regulations. The system is subject to review from time to time.

Disclosures on financial performance with respect to operational performance:

The disclosures under financial performance with respect to operational performance are covered by the sections 'Financial Results' and 'Operations' respectively under the Directors' Report.

Material developments in Human Resources / Industrial Relations front including number of people employed

The Tea industry is labour intensive and provides employment to a very large segment of the population residing in and around the tea plantation areas. The Company has ten tea estates all located in the State of Assam with a total plantation area of about 3055.75 hectares. As on 31st March, 2018 the Company provided employment to about 5025 employees including 4521 workers at its tea estates.

Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry-global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations etc.

14. **Shareholders' Information**

a) **Annual General Meeting**

Tuesday, 7th August, 2018 at 10.30 a.m. at Kalakunj, 48, Shakespeare Sarani, Kolkata-700017.

b) **Book Closure**

The Register of Members and Share Transfer Register will remain closed from Wednesday, 1st August, 2018

till Tuesday, 7th August, 2018 (both days inclusive) on account of the Annual General Meeting and dividend payment.

c) **E-voting**

The e-voting period commences at 9.00 a.m. on Thursday, 2nd August, 2018 and ends at 5.00 p.m. on Monday, 6th August, 2018. During this period, members of the Company holding shares as on the cut-off date i.e. Tuesday, 31st July, 2018, either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The e-voting resolution once cast by a Member, cannot be changed subsequently.

Members who do not have facility to cast their vote electronically may use the Ballot Form (enclosed with the Annual Report) to cast their vote, by filling in and thereafter forwarding the duly completed Ballot Form to the Scrutinizer Mr. Kailash Chandra Dhanuka at the Registered Office of the Company, not later than 6th August, 2018.

d) **Dividend payment**

The dividend, if declared, shall be paid /credited on or after Tuesday, 14th August, 2018

e) **Registered Office:**

'Dhunseri House', 4A, Woodburn Park, Kolkata -700020
CIN : L15500WB1997PLC085661
Ph. No.: 91 33 2280-1950 (five lines)
Fax No.: 91 33 2287-9274/8350
Email: mail@dhunseritea.com
Website : www.dhunseritea.com

f) **Listing on Stock Exchanges:**

The Company's shares are listed with the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company has paid the annual listing fees to the Stock Exchanges for the financial year 2018-19.

g) i) **Exchange Scrip Code** : BSE: Scrip Code: 538902
NSE: Symbol: DTIL

ii) **Demat ISIN number for NSDL & CDSL** : INE341R01014

h) **Stock market price data for the year 2017-18:**

Period 2017 – 18	BSE		NSE		BSE Sensex	
	High	Low	High	Low	High	Low
April '17	348.95	300.50	350.00	301.60	30184.22	29241.48
May '17	333.75	281.10	331.00	280.00	31255.28	29804.12
June '17	326.40	288.05	325.00	288.60	31522.87	30680.66
July '17	315.00	285.55	314.00	287.80	32672.66	31.017.11
August '17	302.00	270.00	304.10	270.00	32686.48	31128.02
September '17	285.00	260.00	284.00	260.55	32524.11	31081.83
October '17	291.35	255.05	289.95	260.60	33340.17	31440.48
November '17	363.80	268.00	364.80	269.00	33865.95	32683.59
December '17	418.00	315.00	417.30	321.65	34137.97	32565.16
January '18	513.00	360.00	506.50	355.00	36443.98	33703.37
February '18	474.90	320.20	469.80	318.20	36256.83	33482.81
March '18	335.85	270.05	338.00	272.00	34278.63	32483.84

i) **Registrars and Share Transfer Agents:**

Maheshwari Datamatics Pvt. Ltd., 23, R.N.Mukherjee Road, 5th Floor, Kolkata-700 001
Phone: 91 33 2248-2248, 2243-5029, Fax : 91 33 2248-4787, Email : mdpldc@yahoo.com

j) **Share Transfer System**

The Company's Registrars and Share Transfer Agents M/s. Maheshwari Datamatics Pvt. Ltd. after scrutiny and completion of all required formalities process the share transfers and thereafter return the scrips in the normal course within 15 days of its receipt, if the documents are found valid and complete in all respects.

Further, M/s. Maheshwari Datamatics Pvt. Ltd. also being the Company's Demat Registrars, the requests for dematerialisation of shares are processed and confirmation given by them to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within 15 days.

k) **Shareholding Pattern and Distribution of shares as on 31.03.2018**

Shareholding Pattern		
Category	No. of Shares held	Percentage %
Promoters/Promoters Group	46,78,618	66.79
MutualFunds/UTI,	240	0.00
Financial Instituition /Banks	1,917	0.30
Insurance Companies	3,54,093	5.05
Central/State Government(s)	235	0.00
Bodies Corporate	3,96,180	5.67
Indian public	14,09,934	20.13
NRI/Foreign Nationals/Foreign Portfolio Investors	47,211	0.67
Cleraing Members/Trust/ NBFC/Others	1,16,523	1.66
	70,04,951	100.00

Distribution Schedule				
Range	Shareholders		Shares	
	No.	%	No.	%
1- 500	17,729	97.27	6,29,542	8.99
501 – 1000	230	1.26	1,84,090	2.63
1001 – 2000	128	0.70	1,92,062	2.74
2001 – 3000	46	0.25	1,15,053	1.64
3001 – 4000	22	0.12	77,535	1.11
4001 – 5000	13	0.07	58,599	0.84
5001 – 10000	25	0.14	1,80,432	2.57
10001 & above	34	0.19	55,67,638	79.48
	18,227	100.00	70,04,951	100.00

l) **Unclaimed Suspense Account:**

The physical share certificates returned undelivered by the postal authorities to the Company were dematerialised and credited to the Unclaimed Suspense Account of the Company. The disclosure in respect of the Company's equity shares transferred to the said Unclaimed Suspense Account is as under:

Particulars	Number of shareholders	Number of shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account as on 1st April, 2017	Nil	Nil
Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year 2017-18	675	25,015
Number of shareholders who approached the Company for transfer of shares and the number of shares that were transferred to them from the said Unclaimed Suspense Account during the year 2017-18	1	9
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account as on 31st March, 2018.	674	25,006

The voting rights on the shares in the Unclaimed Suspense Account as on 31st March, 2018 shall remain frozen till the rightful owners of such shares claim them.

Corporate Governance Report *(Contd.)*

m) **Dematerialisation of shares and liquidity :**

As on 31st March,2018, 99.21 % of the Company's share capital representing 69,49,499 shares were held by 16,081 shareholders in dematerialised form and the balance representing 0.79 % of the Company's share capital comprising of 55,452 shares were held by 2,146 shareholders in physical form.

n) **Insider trading regulation**

The Company has adopted a code of internal procedure for prevention of any unauthorised trading in the shares of the Company by insiders, as required under SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company Secretary is the Compliance Officer for this purpose.

o) **Plant location**

The Company has ten tea estates all located in the State of Assam viz; Dhunseri, Bahipookri, Bettybari, Orang, Bahadur, Dilli, Santi, Khagorijan, Hatijan and Khetojan Tea Estates.

The Company has tea factories located in all the above tea estates except in Khetojan Tea Estate.

The Company's tea packeting factory is located at Jaipur, Rajasthan.

p) **Address for investor correspondence**

Shareholders can correspond at the registered office of the Company and/or at the Company's Registrar and Share Transfer Agents.Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

q) **Financial Calendar 2018-19 (Tentative)**

Board Meetings

Unaudited results for quarter ending June 30, 2018 - By 14th August, 2018

Unaudited results for quarter ending September 30, 2018 - By 14th November, 2018

Unaudited results for quarter ending December 31, 2018 - By 14th February 2019

Audited results for year ending March 31, 2019 - By 30th May, 2019

Annual General Meeting for the year ending 31st March, 2019 - August, 2019

r) **Grievance Redressal Division / Compliance Officer:**

Sri R. Mahadevan
Company Secretary and Compliance Officer
Dhunseri Tea & Industries Limited
"Dhunseri House", 4A, Woodburn Park
Kolkata - 700 020
Phone : (033) 2280-1950 (5 lines)
Fax : (033) 2287-8995/8350
E-mail : mail@dhunseritea.com

s) **Report on Corporate Governance**

As required by Schedule V of SEBI (LODR) Regulations, 2015, a certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance, is attached to the Directors' Report forming part of the Annual Report.

For and on behalf of the Board of Directors

Kolkata — **C.K. DHANUKA**

21st May, 2018 — Chairman of the Board

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I confirm that the Company has in respect of the financial year ended 31st March, 2018 received from the members of the Board and the senior management personnel, a declaration of compliance with the Company's Code of Conduct.

Kolkata
21st May, 2018

P. C. DHANDHANIA
Chief Executive Officer

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of

Dhunseri Tea & Industries Limited

We have examined the compliance of conditions of Corporate Governance by Dhunseri Tea & Industries Limited, for the year ended March 31, 2018 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 SEBI Listing Regulations, 2015.

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

For and on behalf of
Lovelock & Lewes
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No:056155

Place : Kolkata
Date : 21st May, 2018

Independent Auditors' Report

To The Members of
DHUNSERI TEA & INDUSTRIES LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of Dhunseri Tea & Industries 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 the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. 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 specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. 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 under the provisions of the Act and the Rules made thereunder.
5. 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.
6. 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 of the standalone Ind AS financial statements, whether due to fraud or error. 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 the 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.
7. 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.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 22,

2017 and May 27, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. 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 ("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 B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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 purposes of our audit.
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as 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 the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
    (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
    (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) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company 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 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 standalone Ind AS financial statements – Refer Note 33;
        ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2018;
        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018;
        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No.056155

Kolkata
May 21, 2018

Annexure - A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Dhunseri Tea & Industries Limited on the standalone financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Dhunseri Tea & Industries Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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).

Annexure - A to Independent Auditors' Report *(Contd.)*

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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.

   Referred to in Paragraph 11(f) of the Independent Auditors' Report of even date to the members of Dhunseri Tea & Industries Limited on the standalone financal statements for the year ended March 31, 2018.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No.056155

Kolkata
May 21, 2018

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Dhunseri Tea & Industries Limited on the standalone IND AS financial statements as of and for the year ended March 31, 2018

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on Property, Plant and Equipment and Note 4 on Investment Properties to the standalone financial statements, are held in the name of the Company, except for the following, for reasons set out in Note 3 (a) and Note 4 to the standalone financial statements.

Particulars	Class of Assets	Gross Block (Rs. In Lakhs)	Net Block (Rs. In Lakhs)
2 Plots of Freehold Land at Assam	Freehold Land	3186.40	3186.40
8 Plots of Leasehold Land at Assam	Leasehold Land	32,185.70	32185.59
4 Premises of Buildings	Buildings	214.40	167.44
2 Plots of Freehold Land	Investment Property	760.25	760.25

ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employee's deposit linked insurance scheme, income tax, service tax, sales tax and value added tax though there has been significant delays in a few cases and is regular in depositing undisputed statutory dues, including employees' state insurance, duty of excise, cess, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2018, for a period of more than six months from the date they became payable are as follows :

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of Payment
Central Sales tax Act 1956	Central Sales Tax	49,830	June 2017	July 21, 2017	Not yet paid
Central Sales tax Act 1956	Central Sales Tax	16,568	November 2016 January 2017 February 2017	December 21, 2016 February 21, 2017 March 21, 2017	Not yet paid

Annexure - B to Independent Auditors' Report *(Contd.)*

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, duty of excise, value added tax and goods and service tax which have not been deposited on account of any dispute. The particular of dues of income tax as at March 31, 2018 which have not been deposited on account of a dispute, is as follows :

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income Tax	13.60 Lakhs	2014-15	Commissioner of Income Tax (Appeals)

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No.056155

Kolkata
May 21, 2018

Balance Sheet as at March 31, 2018

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Notes	31 March 2018	31 March 2017	01 April 2016
ASSETS				
(1) Non-current Assets				
(a) Property, plant and equipment	3 (a)	50,064.33	50,464.47	50,155.82
(b) Capital Work-in-progress	3 (b)	862.73	639.16	572.10
(c) Investment properties	4	1,152.63	773.73	773.39
(d) Investment in subsidiaries	5	6,697.61	6,810.96	6,429.96
(e) Financial Assets				
(i) Investments	6	3,150.85	3,382.46	1,793.77
(ii) Loans	7	5.44	9.04	11.33
(iii) Other financial assets	8	876.33	982.30	366.03
(f) Non-current Tax Assets (net)	18	192.45	227.22	86.79
(g) Other Non-current Assets	9	20.66	391.07	146.13
Total Non-current Assets		63,023.03	63,680.41	60,335.32
(2) Current Assets				
(a) Inventories	10	1,879.83	1,908.10	2,208.18
(b) Biological Assets other than bearer plants	11	58.77	46.15	44.99
(c) Financial Assets				
(i) Investments	6	1,053.03	162.06	0.45
(ii) Trade Receivables	12	3,895.97	3,495.74	2,996.94
(iii) Cash and Cash Equivalents	13	298.88	131.25	251.72
(iv) Bank Balances other than (iii) above	14	17.91	12.23	10.75
(v) Loans	7	185.07	191.26	303.36
(vi) Other Financial Assets	8	390.56	738.10	693.80
(d) Other Current Assets	9	484.12	493.99	502.78
Total Current Assets		8,264.14	7,178.88	7,012.97
Total Assets		71,287.17	70,859.29	67,348.29
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	15(a)	700.50	700.50	700.50
(b) Other Equity	15(b)	60,522.47	59,532.45	57,947.97
Total Equity		61,222.97	60,232.95	58,648.47
Liabilities				
(1) Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	873.38	12.75	17.49
(ii) Other Financial Liabilities	17	66.73	73.20	74.30
(b) Deferred Tax Liabilities (Net)	18	3,330.72	3,716.85	3,739.20
(c) Other Non-current Liabilities	19	178.98	104.85	122.35
Total Non-current Liabilities		4,449.81	3907.65	3,953.34
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	2,782.19	3,712.13	1,766.77
(ii) Trade Payables	20	1,334.50	1,300.82	1,333.33
(iii) Other Financial Liabilities	17	1,046.61	960.97	918.17
(b) Employee Benefit Obligations	21	93.70	311.98	393.22
(c) Current Tax Liabilities (Net)	18	154.01	179.12	76.35
(d) Other Current Liabilities	19	203.38	253.67	258.64
Total Current Liabilities		5,614.39	6,718.69	4,746.48
Total Equity and Liabilities		71,287.17	70,859.29	67,348.29

The accompanying notes are an integral part of these Financial Statements.
This is the Balance Sheet referred to in our Report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

R. Mahadevan
Company Secretary

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

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

(All amounts in ₹ lakhs unless otherwise stated)

	Particulars	Notes	Year ended 31 March 2018	Year ended 31 March 2017
I	Revenue from Operations	22	17,701.63	18,773.04
II	Other Income	23	186.31	221.46
III	Total Revenue (I+II)		17,887.94	18,994.50
IV	Expenses			
	(a) Cost of materials consumed	24	3,540.84	3,362.50
	(b) Changes in inventories of finished goods	25	126.22	185.89
	(c) Changes in inventories of biological assets	26	(12.62)	(1.16)
	(d) Employee benefits expense	27	6,270.31	6,270.24
	(e) Finance costs	28	446.76	326.32
	(f) Depreciation and amortisation expense	29	743.90	723.58
	(g) Other expenses	30	6,111.45	6,601.13
	Total Expenses		17,226.86	17,468.50
V	Profit before tax (III-IV)		661.08	1,526.00
VI	Income Tax expense:			
	- Current tax charge / (Credit)	31	130.06	367.53
	- Deferred tax charge / (Credit)	31	(292.37)	(22.35)
	Total tax expense		(162.31)	345.18
VII	Profit for the year (V-VI)		823.39	1,180.82
VIII	Other comprehensive income (net of tax expense)			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of post-employment benefit obligations	27	131.02	(115.68)
	(ii) Fair valuation of equity investments	15 (b)	850.07	1,156.99
	(iii) Income tax (charge) / credit relating to these items that will not be reclassified subsequently to the statement of profit and loss		(139.98)	36.84
	Other comprehensive income for the year, net of tax		841.11	1,078.15
IX	Total comprehensive income for the year (VII+VIII)		1,664.50	2,258.97
X	Earnings per share			
	Basic and Diluted earnings per share (Rs.)	32	11.75	16.86

The accompanying notes form an integral part of these Financial Statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

R. Mahadevan
Company Secretary

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

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

(All amounts in ₹ lakhs unless otherwise stated)

A. Equity share capital

Particulars	Notes	Amount
As at 01 April 2016		700.50
Changes in equity share capital during the year	15 (a)	-
As at 31 March 2017		**700.50**
Changes in equity share capital during the year	15 (a)	-
As at 31 March 2018		**700.50**

B. Other equity

Particulars	Notes	General Reserve	FVOCI - equity instruments	Retained earnings	Total other equity
Balance at 01 April 2017		15,253.22	1,080.82	43,198.41	59,532.45
Profit for the year		-	-	823.39	823.39
Other comprehensive income/(expense) (net of tax)		-	751.81	89.30	841.11
Total comprehensive income for the year		**-**	**751.81**	**912.69**	**1,664.50**
Dividend	15 (b)	-	-	(560.40)	(560.40)
Tax on dividend	15 (b)	-	-	(114.08)	(114.08)
Transfer in equity	15 (b)	-	-	-	-
Gain on sale of equity shares fair value through other comprehensive income (FVOCI) - equity instruments to retained earnings (net of tax)	15 (b)	-	(798.02)	798.02	-
Balance as at 31 March 2018		**15,253.22**	**1,034.61**	**44,234.64**	**60,522.47**

Particulars	Notes	General Reserve	FVOCI - equity instruments	Retained earnings	Total other equity
Balance at 01 April 2016		14,753.22	(56.05)	43,250.80	57,947.97
Profit for the year	15 (b)	-	-	1,180.82	1,180.82
Other comprehensive income/(expense)(net of tax)	15 (b)	-	1,156.99	(78.85)	1,078.14
Total comprehensive income for the year		**-**	**1,156.99**	**1,101.97**	**2,258.96**
Dividend	15 (b)	-	-	(560.40)	(560.40)
Tax on dividend	15 (b)	-	-	(114.08)	(114.08)
Transfer in equity	15 (b)	-	-	-	-
Gain on sale of equity shares fair value through other comprehensive income(FVOCI) - equity instruments to retained earnings (net of tax)		-	(20.12)	20.12	-
Transfer to general reserve from retained earnings		500.00		(500.00)	-
Balance at 31 March 2017		**15,253.22**	**1,080.82**	**43,198.41**	**59,532.45**

The accompanying notes form an integral part of these Financial Statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

R. Mahadevan
Company Secretary

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

Statement of Cash Flows for the year ended March 31, 2018

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	661.08	1,526.00
Adjustments for :		
Depreciation and amortisation expense	743.90	723.58
Interest income	(68.01)	(95.57)
Guarantee fee income	(32.79)	(41.90)
Income from government grant	(2.06)	(1.08)
Gain on investments classified as fair value through profit or loss	(15.03)	(4.05)
Gain on sale of subsidiary	(27.81)	-
Finance cost	446.76	326.31
Liabilities no longer required written back	(12.23)	(1.37)
Allowance for Doubtful Debt	-	5.05
(Gain)/loss on disposal of property, plant and equipment	-	(1.73)
Unrealised exchange (gain)/loss	150.53	(53.72)
Dividend income	(11.67)	(4.14)
Operating Profit/(Loss) before Working Capital Changes	1,832.67	2,377.38
Adjustments for :		
Inventories	28.27	298.91
Non-Current/Current financial and other assets	(98.83)	(806.86)
Non-Current/Current financial and other liabilities/provisions	114.70	(302.39)
Cash Generated from Operations	1,876.81	1,567.04
Taxes paid	(376.34)	(368.36)
Net cash generated from operating activities	1,500.47	1,198.68
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(551.75)	(1,376.59)
Proceeds from sale of property, plant and equipment	-	1.97
Purchase of investment property	(15.36)	(0.34)
Loan repaid by body corporate	-	95.00
(Increase)/Decrease in loan to subsidiary	(1.18)	9.55
Purchase of current investment	(2,200.00)	(263.00)
Proceeds from sale of current investment	1,324.09	105.45
Purchase of non-current investments	(5,999.83)	(1,203.87)
Proceeds from sale of non-current investment	7,083.61	613.81
Investment in subsidiary	(267.65)	(381.00)
Procceeds from sale of investment in subsidiary	408.81	-
Dividend received	11.67	4.14
Interest received	75.29	99.72
Net cash generated from investing activities	(132.30)	(2,295.16)

Statement of Cash Flows for the year ended March 31, 2018 *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid (including tax thereon)	(668.80)	(673.00)
Finance cost paid	(367.09)	(321.12)
Proceeds from		
- Long term borrowings	1,000.00	-
- Short term borrowings	4,022.40	4,638.08
Repayment of		
- Long term borrowings	(4.73)	(15.69)
- Short term borrowings	(5,182.32)	(2,652.26)
Net cash used in financing activities	(1,200.54)	976.01
Net (Decrease)/Increase in Cash and Cash Equivalents	167.63	(120.47)
Cash and cash equivalents at the beginning of the year	131.25	251.72
Cash & cash equivalents at the end of the year	298.88	131.25
Cash and Cash Equivalents comprise :		
Cash in hand	21.15	20.34
Current accounts	256.40	88.07
Cash credit	21.33	22.84
	298.88	131.25

The accompanying notes form an integral part of these Financial Statements.

This is the Statement of Cash Flows referred to in our report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

R. Mahadevan
Company Secretary

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

Notes to Financial Statements *(Contd.)*

Note 1 COMPANY INFORMATION

Dhunseri Tea & Industries Limited (the "Company") is a Company limited by shares, incorporated and domiciled in India. The Company is engaged in cultivation, manufacture and sale of tea. Its shares are listed on Bombay Stock Exchange Ltd. and National Stock Exchange Ltd.

The standalone financial statements as at 31 March 2018 present the financial position of the Company.

The standalone financial statements for the year ended 31 March 2018 were approved by the Board of Directors and authorised for issue on 21 May 2018.

Note 2 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis for preparation

(i) *Compliance with Ind AS*

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

The standalone financial statements upto year ended 31 March 2017, were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) (Previous GAAP), and other relevant provisions of the Act.

These standalone financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is April 1, 2016. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 41 (First-time Adoption).

(ii) *Historical cost convention*

The standalone financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

b) Property, plant and equipment

(i) Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase cost, borrowing costs if capitalisation criteria are met and other directly attributable cost of bringing the assets to its working condition for intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

(ii) Subsequent expenditure related to an item of property, plant and equipment is added to its carrying amount only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance.

(iii) Capital work in progress is stated at cost incurred during construction/installation period relating to items or projects in progress.

(iv) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

(v) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows :

Class of assets	Estimated useful life (in years)
Bearer plants	72
Buildings	3 – 60
Plant and Equipment	3 – 15
Furniture and Fixtures	10
Office Equipment	5
Vehicles	8 – 10

The estimate of residual value and useful life are reviewed every year.

Leasehold land is amortised over the period of lease. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Transition to Ind AS

Under Ind AS, the Company has elected to measure certain class of property, plant and equipment at its fair value viz. freehold land, leasehold land and bearer plants as at the transition date ie 1st April 2016 and considered such value as deemed cost at that date. While remaining class of property, plant and equipment are carried at historical cost determined in accordance with retrospective application of Ind AS.

c) Impairment of Assets

An impairment loss is recognised, where applicable, when the recoverable amount of an asset (i.e. higher of the asset's net selling price and value in use) is less than its carrying amount.

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

d) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Financial assets

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Other bank balances

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at ‘Fair value through other comprehensive income’ (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at ‘Fair value through the Statement of Profit and Loss’ (FVPL).

Impairment of financial assets

The Company assesses on a forward looking basis the ‘Expected credit losses’ (ECL) associated with its assets carried at amortised cost and FVOCI debt instruments. The Company recognises loss allowance for expected credit losses on financial asset.

Notes to Financial Statements *(Contd.)*

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Offsetting 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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

e) **Inventories**

Raw materials including harvested tea leaves, produced from own gardens are measured at lower of cost and net realisable value. Cost being the fair value less cost to sell at the point of harvest of tea leaves.

Raw materials of purchased tea leaves, stores and spare parts and finished goods are stated at lower of cost and net realisable value. Cost of finished goods comprise direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

f) **Biological assets**

Tea leaves growing on tea bushes are biological asset and it is measured at fair value less cost to sell with changes in fair value recognised in Statement of Profit and Loss.

The tea bushes are bearer plant and therefore presented and accounted for as property, plant and equipment. However produce growing on such trees are accounted for as biological assets until the point of harvest.

g) Employee Benefits

(i) Short term employee benefits

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

(ii) Compensated absences

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensating absences as the additional amount expected to be paid as a result of the unused entitlement as at the year-end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial loss/gains are recognised in the Statement of Profit and Loss in the year in which they arise. The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have a unconditional right to defer its settlement for twelve months after the reporting date.

(iii) Post employment benefit plans

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets.

Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

(iv) Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

h) Foreign currency transactions

Functional and presentation currency

The financial statements of the Company are presented in Indian rupees (Rs.), which is the functional currency of the Company and the presentation currency for the financial statements.

Transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transactions. Monetary assets and liabilities related to foreign currency are restated at the year-end at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate on the date of transactions. Exchange differences arising on restatement or settlement are recognised in the statement of profit and loss in the period in which they arise.

i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sales of goods

Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It includes cess on made tea and excludes value added tax/sales tax/ Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Notes to Financial Statements *(Contd.)*

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Rental income

Rental income from investment properties and subletting of properties is recognised on a straight line basis over the term of the relevant leases.

j) Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Premium in the form of fees paid on refinancing of loans are accounted for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

k) Taxes on income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

l) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease. Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

(i) **Operating lease** – 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 another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(ii) **Finance lease** – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest. on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss over the period of the lease.

The Company as lessor

(i) **Operating lease** – Rental income from operating leases is recognised in the Statement of Profit and Loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

(ii) **Finance lease** – When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

m) Government Grants

(i) Grants from the government are recognised 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.

(ii) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(iii) Government grants relating to the purchase of property, plant and equipment are included in other liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

n) Provisions and contingent liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

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

o) Research and development expenditure

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred and Capital Expenditure relating to Research and Development are included in property, plant and equipment .

p) Earnings per share

Basic Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period.

Notes to Financial Statements *(Contd.)*

For the purpose of calculating the diluted earnings per share the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as being the chief operating decision maker. Refer note 39 for segment information presented.

r) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment, impairment of investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

s) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The investment properties held by the Company comprise only of freehold land, hence there is no depreciation.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

t) Rounding off amount

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

t) Recent Accounting Pronouncements

Ind AS 115:- Revenue from contracts with customers

The Company is in the process of assessing the detailed impact of Ind AS 115. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Company's revenue recognition for product sales. Consistent with the current practice, recognition of revenue will continue to occur at a point in time when products are dispatched to customers, which is also when the control of the asset is transferred to the customer under Ind AS 115.

The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

Ind AS 40:- Investment property – transfers of investment property

The Company has assessed the effects of the amendment on classification of existing property as at 1 April 2018 and concluded that no reclassifications are required.

The Company intends to apply the amendment prospectively to changes in use that occur after the date of initial application (i.e 1 April 2018).

(All amounts in ₹ lakhs unless otherwise stated)

Note 3(a) PROPERTY, PLANT AND EQUIPMENT

	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
Particulars	As at 1 April 2017	Additions during the Year	Disposal / Adjustments during the Year	As at 31 March 2018	As at 1 April 2017	Depreciation for the Year	Disposals / Adjustments during the Year	As at 31 March 2018	As at 31 March 2018
Freehold land	3,186.50	-	-	3,186.50	-	-	-	-	3,186.50
Leasehold land	32,185.59	-	-	32,185.59	-	-	-	-	32,185.59
Bearer plants	10,468.13	198.94	-	10,667.07	236.67	239.22	-	475.89	10,191.18
Buildings	2,397.73	29.61	-	2,427.34	482.02	109.93	-	591.95	1,835.39
Plant and equipment	3,291.00	97.89	-	3,388.89	827.54	297.90	-	1,125.44	2,263.45
Office equipment	14.01	-	-	14.01	-	-	-	-	14.01
Furniture and fixtures	370.35	5.62	-	375.97	149.03	47.10	-	196.13	179.84
Vehicles	425.66	11.70	-	437.36	179.24	49.75	-	228.99	208.37
31 March, 2018	52,338.97	343.76	-	52,682.73	1,874.50	743.90	-	2,618.40	50,064.33

	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
Particulars	Cost/ Deemed Cost as at 1 April 2016	Additions during the Year	Disposal / Adjustments during the Year	Cost/ Deemed Cost as at 31 March 2017	As at 1 April 2016	Depreciation for the Year	Disposals / Adjustments during the Year	As at 31 March 2017	As at 31 March 2017
Freehold land	3,186.50	-	-	3,186.50	-	-	-	-	3,186.50
Leasehold land	32,185.59	-	-	32,185.59	-	-	-	-	32,185.59
Bearer plants	10,252.36	215.77	-	10,468.13	-	236.67	-	236.67	10,231.46
Buildings	2,343.38	54.35	-	2,397.73	367.20	114.82	-	482.02	1,915.71
Plant and equipment	2,592.01	698.99	-	3,291.00	563.43	264.11	-	827.54	2,463.46
Office equipment	14.01	-	-	14.01	-	-	-	-	14.01
Furniture and fixtures	360.94	9.41	-	370.35	98.49	50.54	-	149.03	221.32
Vehicles	371.95	53.95	0.24	425.66	121.80	57.44	-	179.24	246.42
31 March, 2017	51,306.74	1,032.47	0.24	52,338.97	1,150.92	723.58	-	1,874.50	50,464.47

(a) All the 10 tea estates of Dhunseri Tea & Industries Limited (erstwhile Dhunseri Services Ltd.) have been transferred from Dhunseri Petrochem Ltd. (formerly Dhunseri Petrochem & Tea Ltd), pursuant to a Scheme of Arrangement with effect from 1st April, 2014 and the grants/title deeds in respect thereof are yet to be transferred in the name of the Company. On the date of such transfer the title deeds, were still held in the name of the original owners. The details of which are in Note (i) & (ii) below:-

i) Freehold Land represents two tea estates located at Assam, acquired through partnership with an HUF/ pursuant to a Scheme of Amalgamation.

ii) Leasehold Land represents eight tea estates located at Assam, which were acquired pursuant to a Scheme of Amalgamation.

iii) Building, includes [Gross carrying amount and Net carrying amounting to Rs. 180.95 lakhs (31 March 2017 : Rs. 180.95 lakhs, 1 April 2016 : Rs. 180.95 lakhs) and Rs. 167.44 lakhs (31 March 2017 : Rs. 170.81 lakhs, 1 April 2016: Rs. 174.19 lakhs) respectively], two properties located at Kolkata for which, the conveyance deeds are yet to be executed and two properties (one located at Kolkata and one at Mumbai), which were acquired, pursuant to the Scheme of Arrangement mentioned in Note(a) above, for which the title deeds are yet to be transferred as at 31 March 2018.

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 3(a) PROPERTY, PLANT AND EQUIPMENT *(Contd.)*

(b) Gross carrying amount and Accumulated Depreciation includes building on rented land amounting to Rs. 555.20 lakhs (31 March 2017 : Rs. 555.20 lakhs, 1 April 2016: Rs. 555.20 lakhs) and Rs. 41.37 lakhs (31 March 2017: Rs. 30.73 lakhs, 1 April 2016: Rs. 20.09 lakhs) respectively.

(c) Property, plant and equipment pledged as security

The Company has borrowed from bank which carry charge on certain property, plant and equipment (Refer Note 35).

(d) Contractual obligations

Refer to Note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(e) Aggregate amount of depreciation has been included under depreciation and amortisation expenses in the Statement of Profit and Loss (Refer Note 29).

Note 3(b) CAPITAL WORK-IN-PROGRESS

	a As at 31 March 2017	b Addition	c Capitalisation during the year	d= (a+b-c) Closing as at 31 March 2018
Capital work-in-progress	639.16	422.51	(198.94)	862.73

	a Cost/ Deemed cost as at 1 April 2016	b Addition	c Capitalisation during the year	d= (a+b-c) Closing as at 31 March 2017
Capital work-in-progress	572.10	282.83	(215.77)	639.16

Note 4 INVESTMENT PROPERTIES

Particulars	31 March 2018	31 March 2017
Gross carrying amount		
Opening gross carrying amount / Deemed cost	773.73	773.39
Additions	378.90	0.34
Closing gross carrying amount	1,152.63	773.73
Accumulated depreciation		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Closing accumulated depreciation	-	-
Net carrying amount	1,152.63	773.73

Investment Property includes Rs. 396.35 lakhs (31 March 2017 : Rs. 396.35 lakhs, 1 April 2016 : Rs. 396.35 lakhs) being freehold land which were acquired pursuant to the Scheme of Arrangement for which title deeds are not held in the name of the Company. (Refer Note 44)

(i) Amounts recognised in profit or loss for investment properties

Particulars	31 March 2018	31 March 2017
Direct operating expenses from property that did not generate rental income	1.57	1.76
Profit/(loss) from investment properties	(1.57)	(1.76)

(ii) Fair value

Particulars	31 March 2018	31 March 2017	1 April 2016
Investment properties	3,438.71	2,648.38	2,747.92

Estimation of fair value

The Company obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties. The valuation is based on valuations performed by an accredited independent valuer. Fair value estimates for investment properties are included in level 3.

(All amounts in ₹ lakhs unless otherwise stated)

Note 5 INVESTMENTS IN SUBSIDIARIES

Particulars	Face value	31 March 2018	31 March 2017	01 April 2016
A. Investments carried at cost				
(a) Equity Investments in				
Subsidiary Companies - Unquoted				
11,939,844 (31 March 2017: 11,527,551, 1 April 2016: 11,527,551) equity shares of Dhunseri Petrochem & Tea Pte Ltd. #	US$ 1	6,697.61	6,429.96	6,429.96
Nil (31 March 2017: 3,810,000, 1 April 2016: Nil) equity shares of Elfin Heights Private Limited	10	-	381.00	-
Total Investments in Subsidiaries		6,697.61	6,810.96	6,429.96
# The Company has made an investment of Rs. 267.65 lakhs in its wholly owned subsidiary during the year to meet its business objectives.				
Aggregate amount of unquoted investments		6,697.61	6,810.96	6,429.96

Note 6 INVESTMENTS

Particulars	Face value	31 March 2018	31 March 2017	01 April 2016
Non Current				
A. Investments carried at fair value through other comprehensive income:				
Investments in Equity shares				
(i) *Quoted*				
Nil (31 March 2017: 2,101, 1 April 2016: 29,949) equity shares of Divi's Laboratories Limited	2	-	13.07	295.67
15,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Escorts Limited	10	122.72	-	-
66,800 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Graphite India Limited	2	485.03	-	-
160,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Hindustan Oil Exploration Co. Ltd.	10	176.72	-	-
5,000 (31 March 2017: 36,125, 1 April 2016: 33,522) equity shares of Kotak Mahindra Bank Limited	5	52.39	315.08	228.17
Nil (31 March 2017: 51,300, 1 April 2016: 49,245) equity shares of PVR Limited	10	-	734.23	361.68
28,667 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Shree Pushkar Chemicals & Fertilisers Ltd	10	58.25	-	-
Nil (31 March 2017: 100,000, 1 April 2016: 99,990) equity shares of Schneider Electric Infrastructure Limited	2	-	141.90	146.04
141,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Spicejet Limited	10	176.46	-	-
129,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Torrent Power Limited	10	295.73	-	-
33,300 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Titan Company Limited	1	313.79	-	-
Nil (31 March 2017: 8,730, 1 April 2016: 8,740) equity shares of Force Motors Limited	10	-	391.75	249.53
Nil (31 March 2017: 89,850, 1 April 2016: 81,596) equity shares of Capital First Limited	10	-	703.08	352.13
Nil (31 March 2017: 70,800, 1 April 2016: 70,794) equity shares of Take Solutions Limited	1	-	89.35	100.55

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 6 INVESTMENTS *(Contd.)*

Particulars	Face value	31 March 2018	31 March 2017	01 April 2016
Non Current				
A. Investments carried at fair value through other comprehensive income:				
Investments in Equity shares				
(i) *Quoted (Contd.)*				
Nil (31 March 2017: 18,200, 1 April 2016 : Nil) equity shares of State Bank of India	1	-	53.40	-
Nil (31 March 2017: 29,300 1 April 2016 : Nil) equity shares of Bank of Baroda	2	-	50.68	-
Nil (31 March 2017: 8,100 1 April 2016 : Nil) equity shares of Suprajit Engineering Ltd	1	-	19.48	-
142,860 equity shares of AU Small Finance Bank Limited #	10	882.95	-	-
		2,564.04	2,512.02	1,733.77
(ii) *Unquoted*				
600,000 (31 March 2017: 600,000, 1 April 2016: 600,000) equity shares of Mira Estates Private Limited	10	63.85	60.00	60.00
2,990,000 (31 March 2017: 29,90,000, 1 April 2016: Nil) equity shares of Dhunseri Overseas Private Limited	10	288.57	299.00	-
Nil (31 March 2017: 1,42,860, 1 April 2016 : Nil) equity shares of AU Small Finance Bank Limited #	10	-	511.44	-
180,000 (31 March 2017: Nil , 1 April 2016: Nil) equity shares of Orient Electric Limited	1	234.39	-	-
		586.81	870.44	60.00
Total Non-Current Investments		3,150.85	3,382.46	1,793.77
# shares of AU Small Finance Bank Limited were listed during the current year				
Current				
Investment in mutual funds at FVPL				
Quoted				
147 (31 March 2017: 147, 1 April 2016: 147) units in HDFC Top 200 mutual fund growth plan	10	0.63	0.59	0.45
38,754.07 (31 March 2017: 6,342.92, 1 April 2016 : Nil) units in SBI Premier Liquid Fund - Regular Plan - Growth	10	1,052.40	161.47	-
Total Current Investments		1,053.03	162.06	0.45
(a) Aggregate amount of quoted investments and market value thereof		3,617.07	2,674.08	1,734.22
(b) Aggregate amount of unquoted investments		586.81	870.44	60.00

Note 7 LOANS

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-current			
Unsecured, considered good			
Loans to staff	5.44	9.04	11.33
Total Non-Current Loans	5.44	9.04	11.33
Current			
Unsecured, considered good			
Loan to subsidiary (Refer Note 40)	178.90	178.29	191.77
Loans to staff	6.17	12.97	16.59
Loan to other*	-	-	95.00
Total Current Loans	185.07	191.26	303.36

* Loan given for business purpose and carried an interest rate of 8.50% .

(All amounts in ₹ lakhs unless otherwise stated)

Note 8 OTHER FINANCIAL ASSETS

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-current			
Deposit with NABARD	628.34	742.00	145.21
Security deposits			
- with related party	49.45	45.20	41.31
- with others	198.54	195.10	179.51
Total Other Non-current Fianancial Assets	876.33	982.30	366.03
Current			
Deposit with Government authorities	226.92	3.94	3.94
Deposit with NABARD	125.00	525.21	600.00
Interest accrued on deposits	38.64	50.18	58.22
Advance against purchase of shares	-	158.70	-
Receivables against sale of assets	-	0.07	31.64
Total Other Current Fianancial Assets	390.56	738.10	693.80

Note 9 OTHER ASSETS

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-Current			
Capital advances	8.00	371.55	114.03
Advances other than capital advances			
Prepaid expenses	6.17	8.46	16.47
Advance operating lease rental	6.49	11.06	15.63
Total Other Non-current Assets	20.66	391.07	146.13
Current			
Prepaid expenses	38.89	39.40	38.33
Advance to suppliers / service providers	440.66	450.02	459.88
Advance operating lease rental	4.57	4.57	4.57
Total Other Current Assets	484.12	493.99	502.78

Note 10 INVENTORIES

Particulars	31 March 2018	31 March 2017	01 April 2016
At lower of cost and net realisable value			
Finished goods (includes in transit - 31 March 2018 : Rs 40.25 lakhs, 31 March 2017: Rs 86.81 lakhs, 1 April 2016 Rs 93.06 lakhs)	836.66	962.88	1,148.77
Stores and spares including packing materials (includes in transit - 31 March 2018: Rs 98.43 lakhs, 31 March 2017: Rs 29.39 lakhs, 1 April 2016 Rs 13.73 lakhs)	1,043.17	945.22	1,059.41
Total Inventories	1,879.83	1,908.10	2,208.18

Note 11 BIOLOGICAL ASSET OTHER THAN BEARER PLANT

Particulars	31 March 2018	31 March 2017	01 April 2016
Fair Value of Biological asset other than bearer plant	58.77	46.15	44.99
Closing stock of biological assets	31 March 2018	31 March 2017	01 April 2016
Weight (in lakh kgs)	2.13	1.69	1.89

Movement of biological asset is presented below:

Particulars	31 March 2018	31 March 2017
As at Opening date	46.15	44.99
Net change in fair value less estimated costs to sell	6,759.21	6,170.71
Decreases due to harvest / physical changes	(6,746.59)	(6,169.55)
As at Closing date	58.77	46.15

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 12 TRADE RECEIVABLES

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Unsecured - considered good	3,895.97	3,495.74	2,996.94
Unsecured - considered doubtful	5.05	5.05	-
	3,901.02	3,500.79	2,996.94
Less : Allowance for doubtful debts	(5.05)	(5.05)	-
Total Trade Receivables	3,895.97	3,495.74	2,996.94

Note 13 CASH AND CASH EQUIVALENTS

Particulars	31 March 2018	31 March 2017	01 April 2016
Cash and cash equivalents			
Cash on hand	21.15	20.34	15.79
Balances with bank			
- in Current accounts	256.40	88.07	165.96
- in Cash credit accounts	21.33	22.84	69.97
Total Cash and Cash Equivalents	298.88	131.25	251.72

Note 14 OTHER BANK BALANCES

Particulars	31 March 2018	31 March 2017	01 April 2016
Unpaid dividend accounts*	17.91	12.23	10.75
Total Other Bank Balances	17.91	12.23	10.75

* Earmarked for payment of unclaimed dividend.

Note 15 EQUITY SHARE CAPITAL AND OTHER EQUITY

Note 15 (a): EQUITY SHARE CAPITAL

Authorised equity share capital

Particulars	31 March 2018	31 March 2017	01 April 2016
7,500,000 (31 March 2017: 7,500,000, 1 April 2016: 7,500,000) Equity Shares of Rs. 10/- each	750.00	750.00	750.00
Total	750.00	750.00	750.00

Issued, subscribed and paid-up equity share capital

Particulars	31 March 2018	31 March 2017	01 April 2016
7,004,951 Equity Shares of Rs. 10/- each (31 March 2017: 7,004,951 Equity Shares of Rs. 10 each fully paid up) (1 April 2016: 7,004,951 Equity Shares of Rs. 10 each fully paid up)	700.50	700.50	700.50
Total	700.50	700.50	700.50

(i) Movement in equity share capital

Particulars	31 March 2018	31 March 2017
Opening balance	700.50	700.50
Changes in equity share capital	-	-
Closing balance	700.50	700.50

Terms and rights attached to equity shares

The Company has one class of equity share having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. 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.

(All amounts in ₹ lakhs unless otherwise stated)

Note 15 (a) EQUITY SHARE CAPITAL *(Contd.)*

(ii) Details of shareholders holding more than 5% of issued, subscribed and paid-up shares

Shareholder	31 March 2018		31 March 2017		01 April 2016	
	Number of Shares	% holding	Number of Shares	% holding	Number of Shares	% holding
Dhunseri Investments Limited	3,206,397	45.77%	3,206,397	45.77%	3,122,856	44.58%
Naga Dhunseri Group Limited	615,751	8.79%	615,751	8.79%	615,751	8.79%
Total	3,822,148	54.56%	3,822,148	54.56%	3,738,607	53.37%

iii) During 2014-15, 7,004,951 Equity Shares of Rs. 10 each were issued as fully paid up, issued pursuant to the Scheme of Arrangement without payment being received in cash.

Note 15 (b) OTHER EQUITY

Particulars	31 March 2018	31 March 2017	01 April 2016
General Reserve [Refer (i) below]	15,253.22	15,253.22	14,753.22
Fair value through other comprehensive income (FVOCI) - equity instruments [Refer (ii) below]	1,034.61	1,080.82	(56.05)
Retained earning [Refer (iii) below]	44,234.64	43,198.41	43,250.80
Total Other Equity	60,522.47	59,532.45	57,947.97

(i) General Reserve

Particulars	31 March 2018	31 March 2017
Opening balance	15,253.22	14,753.22
Add: Transfer from Retained Earning	-	500.00
Closing balance	15,253.22	15,253.22

(ii) Fair value through other comprehensive income (FVOCI) - equity instruments

Particulars	31 March 2018	31 March 2017
Opening balance	1,080.82	(56.05)
Change in fair value of FVOCI equity instruments (net of tax)	751.81	1,156.99
Gain on sale of equity instruments transferred to retained earning (net of tax)	(798.02)	(20.12)
Closing balance	1,034.61	1,080.82

(iii) Retained earning

Particulars	31 March 2018	31 March 2017
Opening balance	43,198.41	43,250.80
Add : Net Profit/(Loss) for the year	823.39	1,180.82
Items of other comprehensive income recognised directly in retained earnings		
Add : Remeasurement of post-employment benefit obligation (net of tax)	89.30	(78.85)
Less : Transfer to General Reserve	-	(500.00)
Less : Proposed Dividend on Equity Shares for the year	(560.40)	(560.40)
Less : Dividend Distribution Tax	(114.08)	(114.08)
Add : Gain on sale of equity instruments transferred from FVOCI-equity instruments (net of tax)	798.02	20.12
Closing balance	44,234.64	43,198.37

Nature and purpose of other reserves

(i) General Reserve

General Reserve is a free reserve not meant for meeting any specific liability, contingency or commitment. General Reserve is created and utilised in compliance with the provisions of the Act.

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

(ii) Fair value through other comprehensive income (FVOCI)- equity instruments

The Company has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Note 16 BORROWINGS

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-Current			
Secured			
Term Loans:			
From Bank [Refer note (a) below]	1,003.38	17.48	33.17
	1,003.38	17.48	33.17
Less: Current maturities of long term borrowings	130.22	4.73	15.68
Add: Interest accrued on non-current borrowings	0.22	-	-
Total Non-Current Borrowings	873.38	12.75	17.49
Current			
Secured			
Loans repayable on demand from Banks [Refer note (b) below]	662.68	1,506.72	436.84
Unsecured			
Other Loans from Banks	500.00	800.00	-
Foreign currency loan	1,612.45	1,384.95	1,326.65
	2,775.13	3,691.67	1,763.49
Add: Interest accrued on current borrowings	7.06	20.46	3.28
Total Current Borrowings	2,782.19	3,712.13	1,766.77

Net debt reconciliation

This section sets out an analaysis of debt and the movements in net debt for the current period

Particulars	31 March 2018	31 March 2017
Cash and cash equivalents	298.88	131.25
Non-current borrowings	(873.38)	(12.75)
Current borrowings	(2,782.19)	(3,712.13)
Current maturities of long term borrowings	(130.22)	(4.73)
Total	(3,486.91)	(3,598.36)

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2017	131.25	(17.48)	(3,712.13)	(3,598.36)
Cash flows	167.63	(995.27)	1,159.92	332.28
Interest expense	-	(35.21)	(411.55)	(446.76)
Interest paid	-	34.99	332.10	367.09
Non-cash movements :				
Unrealised foreign exchange	-	-	(150.53)	(150.53)
Unamortised premium on long term borrowings	-	9.37	-	9.37
Net debt as at 31 March 2018	298.88	(1,003.60)	(2,782.19)	(3,486.91)

(All amounts in ₹ lakhs unless otherwise stated)

Note 16 BORROWINGS *(Contd.)*

(a) Repayment terms and nature of securities given for Indian rupee term loans from banks are as follows :

Bank	31March 2018	31March 2017	01 April 2016	Nature of Security	Repayment Terms
Auto Loan from a bank	12.75	17.48	33.17	Term Loans (auto loans) from bank amounting to Rs 12.75 lakhs on 31 March 2018, (31 March 17 : Rs 17.48 lakhs 1 April 2016 : Rs 33.17 lakhs) are secured by hypothecation of respective vehicles.	Equated Monthly Installments beginning from the month subsequent to taking of the Loans.
Term Loan from a bank	990.63	-	-	Term Loan from Banks amounting to Rs. 990.63 lakhs (31 March 17 : Rs NIL, 1 April 2016 : Rs NIL) is secured by way of first pari-passu charge on immovable/ movable properties pertaining to Company's tea gardens. (Refer Note 35)	Repayable in 16 Quarterly installments commencing after a moratarium period of one year from the date of disbursement. First installment is repayable from 31 December 2018.
	1,003.38	17.48	33.17		

Figures indicated in (a) above includes current maturities of respective borrowings.

(b) Repayment terms and nature of securities given for short term borrowings

Loans repayable on demand from Banks are secured by a first hypothecation charge on the current assets of the Company, viz. stock of raw materials, finished goods, stores and spares not relating to plant and machinery, bills receivable, book debts and all other movables, both present and future, wherever situated. Secured by a first hypothecation charge on the movable fixed assets of the Company and equitable mortgage over the immovable properties by deposit of title deeds of tea estates. For details refer note 35.

Note 17 OTHER FINANCIAL LIABILITIES

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-Current			
Payable to related parties			
Security deposits	45.70	41.76	38.17
Others			
Lease equalisation account	21.03	31.44	36.13
Total Other Non-Current Financial Liabilities	66.73	73.20	74.30
Current			
Current maturities of long-term debts	130.22	4.73	15.68
Liability for capital goods	29.43	68.96	29.32
Unpaid dividends [Refer (a) below]	17.91	12.23	10.75
Accrued employee benefits	857.33	868.44	862.42
Lease equalisation account	11.72	6.61	-
Total Other Current Financial Liabilities	1,046.61	960.97	918.17

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.

Note 18 TAXES

(a) Non-current tax asset

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-current tax asset (net)	192.45	227.22	86.79
	192.45	227.22	86.79

Notes to Financial Statement *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 18 TAXES *(Contd.)*

(b) Current tax liability

Particulars	31 March 2018	31 March 2017	01 April 2016
Current tax liability (net)	154.01	179.12	76.35
	154.01	179.12	76.35

(c) Deferred tax liability

Particulars	31 March 2018	31 March 2017	01 April 2016
Deferred tax liabilities			
Property, plant and equipment	3,538.29	3,802.43	3,829.82
Gross deferred tax liability	3,538.29	3,802.43	3,829.82
Deferred tax assets			
MAT credit entitlement	160.00	-	-
Defined benefit obligation	-	-	22.64
Others	47.57	85.58	67.98
Gross deferred tax asset	207.57	85.58	90.62
Net deferred tax liability	3,330.72	3,716.85	3,739.20

Movement in deferred tax assets/(liability)

Particulars	Property, plant & equipment and Intangible asset	Defined benefit obligations	MAT credit entitlement	Others (net)	Total
At 01 April 2016	3,829.82	(22.64)	-	(67.98)	3,739.20
Charged/(credited) :					
- to profit or loss	(27.39)	22.64	-	(17.60)	(22.35)
- to other comprehensive income					
At 31 March 2017	3,802.43	-	-	(85.58)	3,716.85
Charged/(credited):					
- to profit or loss	(264.14)	-	(69.72)	41.49	(292.37)
- to other comprehensive income			(90.28)	(3.48)	(93.76)
At 31 March 2018	3,538.29	-	(160.00)	(47.57)	3,330.72

Refer Note 31 for Income tax expense and reconciliation.

Note 19 OTHER LIABILITIES

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-current			
Operating lease rentals received in advance	-	3.94	7.89
Deferred guarantee income	41.22	14.01	55.90
Deferred income on account of government grant#	137.76	86.90	58.56
Total Other Non-Current Liabilities	178.98	104.85	122.35
Current			
Statutory dues	177.21	165.05	183.16
Advance from customers	-	41.58	28.84
Operating lease rentals received in advance	3.94	3.94	3.94
Deferred guarantee income	20.14	41.90	41.90
Deferred income on account of government grant#	2.09	1.20	0.80
Total Other Current Liabilities	203.38	253.67	258.64

During the year the Company has recognised Rs. 2.06 lakhs (31 March 2017: 1.08 lakhs) in other income on account of government grants.

(All amounts in ₹ lakhs unless otherwise stated)

Note 20 TRADE PAYABLES

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Dues of Micro and Small Enterprises [Refer (a) below]	20.77	-	-
Dues of creditors other than Micro and Small Enterprises	1,313.73	1,300.82	1,333.33
Total Trade Payables	1,334.50	1,300.82	1,333.33

(a) The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of the information available with the Company. The disclosures relating to Micro and Small Enterprises are as below :

Particulars	31 March 2018	31 March 2017	01 April 2016
(i) The principal amount remaining unpaid to supplier as at the end of the year	20.77	-	-
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-	-

Note 21 EMPLOYEE BENEFIT OBLIGATION

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Leave obligations	93.70	82.30	71.11
Gratuity	-	229.68	322.11
Total Employee Benefit Obligation	93.70	311.98	393.22

Refer to Note 27 for further disclosures on employee benefit obligations.

Note 22 REVENUE FROM OPERATIONS

Particulars	31 March 2018	31 March 2017
Sale of products	17,697.03	18,772.07
Other operating revenue	4.60	0.97
Total Revenue from operations	17,701.63	18,773.04

Note 23 OTHER INCOME

Particulars	31 March 2018	31 March 2017
Interest income (on instruments carried at amortised cost)	68.01	95.57
Foreign exchange gain (net)	-	47.25
Guarantee fee income	32.79	41.90
Gain on investments classified as fair value through profit or loss	2.40	1.61
Gain on investments classified as fair value through profit or loss arising on sale	12.63	2.45
Gain on sale of subsidiary	27.81	-
Insurance claim	5.60	9.10
Rent income	5.14	5.14
Dividend income (on equity instruments designated as FVOCI)	11.67	4.14
Liabilities no longer required written back	12.23	1.37
Profit on sale of property, plant and equipment	-	1.73
Income from government grant	2.06	1.08
Miscellaneous Income	5.97	10.12
Total Other Income	186.31	221.46

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 24 COST OF MATERIALS CONSUMED

Particulars	31 March 2018	31 March 2017
Green leaf (all indigenous) - purchased and consumed	3,540.84	3,359.99
Wheat (all indigenous) - purchased and consumed	-	2.51
Total Cost of materials consumed	3,540.84	3,362.50

Note 25 CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	31 March 2018	31 March 2017
Balance at the beginning of the year		
Finished Goods - Tea	962.89	1,148.77
Balance at the end of year		
Finished Goods - Tea	836.66	962.88
Total (Increase)/Decrease in finished goods	126.22	185.89

Note 26 CHANGES IN INVENTORY OF BIOLOGICAL ASSETS

Particulars	31 March 2018	31 March 2017
Balance at the beginning of the year		
Balance of unplucked green leaves	46.15	44.99
Balance at the end of year		
Balance of unplucked green leaves	58.77	46.15
Total (Increase)/Decrease in biological assets	(12.62)	(1.16)

Note 27 EMPLOYEE BENEFIT EXPENSES

Particulars	31 March 2018	31 March 2017
Salaries and wages	5,094.16	5,145.64
Contribution to provident and other funds	664.44	631.96
Staff welfare expenses	511.71	492.64
Total Employee Benefit Expense	6,270.31	6,270.24

During the year, the Company recognised an amount of Rs. 33.25 lakhs (2016-17: Rs. 52.77 lakhs) as remuneration to key managerial personnel. The detail is as below :

Particulars	31 March 2018	31 March 2017
Short-term employee benefits	29.67	49.53
Post employment benefits	3.58	3.24
Total Compensation	33.25	52.77

(i) **Leave Obligations**

(a) **Short term Employee Benefits**

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

(b) **Compensated Absences**

Compensated absences cover the Company's liability for sick and earned leave. As the Company does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

(ii) **Defined Contribution Plan**

Provident Fund: The Company contributes 12% of the basic salary of Head Office employees towards Pension/Provident Fund Scheme to the Regional Provident Fund Commissioner West Bengal and 12% of the basic salary of garden staff/workers to Assam Tea Plantation Provident Fund account.

The Company contributed Rs. 525.37 lakhs and Rs. 510.42 lakhs during the year ended 31 March 2018 and 31 March 2017 respectively.

Superannuation Fund: The Company provides for Superannuation benefit to certain employees wherein 15% of basic salary is funded with Life Insurance Corporation of India.

The Company contributed Rs. 7.84 lakhs and Rs. 7.54 lakhs during the year ended 31 March 2018 and 31 March 2017 respectively.

(All amounts in ₹ lakhs unless otherwise stated)

Note 27 EMPLOYEE BENEFIT EXPENSES *(Contd.)*

(iii) Post Employment Benefits Plans

The Company provides for gratuity, a defined benefit retirment plan covering eligible employees. As per the scheme, the Gratuity Trust Fund make payment to vested employees at retirement, death/disability, withdrawl of an amount based on the respective employee's eligible salary for specified number of days depending upon the tenure of service subject to a maximum of Rs. 20 lakhs. Vesting occurs upon completion of five years of service. Liability with regard to the aforesaid gratuity plan is determined by actuarial valuation as set out in Note 2(g)(iii) based upon which the Company makes annual contribution for Gratuity to the Trust Fund.

(iv) Balance Sheet recognition

a) Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of Obligation	Fair Value of plan assets	Net Amount
01 April 2016	1,757.28	1,435.17	322.11
Current service cost	101.43	-	101.43
Interest expense/income	132.72	120.16	12.56
Total amount recognised in profit or loss	**234.15**	**120.16**	**113.99**
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	-	22.61	(22.61)
Actuarial (gain)/loss from change in demographic assumptions	30.18	-	30.18
Actuarial (gain)/loss from change in financial assumptions	108.11	-	108.11
Actuarial (gain)/loss from unexpected experience	-	-	-
Total amount recognised in other comprehensive income	**138.29**	**22.61**	**115.68**
Employer contributions/premium paid	-	322.11	(322.11)
Benefit payments	111.37	111.37	-
31 March 2017	2,018.35	1,788.68	229.67

Particulars	Present Value of Obligation	Fair Value of plan assets	Net Amount
01 April 2017	2,018.35	1,788.68	229.67
Current service cost	113.02	-	113.02
Interest expense/income	138.00	130.00	8.00
Past service cost - plan amendments	10.00	-	10.00
Total amount recognised in profit or loss	**261.02**	**130.00**	**131.02**
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	-	7.82	(7.82)
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(55.28)	-	(55.28)
Actuarial (gain)/loss from unexpected experience	(67.91)	-	(67.91)
Total amount recognised in other comprehensive income	**(123.19)**	**7.82**	**(131.01)**
Employer contributions / premium paid	-	229.68	(229.68)
Benefit payments	(149.50)	(149.50)	-
31 March 2018	2,006.68	2,006.68	-

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 27 EMPLOYEE BENEFIT EXPENSES *(Contd.)*

(vii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March 2018	31 March 2017	01 April 2016
Discount rate	7.60%	7.10%	7.80%
Expected return on plan asset	8.00%	8.00%	8.00%
Salary growth rate	6.00%	6.00%	6.00%
Attrition rate	1.00%	1.00%	1.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate

(viii) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

Particulars	Impact on defined benefit obligation			
	31 March 2018		31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(139.41)	162.07	(151.06)	176.36
Salary growth rate (-/+ 1%)	163.10	(142.64)	176.59	(153.89)
Attrition rate (-/+ 1%)	18.59	(21.02)	13.39	(15.23)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(vii) The major categories of plans assets are as follows:

Particulars	31 March 2018	31 March 2017	01 April 2016
Investment with Private Insurance Companies	25.49%	26.67%	29.24%
Adminstered by Life Insurance Corporation of India	72.31%	69.58%	65.28%
Investment in Mutual Fund	0.55%	0.58%	0.65%
Special Deposits and Bonds	1.35%	2.65%	3.32%
Others Including Bank Balances	0.30%	0.52%	1.51%

(viii)Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk :

If plan is funded, then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Interest risk :

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk :

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(ix) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2019 is Rs Nil.

The weighted average duration of the defined benefit obligation is 10 years (31 March 2017 – 10 years).

(All amounts in ₹ lakhs unless otherwise stated)

Note 28 FINANCE COST

Particulars	31 March 2018	31 March 2017
Interest expense	382.63	243.24
Other borrowing costs	27.30	46.36
Applicable net loss on foreign currency transactions and translation	91.96	52.30
	501.89	341.90
Less: Interest capitalised	(55.13)	(15.58)
Total Finance Cost	446.76	326.32

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowing during the year, in this case is 10.73%, (31 March 2017: 9.42%)

Note 29 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March 2018	31 March 2017
Depreciation on property, plant and equipment	743.90	723.58
Total Depreciation and Amortisation Expense	743.90	723.58

Note 30 OTHER EXPENSES

Particulars	31 March 2018	31 March 2017
Consumption of stores and spare parts including Packing Material	1,208.04	1,324.85
Power and fuel	1,746.06	1,754.18
Rent	148.51	158.61
Repairs and maintenance		
Plant and machinery	180.95	185.90
Buildings	59.47	63.60
Others	400.90	384.18
Insurance	61.89	53.46
Rates and taxes	63.41	113.86
Freight, delivery and shipping charges	266.40	407.17
Brokerage and commission on sales	114.47	196.89
Other selling expenses	370.16	619.27
Net loss on foreign currency transactions/translations	150.53	-
Cess on Tea	107.14	159.42
Auditor's remuneration (Refer (a) below)	27.53	24.95
Advertisements	213.84	316.08
Travelling and conveyance	351.05	227.33
Allowance for doubtful debt	-	5.05
Expenditure towards Corporate Social Responsibility activities [Refer (b) below]	39.36	43.00
Miscellaneous expenses	601.74	563.33
Total Other Expenses	6,111.45	6,601.13
(a) Details of auditors' remuneration and out-of-pocket expenses are as below :		
Audit Fees	17.50	17.50
Limited Review	4.50	4.50
For other matters (Certificates, etc.)	5.00	2.25
Reimbursement of expenses	0.53	0.70
	27.53	24.95
(b) Details of Corporate Social Responsibility Expenditure are as below :		
Contribution to Dhanuka Dhunseri Foundation	39.36	43.00
Amount required to be spent as per Section 135 of the Act	39.20	42.82
Amount spent during the year on:		
(i) Construction/acquistion of an asset	39.36	43.00
(ii) On purposes other than (i) above	-	-

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 31 INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

Particulars	31 March 2018	31 March 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	130.06	367.53
Total current tax expense	130.06	367.53
Deferred tax		
Decrease (increase) in deferred tax assets	(28.23)	5.05
(Decrease) increase in deferred tax liabilities	(264.14)	(27.40)
Total deferred tax expense/(benefit)	(292.37)	(22.35)
Income tax expense	(162.31)	345.18

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate :

Particulars	31 March 2018	31 March 2017
Profit before tax	661.08	1,526.00
Tax at the rate of 31.84% (2016-17 – 31.84%)	210.49	485.88
Additional deductions available in tax	(134.69)	(232.02)
Permanent difference	27.15	30.88
Income taxed at different rates	13.58	23.54
Weighted deductions for research and development	(4.73)	(3.98)
Tax on exempt income	(3.72)	(1.32)
Impact on account of change in statutory tax rate*	(258.02)	-
Others	(12.37)	42.20
Total income tax expense/(credit)	(162.31)	345.18

* The Finance Act, 2018, changed the statutory tax rate applicable for the Company (for corporate income tax) from 34.61% to 29.12% from assessment year 2019-20 (including surcharge and cess). However, the Company is also subject to agricultural income tax to the extent of 60% of its business income at the rate of 30% (31 March 2017 - 30%). The Company has accordingly re-measured the deferred tax expected to reverse in future periods based on the revised rate applicable i.e 29.65% vis-a-vis 31.84% in the previous year.

Note 32 EARNINGS PER SHARE

Particulars		31 March 2018	31 March 2017
(i) Basic and diluted*			
Number of equity shares at the beginning of the year		7,004,951	7,004,951
Number of equity shares at the end of the year		7,004,951	7,004,951
Weighted average number of equity shares outstanding during the year	(A)	7,004,951	7,004,951
Nominal value of each equity Share (Rs.)		10	10
Profit / (Loss) for the year (Rs. in lakhs)	(B)	823.39	1,180.82
Earnings per share (Basic) (Rs.)	(B/A)	11.75	16.86

The Company does not have any instruments for which diluted earnings per share needs to be calculated.

(All amounts in ₹ lakhs unless otherwise stated)

Note 33 CONTINGENT LIABILITIES

Particulars	31 March 2018	31 March 2017	01 April 2016
(a) Claims against the Company not acknowledged as debts			
Income Tax-matter under dispute	16.40	24.09	77.77
(b) Standby Letters of Credit issued in connection, with loan taken by Dhunseri Petrochem & Tea Pte Limited, a wholly owned subsidiary, from a bank to meet its business objectives	4,575.85	5,561.21	6,468.78
Total Contingent Liabilities	4,592.25	5,585.30	6,546.55

Note 34 COMMITMENTS

Particulars	31 March 2018	31 March 2017	01 April 2016
Capital Commitments			
Estimated value of contracts in capital account remaining to be executed [net of advances Rs. 64.80 lakhs (31 March 2017: Rs. Nil, 1 April 2016 : Rs Nil)]	178.95	166.26	-
Total Commitments	178.95	166.26	-

Note 35 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are :

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Financial assets			
Investments	1,053.03	162.06	0.45
Trade receivables	3,895.97	3,495.74	2,996.94
Cash and Cash Equivalents (including other bank balances)	316.79	143.48	262.47
Loans	185.07	191.26	303.36
Other Financial Assets	390.56	738.10	693.80
Non-financial assets			
Inventories	1,879.83	1,908.10	2,208.18
Biological Assets (unharvested tea leaves)	58.77	46.15	44.99
Other Current Assets	484.12	493.99	502.78
Total current assets pledged as security	8,264.14	7,178.88	7,012.97
Non- Current			
Non-financial assets			
Land & Bearer Plant	45,563.27	45,603.55	45,624.45
Capital Work in Progress	862.73	639.16	572.10
Plant and Equipment	2,263.45	2,463.46	2,028.58
Building	1,153.75	1,220.14	1,265.65
Furniture and Fixture	179.84	221.32	262.45
Vehicles	185.95	220.35	202.55
Office Equipment	14.01	14.01	14.01
Total non current assets pledged as security	50,223.00	50,381.99	49,969.79
Total assets pledged as security	58,487.14	57,560.87	56,982.76

Note 36 CAPITAL MANAGEMENT

(a) Risk Management

The Company's objectives when managing capital are to:

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 36 CAPITAL MANAGEMENT *(Contd.)*

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital and accumulated reserves disclosed in the Statement of Changes in Equity.

Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.
Net Debt implies borrowings of the Company as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Company.

The following table summarises the Net Debt, Equity and Ratio thereof.

Particulars	Note	31 March 2018	31 March 2017	01 April 2016
(i) Total Debt				
Borrowings - Non-Current	16	873.38	12.75	17.49
- Current	16	2,782.19	3,712.13	1,766.77
Current Maturities of Long Term Debt	17	130.22	4.73	15.68
		3,785.79	3,729.61	1,799.94
Less : Cash and Cash Equivalents	13	298.88	131.25	251.72
Net Debt		3,486.91	3,598.36	1,548.22
(ii) Equity attributable to Shareholders		61,222.97	60,232.95	58,648.47
(iii) Net debt to equity ratio		5.70%	5.97%	2.64%

Under the terms of the major borrowing facilities, the Company has complied with the financial covenants as imposed by the bank and financial institutions.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2017 and 31 March 2018.

(b) Dividend

Particulars	31 March 2018	31 March 2017
(i) Equity Shares Final dividend for the year ended 31 March 2017 of Rs. 8/- (31 March 2016 - Rs 8/-) per fully paid share	560.40	560.40
(ii) Dividends not recognised at the end of the reporting period In addition to the above dividends, since year end the directors have recommended the payment of final dividend of Rs. 8/- per fully paid equity share (31 March 2017 - Rs 8/-). This proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting.	560.40	560.40

Note 37 FAIR VALUE MEASUREMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

(All amounts in ₹ lakhs unless otherwise stated)

NOTE 37 FAIR VALUE MEASUREMENTS *(Contd.)*

Financial instruments by category

Particulars	31 March 2018			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised Cost		
Financial assets					
(i) Investments	1,053.03	3,150.85	-	4,203.88	4,203.88
(ii) Trade receivables	-	-	3,895.97	3,895.97	3,895.97
(iii) Cash and cash equivalents	-	-	298.88	298.88	298.88
(iv) Bank balances other than (iii) above	-	-	17.91	17.91	17.91
(v) Loans	-	-	190.51	190.51	190.51
(vi) Other financial assets	-	-	1,266.89	1,266.89	1,268.48
Total financial assets	1,053.03	3,150.85	5,670.16	9,874.04	9,875.63
Financial liabilities					
(i) Borrowings	-	-	3,655.57	3,655.57	3,655.57
(ii) Trade and other payables	-	-	1,334.50	1,334.50	1,334.50
(iii) Other financial liabilities	-	-	1,113.34	1,113.34	1,113.94
Total financial liabilities	-	-	6,103.41	6,103.41	6,104.01

Particulars	31 March 2017			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised Cost		
Financial assets					
(i) Investments	162.06	3,382.46	-	3,544.52	3,544.52
(ii) Trade receivables	-	-	3,495.74	3,495.74	3,495.74
(iii) Cash and cash equivalents	-	-	131.25	131.25	131.25
(iv) Bank balances other than (iii) above	-	-	12.23	12.23	12.23
(v) Loans	-	-	200.30	200.30	200.30
(vi) Other financial assets	-	-	1,720.40	1,720.40	1,719.30
Total financial assets	162.06	3,382.46	5,559.92	9,104.44	9,103.34
Financial liabilities					
(i) Borrowings	-	-	3,724.88	3,724.88	3,724.88
(ii) Trade and other payables	-	-	1,300.82	1,300.82	1,300.82
(iii) Other financial liabilities	-	-	1,034.17	1,034.17	1,033.56
Total financial liabilities	-	-	6,059.87	6,059.87	6,059.26

Particulars	01 April 2016			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised Cost		
Financial assets					
(i) Investments	0.45	1,793.77	-	1,794.22	1,794.22
(ii) Trade receivables	-	-	2,996.94	2,996.94	2,996.94
(iii) Cash and cash equivalents	-	-	251.72	251.72	251.72
(iv) Bank balances other than (iii) above	-	-	10.75	10.75	10.75
(v) Loans	-	-	314.69	314.69	314.69
(vi) Other financial assets	-	-	1,059.83	1,059.83	1,059.83
Total financial assets	0.45	1,793.77	4,633.93	6,428.15	6,428.15
Financial liabilities					
(i) Borrowings	-	-	1,784.26	1,784.26	1,784.26
(ii) Trade and other payables	-	-	1,333.33	1,333.33	1,333.33
(iii) Other financial liabilities	-	-	992.47	992.47	992.47
Total financial liabilities	-	-	4,110.06	4,110.06	4,110.06

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 37 FAIR VALUE MEASUREMENTS *(Contd.)*

(i) Fair value hierarchy

(a) Financial Instruments

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

	31 March 2018			31 March 2017			01 April 2016		
Particulars	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets:									
Investments	3,617.07	-	586.81	2,674.08	-	870.44	1,734.22	-	60.00
	3,617.07	-	586.81	2,674.08	-	870.44	1,734.22	-	60.00

(b) Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its biological assets other than bearer plants into level 3 in the fair value hierarchy.

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed

	31 March 2018			31 March 2017			01 April 2016		
Particulars	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Stock of unplucked green leaves	-	-	58.77	-	-	46.15	-	-	44.99
	-	-	58.77	-	-	46.15	-	-	44.99

The following table illustrates the sensitivity to a 5% variation in each of the significant unobservable inputs used to measure the fair value of the biological assets on 31st March 2018 and 31st March 2017.

Impacts in the fair value resulting from :

Significant variable inputs	2018		2017	
	5% decrease	5% increase	5% decrease	5% increase
Purchase prices	(2.94)	2.94	(2.31)	2.31

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below :

Quoted prices in an active market (Level 1) : This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund. The fair value for all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued against closing NAV.

Valuation techniques with observable inputs (Level 2) : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise 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.

Valuation techniques with significant unobservable inputs (Level 3) : This level of hierarchy includes financial assets and financial liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Company's investment in equity shares which are unquoted or for which quoted prices are not available at the reporting dates.

(ii) Transfers between level 1, level 2 and level 3

During the year shares of AU Small Finance Bank Limited got listed on the stock exchange. As at 31 March 2017 they were unlisted and were valued using valuation techniques under level 3, carrying value was Rs. 511.44 lakhs. Since, the shares got listed their quoted prices are readily available these have been transferred to instruments valued using level 1 technique. There are no other transfers between level 1, level 2 and level 3.

(All amounts in ₹ lakhs unless otherwise stated)

Note 37 FAIR VALUE MEASUREMENTS *(Contd.)*

(iii) Valuation technique used to determine fair value

Specific valuation technique used to determine fair value includes :

(a) Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available the management has involved valuation experts to determine the fair value of the investments. Different valuation techniques have been used by the valuers for different investments.

(b) The carrying amounts of other financial assets and liabilities carried at amortised cost closely approximate their fair values. The impact of discounting on such financial assets or liabilities is not significant due to the market terms (rates and tenor) available and because the instruments are short term in nature or do not have any fixed contractual maturities.

(c) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iv) Equity Instruments carried at fair value through other comprehensive income.

These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. The Company has chosen to designate this investments in equity instruments at FVOCI since, it provide a more meaningful presentation.

(v) During the year, the Company has sold certain investments to meet its strategic purpose.

Note 38 FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed primarily to fluctuations in interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. In order to minimise any adverse effects on the financial performance of the Company, the company has risk management policies as described below :-

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions and other financial instruments carried at amortised cost and financial guranatees.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents held by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 5,479.65 lakhs, Rs. 5,359.63 lakhs, Rs. 4,319.23 lakhs as at 31 March 2018, 31 March 2017 and 1 April 2016 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits and other financial assets.

i) Trade and other receivables

Credit risk on receivables is minimum since sales through different mode (eg. auction, consignment, private) are made after judging credit worthiness of the customers or advance payment. The history of defaults has been minimal and outstanding receivables are regularly monitored.

The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows :

Particulars	2017-18	2016-17
Opening balance	5.05	-
Charge in Statement of Profit and Loss	-	5.26
Less : Utilised during the year	-	(0.21)
	5.05	5.05

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 38 FINANCIAL RISK MANAGEMENT *(Contd.)*

A summary of the ageing is given below :

Year ended 31 March 2018

Particulars	Not due	Less than 3 months	More than 3 months and upto 1 year	More than 1 year	Total
Gross carrying amount	2,783.92	909.68	202.37	5.05	3,901.02
Less : Expected credit losses (loss allowance provision)	-	-	-	(5.05)	(5.05)
Carrying amount of trade receivables (net of impairment)	**2,783.92**	**909.68**	**202.37**	**-**	**3,895.97**

Year ended 31 March 2017

Particulars	Not due	Less than 3 months	More than 3 months and upto 1 year	More than 1 year	Total
Gross carrying amount	3,382.24	113.38	0.12	5.05	3,500.79
Less : Expected credit losses (loss allowance provision)	-	-	-	(5.05)	(5.05)
Carrying amount of trade receivables (net of impairment)	**3,382.24**	**113.38**	**0.12**	**-**	**3,495.74**

As at 1 April 2016

Particulars	Not due	Less than 3 months	More than 3 months and upto 1 year	More than 1 year	Total
Gross carrying amount	2,961.20	30.64	-	5.10	2,996.94
Less : Expected credit losses (loss allowance provision)	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	**2,961.20**	**30.64**	**-**	**5.10**	**2,996.94**

ii) Financial instruments and bank deposits

For credit risk on the loans to parties including subsidiary, the Company is not expecting any material risk on account of non-performance by any of the parties. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(B) Liquidity risk

Liquidity risk refers to the risk that the Company may encounter difficulty in meeting its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the company's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(All amounts in ₹ lakhs unless otherwise stated)

Note 38 FINANCIAL RISK MANAGEMENT *(Contd.)*

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2018	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings	2,905.34	507.22	375.31	-	3,787.87
Other financial liabilities	915.19	67.27	2.82	2.14	987.42
Trade payables	1,334.50	-	-	-	1,334.50
Interest payable on above borrowings**	102.78	107.78	28.05	-	238.61
Total financial liabilities	**5,257.81**	**682.27**	**406.18**	**2.14**	**6,348.40**

** Based on closing rates

Contractual maturities of financial liabilities 31 March 2017	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings	3,696.38	8.87	3.90	-	3,709.15
Other financial liabilities	954.92	71.63	7.56	3.56	1,037.67
Trade payables	1,300.82	-	-	-	1,300.82
Interest payable on above borrowings**	48.90	1.56	0.22	-	50.68
Total financial liabilities	**6,001.02**	**82.06**	**11.68**	**3.56**	**6,098.32**

** Based on closing rates

Contractual maturities of financial liabilities 1 April 2016	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings	1,779.07	9.95	7.33	0.31	1,796.66
Other financial liabilities	900.57	15.81	67.27	4.97	988.62
Trade payables	1,333.33	-	-	-	1,333.33
Interest payable on above borrowings**	7.66	2.50	0.77	-	10.93
Total financial liabilities	**4,020.63**	**28.26**	**75.37**	**5.28**	**4,129.54**

** Based on closing rates

(C) Market risk

(i) Foreign currency risk

The Company deals with foreign currency loan, loan receivable and interest receivable etc and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company is exposed to foreign exchange risk through its loan receivable and interest receivables, they also have borrowings denominated in foreign currencies. The management regularly monitors the currency movement to manage its currency risk.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rupees (foreign currency amount multiplied by closing rate), are as follows :

	31 March 2018		31 March 2017		01 April 2016	
	USD	EUR	USD	EUR	USD	EUR
Financial assets						
Loan to subsidiary	178.90	-	178.29	-	191.77	-
Interest receivable	1.41	-	9.34	-	25.00	-
Financial liabilities						
Borrowings	-	1,612.45	-	1,384.95	1,326.65	-
Net exposure to foreign currency risk	180.31	(1,612.45)	187.63	(1,384.95)	(1,109.88)	-

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 38 FINANCIAL RISK MANAGEMENT *(Contd.)*

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit before tax		Impact on equity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
USD sensitivity				
INR appreciates by 5% (31 March 2017 - 5%)@	(9.02)	(9.38)	(6.14)	(6.39)
INR depreciates by 5% (31 March 2017 - 5%)@	9.02	9.38	6.14	6.39
EUR sensitivity				
INR appreciates by 5% (31 March 2017 - 5%)@	80.62	69.25	54.95	47.20
INR depreciates by 5% (31 March 2017 - 5%)@	(80.62)	(69.25)	(54.95)	(47.20)

@ Holding all other variables constant

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2018 and 31 March 2017, the Company's borrowings at variable rate were denominated in both Rupees and foreign currency.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) **Interest rate risk exposure**

On Financial Liabilities :

The exposure of the Company's financial liabilities to interest rate risk is as follows :

Particulars	31 March 2018	31 March 2017	01 April 2016
Variable rate borrowings	3,775.12	3,691.67	1,763.49
Fixed rate borrowings	12.75	17.48	33.17
Total borrowings	3,787.87	3,709.15	1,796.66

(b) **Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below :

	Impact on profit before tax		Impact on equity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Interest expense rates – increase by 50 basis points (50 bps)*	(18.88)	(18.46)	(12.87)	(12.58)
Interest expense rates – decrease by 50 basis points (50 bps)*	18.88	18.46	12.87	12.58

* Holding all other variables constant

(iii) **Price risk**

(a) **Exposure**

The Company's exposure to equity securities & mutual funds price risk arises from investments held by the Company and classified in the balance sheet at fair value through Other Comprehensive Income or at Fair Value through Statement of Profit & Loss. To manage its price risk arising from investments in equity securities & mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company. In general, these investments are not held for trading purposes.

The majority of the Company's equity investments & mutual funds are publicly traded.

(All amounts in ₹ lakhs unless otherwise stated)

Note 38 FINANCIAL RISK MANAGEMENT (Contd.)

(b) Sensitivity

The table below summarizes the impact of increases/decreases of the share prices on the Company's equity.

	Impact on equity		
	31 March 2018	31 March 2017	01 April 2016
Share price - Increase 5%*	210.19	177.23	89.71
Share price - Decrease 5%*	(210.19)	(177.23)	(89.71)

* Holding all other variables constant

(D) Agricultural Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- Sufficient inventory levels of agro chemicals, fertilizers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Sufficient level of consumable stores viz packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

Note 39 SEGMENT REPORTING

The Company's Chief operating decision maker viz. Board of Directors examine the Company's performance as a single segment, viz. "Growing, harvesting and sale of loose and packet tea".

Geographical information

The entire revenue of the Company has been generated by way of domestic sales. There are no sales outside India.

Two customers of the entity account for approximately 57% of the sales being made for the year ended 31 March 2018 (31 March 2017: 58%)

Note 40 RELATED PARTY TRANSACTIONS

Particulars	Country of Incorporation	Ownership Interest		
		31st March 2018	31st March 2017	01st April 2016
Names of related parties and description of relationship				
Where control exists :				
(A) Subsidiary Company:				
(1) Dhunseri Petrochem & Tea Pte Ltd.	Singapore	100%	100%	100%
(2) Elfin Heights Private Ltd (Acquired on 11 August 2016 and disposed on 19 August 2017)	India	-	100%	-
(B) (a) Subsidiaries of Dhunseri Petrochem & Tea Pte Ltd.				
(1) Makandi Tea & Coffee Estates Ltd.	Malawi	100%	100%	100%
(2) Kawalazi Estate Company Ltd.	Malawi	100%	100%	100%
(B) (b) Subsidiary of Makandi Tea & Coffee Estates Ltd				
(1) AM Henderson & Sons Ltd	Malawi	100%	100%	-

(C) Key Management Personnel (KMP) @

Name	Designation
(1) Mr. C.K.Dhanuka	Chairman and Managing Director
(2) Mr. Mrigank Dhanuka (w.e.f 14 February 2018)	Executive Director
(3) Mr. R.K.Sharma	Non-Executive Director
(4) Mr. Basudeo Beriwala	Non-Executive Director
(5) Mr. Bharat Bajoria	Non-Executive Director
(6) Ms. Nandini Khaitan	Non-Executive Director
(7) Mr. Vivek Goenka (w.e.f 30 August 2017)	Non-Executive Director
(8) Mr. Ashok Kumar Lohia (ceased to be a KMP on 10 August 2017)	Non-Executive Director

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 40 RELATED PARTY TRANSACTIONS *(Contd.)*

Others

(D) Group Companies in which Key Management Personnel have significant influence and with whom transactions took place during the year :

(1) Naga Dhunseri Group Limited
(2) Trimplex Investments Limited
(3) Mint Investments Limited
(4) Dhunseri Investments Limited
(5) Dhunseri Petrochem Limited
(6) Dhunseri Overseas Private Limited

(E) Post employment Benefit Plan Entity

(1) Dhunseri Petrochem Limited Employees Gratuity Fund

(F) Details of related party transactions/balances

The following transactions occurred with the related parties :

Related Party	Relationship	Outstanding as at 31st March, 2018	Outstanding as at 31st March, 2017	Outstanding as at 1st April 2016	Payable/ receivable/ others	Nature of Transaction	2017-2018	2016-2017
Dhunseri Petrochem & Tea Pte. Ltd.	A	178.90	178.29	191.77	Loan Receivable*	Investment in Shares	267.65	-
		1.41	9.34	25.00	Interest Receivable	Interest Income	15.59	16.34
						Reimbursement of expense	6.57	-
		4,575.85	5,561.21	6,468.78	Guarantee outstanding	Guarantee given	4,948.63	-
						Guarantee released	5,933.99	907.57
Elfin Heights Private Ltd	A	-	-	-		Investment sold	(408.81)	-
		-	-	-		Investment made	-	381.00
		-	-	-		Loan Given #	-	280.00
		-	-	-		Loan Repaid	-	375.00
		-	-	-		Interest Income	-	9.04
		-	-	-		Reimbursement of Expenses	-	10.02
Dhunseri Petrochem Limited	D	-	-	-		Reimbursement of Expenses	-	2.39
Trimplex Investments Limited	D	61.50	61.50	61.50	Security deposit - receivable	Rent and Service Charges	83.54	76.64
Naga Dhunseri Group Limited	D	-	-	-		Rent Paid	33.15	29.76
Mint Investments Limited	D	-	-	-		Rent and Service Charges	31.31	30.23
Dhunseri Investments Limited	D	-	-	-		Rent Paid	29.33	28.77
Dhunseri Overseas Private Limited	D	-	-	-		Investment in Shares	-	299.00

(All amounts in ₹ lakhs unless otherwise stated)

Note 40 RELATED PARTY TRANSACTIONS *(Contd.)*

Related Party	Relationship	Outstanding as at 31st March, 2018	Outstanding as at 31st March, 2017	Outstanding as at 1st April 2016	Payable/ receivable/ others	Nature of Transaction	2017-2018	2016-2017
Mr. C.K. Dhanuka @	C	(4.00)	(25.00)	(65.00)	Commission Payable	Short-term employee benefits	25.94	49.53
		(25.00)	(25.00)	(25.00)	Security deposit - payable	Post employment benefits	3.44	3.24
						Rent Received	0.60	0.60
Mr. M. Dhanuka @	C	(2.00)	-	-	Commission Payable	Short-term employee benefits	3.73	-
		(25.00)	(25.00)	(25.00)	Security deposit - Payable	Post employment benefits	0.14	-
						Rent Received	0.60	0.60
						Sitting Fees	0.20	0.30
						Electricity deposit refund	0.71	-
Mr. R.K.Sharma	C	-	-	-	-	Sitting Fees	0.40	0.30
Mr. Basudeo Beriwala	C	-	-	-	-	Sitting Fees	0.95	0.60
Mr. Bharat Bajoria	C	-	-	-	-	Sitting Fees	0.65	0.65
Mr. Vivek Goenka	C	-	-	-	-	Sitting Fees	0.60	-
Ms. Nandini Khaitan	C	-	-	-	-	Sitting Fees	0.65	0.40
Mr. Ashok Kumar Lohia	C	-	-	-	-	Sitting Fees	-	0.75
Post employment Benefit Plan Entity Dhunseri Petrochem Limited Employees Gratuity Fund	E	-	-	-	-	Contribution	229.68	322.11

* Loan given for business purpose and carries an interest @8.65% p.a.(Previous Year 8.65% p.a.)

\# Loan given for business purpose and carries an interest @8.50% p.a.(Previous Year 8.50% p.a.)

Other Terms and Conditions of transactions with Related Parties

Transactions related to dividend were on the same terms and conditions that applied to other shareholders. The other transactions are made in the ordinary course of business. Outstanding balances at the year end are unsecured. No provision are held against receivable from related parties.

Disclosure pursuant to Section 186(4) of The Companies Act 2013, regarding loans given are mentioned above; disclosures for investment made and guarantee given are mentioned in the respective notes of Non Current Investments (Refer Note 6), and Guarantees (Refer Note 33).

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 41 FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2, have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.

Accordingly, the Company has elected to measure certain class of property, plant and equipments at its fair value as at the transition date and considered such value as deemed cost at that date. While remaining class of assets are carried at historical cost determined in accordance with retrospective application of Ind AS.

A.1.2 Investments in subsidiaries

Ind AS 101 permits a first-time adopter to measure its investments in subsidiaries at deemed cost. The deemed cost of such an investment could be either (a) its fair value at the date of transition; or (b) previous GAAP carrying amount at that date. The option may be exercised individually and separately for each item of investment.

Accordingly, the Company has opted to measure its investments in subsidiaries at deemed cost, i.e. previous GAAP carrying amount

A.1.3 Past business combinations

Ind AS 101 permits a first-time adopter, not to apply Ind AS 103 retrospectively to past business combinations (business combinations that occurred before the date of transition to Ind ASs).

Accordingly, the Company has opted to apply this exemption for past business combinations.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI and investment in mutual funds as FVPL;
- Biological asset measured at fair value less cost to sell.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the fact and circumstances that exists at the date of transition to Ind AS.

(All amounts in ₹ lakhs unless otherwise stated)

Note 41 FIRST TIME ADOPTION OF IND AS *(Contd.)*

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(1) Reconciliation of total equity

Particulars	Notes	Amount as at at 31 March 2017	Amount as at 1 April 2016
Equity as per previous GAAP		**62,302.63**	**45,090.20**
Adjustments on transition to Ind AS			
Impact on account of fair valuation of Property, plant and equipment	1	-	16,201.32
Impact on account of financial Instruments	2	1,026.89	(153.78)
Impact of recognising biological assets at fair values and movement thereon	3	46.15	44.99
Impact of measuring inventory of made tea on the basis of Ind AS 2 and Ind AS 41	4	(140.26)	(124.52)
Reversal of Proposed Dividend and Tax on Proposed Dividend	5	-	674.48
Replanting subsidy reclassified as deferred subsidy income	6	(58.29)	(59.36)
Other adjustments	7	14.97	-
Balance of equity as per Ind AS before tax impact on adjustments		**63,192.09**	**61,673.33**
Deferred tax impact on the above	8	(2,959.14)	(3,024.86)
Balance of Equity as per Ind AS		**60,232.95**	**58,648.47**

(2) Reconciliation of total comprehensive income

Particulars	Notes	Year ended 31 March 2017
Net Profit after tax as per Previous GAAP		1,011.12
Re-measurements on transition to Ind AS		
Impact on account of financial Instruments	2	23.66
Reclassification of actuarial (gains) / losses of employee benefit to other comprehensive income (OCI)	9	115.68
Impact of recognising biological assets at fair values and movement thereon	3	1.16
Impact of measuring inventory of made tea on the basis of Ind AS 2 and Ind AS 41	4	(15.74)
Replanting subsidy reclassified as deferred subsidy income	6	1.08
Other adjustments	7	14.97
Tax impact on above adjustments	8	28.89
Net Profit after tax as per Ind AS		**1,180.82**
Other comprehensive income/(loss)		1,078.15
Total comprehensive income/(loss) as per Ind AS		**2,258.97**

(3) Reconciliation of statement of cash flows :

Particulars	Notes	Amount as per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Net cash generated from/(used in) operating activities	10,11	1,170.70	27.98	1,198.68
Net cash generated from/(used in) investing activities	10	(2,265.69)	(29.47)	(2,295.16)
Net cash generated from/(used in) financing activities		976.01	-	976.01
Net increase/(decrease) in cash and cash equivalents		**(118.98)**	**(1.49)**	**(120.47)**
Cash and cash equivalents as at 1 April 2016	11	262.46	(10.74)	251.72
Cash and cash equivalents as at 31 March 2017	11	143.48	(12.23)	131.25

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 41 FIRST TIME ADOPTION OF IND AS *(Contd.)*

Notes to reconciliation of total equity and total comprehensive income

(1) Property, plant and equipment

(a) Under Ind AS, the Company has elected to measure certain class of property, plant and equipment at its fair value viz. freehold land, leasehold land and bearer plants as at the transition date and considered such value as deemed cost at that date. While remaining class of property, plant and equipment are carried at historical cost determined in accordance with retrospective application of Ind AS.

During the year 31 March 2017, the Company had applied revised Accounting standard 10 and recognised freehold land, leasehold land and bearer plants at fair value hence there is no impact on equity as at 31 March 2017.

(2) Financial Instruments

(a) In accordance with Ind AS 109 "Financial Instruments", investments in equity instruments (other than in subsidiaries, associates and joint ventures) and equity oriented mutual funds have been recognised at fair value at each reporting date through other comprehensive income.

Consequently, on eventual sale of such investments, profit or loss recognised in the statement of profit and loss under the Previous GAAP have been reversed as the fair value changes are recognised through other comprehensive income.

(b) In accordance with Ind AS 109 "Financial Instruments", investments in debt oriented/hybrid mutual funds are recognised at fair value through the statement of profit and loss at each reporting period.

(c) In accordance with Ind AS 109 "Financial Instruments", financial guarantee contracts are required to be recognised initially at fair value and subsequently at the higher of :

(i) the amount of the loss allowance

(ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised

(3) Impact of recognising biological assets at fair values and movement thereon

Under previous GAAP, biological assets were not required to be recognised. Under Ind AS, these have been recognised at fair value less costs to sell and change in fair value has been recognised in profit or loss.

(4) Impact of measuring inventory of made tea on the basis of Ind AS 2 and Ind AS 41

(a) Raw Materials: Under previous GAAP, no valuation was done for period end harvested tea-leaf. Under Ind AS, harvested leaf is measured at its fair value less cost to sell and is classified as Raw Materials.

(b) Fnished goods: Under previous GAAP, tea stock has been valued at the lower of cost and net realizable value. Cost of inventories comprise all costs of purchase/production of green leaf, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Under Ind AS, cost of inventories comprise cost of purchase of green leaf, fair value of green leaf at the time of harvest less cost to sell, conversion cost and other costs incurred in bringing the inventories to their present location and condition.

(5) Reversal of Proposed Dividend and Tax on Proposed Dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements and applicable dividend tax thereon were considered as adjusting events. Accordingly, provision for proposed dividend and dividend tax thereon was recognised as a liability. Under Ind AS, such dividend and tax thereon are recognised when the dividend is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and dividend tax thereon included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

(6) Replanting subsidy reclassified as deferred subsidy income

Under previous GAAP, replanting subsidy received from the Tea Board was recognized as revenue in the Statement of Profit and Loss as and when accrued. Under Ind AS, the same is recognized as deferred revenue in the Balance Sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the bearer plants.

(7) Other adjustments

Other adjustments primarily relate to capitalisation of finance cost on capital work-in-progress.

(8) Deferred tax

In accordance with Ind AS 12, "Income Taxes", the Company on transition to Ind AS has recognised deferred tax on temporary differences, i.e. based on balance sheet approach as compared to the earlier approach of recognising deferred taxes on timing differences, i.e. profit and loss approach.

(All amounts in ₹ lakhs unless otherwise stated)

Note 41 FIRST TIME ADOPTION OF IND AS *(Contd.)*

Notes to reconciliation of total equity and total comprehensive income

(9) Reclassification of actuarial (gains) / losses of employee benefit to other comprehensive income (OCI)

(a) In accordance with Ind AS 19, "Employee Benefits" re-measurement gains and losses on post employment defined benefit plans are recognised in other comprehensive income as compared to the statement of profit and loss under the Previous GAAP.

(b) Interest expense/income on the net defined benefit liability/asset is recognised in the statement of profit and loss using the discount rate used for defined benefit obligation as compared to the expected rate used for recognising income from plan assets under the Previous GAAP.

(10) Impact on account of government grant of capital nature

Under previous GAAP, government grant of capital nature were reduced from the value of property, plant and equipment and hence investing activities were shown net of such grants received. The same are now being treated as deferred income in accordance with Ind AS 20.

(11) Other bank balances

Under previous GAAP, other bank balances (comprising unpaid dividend), were considered as part of cash and cash equivalents. The same are not being included under Ind AS for consideration as cash and cash equivalents. The movement in balances is being considered under operating activities.

Note 42 RESEARCH AND DEVELOPMENT

	31 March 2018	31 March 2017
Research and Development Expenditure charged to revenue	19.79	16.67

Note 43 LEASE OBLIGATION

Operating Lease

The Company has taken various office premises, factory premises and residential accommodation for employees under operating cancellable lease arrangements having tenures ranging between 5 and 9 years. There is no specific obligation for renewal of these agreements.

	31 March 2018	31 March 2017
Lease rent charged to the Statement of Profit and Loss	134.69	124.27

Note 44

Out of a total of 12.98 hectares (31 March 2017 : 12.92 hectares, 01 April 2016 : 12.92 hectares) Freehold land under Investment Property as mentioned in Note 4 - Investment Properties, 6.25 hectares (31 March 2017 : 6.25 hectares, 01 April 2016 : 6.25 hectares) of land which was earlier declared as Private Forest land under the provisions of the Maharashtra Private Forest (Acquisition) Act 1975, has been mutated in the name of Dhunseri Petrochem & Tea Ltd (being the transferor company in the Scheme of Arrangement executed in the FY 2014-15) during the previous year. Pending completion of relevant formalities the same is yet to be transferred in the name of the Company.

Note 45

Miscellaneous expenses (Refer Note 30) include a donation of Rs NIL (Previous Year Rs 25 lakh) for a political purpose to All India Trinamool Congress.

Notes to Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 46

Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.16	17.11	7.32	24.43
(+) Permitted Receipts	-	509.63	509.63
(-) Permitted Payments	0.82	439.89	440.71
(-) Amount deposited in Banks	16.29	3.00	19.29
Closing cash in hand as on 30.12.16	-	74.06	74.06

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Minsitry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the November 8, 2016.

Note 47

Pending completion of relevant formalities certain assets and liabilities acquired pursuant to the Scheme of Arrangement remain included in the books of the Company under the name of the transferor Company.

Note 48 PROPOSED DIVIDEND

Particulars	31 March 2018	31 March 2017	01 April 2016
The final dividend proposed for the year is as follows :			
On Equity Shares of Rs 10 each			
(i) Amount of dividend proposed for the year	560.40	560.40	560.40
(ii) Dividend per Equity Share (Rs)	8.00	8.00	8.00
(iii) Related Tax Impact (Rs)	115.19	114.08	114.08

The Board of Directors in its meeting on May 21, 2018 has proposed a final dividend of Rs 8/- per equity share for the financial year ended March 31, 2018. The proposal is subject to the approval of the shareholders at the Annual General Meeting and if approved would result in a cash outflow of Rs 675.59 Lakhs (including taxes).

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

R. Mahadevan
Company Secretary

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

Independent Auditors' Report

To The Members of

DHUNSERI TEA & INDUSTRIES LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Dhunseri Tea & Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 1 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. 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 and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated 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 consolidated Ind AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Independent Auditors' Report *(Contd.)*

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2018, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements/financial information of three subsidiaries whose financial statements/ financial information reflect total assets of Rs 44,901.89 and net assets of Rs 15,556.39 as at March 31, 2018, total revenue of Rs. 11,451.99, total comprehensive income (comprising of profit and other comprehensive income) of Rs 2,085.50 and net cash flows amounting to Rs. 1,009.35 for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

   Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

   The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 22, 2017 and May 27, 2016 respectively.

   Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

9. 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 purposes of our audit of the aforesaid consolidated Ind AS financial statements.
   (b) In our opinion, proper books of account as required by law maintained by the Holding Company, including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company.
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company including relevant records relating to the preparation of the consolidated Ind AS financial statements.
   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   (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, none of the directors of the Holding Company 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 with reference to financial statements of the Holding Company 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 Auditors) Rules, 2014, in our

opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2018 on the consolidated financial position of the Group, Refer Note 42 to the consolidated Ind AS financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2018.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2018.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2018.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No:056155

Kolkata
May 21, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 9 (f) of the Independent Auditors' Report of even date to the members of Dhunseri Tea & Industries Limited on the consolidated financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls with reference to financial statements of Dhunseri Tea & Industries Limited (hereinafter referred to as "the Holding Company") as of that date. Reporting under Clause (i) of sub-section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to the subsidiary companies.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable is responsible for establishing and maintaining internal financial controls based on 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 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") issued by the ICAI and the Standards on Auditing 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 ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Annexure A to Independent Auditors' Report *(Contd.)*

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No:056155

Kolkata
May 21, 2018

Consolidated Balance Sheet as at March 31, 2018

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Notes	31 March 2018	31 March 2017	01 April 2016
ASSETS				
(1) Non-current Assets				
(a) Property, Plant and Equipment	3 (a)	72,126.34	74,671.13	76,579.95
(b) Capital Work-in-progress	3 (b)	4,477.76	3,239.35	2,272.10
(c) Investment Properties	4	1,152.63	773.73	773.39
(d) Goodwill	5	2,034.42	2,162.59	2,110.76
(e) Financial Assets				
(i) Investments	6	3,150.85	3,382.43	1,793.77
(ii) Loans	7	5.44	9.04	11.33
(iii) Other Financial Assets	8	876.33	982.30	366.02
(f) Non-current Tax Assets (net)	9	202.04	280.99	124.74
(g) Other Non-current Assets	10	20.66	763.65	146.17
Total Non-current Assets		84,046.47	86,265.21	84,178.23
(2) Current Assets				
(a) Inventories	11	3,744.23	3,558.41	3,656.22
(b) Biological Assets other than Bearer Plants	12	1,249.08	1,361.09	1,428.33
(c) Financial Assets				
(i) Investments	6	1,053.03	162.06	0.45
(ii) Trade Receivables	13	4,855.63	4,800.94	3,878.53
(iii) Cash and Cash Equivalents	14	480.24	233.82	370.52
(iv) Bank Balances other than (iii) above	15	17.91	12.23	10.75
(v) Loans	7	8.49	28.41	129.26
(vi) Other Financial Assets	8	417.85	781.00	807.48
(d) Other Current Assets	10	973.87	1,282.01	1,378.74
Total Current Assets		12,800.33	12,219.97	11,660.28
Total Assets		96,846.80	98,485.18	95,838.51
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	16	700.50	700.50	700.50
(b) Other Equity	17	71,436.88	69,536.95	68,069.20
Total Equity		72,137.38	70,237.45	68,769.70
Liabilities				
(1) Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	4,863.44	4,621.77	5,156.68
(ii) Other Financial Liabilities	19	214.23	278.48	74.30
(b) Deferred Tax Liabilities (Net)	20	10,171.28	11,192.92	12,065.76
(c) Other Non-current Liabilities	21	137.76	90.84	66.45
Total Non-current Liabilities		15,386.71	16,184.01	17,363.19
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	4,143.84	6,122.68	4,401.83
(ii) Trade Payables	22	2,121.45	2,106.04	2,412.85
(iii) Other Financial Liabilities	19	2,025.76	1,851.44	1,655.52
(b) Employee Benefit Obligations	23	127.69	681.23	670.89
(c) Current Tax Liabilities (Net)	24	591.31	643.83	92.13
(d) Other Current Liabilities	21	312.66	658.50	472.40
Total Current Liabilities		9,322.71	12,063.72	9,705.62
Total Equity and Liabilities		96,846.80	98,485.18	95,838.51

The accompanying notes are an integral part of these Consolidated Financial Statements.

This is the Balance Sheet referred to in our Report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

R. Mahadevan
Company Secretary

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

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

(All amounts in ₹ lakhs unless otherwise stated)

	Particulars	Notes	Year ended 31 March 2018	Year ended 31 March 2017
I	Revenue from Operations	25	28,708.19	30,183.29
II	Other Income	26	1,139.57	788.70
III	Total Revenue (I+II)		29,847.76	30,971.99
IV	Expenses			
	(a) Cost of materials consumed	27	3,698.88	3,513.00
	(b) Changes in inventories of finished goods	28	(69.86)	156.31
	(c) Changes in inventories of biological assets	12	34.69	(1.04)
	(d) Employee benefits expense	29	7,667.14	7,437.36
	(e) Finance costs	30	899.73	808.72
	(f) Depreciation and amortisation expense	31	1,744.99	2,088.89
	(g) Other expenses	32	13,055.79	13,410.41
	Total Expenses		27,031.36	27,413.65
V	Profit before tax (III-IV)		2,816.40	3,558.34
VI	Income Tax expense:			
	- Current tax charge / (Credit)	34	486.03	996.63
	- Deferred tax charge / (Credit)	34	(570.03)	(151.17)
	Total tax expense		(84.00)	845.46
VII	Profit for the year (V-VI)		2,900.40	2,712.88
VIII	Other comprehensive income (net of tax expense)			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of post-employment benefit obligations	29	131.02	(115.68)
	(ii) Changes in fair value of FVOCI equity instruments		850.07	1,157.12
	(iii) Income tax (charge) / credit relating to these items that will not be reclassified subsequently to the statement of profit and loss		(139.98)	36.84
	Items that will be reclassified to profit or loss			
	(i) Exchange differences on translation of foreign operations	17(ii)	(1,167.09)	(2,037.57)
	Other comprehensive income for the year, net of tax		(325.98)	(959.29)
IX	Total comprehensive income for the period (VII+VIII)		2,574.42	1,753.59
X	Earnings per share			
	Basic and diluted earnings per share (Rs.)	33	41.40	38.73

The accompanying notes form an integral part of these Consolidated Financial Statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

R. Mahadevan
Company Secretary

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

Consolidated Statement of Changes in Equity for the year ended March 31, 2018

(All amounts in ₹ lakhs unless otherwise indicated)

A. Equity share capital

Particulars	Notes	Amount
As at 01 April 2016	16	700.50
Changes in equity share capital		-
As at 31 March 2017	16	**700.50**
Changes in equity share capital		-
As at 31 March 2018		**700.50**

B. Other equity

Particulars	Notes	General Reserve	Foreign Currency Translation Reserve	Capital Reserve on Consolidation	FVOCI - equity instruments	Retained earnings	Total other equity
Balance at 01 April 2017		15,253.22	(2,037.57)	388.64	1,082.64	54,850.02	69,536.94
Profit for the year						2,900.40	2,900.40
Other comprehensive income/(expense) (net of tax)		-	(1,167.09)	-	751.81	89.30	(325.98)
Total comprehensive income for the year		-	(1,167.09)	-	751.81	2,989.70	2,574.42
Dividend paid	17	-				(560.40)	(560.40)
Tax on dividend	17	-				(114.09)	(114.09)
Gain on sale of equity shares fair value through other comprehensive income (FVOCI) - equity instruments to retained earnings (net of tax)		-	-	-	(798.02)	798.02	-
Balance as at 31 March 2018		15,253.22	(3,204.66)	388.64	1,036.43	57,963.25	71,436.88

Particulars	Notes	General Reserve	Foreign Currency Translation Reserve	Capital Reserve on Consolidation	FVOCI - equity instruments	Retained earnings	Total other equity
Balance at 01 April 2016		14,753.22	-		(55.97)	53,371.95	68,069.20
Profit for the year						2,712.88	2,712.88
Other comprehensive income/(expense) (net of tax)			(2,037.57)		1,157.13	(78.85)	(959.29)
Total comprehensive income for the year		-	(2,037.57)	-	1,157.13	2,634.03	1,753.59
Dividend paid	17					(560.40)	(560.40)
Tax on dividend	17					(114.08)	(114.08)
Transfer in equity	17						-
Gain on sale of equity shares fair value through other comprehensive income (FVOCI) - equity instruments to retained earnings (net of tax)	17				(18.52)	18.52	-
Gain on acquisition of subsidiary	17			388.64			388.64
Transfer to general reserve from retained earnings		500.00				(500.00)	-
Balance at 31 March 2017		15,253.22	(2,037.57)	388.64	1,082.64	54,850.02	69,536.95

The accompanying notes form an integral part of these Consolidated Financial Statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

R. Mahadevan
Company Secretary

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

Consolidated Statement of Cash Flows for the year ended March 31, 2018

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	2,816.40	3,558.35
Adjustments for :		
Depreciation and amortisation expense	1,744.99	2,088.89
Interest income	(52.42)	(70.18)
Gain on investments classified as fair value through profit or loss	(15.03)	(4.06)
Gain on sale of subsidiary	(35.61)	-
Finance cost	899.73	808.72
Liabilities no longer required written back	(12.23)	(1.37)
Allowance for Doubtful Debt	7.88	5.05
(Gain)/loss on disposal of property, plant and equipment	93.63	(1.73)
Unrealised exchange (gain)/loss	138.04	(7.32)
Dividend income	(11.67)	(4.14)
Income from government grant	(2.06)	(1.08)
Exchange difference on translation of foreign currency operations	(14.97)	(3.33)
Operating Profit/(Loss) before Working Capital Changes	5,556.68	6,367.80
Changes in Working Capital :		
Inventories	(289.76)	(52.29)
Non-Current/Current financial and other assets	327.63	(1,119.23)
Non-Current/Current financial and other liabilities/provisions	(417.11)	(173.22)
Cash Generated from Operations	5,177.44	5,023.06
Taxes paid	(749.15)	(513.00)
Net cash generated from operating activities	4,428.29	4,510.06
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,322.93)	(2,700.00)
Proceeds from sale of property, plant and equipment	29.82	5.25
Cash acquired/(disposed) on acquisition of subsidiary	(0.76)	10.39
Cash outflow on acquisition of subsidiary	-	(789.73)
Purchase of biological asset	-	(65.95)
Purchase of non-current investments	(5,999.84)	(1,204.86)
Proceeds from sale of non-current investment	7,083.61	613.81
Purchase of current investment	(2,200.00)	(263.00)
Proceeds from sale of current investment	1,324.09	105.45
Procceeds from sale of investment in subsidiary	408.81	-
Purchase of investment property	(15.36)	(0.34)
Interest received	54.21	66.12
Loan repaid by body corporate	-	95.00
Dividend received	11.67	4.14
Net cash generated from investing activities	(1,626.68)	(4,123.72)

Consolidated Statement of Cash Flows for the year ended March 31, 2018

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid (including tax thereon)	(668.80)	(673.00)
Finance cost paid	(742.60)	(751.82)
Proceeds from		
- Long term borrowings	1,651.22	-
- Short term borrowings	4,022.40	4,638.08
Repayment of		
- Long term borrowings	(706.68)	(740.25)
- Short term borrowings	(6,104.70)	(2,998.97)
Net cash used in financing activities	(2,549.16)	(525.96)
Net (Decrease)/Increase in Cash and Cash Equivalents	252.45	(139.62)
Exchange Difference on Translation of Foreign Currency Cash and Cash Equivalents	(6.03)	2.92
Cash and cash equivalents at the beginning of the year	233.82	370.52
Cash & cash equivalents at the end of the year	480.24	233.82
Cash and Cash Equivalents comprise :		
Current Accounts	431.82	180.24
Cash credit accounts	21.33	24.64
Cash in hand	27.09	28.09
Fixed Deposit	-	0.85
	480.24	233.82

The accompanying notes form an integral part of these Consolidated Financial Statements.

This is the Statement of Cash Flows referred to in our report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

R. Mahadevan
Company Secretary

For and on behalf of the Board of Directors

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

Notes to Consolidated Financial Statements

Note 1 GROUP INFORMATION

The Consolidated financial statements comprises of the financial statements of Dhunseri Tea & Industries Limited (the Parent Company) and its subsidiaries (collectively referred to as 'the Group') the details of which is given below :

Name of the Companies	Category	Country of Incorporation	Proportion of Ownership Interest	
			31 March 2018	31 March 2017
Dhunseri Petrochem and Tea Pte Limited (DPTPL)	Subsidiary	Singapore	100%	100%
Makandi Tea and Coffee Estates Limited (MTCEL)	Subsidiary	Malawi	100%	100%
Kawalazi Estate Company Limited (KECL)	Subsidiary	Malawi	100%	100%
A M Henderson & Sons Limited (AMSL)	Subsidiary	Malawi	100%	100%
Elfin Heights Private Limited*	Subsidiary	India	-	100%

* Ceased to be a subsidiary from 19 August 2017

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements".

The consolidated financial statements as at 31 March 2018 present the financial position of the Group.

The consolidated financial statements for the year ended 31 March 2018 were approved by the Board of Directors and authorised for issue on 21st May, 2018.

Note 2 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis for preparation

(i) *Compliance with Ind AS*

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

The financial Statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) (Previous GAAP) and other relevant provisions of the Act.

These consolidated financial statements are the first consolidated financial statements of the group under Ind AS. The date of transition to Ind AS is 1 April 2016. Details of the exceptions and optional exemptions availed by the Group and principal adjustments along with related reconciliations are detailed in Note 40 (First-time Adoption).

(ii) *Historical cost convention*

The consolidated financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group i.e. its subsidiaries. It also includes the Group's share of profits, net assets and retained post acquisition reserves of subsidiaries that are consolidated using the equity method of consolidation, as applicable.

Control is achieved when the Group is exposed to, or has rights to the variable returns of the entities and the ability to affect those returns through its power over the entities.

The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

Intra-group transactions, balances, income and expenses are eliminated on consolidation.

2.3 Business combinations

Acquisition of subsidiaries and businesses are accounted for using the purchase method. The consideration transferred in each business combination is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree.

Acquisition related costs are recognised in the consolidated statement of profit and loss.

Goodwill arising on acquisition is recognised as an asset and measured at cost, being the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, after re-assessing the fair values of the net assets and contingent liabilities, the excess is recognised as bargain purchase gain under capital reserve on consolidation.

Once control has been achieved, any subsequent acquisitions where the Group does not originally hold hundred percent interest in a subsidiary are treated as an acquisition of shares from non-controlling shareholders. The identifiable net assets are not subject to further fair value adjustments and the difference between the cost of acquisition of the non-controlling interest and the net book value of the additional proportion acquired is adjusted in equity. The amount of non-controlling interests in the acquiree is measured either at the non-controlling interests proportion of the net fair value of the assets, liabilities and contingent liabilities recognised or at fair value.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

When a transaction or other event does not meet the definition of a business combination due to the asset or group of assets not meeting the definition of a business, it is termed an 'asset acquisition'. In such circumstances, the acquirer:

- identifies and recognises the individual identifiable assets acquired
- allocates the cost of the group of assets and liabilities to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

Such a transaction or event does not give rise to goodwill or a gain on a bargain purchase.

2.4 Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

2.5 Property, plant and equipment

(i) Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase cost, borrowing costs if capitalisation criteria are met and other directly attributable cost of bringing the assets to its working condition for intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Notes to Consolidated Financial Statements *(Contd.)*

(ii) Subsequent expenditure related to an item of property, plant and equipment is added to its carrying amount only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance.

(iii) Capital work in progress is stated at cost incurred during construction/installation period relating to items or projects in progress.

(iv) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of profit and loss.

(v) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Class of assets	Estimated useful life (in years)
Bearer plants	30 – 72
Buildings	3 – 60
Plant and Equipment	3 – 25
Furniture and Fixtures	3 – 10
Office Equipment	3 – 10
Vehicles	2 – 10

The estimate of residual value and useful life are reviewed every year.

Leasehold land is amortised over the period of lease. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Transition to Ind AS

Under Ind AS, the Group has elected to measure certain class of property, plant and equipment at its fair value viz. freehold land, leasehold land and bearer plants as at the transition date ie 1st April 2016 and considered such value as deemed cost at that date. While remaining class of property, plant and equipment are carried at historical cost determined in accordance with retrospective application of Ind AS.

2.6 Impairment of assets

An impairment loss is recognised, where applicable, when the recoverable amount of an asset (i.e. higher of the asset's net selling price and value in use) is less than its carrying amount.

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.7 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Other bank balances

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at 'Fair value through other comprehensive income' (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group in respect of equity investments which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Group on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at 'Fair value through the statement of profit and loss' (FVPL).

Impairment of financial assets

The Group assesses on a forward looking basis the 'Expected credit losses' (ECL) associated with its assets carried at amortised cost and FVOCI debt instruments. The Group recognises loss allowance for expected credit losses on financial asset.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements *(Contd.)*

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offsetting 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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.8 Inventories

Raw materials including processed produce, are measured at lower of cost and net realisable value. Cost being the fair value less cost to sell at the point of harvest.

Raw materials of purchased tea leaves, stores and spare parts and finished goods are stated at lower of cost and net realisable value. Cost of finished goods comprise direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.9 Biological assets

Biological assets comprises of timber, tea leaves and macadamia nuts growing on the tea bushes and macadamia trees respectively. Timber, tea leaves growing on tea bushes and macadamia nuts growing on macadamia trees are measured at fair value less cost to sell with changes in fair value recognised in the Statement of profit and loss.

The tea bushes and macadamia trees are bearer plants and therefore presented and accounted for as property, plant and equipment. However produce growing on such trees are accounted for as biological assets until the point of harvest.

2.10 Employee Benefits

(i) Short term Employee Benefits

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

(ii) Compensated Absences

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensating absences as the additional amount expected to be paid as a result of the unused entitlement as at the year-end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial loss/gains are recognised in the Statement of Profit and Loss in the year in which they arise. The Group presents the entire leave as a current liability in the Balance Sheet, since it does not have a unconditional right to defer its settlement for twelve months after the reporting date.

(iii) Post employment benefit plans

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets.

Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

(iv) Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

2.11 Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (Rs.), which is group's functional and presentation currency.

Transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transactions. Monetary assets and liabilities related to foreign currency are restated at the year-end at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate on the date of transactions. Exchange differences arising on restatement or settlement are recognised in the statement of profit and loss in the period in which they arise.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

2.12 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sales of products

Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It includes cess on made tea and excludes value added tax/sales tax/Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Notes to Consolidated Financial Statements *(Contd.)*

Rental income

Rental income from investment properties and subletting of properties is recognised on a straight line basis over the term of the relevant leases.

Consultation fee

Consultation fee is recognized in the accounting period in which the services are rendered. Revenue is recognized based on the actual service provided till the end of the reporting period as a proportion of the total services to be provided.

2.13 Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Premium in the form of fees paid on refinancing of loans are accounted for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

2.14 Taxes on income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

2.15 Leases

The Group determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Group in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease. Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

(i) Operating lease – 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 another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(ii) **Finance lease** – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest. on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss over the period of the lease.

The Group as lessor

(i) **Operating lease** – Rental income from operating leases is recognised in the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

(ii) **Finance lease** – When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

2.16 Government Grants

(i) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

(ii) Government grants relating to income are deferred and recognised 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.

(iii) Government grants relating to the purchase of property, plant and equipment are included in other liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.17 Provisions and contingent liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

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

2.18 Research and development expenditure

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred and Capital Expenditure relating to Research and Development are included in property, plant and equipment.

2.19 Earnings per share

Basic Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period.

For the purpose of calculating the diluted earnings per share the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.20 Segment reporting

The Group is primarily engaged in business of cultivation, manufacture and sale of tea and macademia nuts across various geographical areas with different political and economic environment, risk and return etc. Accordingly, operating segments have been identified based on the different geographical areas. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the group has been identified as being the chief operating decision maker. Refer note 38 for segment information presented.

Notes to Consolidated Financial Statements *(Contd.)*

2.21 **Use of estimates and critical accounting judgements**

In preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment, impairment of goodwill and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

2.22 **Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The investment properties held by the Group comprise only of freehold land, hence there is no depreciation.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

2.23 **Rounding off amount**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated

2.24 **Recent Accounting Pronouncements**

Ind AS 115:- Revenue from contracts with customers

The Group is in the process of assessing the detailed impact of Ind AS 115. Presently, the Group is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Group's revenue recognition for product sales. Consistent with the current practice, recognition of revenue will continue to occur at a point in time when products are dispatched to customers, which is also when the control of the asset is transferred to the customer under Ind AS 115.

The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

Ind AS 40:- Investment property – transfers of investment property

The group has assessed the effects of the amendment on classification of existing property as at 1 April 2018 and concluded that no reclassifications are required.

The Group intends to apply the amendment prospectively to changes in use that occur after the date of initial application (i.e 1 April 2018).

Note 3 (a) PROPERTY, PLANT AND EQUIPMENT (Rs. in lakhs)

Particulars	GROSS CARRYING AMOUNT						ACCUMULATED DEPRECIATION					NET CARRYING AMOUNT
	As at 1 April 2017	Additions during the Year	Acquired in business combination	Adjustments/ Disposal during the Year	Exchange differences	As at 31 March 2018	As at 31 March 2017	Depreciation for the Year	Adjustments during the Year	Exchange differences	As at 31 March 2018	As at 31 March 2018
Freehold land	5,889.99	-	-	-	(160.77)	5,729.22	-	-	-	-	-	5,729.22
Leasehold land	32,185.66	-	-	-	-	32,185.66	-	-	-	-	-	32,185.66
Bearer plants	25,692.31	198.94	-	(165.89)	(902.28)	24,823.08	949.08	708.01	-	(50.92)	1,606.17	23,216.91
Buildings	4,518.56	34.80	-	-	(126.21)	4,427.15	577.66	184.12	-	(7.04)	754.74	3,672.41
Plant and equipment	7,587.85	469.89	-	-	(262.30)	7,795.44	1,153.28	623.79	-	(18.80)	1,758.27	6,037.17
Office equipment	43.52	35.51	-	-	(2.40)	76.63	10.92	10.22	-	(0.83)	20.31	56.32
Furniture and fixtures	444.33	13.34	-	-	(4.54)	453.13	161.23	59.12	-	(0.90)	219.45	233.68
Vehicles	1,504.92	135.44	-	(164.54)	(63.43)	1,412.39	343.84	159.73	(75.74)	(10.41)	417.42	994.97
31st March 2018	**77,867.14**	**887.92**	**-**	**(330.43)**	**(1,521.93)**	**76,902.70**	**3,196.01**	**1,744.99**	**(75.74)**	**(88.90)**	**4,776.36**	**72,126.34**

Particulars	GROSS CARRYING AMOUNT						ACCUMULATED DEPRECIATION					NET CARRYING AMOUNT
	Cost/ Deemed cost as at 1 April 2016	Additions during the Year	Acquired in business combination	Adjustments/ Disposal during the Year	Exchange differences	Cost/ Deemed cost as at 31 March 2017	As at 1 April 2016	Depreciation for the Year	Adjustments during the Year	Exchange differences	As at 31 March 2017	As at 31 March 2017
Freehold land	5,032.97	-	1,065.35	-	(208.33)	5,889.99	-	-	-	-	-	5,889.99
Leasehold land	32,185.66	-	-	-	-	32,185.66	-	-	-	-	-	32,185.66
Bearer plants	26,934.59	215.77	141.20	-	(1,599.25)	25,692.31	-	971.74	-	(22.66)	949.08	24,743.23
Buildings	4,434.70	58.42	232.45	-	(207.01)	4,518.56	367.20	213.40	-	(2.94)	577.66	3,940.90
Plant and equipment	7,212.18	803.03	18.03	-	(445.39)	7,587.85	563.41	599.86	-	(9.99)	1,153.28	6,434.57
Office equipment	46.64	-	-	-	(3.12)	43.52	-	11.25	-	(0.33)	10.92	32.60
Furniture and fixtures	439.54	12.39	-	-	(7.60)	444.33	98.49	63.11	-	(0.37)	161.23	283.10
Vehicles	1,444.57	170.84	-	(4.58)	(105.91)	1,504.92	121.80	229.53	(2.43)	(5.06)	343.84	1,161.08
31st March 2017	**77,730.85**	**1,260.45**	**1,457.03**	**(4.58)**	**(2,576.61)**	**77,867.14**	**1,150.90**	**2,088.89**	**(2.43)**	**(41.35)**	**3,196.01**	**74,671.13**

(a) All the 10 tea estates of Dhunseri Tea & Industries Limited (erstwhile Dhunseri Services Ltd.), the Parent Company have been transferred from Dhunseri Petrochem Ltd. (formerly Dhunseri Petrochem & Tea Ltd), pursuant to a Scheme of Arrangement with effect from 1st April, 2014 and the grants/title deeds in respect thereof are yet to be transferred in the name of the Parent Company. On the date of such transfer the title deeds, were still held in the name of the original owners. The details of which are in Note (i) & (ii) below:-

i) Freehold Land represents two tea estates located at Assam, acquired through partnership with an HUF/ pursuant to a Scheme of Amalgamation.

Note 3 (a) PROPERTY, PLANT AND EQUIPMENT *(Contd.)*

ii) Leasehold Land represents eight tea estates located at Assam, which were acquired pursuant to a Scheme of Amalgamation.

iii) Building, includes [Gross carrying amount and Net carrying amounting to Rs. 180.95 lakhs (31 March 2017 : Rs. 180.95 lakhs ,1 April 2016 : Rs. 180.95 lakhs) and Rs. 167.44 lakhs (31 March 2017 : Rs. 170.81 lakhs , 1 April 2016: Rs. 174.19 lakhs) respectively], two properties located at Kolkata for which, the conveyance deeds are yet to be executed and two properties (one located at Kolkata and one at Mumbai, which were acquired, pursuant to the Scheme of Arrangement mentioned in Note(a) above, for which the title deeds are yet to be transferred as at 31 March 2018.

(b) Gross carrying amount and Accumulated Depreciation includes building on rented land amounting to Rs. 555.20 lakhs (31 March 2017 : Rs. 555.20 lakhs, 1 April 2016: Rs. 555.20 lakhs) and Rs. 41.37 lakhs (31 March 2017: Rs. 30.73 lakhs , 1 April 2016: Rs. 20.09 lakhs) respectively.

(c) Property, plant and equipment pledged as security
The Group has borrowed from bank which carry charge on certain property, plant and equipment (Refer note 18).

(d) Contractual obligations
Refer to note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(e) Aggregate amount of depreciation has been included under depreciation and amortisation expenses in the Statement of Profit and Loss. (Refer note 31)

Note 3 (b) CAPITAL WORK-IN-PROGRESS

	a	b	c	d	d= (a+b-c+d)
	As at 31 March 2017	Addition	Capitalised during the year	Exchange difference	Closing as at 31 March 2018
Capital work-in-progress	3,239.35	1,625.07	(198.94)	(187.72)	4,477.76

	a	b	c	d	d= (a+b-c+d)
	Cost/Deemed Cost as at 1 April, 2016	Addition	Capitalised during the year	Exchange difference	Closing as at 31 March 2017
Capital work-in-progress	2,272.10	1,378.24	(215.77)	(195.22)	3,239.35

(All amounts in ₹ lakhs unless otherwise indicated)

Note 4 INVESTMENT PROPERTIES

Particulars	31 March 2018	31 March 2017
Gross carrying amount		
Opening gross carrying amount / Deemed cost	773.73	773.39
Additions	378.90	0.34
Closing gross carrying amount	1,152.63	773.73
Accumulated depreciation		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Closing accumulated depreciation	-	-
Net carrying amount	1,152.63	773.73

Investment Property includes Rs. 396.35 lakhs (31 March 2017: Rs. 396.35 lakhs, 1 April 2016: Rs.396.35 Lakhs) being freehold land acquired pursuant to the Scheme of Arrangement for which title deeds are not held in the name of the Parent Company. (Refer Note 46)

(i) Amounts recognised in profit or loss for investment properties

Particulars	31 March 2018	31 March 2017
Direct operating expenses from property that did not generate rental income	1.57	1.76
Profit/(loss) from investment properties	(1.57)	(1.76)

(ii) Fair value

Particulars	31 March 2018	31 March 2017	1 April 2016
Investment properties	3,438.71	2,648.38	2,747.92

Estimation of fair value

The Group obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties. The valuation is based on valuations performed by an accredited independent valuer. Fair value estimates for investment properties are included in level 3.

Note 5 GOODWILL

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Goodwill on consolidation	2,034.42	2,162.59	2,110.76

Movement in balances

Particulars	As at 31 March 2018	As at 31 March 2017
Cost as at beginning of the year	2,162.59	2,110.76
Exchange differences on consolidation	(128.17)	51.83
Cost as at end of the year	2,034.42	2,162.59
Impairment as at beginning of year	-	-
Exchange differences on consolidation	-	-
Impairment as at end of the year	-	-
Net carrying value as at beginning of the year	2,162.59	2,110.76
Net carrying value as at end of the year	2,034.42	2,162.59

The Group has two tea estates in Malawi, located in the hills of Kawalazi and Makandi. Besides tea, the Malawi estates also produces Macademia nuts. As at 31 March 2018 the carrying amount of goodwill for Kawalazi Estate Company Limited and Makandi Tea and Coffee Estates Limited are Rs.787.27 lakhs and Rs.1247.15 lakhs respectively.

The Group has adopted 'value in use' method to determine the carrying value of cash generating unit.

The base assumptions considered for testing the goodwill impairment for both the cash generating units are as follows:

· The cash flow projections has been considered for 5 years

· The discounting rate has been taken at 12.50%.

· The growth rate has been taken at 4%

· Tax rate has been taken as 30%.

The outcome of the Group's goodwill impairment test as at 31 March 2018 resulted in no impairment of goodwill (March 31, 2017: Nil). The directors believe that no reasonably possible change in any of the key assumptions used in the value in use calculation would cause the carrying value of the to materially exceed its value in use.

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 6 INVESTMENTS

Particulars	Face Value	31 March 2018	31 March 2017	01 April 2016
Non Current				
Investments carried at fair value through other comprehensive income:				
Investments in Equity shares				
(i) Quoted				
Nil (31 March 2017: 2,101, 1 April 2016: 29,949) equity shares of Divi's Laboratories Limited	2	-	13.07	295.67
15,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Escorts Limited	10	122.72	-	-
66,800 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Graphite India Limited	2	485.03	-	-
1,60,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Hindustan Oil Exploration Co. Ltd.	10	176.72	-	-
5,000 (31 March 2017: 36,125 , 1 April 2016: 33,522) equity shares of Kotak Mahindra Bank Limited	5	52.39	315.08	228.17
Nil (31 March 2017: 51,300, 1 April 2016: 49,245) equity shares of PVR Limited	10	-	734.23	361.68
28,667 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Shree Pushkar Chemicals & Fertilisers Ltd	10	58.25	-	-
Nil (31 March 2017: 100000, 1 April 2016: 99,990) equity shares of Schneider Electric Infrastructure Limited	2	-	141.90	146.04
1,41,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Spicejet Limited	10	176.46	-	-
1,29,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Torrent Power Limited	10	295.73	-	-
33,300 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Titan Company Limited	1	313.79	-	-
Nil (31 March 2017: 8,730, 1 April 2016: 8,740) equity shares of Force Motors Limited	10	-	391.75	249.53
Nil (31 March 2017: 89,850, 1 April 2016: 81,596) equity shares of Capital First Limited	10	-	703.05	352.13
Nil (31 March 2017: 70,800, 1 April 2016: 70,794) equity shares of Take Solutions Limited	1	-	89.35	100.55
Nil (31 March 2017: 18,200, 1 April 2016 : Nil) equity shares of State Bank of India	1	-	53.40	-
Nil (31 March 2017: 29,300 1 April 2016 : Nil) equity sharesof Bank of Baroda	2	-	50.68	-
Nil (31 March 2017: 8,100 1 April 2016 : Nil) equity shares of Suprajit Engineering Ltd	1	-	19.48	-
1,42,860 equity shares of AU Small Finance Bank Limited #	10	882.95	-	-
		2,564.04	2,511.99	1,733.77

(All amounts in ₹ lakhs unless otherwise stated)

Note 6 INVESTMENTS *(Contd.)*

Particulars	Face Value	31 March 2018	31 March 2017	01 April 2016
Non Current				
A. Investments in Equity Shares *(Contd.)*				
(ii) Unquoted				
2,990,000 (31 March 2017: 2,990,000, 1 April 2016: Nil) equity shares of Dhunseri Overseas Private Limited	10	288.57	299.00	-
6,00,000 (31 March 2017: 6,00,000, 1 April 2016: 6,00,000) equity shares of Mira Estates Private Limited	10	63.85	60.00	60.00
Nil (31 March 2017: 1,42,860, 1 April 2016 : Nil) equity shares of AU Small Finance Bank Limited #	10	-	511.44	-
180,000 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of Orient Electric Limited	1	234.39	-	-
		586.81	870.44	60.00
Total Non-Current Investments		3,150.85	3,382.43	1,793.77
# shares of AU Small Finance Bank Limited were listed during the current year				
Current				
Investment in Mutual Funds at FVPL				
Quoted				
147 (31 March 2017: 147, 1 April 2016: 147) units in HDFC Top 200 mutual fund growth plan	10	0.63	0.59	0.45
38,754.07 (31 March 2017: 6,342.92, 1 April 2016: Nil) units in SBI Premier Liquid Fund - Regular Plan - Growth	10	1,052.40	161.47	-
Total Current Investments		1,053.03	162.06	0.45
(a) Aggregate amount of quoted investments and market value thereof		3,617.07	2,674.05	1,734.22
(b) Aggregate amount of unquoted investments		586.81	870.44	60.00

Note 7 LOANS

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-current			
Unsecured, considered good			
Loans to staff	5.44	9.04	11.33
Total Non-Current Loans	5.44	9.04	11.33
Current			
Unsecured, considered good			
Loans to staff	8.49	28.41	34.26
Loan to others*	-	-	95.00
Total Current Loans	8.49	28.41	129.26

* Loan given for business purpose and carried an interest rate of 8.50% .

Note 8 OTHER FINANCIAL ASSETS

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-current			
Deposit with NABARD	628.34	742.00	145.21
Security deposits			
- with related party	49.45	45.20	41.30
- with others	198.54	195.10	179.51
Total Other Non-current financial assets	876.33	982.30	366.02

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 8 OTHER FINANCIAL ASSETS *(Contd.)*

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Deposit with government authorities	226.92	3.94	3.94
Deposit with NABARD	125.00	525.21	600.00
Deposit with others	-	25.27	-
Interest accrued on deposits	37.23	40.84	33.22
Receivables against sale of assets	-	0.08	31.64
Advance against purchase of shares	-	158.70	-
Other receivables	28.70	26.96	138.68
Total Other current financial assets	**417.85**	**781.00**	**807.48**

Note 9 NON-CURRENT TAX ASSETS (NET)

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-current tax assets (net)	202.04	280.99	124.74
Total Non-current tax assets	**202.04**	**280.99**	**124.74**

Note 10 OTHER ASSETS

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-Current			
Capital advances	8.00	744.13	114.03
Advances other than capital advances			
Advance operating lease rental	6.49	11.06	15.63
Prepaid expenses	6.17	8.46	16.51
Total Other non-current assets	**20.66**	**763.65**	**146.17**
Current			
Prepaid expenses	438.14	329.51	439.05
Advance operating lease rental	4.57	4.57	4.57
Advance to suppliers/service providers	440.66	450.02	459.88
Value added tax recoverable	90.50	497.91	475.24
Total Other current assets	**973.87**	**1,282.01**	**1,378.74**

Note 11 INVENTORIES

Particulars	31 March 2018	31 March 2017	01 April 2016
(At lower of cost and net realisable value)			
Finished goods			
(includes in transit - 31 March 2018: Rs. 40.25 lakhs,			
31 March 2017: Rs. 86.81 lakhs, 1 April 2016 : Rs. 93.06 lakhs)	1,354.63	1,308.93	1,488.18
Stores and spares including packing materials			
(includes in transit - 31 March 2018: Rs. 98.43 lakhs,			
31 March 2017: Rs. 29.39 lakhs, 1 April 2016 : Rs. 13.73 lakhs)	2,389.60	2,249.48	2,168.04
Total Inventories	**3,744.23**	**3,558.41**	**3,656.22**

Note 12 BIOLOGICAL ASSET OTHER THAN BEARER PLANTS

Particulars	31 March 2018	31 March 2017	01 April 2016
Unplucked green Leaf	279.34	282.95	176.72
Macadamia	253.69	228.84	263.64
Timber	716.05	849.30	987.97
Total Biological assets other than bearer plants	**1,249.08**	**1,361.09**	**1,428.33**

(All amounts in ₹ lakhs unless otherwise stated)

Note 12 BIOLOGICAL ASSET OTHER THAN BEARER PLANTS *(Contd.)*

Movement of biological asset is presented below

Particulars	31 March 2018	31 March 2017
As at Opening date	1,361.09	1,428.33
Purchase of biological assets	-	65.95
Changes in inventories of biological assets*	34.69	(1.04)
Exchange differences	(146.70)	(132.15)
As at Closing date	1,249.08	1,361.09

* Net of changes in fair value less estimated costs to sell and decreases due to harvest/physical changes

Note 13 TRADE RECEIVABLES

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Unsecured - considered good	4,855.63	4,800.94	3,878.53
Unsecured - considered doubtful	28.01	21.07	17.71
Total	4,883.64	4,822.01	3,896.24
Less: Allowance for doubtful debts	(28.01)	(21.07)	(17.71)
Total Trade Receivables	4,855.63	4,800.94	3,878.53

Note 14 CASH AND CASH EQUIVALENTS

Particulars	31 March 2018	31 March 2017	01 April 2016
Cash and cash equivalents			
Balances with banks			
in Current accounts	431.82	180.24	275.09
in Cash credit accounts	21.33	24.64	71.29
Cash on hand	27.09	28.09	23.26
Balances with bank			
Fixed deposits			
(with maturity greater than 3 months but less than 12 months)	-	0.85	0.88
Total Cash and Cash Equivalents	480.24	233.82	370.52

Note 15 OTHER BANK BALANCES

Particulars	31 March 2018	31 March 2017	01 April 2016
Unpaid dividend account*	17.91	12.23	10.75
Total Other Bank Balances	17.91	12.23	10.75

* Earmarked for payment of unclaimed dividend

Note 16 EQUITY SHARE CAPITAL

Authorised Equity Share Capital

Particulars	31 March 2018	31 March 2017	01 April 2016
7,500,000 (31 March 2017: 7,500,000,			
1 April 2016: 7,500,000) Equity Shares of Rs. 10/- each	750.00	750.00	750.00
	750.00	750.00	750.00

Issued, Subscribed and Paid-up Equity Share Capital

Particulars	31 March 2018	31 March 2017	01 April 2016
7,004,951 (31 March 2017: 7,004,951,	700.50	700.50	700.50
1 April 2016: 7,004,951) Equity Shares of Rs. 10 each			
	700.50	700.50	700.50

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 16 EQUITY SHARE CAPITAL *(Contd.)*

(i) Movement in equity share capital

Particulars	31 March 2018	31 March 2017
Opening balance	700.50	700.50
Changes in equity share capital	-	-
Closing balance	**700.50**	**700.50**

Terms and rights attached to equity shares

The Parent Company has one class of equity share having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shareholders holding more than 5% of Issued, Subscribed and Paid up equity share capital of the Group

Shareholder	31 March 2018		31 March 2017		01 April 2016	
	Number of Shares	% holding	Number of Shares	% holding	Number of Shares	% holding
Dhunseri Investments Limited	3,206,397	45.77%	3,206,397	45.77%	3,122,856	44.58%
Naga Dhunseri Group Limited	615,751	8.79%	615,751	8.79%	615,751	8.79%
	3,822,148	54.56%	3,822,148	54.56%	3,738,607	53.37%

iii) During 2014-15, 7,004,951 Equity Shares of Rs. 10 each were issued as fully paid up, issued pursuant to the Scheme of Arrangement without payment being received in cash.

Note 17 OTHER EQUITY

Particulars	31 March 2018	31 March 2017	01 April 2016
General Reserve [Refer (i) below]	15,253.22	15,253.22	14,753.22
Foreign exchange translation reserve [Refer (ii) below]	(3,204.66)	(2,037.57)	-
Capital reserve on consolidation [Refer (iii) below]	388.64	388.64	-
Fair value through other comprehensive income (FVOCI) - equity instruments [Refer (iv) below]	1,036.43	1,082.64	(55.97)
Retained earning [Refer (v) below]	57,963.25	54,850.02	53,371.95
Total Other Equity	**71,436.88**	**69,536.95**	**68,069.20**

(i) General reserve

Particulars	31 March 2018	31 March 2017
Opening balance	15,253.22	14,753.22
Add : Transfer from Retained Earning	-	500.00
Closing balance	**15,253.22**	**15,253.22**

(ii) Foreign currency translation reserve

Particulars	31 March 2018	31 March 2017
Opening balance	(2,037.57)	-
Increase/(decrease) during the year	(1,167.09)	(2,037.57)
Closing balance	**(3,204.66)**	**(2,037.57)**

(iii) Capital reserve on consolidation

Particulars	31 March 2018	31 March 2017
Opening balance	388.64	-
Increase/(decrease) during the year	-	388.64
Closing balance	**388.64**	**388.64**

(All amounts in ₹ lakhs unless otherwise stated)

Note 17 OTHER EQUITY *(Contd.)*

(iv) Fair value through other comprehensive income (FVOCI)- equity instruments

Particulars	31 March 2018	31 March 2017
Opening balance	1,082.64	(55.97)
Change in fair value of FVOCI equity instruments (net of tax)	751.81	1,157.13
Gain on sale of equity instruments transferred to retained earning (net of tax)	(798.02)	(18.52)
Closing balance	1,036.43	1,082.64

(v) Retained earning

Particulars	31 March 2018	31 March 2017
Opening balance	54,850.02	53,371.95
Add : Net profit/(loss) for the year	2,900.40	2,712.88
Items of other comprehensive income recognised directly in retained earnings		
Add: Remeasurement of post-employment benefit obligation (net of tax)	89.30	(78.85)
Less: Proposed Dividend on Equity Shares for the year	(560.40)	(560.40)
Less: Dividend Distribution Tax	(114.09)	(114.08)
Add: Gain on sale of equity instruments transferred from FVOCI-equity instruments (net of tax)	798.02	18.52
Less: Transfer to General Reserve	-	(500.00)
Closing balance	57,963.25	54,850.02

Nature and purpose of other reserves

(i) General reserve

General Reserve is free reserve not meant for meeting any specific liability ,contigency or commitment. General Reserve is created and utilised in compliance with the provision of the Act. Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

(ii) Foreign currency translation reserve

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries.

(iii) Capital reserve on consolidation

Bargain purchase gain arising on business combination has been recorded directly in capital reserve.

(iv) Fair value through other comprehensive income (FVOCI) - equity instruments

The Group has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVOCI equity instrument reserve. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Note 18 BORROWINGS

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-Current			
Secured			
Term loan - From banks [refer note(a) below]	5,842.40	5,359.06	5,887.35
	5,842.40	5,359.06	5,887.35
Less: Current maturities of long term borrowings	979.19	737.29	730.67
Add: Interest accrued on non-current borrowings	0.23	-	-
Total Non-current borrowings	4,863.44	4,621.77	5,156.68

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 18 BORROWINGS *(Contd.)*

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Secured			
Loan Repayable on demand from Banks [refer note(b) below]	2,024.34	3,876.50	3,030.60
Unsecured			
Other Loans from Banks	2,112.44	2,225.72	1,367.95
Add : Interest accrued on current borrowings	7.06	20.46	3.28
Total current borrowings	4,143.84	6,122.68	4,401.83

Net debt reconciliation

This section sets out an analaysis of debt and the movements in net debt for the current period

Particulars	31 March 2018	31 March 2017
Cash and cash equivalents	480.24	233.82
Non-current borrowings	(4,863.44)	(4,621.77)
Current borrowings	(4,143.84)	(6,122.68)
Current maturities of long term borrowings	(979.19)	(737.29)
	(9,506.23)	(11,247.92)

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2017	233.82	(5,359.06)	(6,122.68)	(11,247.92)
Cash flows	252.45	(944.53)	2,082.30	1,390.22
Interest expense	-	(417.58)	(482.16)	(899.74)
Interest paid	-	301.76	440.84	742.60
Non-cash movements				
Foreign exchange differences	(6.03)	313.13	(62.14)	244.96
Unamortised premium on long term borrowings	-	263.65	-	263.65
Net debt as at 31 March 2018	480.24	(5,842.63)	(4,143.84)	(9,506.23)

(a) Repayment terms and nature of securities given for term loans from banks are as follows :

Bank	31March 2018	31March 2017	01 April 2016	Nature of Security	Repayment Terms
Term Loan from banks	5,842.40	5,359.06	5,887.35	i) Term Loans (Auto Loans) from bank amounting to Rs. 12.75 lakhs (31 March 2017: Rs. 17.48 lakhs 1 April 2016: Rs. 33.17 lakhs) are secured by hypothecation of respective vehicles.	Equated Monthly Installments beginning from the month subsequent to taking of the Loans.
				ii) Term Loan from Banks amounting to Rs. 4,199.70 lakhs (31 March 2017: Rs. 5,341.57 Lakhs 1 April 2016: Rs. 5,854.18 Lakhs) is secured by way of pari-passu charge on the tea estates of the Parent Company in India and negative pledge over the shares of subsidiary companies incorporated in Malawi.	Repayable in Half Yearly installments commencing from 31.12.2015, last installment payable on 30.06.2024.

(All amounts in ₹ lakhs unless otherwise stated)

Note 18 BORROWINGS *(Contd.)*

(a) Repayment terms and nature of securities given for Indian rupee term loans from banks are as follows : *(Contd.)*

Bank	31March 2018	31March 2017	01 April 2016	Nature of Security	Repayment Terms
				iii) Term Loan from Banks amounting to Rs. 639.33 lakhs (31 March 17 : Rs Nil 1 April 2016 Rs NIL) is secured over the movable and immovable assets of the Makandi Tea and Coffee Estate Limited.	Repayable over a period of 4 years with 12 month moratorium on principal. First principal installment to be paid effective 30.04.2018 and will be fully repaid by December 2022.
				iv) Term Loan from Banks amounting to Rs 990.63 lakhs (31 March 17 : Rs Nil 1 April 2016 Rs NIL) is secured by way of first pari-passu charge on immovable/movable properties pertaining to Parent Company's tea gardens.	Repayable in 16 Quarterly installments commencing after a moratarium period of one year from the date of disbursement. First installment is repayable from 31 December 2018.

Figures indicated in (a) above includes current maturities of respective borrowings.

(b) **Repayment terms and nature of securities given for short term borrowings**

Loans repayable on demand from Banks amounting to Rs. 662.68 lakhs (31 March 2017: Rs 1,506.72 lakhs, 1 April 2016: Rs.436.84 lakhs) are secured by a first hypothecation charge on the current assets of the Parent Company, viz. stock of raw materials and finished goods, stores and spares not relating to plant and machinery, bills receivable, book debts and all other movables, both present and future, wherever situated. Secured by a first hypothecation charge on the movable fixed assets of the Parent Company and equitable mortgage over the immovable properties by deposit of title deeds of tea estates of the Parent Company.

Loans repayable on demand from Banks amounting to Rs. 387.64 lakhs (31 March 2017: Rs 847.59 lakhs, 1 April 2016: Rs.1154.33 lakhs) are secured by a debenture of upto USD 3.0 Million over the Assets of Kawalazi Estates Company Limited with a requirement to create an additional debenture as and when required by Bank.

Loans repayable on demand from Banks amounting to Rs. 974.01 lakhs (31 March 2017: Rs 1563.05 lakhs, 1 April 2016: Rs.1480.73 lakhs) are secured over the movable and immovable assets of the Makandi Tea and Coffee Estate Limited.

Note 19 OTHER FINANCIAL LIABILITIES

Particulars	31 March 2018	31 March 2017	01 April 2016
Non-Current			
Security deposits	45.70	41.76	38.17
Lease equalisation	21.03	31.43	36.13
Deferred acquisition cost	147.50	205.29	-
Total Other non-current financial liabilities	214.23	278.48	74.30
Current			
Current maturities of long-term debts	979.19	737.28	730.67
Unpaid dividends [Refer (a) below]	17.91	12.23	10.75
Lease equalisation account	11.72	6.61	-
Employee benefits	857.33	868.44	862.42
Liability for capital goods	29.44	68.96	29.33
Deferred acquisition cost	32.83	25.66	-
Other financial liabilities	97.34	132.26	22.35
Total Other current financial liabilities	2,025.76	1,851.44	1,655.52

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 20 DEFERRED TAX LIABILITIES (NET)

Particulars	31 March 2018	31 March 2017	01 April 2016
Deferred tax liabilities			
Property, plant and equipment	10,759.52	11,363.43	12,330.12
Others	-	2.68	52.89
Gross deferred tax liability	10,759.52	11,366.11	12,383.01
Deferred tax assets			
MAT credit entitlement	160.00	-	-
Items allowable for tax purposes on payment	81.88	173.19	97.61
Tax losses #	-	-	219.64
Others	346.36	-	-
Gross deferred tax asset	588.24	173.19	317.25
Net deferred tax liability	10,171.28	11,192.92	12,065.76

Expected to be realised against future taxable income

Movement in deferred tax assets / (liability)

Particulars	Property, plant & equipment and Intangible asset	Items allowable for tax purposes on payment	MAT credit entitlement	Tax losses	Others (net)	Total
At 01 April 2016	12,330.12	(97.61)	-	(219.64)	52.89	12,065.76
Charged/(credited) :						
- to profit or loss ^	(966.69)	(75.58)	-	219.64	(50.21)	(872.84)
- to other comprehensive income	-	-	-	-	-	-
At 31 March 2017	11,363.43	(173.19)	-	-	2.68	11,192.92
Charged/(credited) :						
- to profit or loss ^	(603.91)	91.31	(69.72)	-	(345.56)	(927.88)
- to other comprehensive income	-	-	(90.28)	-	(3.48)	(93.76)
At 31 March 2018	10,759.52	(81.88)	(160.00)	-	(346.36)	10,171.28

^ Deferred Tax Charge /(Credit) for the year excludes exchange loss of Rs.357.85 lakhs (31 March 2017: exchange loss of Rs 721.67 lakhs) on account of re-statement of year end deferred tax assets and liabilities.

Note 21 OTHER LIABILITIES

Particulars	31 March 2018	31 March 2017	01 April 2016
Non current			
Deferred income on account of government grant#	137.76	86.90	58.56
Operating lease rentals received in advance	-	3.94	7.89
Total Other non-current liabilties	137.76	90.84	66.45
Current			
Interest accrued but not due on borrowings	-	10.06	12.61
Advance from customers	60.22	264.35	28.83
Statutory dues	218.53	338.93	396.96
Operating lease rentals received in advance	3.94	3.94	3.94
Deferred income on account of government grant#	2.08	1.20	0.80
Others	27.89	40.02	29.26
Total Other current liabilities	312.66	658.50	472.40

During the year the Group has recognised Rs. 2.06 lakhs (31 March 2017: 1.08 lakhs) in other income on account of government grants.

(All amounts in ₹ lakhs unless otherwise stated)

Note 22 TRADE PAYABLES

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Dues of Micro and Small Enterprises [Refer (a) below]	20.77	-	-
Dues of creditors other than Micro and Small Enterprises	2,100.68	2,106.04	2,412.85
Total Trade payable	2,121.45	2,106.04	2,412.85

(a) The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of the information available with the Company. The disclosures relating to Micro and Small Enterprises are as below :

Particulars	31 March 2018	31 March 2017	01 April 2016
(i) The principal amount remaining unpaid to supplier as at the end of the year	20.77	-	-
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-	-

Note 23 EMPLOYEE BENEFIT OBLIGATION

Particulars	31 March 2018	31 March 2017	01 April 2016
Current			
Leave obligations	93.70	120.17	86.81
Pension and gratuity under defined contributory schemes	33.99	331.38	261.97
Gratuity	-	229.68	322.11
Total Employee benefit obligation	127.69	681.23	670.89

Refer to Note 29 for disclosures on employee benefits.

Note 24 CURRENT TAX LIABILITIES (NET)

Particulars	31 March 2018	31 March 2017	01 April 2016
Provision for income tax (net)	591.31	643.83	92.13
Total Current tax liabilities	591.31	643.83	92.13

Note 25 REVENUE FROM OPERATIONS

Particulars	31 March 2018	31 March 2017
Sale of products	28,703.59	30,182.32
Other operating revenues	4.60	0.97
Total Revenue from Operations	28,708.19	30,183.29

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 26 OTHER INCOME

Particulars	31 March 2018	31 March 2017
Interest Income (on instruments carried at amortised cost)	52.42	70.18
Gain on investments designated as fair value through profit or loss	2.40	1.61
Gain on investments designated as fair value through profit or loss arising on sale	12.63	2.45
Gain on sale of a subsidiary	35.61	-
Liabilities no longer required written back	12.23	1.36
Rent received	5.14	5.14
Income from government grant	2.06	1.08
Dividend received (on equity instruments through FVOCI)	11.67	4.14
Profit on sale of property, plant and equipment	-	3.11
Insurance claim	41.13	56.45
Consultation fee	897.75	552.05
Miscellaneous income	66.53	91.13
Total Other Income	1,139.57	788.70

Note 27 COST OF MATERIALS CONSUMED

Particulars	31 March 2018	31 March 2017
Green leaf - purchased and consumed	3,698.88	3,510.50
Wheat - purchased and consumed	-	2.50
Total Cost of Materials Consumed	3,698.88	3,513.00

Note 28 CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	31 March 2018	31 March 2017
Balance at the beginning of the year		
Finished Goods	1,308.94	1,488.18
Balance at the end of year		
Finished Goods	1,354.63	1,308.94
Exchange differences	(24.17)	(22.93)
Total (Increase)/Decrease in Finished Goods	(69.86)	156.31

Note 29 EMPLOYEE BENEFITS EXPENSE

Particulars	31 March 2018	31 March 2017
Salaries and Wages	6,346.56	6,092.49
Contribution to provident and other funds	790.40	781.99
Staff welfare expenses	530.18	562.88
Total employee benefit expense	7,667.14	7,437.36

During the year, the Group recognised an amount of Rs. 33.25 lakhs (2016-17: Rs. 52.77 lakhs) as remuneration to key managerial personnel. The detail is as below :

Particulars	31 March 2018	31 March 2017
Short-term employee benefits	29.67	49.53
Post employment benefits	3.58	3.24
Total	33.25	52.77

(i) **Leave Obligations**

(a) **Short term Employee Benefits**

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

(b) **Compensated Absences**

Compensated absences cover the Group's liability for sick and earned leave. As the Group does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

(All amounts in ₹ lakhs unless otherwise stated)

Note 29 EMPLOYEE BENEFIT EXPENSES *(Contd.)*

(ii) **Defined contribution plan**

Provident Fund : The Parent company contributes 12% of the basic salary of employees towards Pension/Provident Fund Scheme to the Regional Provident Fund Commissioner West Bengal /Assam Tea Plantation Provident Fund account.

The Parent Company contributed Rs. 525.57 lakhs and Rs. 510.42 lakhs during the year ended 31 March 2018 and 31 March 2017 respectively.

Superannuation Fund : The Parent company provides for Superannuation benefit to certain employees wherein 15% of basic salary is funded with Life Insurance Corporation of India.

The Parent company contributed Rs. 7.84 lakhs and Rs. 7.54 lakhs during the year ended 31 March 2018 and 31 March 2017 respectively.

(iii) **Post Employment Benefits Plans**

The Parent Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Fund make payment to vested employees at retirement, death/disability, withdrawal of an amount based on the respective employee's eligible salary for specified number of days depending upon the tenure of service subject to a maximum of Rs 20 lakhs. Vesting occurs upon completion of five years of service. Liability with regard to the aforesaid gratuity plan is determined by actuarial valuation as set out in Note 2(10)(iii) based upon which the Company makes annual contributions for Gratuity to the Trust Fund.

The Subsidiaries Company incorporated in Malawi contributes to a pension fund administered by a third party.The Scheme is a defined contribution pension plan and is funded through payments to a trustee -administered fund. A defined Contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. Contribution to such funds amount to Rs.12.05 lakhs and Rs. 12.08 lakhs during the year ended 31 March 2018 and 31 March 2017 respectively.

The Subsidiaries Company incorporated in Malawi pays gratuity to employees at the end of the contracts which is a maximum of a period of five years. A liability is recognised for the amount expected to be paid at the end of each year that an employee has been in employment of the Company. Contribution to such funds amount to Rs.113.92 lakhs and Rs. 137.94 lakhs during the year ended 31 March 2018 and 31 March 2017 respectively.

(iv) **Balance sheet recognition**

a) **Gratuity**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of Obligation	Fair Value of plan assets	Net Amount
01 April 2016	1,757.28	1,435.17	322.11
Current service cost	101.43	-	101.43
Interest expense/income	132.72	120.16	12.56
Total amount recognised in profit or loss	**234.16**	**120.16**	**113.99**
Remeasurement			
Return on plan assets, excluding amounts			
included in interest expense/(income)	-	22.61	(22.61)
Actuarial (gain)/loss from change in demographic assumptions	30.18	-	30.18
Actuarial (gain)/loss from change in financial assumptions	108.11	-	108.11
Actuarial (gain)/loss from unexpected experience	-	-	-
Total amount recognised in other comprehensive income	**138.29**	**22.61**	**115.68**
Employer contributions/ premium paid	-	322.11	(322.11)
Benefit payments	111.37	111.37	-
31 March 2017	**2,018.35**	**1,788.68**	**229.67**

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 29 EMPLOYEE BENEFIT EXPENSES *(Contd.)*

Particulars	Present Value of Obligation	Fair Value of plan assets	Net Amount
01 April 2017	2,018.35	1,788.68	229.68
Current service cost	113.02	-	113.03
Interest expense/income	138.00	130.00	8.00
Past service cost - plan amendments	10.00	-	10.00
Total amount recognised in profit or loss	**261.02**	**130.00**	**131.02**
Remeasurement			-
Return on plan assets, excluding amounts included in interest expense/(income)	-	7.82	(7.82)
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(55.28)	-	(55.28)
Actuarial (gain)/loss from unexpected experience	(67.91)	-	(67.91)
Total amount recognised in other comprehensive income	**(123.19)**	**7.82**	**(131.01)**
Employer contributions/ premium paid	-	229.68	(229.68)
Benefit payments	149.50	149.50	-
31 March 2018	2,006.68	2,006.68	-

(v) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows :

Particulars	31 March 2018	31 March 2017	01 April 2016
Discount rate	7.60%	7.10%	7.80%
Expected return on plan asset	8.00%	8.00%	8.00%
Salary growth rate	6.00%	6.00%	6.00%
Attrition rate	1.00%	1.00%	1.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate

(vi) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

Particulars	Impact on defined benefit obligation			
	31 March 2018		31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(139.41)	162.07	(151.06)	176.36
Salary growth rate (-/+ 1%)	163.10	(142.64)	176.59	(153.89)
Attrition rate (-/+ 1%)	18.59	(21.02)	13.39	(15.23)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(All amounts in ₹ lakhs unless otherwise stated)

Note 29 EMPLOYEE BENEFIT EXPENSES *(Contd.)*

(vii) The major categories of plans assets

Particulars	31 March 2018	31 March 2017	01 April 2016
Investment with Private Insurance Companies	25.49%	26.67%	29.24%
Adminstered by Life Insurance Corporation of India	72.31%	69.58%	65.28%
Investment in Mutual Fund	0.55%	0.58%	0.65%
Special Deposits and Bonds	1.35%	2.65%	3.32%
Others Including Bank Balances	0.30%	0.52%	1.51%

(viii)Risk exposure

Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Investment risk :

If plan is funded, then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Interest risk :

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy :

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk :

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(ix) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2019 is Rs Nil.

The weighted average duration of the defined benefit obligation is 10 years (31 March 2017 – 10 years).

Note 30 FINANCE COSTS

Particulars	31 March 2018	31 March 2017
Interest expense	701.76	559.19
Other borrowing costs	161.14	212.81
Applicable net loss on foreign currency transactions and translation	91.96	52.30
	954.86	824.30
Less: Interest capitalised	(55.13)	(15.58)
Total Finance Cost	899.73	808.72

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowing during the year, in this case is 10.73%, (31 March 2017: 9.42%).

Note 31 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March 2018	31 March 2017
Depreciation on property, plant and equipment	1,744.99	2,088.89
Total	1,744.99	2,088.89

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 32 OTHER EXPENSES

Particulars	31 March 2018	31 March 2017
Consumption of stores and spare parts including Packing Material	4,317.11	4,040.89
Power & fuel	2,787.90	2,859.86
Rent	250.24	240.72
Repairs and maintenance		
Plant & machinery	475.02	438.26
Buildings	123.54	111.29
Others	470.68	442.50
Insurance	148.94	154.00
Rates and taxes	63.41	118.94
Freight, delivery and shipping charges	801.43	977.05
Brokerage and commission on sales	165.79	231.37
Other selling expenses	370.16	619.27
Cess on tea	154.84	213.78
Auditors' remuneration [Refer (a) below]	69.93	61.21
Advertisements	213.84	316.08
Travelling and conveyance	391.22	275.57
Allowances for doubtful debt	7.88	5.05
Expenditure towards Corporate Social Responsibility activities [Refer (b) below]	39.36	43.00
Net loss on foreign currency transactions/translations	150.53	66.85
Loss on sale of property, plant and equipment	93.63	-
Inventory of raw materials written off	2.29	3.83
Miscellaneous expenses	1,958.05	2,190.89
Total	13,055.79	13,410.41

(a) Details of auditors' remuneration and out-of-pocket expenses are as below :		
Audit Fees	59.90	53.76
Limited Review	4.50	4.50
For other matters (Certificates, etc.)	5.00	2.25
Reimbursement of expenses	0.53	0.70
	69.93	61.21
(b) Details of Corporate Social Responsibility Expenditure are set out below :		
Contribution to Dhanuka Dhunseri Foundation	39.36	43.00
Amount required to be spent as per Section 135 of the Act	39.20	42.82
Amount spent during the year on:		
(i) Construction/acquistion of an asset	39.36	43.00
(ii) On purposes other than (i) above	-	-

Note 33 EARNINGS PER SHARE

Particulars		31 March 2018	31 March 2017
(i) Basic and diluted*			
Number of equity shares at the beginning of the year		7,004,951	7,004,951
Number of equity shares at the end of the year		7,004,951	7,004,951
Weighted average number of equity shares outstanding during the year	(A)	7,004,951	7,004,951
Nominal value of each equity Share (Rs.)		10	10
Profit / (Loss) for the year (Rs. in lakhs)	(B)	2,900.40	2,712.88
Earnings per share (Basic) (Rs.)	(B/A)	41.40	38.73

* The Group does not have any instruments for which diluted earnings per share needs to be calculated.

(All amounts in ₹ lakhs unless otherwise stated)

Note 34 INCOME TAX EXPENSE

This note provides an analysis of the Group's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

Particulars	31 March 2018	31 March 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	486.03	996.63
Total current tax expense	486.03	996.63
Decrease (increase) in deferred tax liabilities	(570.03)	(151.17)
Total deferred tax expense/(benefit)	(570.03)	(151.17)
Income tax expense	(84.00)	845.46

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate :

Particulars	31 March 2018	31 March 2017
Profit before tax	2,816.40	3,558.34
Tax on above#	787.29	1,057.85
Tax effects of :		
Additional deductions available in tax	(520.99)	(325.34)
Tax loses brought forward	-	(109.50)
Permanent differences	72.47	186.14
Tax exemption	(24.08)	(25.80)
Income taxed at different rates	13.58	23.54
Weighted deductions	(4.73)	(3.98)
Impact on account of change in statutory tax rate*	(258.02)	-
Others	(149.52)	42.55
Total income tax expense/(credit)	(84.00)	845.46

The Statutory tax rate applicable to various entities in the group range from 17% - 31.84% (31st March 2017 - 17% - 31.84%)

* The Finance Act, 2018, changed the statutory tax rate applicable for the Parent Company (for corporate income tax) from 34.61% to 29.12% from assessment year 2019-20 (including surcharge and cess). However, the Parent Company is also subject to agricultural income tax to the extent of 60% of its business income at the rate of 30% (31 March 2017 - 30%). The Parent Company has accordingly re-measured the deferred tax expected to reverse in future periods based on the revised rate applicable i.e 29.65% vis-a-vis 31.84% in the previous year.

Note 35 CAPITAL MANAGEMENT

(a) Risk management

The Group's objectives when managing capital are to:

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Group which comprises issued share capital and accumulated reserves disclosed in the Statement of Changes in Equity.

Consistent with others in the industry, the Group monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Group.

Net Debt implies borrowings of the Group as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Group.

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 35 CAPITAL MANAGEMENT *(Contd.)*

The following table summarises the Net Debt, Equity and Ratio thereof.

Particulars	Note	31 March 2018	31 March 2017	01 April 2016
(i) **Total Debt**				
Borrowings - Non-Current	18	4,863.44	4,621.77	5,156.68
- Current	18	4,143.84	6,122.68	4,401.83
Current Maturities of Long Term Debt	19	979.19	737.29	730.67
		9,986.47	11,481.74	10,289.18
Less : Cash and Cash Equivalents	14	480.24	233.82	370.52
Net Debt		9,506.23	11,247.92	9,918.66
(ii) **Equity attributable to Shareholders**		72,137.38	70,237.45	68,769.70
(iii) **Net debt to equity ratio**		13.18%	16.01%	14.42%

Under the terms of the major borrowing facilities, the Group has complied with the financial covenants as imposed by the bank and financial institutions.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2017 and 31 March 2018.

(b) Dividend

Particulars	31 March 2018	31 March 2017
(i) Equity Shares		
Final dividend for the year ended 31 March 2017 of Rs. 8/- (31 March 2016 - Rs 8/-) per fully paid share	560.40	560.40
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of Rs. 8/- per fully paid equity share (31 March 2017 - Rs 8/-). This proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting.	560.40	560.40

Note 36 FAIR VALUE MEASUREMENTS

This section gives an overview of the significance of financial instruments for the Group and provides additional information on Balance Sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

Financial instruments by category

Particulars	31 March 2018				
	FVPL	FVOCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets					
(i) Investments	1,053.03	3,150.85	-	4,203.88	4,203.88
(ii) Loans	-	-	13.93	13.93	13.93
(iii) Trade receivables	-	-	4,855.63	4,855.63	4,855.63
(iv) Cash and cash equivalents	-	-	480.24	480.24	480.24
(v) Other bank balance	-	-	17.91	17.91	17.91
(vi) Other financial assets	-	-	1,294.18	1,294.18	1,294.18
Total financial assets	1,053.03	3,150.85	6,661.89	10,865.77	10,865.77
Financial liabilities					
(i) Borrowings	-	-	9,007.28	9,007.28	9,007.28
(ii) Trade and other payables	-	-	2,121.45	2,121.45	2,121.45
(iii) Other financial liabilities	-	-	2,239.99	2,239.99	2,239.99
Total financial liabilities	-	-	13,368.72	13,368.72	13,368.72

(All amounts in ₹ lakhs unless otherwise stated)

Note 36 FAIR VALUE MEASUREMENTS *(Contd.)*

Financial instruments by category *(Contd.)*

Particulars	31 March 2017				
	FVPL	FVOCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets					
(i) Investments	162.06	3,382.43	-	3,544.49	3,544.49
(ii) Loans	-	-	37.45	37.45	37.45
(iii) Trade receivables	-	-	4,800.94	4,800.94	4,800.94
(iv) Cash and cash equivalents	-	-	233.82	233.82	233.82
(v) Other bank balance	-	-	12.23	12.23	12.23
(vi) Other financial assets	-	-	1,763.30	1,763.30	1,763.30
Total financial assets	162.06	3,382.43	6,847.74	10,392.23	10,392.23
Financial liabilities					
(i) Borrowings	-	-	10,744.45	10,744.45	10,744.45
(ii) Trade and other payables	-	-	2,106.04	2,106.04	2,106.04
(iii) Other financial liabilities	-	-	2,129.92	2,129.92	2,129.92
Total financial liabilities	-	-	14,980.41	14,980.41	14,980.41

Particulars	31 March 2016				
	FVPL	FVOCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets					
(i) Investments	0.45	1,793.77	-	1,794.22	1,794.22
(ii) Loans	-	-	140.59	140.59	140.59
(iii) Trade receivables	-	-	3,878.53	3,878.53	3,878.53
(iv) Cash and cash equivalents	-	-	370.52	370.52	370.52
(v) Other bank balance	-	-	10.75	10.75	10.75
(vi) Other financial assets	-	-	1,173.50	1,173.50	1,173.50
Total financial assets	0.45	1,793.77	5,573.89	7,368.11	7,368.11
Financial liabilities					
(i) Borrowings	-	-	9,558.51	9,558.51	9,558.51
(ii) Trade and other payables	-	-	2,412.85	2,412.85	2,412.85
(iii) Other financial liabilities	-	-	1,729.83	1,729.82	1,729.82
Total financial liabilities	-	-	13,701.19	13,701.18	13,701.18

(i) Fair value hierarchy

(a) Financial Instruments

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Particulars	31 March 2018			31 March 2017			01 April 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets:									
Investments	3,617.07	-	586.81	2,674.05	-	870.44	1,734.22	-	60.00
	3,617.07	-	586.81	2,674.05	-	870.44	1,734.22	-	60.00

(b) Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its biological assets other than bearer plants into level 3 in the fair value hierarchy.

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 36 FAIR VALUE MEASUREMENTS *(Contd.)*

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed

Particulars	31 March 2018			31 March 2017			01 April 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Biological assets									
(India)	-	-	58.77	-	-	46.15	-	-	44.99
Biological assets									
(Malawi)	-	-	1,190.31	-	-	1,314.94	-	-	1,383.34
	-	-	1,249.08	-	-	1,361.09	-	-	1,428.33

The following table illustrates the sensitivity to a 5 % variation in each of the significant unobservable inputs used to measure the fair value of the biological assets on 31 March 2018 and 31 March 2017.

Impacts in the fair value resulting from :

Significant variable inputs	2018		2017	
	5% decrease	5% increase	5% decrease	5% increase
Biological assets (India) :				
Purchase prices	(2.94)	2.94	(2.31)	2.31
Biological assets (Malawi) :				
Average yield	(69.18)	69.18	(65.75)	65.75
Average sales price	(59.46)	59.46	(72.73)	72.73

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below :

Quoted prices in an active market (Level 1) : This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund. The fair value for all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Valuation techniques with observable inputs (Level 2) : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise 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.

Valuation techniques with significant unobservable inputs (Level 3) : This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Group's investment in equity shares which are unquoted or for which quoted prices are not available at the reporting dates.

(ii) Transfers between level 1, level 2 and level 3

During the year shares of AU Small Finance Bank Limited got listed on the stock exchange. As at 31 March 2017 they were unlisted and were valued using valuation techniques under level 3, carrying value was Rs. 511.44 lakhs. Since, the shares got listed their quoted prices are readily available these have been transferred to instruments valued using level 1 technique. There are no other transfers between level 1, level 2 and level 3.

(iii) Valuation technique used to determine fair value

Specific valuation technique used to determine fair value includes :

(a) Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available the management has involved valuation experts to determine the fair value of the investments. Different valuation techniques have been used by the valuers for different investments.

(b) The carrying amounts of other financial assets and liabilities carried at amortised cost closely approximate their fair values. The impact of discounting on such financial assets or liabilities is not significant due to the market terms (rates and tenor) available and because the instruments are short term in nature or do not have any fixed contractual maturities.

(All amounts in ₹ lakhs unless otherwise stated)

Note 36 FAIR VALUE MEASUREMENTS *(Contd.)*

(c) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iv) Equity Instruments carried at fair value through other comprehensive income

These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. The Group has chosen to designate this investments in equity instruments at FVOCI since, it provides a more meaningful presentation.

(v) During the year, the Group has sold certain investments to meet its strategic purpose.

Note 37 FINANCIAL RISK MANAGEMENT

In the course of its business, the Group is exposed primarily to fluctuations in interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. In order to minimise any adverse effects on the financial performance of the Group, the Group has risk management policies as described below :-

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions and other financial instruments carried at amortised cost.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents held by the Group. None of the financial instruments of the Group result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 6,647.96 lakhs, Rs. 6,810.29 lakhs, Rs. 5,433.30 lakhs, as at 31 March 2018, 31 March 2017 and 1 April 2016 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits and other financial assets.

i) Trade and other receivables

Credit risk on receivables is minimum since sales through different mode (eg. auction, consignment, private) are made after judging credit worthiness of the customers or advance payment. The history of defaults has been minimal and outstanding receivables are regularly monitored.

The Group is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows :

Particulars	2017-18	2016-17
Opening balance	21.07	17.71
Charge in Statement of Profit and Loss	7.88	5.26
Less : Utilised during the year	-	(0.21)
Exchange differences	(0.94)	(1.69)
	28.01	21.07

ii) Financial instruments and bank deposits

For credit risk on the loans to parties, the Group is not expecting any material risk on account of non-performance by any of the parties. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 37 FINANCIAL RISK MANAGEMENT *(Contd.)*

(B) Liquidity Risk

Liquidity risk refers to the risk that the Group may encounter difficulty in meeting its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Group's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2018	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings	5,707.35	1,885.49	1,753.58	1,003.66	10,350.08
Other financial liabilities	1,056.33	150.38	85.93	126.80	1,419.44
Trade payables	2,121.45	-	-	-	2,121.45
Interest payable on above borrowings**	268.28	389.07	205.66	42.75	905.76
Total financial liabilities	**9,153.41**	**2,424.94**	**2,045.17**	**1,173.21**	**14,796.73**

** Based on closing rates

Contractual maturities of financial liabilities 31 March 2017	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings	6,839.48	4,738.51	3.90	-	11,581.89
Other financial liabilities	1,018.49	159.97	95.90	180.24	1,454.60
Trade payables	2,106.04	-	-	-	2,106.04
Interest payable on above borrowings**	220.17	67.71	-	-	287.88
Total financial liabilities	**10,184.18**	**4,966.19**	**99.80**	**180.24**	**15,430.41**

** Based on closing rates

Contractual maturities of financial liabilities 1 April 2016	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings	5,129.12	5,341.23	7.33	0.31	10,477.99
Other financial liabilities	1,237.59	15.81	67.27	4.97	1,325.64
Trade payables	2,412.85	-	-	-	2,412.85
Interest payable on above borrowings**	197.01	234.23	0.77	-	432.01
Total financial liabilities	**8,976.57**	**5,591.27**	**75.37**	**5.28**	**14,648.49**

** Based on closing rates

(C) Market Risk

(i) Foreign currency risk

The Group deals with foreign currency loan,trade and other receivables, cash and cash equivalents, trade payables etc and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Group is exposed to foreign exchange risk through its trade and other receivables, cash and cash equivalents, they also have borrowings denominated in foreign currencies. The management regularly monitors the currency movement to manage its currency risk.

(All amounts in ₹ lakhs unless otherwise stated)

Note 37 FINANCIAL RISK MANAGEMENT *(Contd.)*

Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in Rs (foreign currency amount multiplied by closing rate), are as follows:

(Values in Rs.)

	31 March 2018		31 March 2017		01 April 2016	
	USD	EUR	USD	EUR	USD	EUR
Financial assets						
Trade and other receivables (excluding prepayments)	1,225.49	-	1,369.35	-	979.06	-
Cash and cash equivalents	83.45	-	49.07	-	6.50	-
Financial liabilities						
Trade and other payables	890.38	-	779.66	-	701.57	-
Other financial liabilities	180.34	-	230.94	-	-	-
Borrowings	1,361.66	1,612.45	2,393.94	1,384.95	3,946.48	-
Net exposure to foreign currency risk	(1,123.44)	(1,612.45)	(1,986.12)	(1,384.95)	(3,662.49)	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit before tax		Impact on equity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
USD sensitivity				
Rs/USD appreciates by 5% (31 March 2017 - 5%)@	56.17	99.31	38.29	67.68
Rs/USD depreciates by 5% (31 March 2017 - 5%)@	(56.17)	(99.31)	(38.29)	(67.68)
EUR sensitivity				
Rs/EUR appreciates by 5% (31 March 2017 - 5%)@	80.62	69.25	55.03	47.20
Rs/EUR depreciates by 5% (31 March 2017 - 5%)@	(80.62)	(69.25)	(55.03)	(47.20)

@ Holding all other variables constant

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During 31 March 2018 and 31 March 2017, the Group's borrowings at variable rate were denominated in both Rupees and foreign currency.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

On Financial Liabilities :

The exposure of the Group's financial liabilities to interest rate risk is as follows :

Particulars	31 March 2018	31 March 2017	01 April 2016
Variable rate borrowings	9,586.12	11,564.42	10,444.83
Fixed rate borrowings	652.08	17.48	33.17
Total borrowings	10,238.20	11,581.90	10,478.00

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 37 FINANCIAL RISK MANAGEMENT *(Contd.)*

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below :

	Impact on profit before tax		Impact on equity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Interest expense rates – increase by				
50 basis points (50 bps)*	(47.93)	(57.82)	(32.67)	(39.41)
Interest expense rates – decrease by				
50 basis points (50 bps)*	47.93	57.82	32.67	39.41

* Holding all other variables constant

(iii) Price Risk

(a) Exposure

The Group's exposure to equity securities & mutual funds price risk arises from investments held by the Group and classified in the balance sheet at fair value through Other Comprehensive Income or at Fair Value through Statement of Profit & Loss. To manage its price risk arising from investments in equity securities & mutual funds, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. In general, these investments are not held for trading purposes.

The majority of the Group's equity investments & mutual funds are publicly traded.

(b) Sensitivity

The table below summarizes the impact of increases/decreases of the share prices on the Group's equity.

	Impact on equity		
	31 March 2018	31 March 2017	01 April 2016
Share price - Increase 5%*	210.19	177.22	89.71
Share price - Decrease 5%*	(210.19)	(177.22)	(89.71)

* Holding all other variables constant

(D) Agricultural Risk

Cultivation of tea, macademia nuts and timber being agricultural activities, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods due to increase in supply/availability.

The Group manages the above financial risks in the following manner:

- Sufficient inventory levels of agro chemicals, fertilizers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Sufficient level of consumable stores viz packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea, macademia nuts and timber are not adversely affected even in times of adverse conditions.

Note 38 SEGMENT REPORTING

The Group is primarily engaged in business of cultivation, manufacture and sale of tea and macademia nuts across various geographical locations with different political and economic environment, risks and return etc. Accordingly, operating segments have been identified based on the different geographical areas. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker viz. board of directors.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily include receivables, property, plant and equipment, capital work-in-progress, goodwill, non-current investments, inventories, cash and cash equivalents, inter-segment assets. Segment liabilities primarily include operating liabilities. Segment capital expenditure includes additions to property, plant and equipment.

The reporting segments of the Group are as below:

India : This covers cultivation, manufacture and sale of tea from India.

Malawi : This primairly covers primarily engaged in business of cultivation, manufacture and sale of tea and macademia nuts from Malawi.

(All amounts in ₹ lakhs unless otherwise stated)

Note 38 SEGMENT REPORTING *(Contd.)*

Summary of the segmental information for the year ended and as of 31 March 2018 is as follows :

Particulars	India	Malawi	Unallocated	Total
Segment Revenue				
Revenue	17,701.63	11,006.56	-	28,708.19
	17,701.63	11,006.56	-	28,708.19
Segment Results [Profit/(Loss) before interest and tax]	1,010.86	2,648.80	56.47	3,716.13
Finance cost			(899.73)	(899.73)
Profit/(Loss) Before Tax				2,816.40
Segment Assets	58,698.71	32,256.20	5,891.89	96,846.80
Segment Liabilities	2,668.56	1,387.88	20,652.98	24,709.42
Segment Capital Expenditure	527.83	1,558.98	-	2,086.81
Segment Depreciation and amortisation	743.90	1,001.09	-	1,744.99

Summary of the segmental information for the year ended and as of 31 March 2017 is as follows:

Particulars	India	Malawi	Unallocated	Total
Segment Revenue				
Revenue	18,773.04	11,410.25	-	30,183.29
	18,773.04	11,410.25	-	30,183.29
Segment Results				
Profit/(Loss) before interest and tax	1,848.77	2,580.11	(61.82)	4,367.06
Finance cost			(808.72)	(808.72)
Profit/(Loss) Before Tax				3,558.34
Segment Assets	59,730.72	34,149.40	4,605.05	98,485.17
Segment Liabilities	2,891.05	1,984.20	23,372.48	28,247.73
Segment Capital Expenditure	1,139.17	1,126.70	-	2,265.87
Segment Depreciation and amortisation	723.58	1,365.31	-	2,088.89

Summary of the segment assets and liabilities as at 1 April 2016 is as follows:

Particulars	India	Malawi	Unallocated	Total
Segment Assets	57,838.26	35,018.19	2,982.06	95,838.51
Segment Liabilities	3,057.86	1,881.02	22,129.93	27,068.81

Geographical Information

(a) Revenue from external customers:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
India	17,701.63	18,773.04
Others	11,006.56	11,410.25
	28,708.19	30,183.29

Two customers of the group account for approximately 36% of the sales being made for the year ended 31 March 2018 (31 March 2017: 36%)

Note 39 RELATED PARTY TRANSACTIONS

Names of related parties and description of relationship:

(A) Group Companies in which Key Management Personnel have significant influence and with whom transactions took place during the year :

(1) Naga Dhunseri Group Limited
(2) Trimplex Investments Limited
(3) Mint Investments Limited
(4) Dhunseri Investments Limited
(5) Dhunseri Petrochem Limited
(6) Dhunseri Overseas Private Limited

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 39 RELATED PARTY TRANSACTIONS *(Contd.)*

(B) Key Management Personnel (KMP) @

Name	Designation
(1) Mr. C.K. Dhanuka	Chairman and Managing Director
(2) Mr. Mrigank Dhanuka (w.e.f 14 February 2018)	Executive Director
(3) Mr. R.K.Sharma	Non-Executive Director
(4) Mr. Basudeo Beriwala	Non-Executive Director
(5) Mr. Bharat Bajoria	Non-Executive Director
(6) Ms. Nandini Khaitan	Non-Executive Director
(7) Mr. Vivek Goenka (w.e.f 30 August 2017)	Non-Executive Director
(8) Mr. Ashok Kumar Lohia (Ceased to be a KMP on 10 August 2017)	Non-Executive Director

(C) Post Employment Benefit Plan Entity

(1) Dhunseri Petrochem Limited Employees Gratuity Fund

(D) Details of related party transactions/balances

The following transactions occurred with the related parties :

Related Party	Relationship	Outstanding as at 31st March, 2018	Outstanding as at 31st March, 2017	Outstanding as at 1st April 2016	Payable/ receivable/ others	Nature of Transaction	2017-2018	2016-2017
Dhunseri Petrochem Limited	A	-	-	-	-	Reimbursement of Expenses	-	2.39
Trimplex Investments Limited	A	61.50	61.50	61.50	Security deposit - receivable	Rent and Service Charges	83.54	76.64
Naga Dhunseri Group Limited	A	-	-	-	-	Rent Paid	33.15	29.76
Mint Investments Limited	A	-	-	-	-	Rent and Service Charges	31.31	30.23
Dhunseri Investments Limited	A	-	-	-	-	Rent Paid	29.33	28.77
Dhunseri Overseas Private Limited	A	-	-	-	-	Investment in Shares	-	299.00
Mr. C.K. Dhanuka @	B	(4.00)	(25.00)	(65.00)	Commission Payable	Short-term employee benefits	25.94	49.53
		(25.00)	(25.00)	(25.00)	Security deposit - Payable	Post employment benefits	3.44	3.24
						Rent Received	0.60	0.60
Mr. M. Dhanuka @	B	(2.00)	-	-	Commission Payable	Short-term employee benefits	3.73	-
		(25.00)	(25.00)	(25.00)	Security deposit - Payable	Post employment benefits	0.14	-
						Rent Received	0.60	0.60
						Sitting Fees	0.20	0.30
						Electricity deposit refund	0.71	-

(All amounts in ₹ lakhs unless otherwise stated)

Note 39 RELATED PARTY TRANSACTIONS *(Contd.)*

(D) Details of related party transactions/balances *(Contd.)*

The following transactions occurred with the related parties :

Related Party	Relationship	Outstanding as at 31st March 2018	Outstanding as at 31st March 2017	Outstanding as at 1st April 2016	Payable/ receivable/ others	Nature of Transaction	2017-2018	2016-2017
Mr. R.K.Sharma	B	-	-	-	-	Sitting Fees	0.40	0.30
Mr. Basudeo Beriwala	B	-	-	-	-	Sitting Fees	0.95	0.60
Mr. Bharat Bajoria	B	-	-	-	-	Sitting Fees	0.65	0.65
Mr. Vivek Goenka	B	-	-	-	-	Sitting Fees	0.60	-
Ms. Nandini Khaitan	B	-	-	-	-	Sitting Fees	0.65	0.40
Mr. Ashok Kumar Lohia	B	-	-	-	-	Sitting Fees	-	0.75
Post employment Benefit Plan Entity Dhunseri Petrochem Limited Employees Gratuity Fund	C	-	-	-	-	Contribution	229.68	322.11

@ Details of remuneration to key managerial personnel have been included in Note 29.

Other Terms & Condition of related party transaction

Transactions related to dividend were on the same terms and conditions that applied to other shareholders. The other transactions are made in the ordinary course of business. Outstanding balances at the year end are unsecured a. No provision are held against receivable from related parties.

Note 40 FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2, have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.

Accordingly, the Group has elected to measure certain class of property, plant and equipments at its fair value as at the transition date and considered such value as deemed cost at that date. While remaining class of assets are carried at historical cost determined in accordance with retrospective application of Ind AS.

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 40 FIRST TIME ADOPTION OF IND AS *(Contd.)*

A.1.2 Past business combinations

Ind AS 101 permits a first-time adopter, not to apply Ind AS 103 retrospectively to past business combinations (business combinations that occurred before the date of transition to Ind AS).

Accordingly, the Group has opted to apply this exemption for past business combinations.

A.1.3 The effects of changes in foreign exchange rates

Ind AS 21 requires an entity

(a) to recognise some translation differences in other comprehensive income and accumulate these in a separate component of equity; and

(b) on disposal of a foreign operation, to reclassify the cumulative translation difference for that foreign operation (including, if applicable, gains and losses on related hedges) from equity to profit or loss as part of the gain or loss on disposal.

However, a first-time adopter need not comply with these requirements for cumulative translation differences that existed at the date of transition to Ind ASs. If a first-time adopter uses this exemption:

(a) the cumulative translation differences for all foreign operations are deemed to be zero at the date of transition to Ind ASs; and

(b) the gain or loss on a subsequent disposal of any foreign operation shall exclude translation differences that arose before the date of transition to Ind ASs and shall include later translation differences.

The Group has elected the option to set the cumulative translation differences to zero on the transition date.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI and investment in debt mutual funds as FVPL;
- Biological asset measured at fair value less cost to sell.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the fact and circumstances that exists at the date of transition to Ind AS.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(All amounts in ₹ lakhs unless otherwise stated)

Note 40 FIRST TIME ADOPTION OF IND AS *(Contd.)*

B. Reconciliations between previous GAAP and Ind AS

(1) Reconciliation of total equity

Particulars	Notes	Amounts as at at 31 March 2017	Amounts as at 1 April 2016
Equity as per previous GAAP		**74,676.98**	**40,521.55**
Re-measurements on transition to Ind AS			
Impact on account of fair valuation of Property, plant and equipment	1	2,718.02	36,505.23
Impact on account of financial Instruments	2	1,082.80	(55.97)
Impact of recognising biological assets at fair values and movement thereon	3	1,534.77	1,575.05
Impact of measuring inventory of made tea on the basis of Ind AS 2 and Ind AS 41	4	(140.26)	(124.52)
Reversal of Proposed Dividend and Tax on Proposed Dividend	5	-	674.48
Replanting subsidy reclassified as deferred subsidy income	6	(58.29)	(59.36)
Other adjustments	7	23.80	-
Deferred consideration on business combination	8	166.30	-
Currency translation	9	610.10	367.53
Balance of equity as per Ind AS before tax impact on adjustments		**80,614.22**	**79,403.99**
Deferred tax impact on the above	10	(10,376.77)	(10,634.29)
Balance of Equity as per Ind AS		**70,237.45**	**68,769.70**

(2) Reconciliation of total comprehensive income

Particulars	Notes	Year ended 31 March 2017
Net Profit after tax as per Previous GAAP		**2,721.75**
Re-measurements on transition to Ind AS		
Impact on account of financial Instruments	2	23.68
Reclassification of actuarial (gains) / losses of employee benefit to other comprehensive income (OCI)	11	115.68
Impact of recognising biological assets at fair values and movement thereon	3	43.31
Impact of measuring inventory of made tea on the basis of Ind AS 2 and Ind AS 41	4	(15.74)
Replanting subsidy reclassified as deferred subsidy income	6	1.08
Other adjustments	7	4.70
Depreciation	1	(407.80)
Tax impact on above adjustments	10	226.22
Net Profit after tax as per Ind AS		**2,712.88**
Other comprehensive income/(loss)		(959.29)
Total comprehensive income/(loss) as per Ind AS		**1,753.59**

(3) Reconciliation of statement of cash flows

Particulars	Notes	Amount as per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Net cash generated from/(used in) operating activities	9,11,12,13	4,807.36	(297.30)	4,510.06
Net cash generated from/(used in) investing activities	9,11, 13	(4,496.55)	372.83	(4,123.72)
Net cash generated from/(used in) financing activities	9	(448.93)	(77.03)	(525.96)
Net increase/(decrease) in cash and cash equivalents		**(138.12)**	**(1.50)**	**(139.62)**
Cash and cash equivalents as at 1 April 2016	9,12	380.40	(9.88)	370.52
Exchange Difference on Translation of Foreign Currency Cash and Cash Equivalents		2.91	0.01	2.92
Cash and cash equivalents as at 31 March 2017	9,12	245.19	(11.37)	233.82

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 40 FIRST TIME ADOPTION OF IND AS *(Contd.)*

Notes to reconciliation of total equity and total comprehensive income

(1) Property, plant and equipment

(a) Under Ind AS, the Group has elected to measure certain items of property, plant and equipment at its fair value as at the transition date and considered such value as deemed cost at that date. While remaining items of property, plant and equipment are carried at historical cost determined in accordance with retrospective application of Ind AS.

(2) Financial Instruments

(a) In accordance with Ind AS 109 "Financial Instruments", investments in equity instruments and equity oriented mutual funds have been recognised at fair value at each reporting date through other comprehensive income.
Consequently, on eventual sale of such investments, profit or loss recognised in the statement of profit and loss under the previous GAAP have been reversed as the fair value changes are recognised through other comprehensive income.

(b) In accordance with Ind AS 109 "Financial Instruments", investments in debt oriented/hybrid mutual funds are recognised at fair value through the statement of profit and loss at each reporting period.

(3) Impact of recognising biological assets at fair values and movement thereon

Under previous GAAP, biological assets were not required to be recognised. Under Ind AS, these have been recognised at fair value less costs to sell and change in fair value has been recognised in profit or loss.

(4) Impact of measuring inventory of made tea on the basis of Ind AS 2 and Ind AS 41

(a) **Raw Materials :** Under previous GAAP, no valuation was done for period end harvested tea-leaf. Under Ind AS, harvested leaf is measured at its fair value less cost to sell and is classified as Raw Materials.

(b) **Finished Goods :** Under previous GAAP, tea stock has been valued at the lower of cost and net realizable value. Cost of inventories comprise all costs of purchase/production of green leaf, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Under Ind AS, cost of inventories comprise cost of purchase of green leaf, fair value of green leaf at the time of harvest less cost to sell, conversion cost and other costs incurred in bringing the inventories to their present location and condition.

(5) Reversal of Proposed Dividend and Tax on Proposed Dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements and applicable dividend tax thereon were considered as adjusting events. Accordingly, provision for proposed dividend and dividend tax thereon was recognised as a liability. Under Ind AS, such dividend and tax thereon are recognised when the dividend is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and dividend tax thereon included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

(6) Replanting subsidy reclassified as deferred subsidy income

Under previous GAAP, replanting subsidy received from the Tea Board was recognized as revenue in the Statement of Profit and Loss as and when accrued. Under Ind AS, the same is recognized as deferred revenue in the Balance Sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the bearer plants.

(7) Other adjustments

Other adjustments primarily relate to capitalisation of finance cost on capital work-in-progress.

(8) Deferred consideration on business combination

In accordance with Ind AS 103, consideration to be paid in future on acquisition of subsidiary is required to be measured at fair value as on the date of acquisition. Accordingly consideration payable in future is measured at fair value under Ind AS and corresponding impact is given to capital reserve arised on such business combination.

(All amounts in ₹ lakhs unless otherwise stated)

Note 40 FIRST TIME ADOPTION OF IND AS *(Contd.)*

Notes to reconciliation of total equity and total comprehensive income

(9) Currency translation

Represents foreign currency translation difference which have arisen on account of Ind AS adjustments in relation to foreign subsidiaries.

(10) Deferred tax

In accordance with Ind AS 12, "Income Taxes", the Group on transition to Ind AS has recognised deferred tax on temporary differences, i.e. based on balance sheet approach as compared to the earlier approach of recognising deferred taxes on timing differences, i.e. profit and loss approach.

(11) Reclassification of actuarial (gains) / losses of employee benefit to other comprehensive income (OCI)

(a) In accordance with Ind AS 19, "Employee Benefits" re-measurement gains and losses on post employment defined benefit plans are recognised in other comprehensive income as compared to the statement of profit and loss under the previous GAAP.

(b) Interest expense/income on the net defined benefit liability/asset is recognised in the statement of profit and loss using the discount rate used for defined benefit obligation as compared to the expected rate used for recognising income from plan assets under the Previous GAAP.

(12) Cash and Cash equivalents

(a) Other bank balances

Under previous GAAP, other bank balances (comprising unpaid dividend), were considered as part of cash and cash equivalents. The same are not being included under Ind AS for consideration as cash and cash equivalents. The movement in balances is being considered under operating activities.

(b) Fixed deposit

Under previous GAAP, fixed deposit (with maturity greater than 3 months but less than 12 months) were not been considered as cash and cash equivalents. The same are being included under Ind AS for consideration as cash and cash equivalents.

(13) Impact on account of government grant of capital nature

Under previous GAAP, government grant of capital nature were reduced from the value of property, plant and equipment and hence investing activities were shown net of such grants received. The same are now being treated as deferred income in accordance with Ind AS 20.

Note 41 COMMITMENTS

Particulars	31 March 2018	31 March 2017	01 April 2016
Capital Commitments			
Estimated value of contracts in capital account remaining to be executed [net of advances Rs. 64.80 lakhs (31 March 2017: Rs. Nil, 1 April 2016 : Rs Nil)]	178.95	166.26	-
	178.95	166.26	-

Note 42 CONTINGENT LIABILITIES

Particulars	31 March 2018	31 March 2017	01 April 2016
(a) Claims against the Group not acknowledged as debts			
(i) Income Tax-matter under dispute	16.40	24.09	77.77
(ii) Cases which are pending in the courts of Malawi	70.89	61.34	30.19
(b) Bank Guarantee given for employees	20.86	27.43	26.28
	108.15	112.86	134.24

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 43 PROPOSED DIVIDEND

Particulars	31 March 2018	31 March 2017	01 April 2016
The final dividend proposed for the year is as follows:			
On Equity Shares of Rs 10 each			
(i) Amount of dividend proposed for the year by the Parent Company	560.40	560.40	560.40
(ii) Dividend per Equity Share (Rs)	8.00	8.00	8.00
(iii) Related Tax Impact (Rs)	115.19	114.08	114.08

The Board of Directors in its meeting on 21 May, 2018 has proposed a final dividend of Rs 8/- per equity share for the financial year ended March 31, 2017. The proposal is subject to the approval of the shareholders at the Annual General Meeting and if approved would result in a cash outflow of Rs 674.48 Lakhs.

Note 44 LEASE OBLIGATION

Operating Lease

The Group has taken various office premises, factory premises and residential accommodation for employees under operating cancellable lease arrangements. There is no specific obligation for renewal of these agreements.

	31 March 2018	31 March 2017
Lease rent charged to the Statement of Profit and Loss	250.24	240.72

Note 45

Pending completion of relevant formalities, certain assets and liabilities acquired by the Parent Company pursuant to the Scheme of Arrangement remain included in the books of the Company under the name of the Transferor Company.

Note 46

Out of a total of 12.98 hectares(31st March 2017 - 12.92 Hectares,1st April,2016 - 12.92 Hectares) Freehold land under Investment Property as mentioned in Note 4 - Investment Properties, 6.25 Hectares (31st March 2017 - 6.25 Hectares,1st April,2016 - 6.25 Hectares) of land which was earlier declared as Private Forest land under the provisions of the Maharashtra Private Forest (Acquisition) Act 1975, has been mutated in the name of Dhunseri Petrochem & Tea Ltd (being the transferor company in the Scheme of Arrangement executed in the FY 2014-15) during 2016-17. Pending completion of relevant formalities the same is yet to be transferred in the name of the Company.

Note 47

Disclosures relating to Specified Bank Notes* (SBN's) held and transacted during the period from 8 November 2016 to 30 December 2016.

Particulars	SBN's*	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.16	17.11	7.32	24.43
(+) Permitted Receipts	-	509.63	509.63
(-) Permitted Payments	0.82	439.89	440.71
(-) Amount deposited in Banks	16.29	3.00	19.29
Closing cash in hand as on 30.12.16	-	74.06	74.06

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Minsitry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

Note 48

Miscellaneous expenses (Refer Note 32) include a donation of Rs 25 lakh (Previous Year Rs Nil) for a political purpose to All India Trinamool Congress.

(All amounts in ₹ lakhs unless otherwise stated)

Note 49 BUSINESS COMBINATION

Summary of acquisition

On 31 August 2016, the Group acquired 100% of the issued share capital of AM Henderson and Sons Limited, Malawi, a company which primary owned land and was in tobacco farming and floriculture. The land owned will be used for Macadamia farming. Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Purchase consideration - cash outflow

Particulars	Amount
Cash consideration	789.73
Deferred consideration	250.00
Total purchase consideration	**1,039.73**

The assets and liabilities recognised as a result of the acquisition are as follows :

Particulars	Amount
Cash	13.69
Land and buildings	1,316.14
Plant and equipment	141.20
Deferred tax liability	(42.66)
Net identifiable assets acquired	1,428.37
Less: Gain on acquisition	(388.64)
Net assets acquired	**1,039.73**

Significant estimate: deferred consideration

An additional consideration of up to Rs. 409.76 lakhs has been agreed to be payable within 9 years. The fair value of the same was estimated as Rs. 250.00 lakhs by calculating the present value of the future expected cash flows. The estimates are based on a discount rate of 12.5% (in local currency - Malawian Kwacha).

Revenue and profit contribution

The acquired business contributed revenues of Rs. 1.45 lakhs and net profit of Rs. 98.78 lakhs to the group for the period from 31 August 2016 to 31 December 2016.

If the acquisition had occurred on 1 January 2016, consolidated pro-forma revenue and profit for the year ended 31 December 2016 would have been Rs. 1.45 lakhs and Rs. 98.60 lakhs respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the group and the subsidiary, and
- the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from 1 January 2016, together with the consequential tax effects.

Note 50 ASSET ACQUISITION

The Group has acquired 100% stake in Elfin Heights Private Limited for a cash consideration of Rs 1 lakh. Elfin Heights Private Limited does not fall within the definition of business as defined under Ind AS 103 (Business combinations). Hence the same needs to be accounted as an "asset acquisition". After the acquisition, the Company has become a wholly owned subsidiary of the Holding Company with effect from the date of acquisition.

The Group has identified and recognised the individual identifiable assets acquired. The Group has allocated the cost of the group of assets and liabilities to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

Notes to Consolidated Financial Statements *(Contd.)*

(All amounts in ₹ lakhs unless otherwise stated)

Note 51 STATEMENT OF NET ASSETS, AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND NON-CONTROLLING INTEREST

Name of the entity	2017-18							
	Net Assets		Share in Profit / (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated Net Profit / (Loss)	Amount	As a % of consolidated other comprehensive income	Amount	As a % of total comprehensive income
Holding Company								
Dhunseri Tea & Industries Limited	54,568.53	75.65	823.39	28.39	841.11	(258.03)	1,664.50	64.66
Subsidiary								
Indian								
Elfin Heights Private Limited #	-	-	-	-	-	-	-	-
Foreign								
Dhunseri Petrochem and Tea Pte Limited	(2,302.23)	(3.19)	453.03	15.62	-	-	453.02	17.60
Makandi Tea and Coffee Estates Limited	10,691.54	14.82	741.73	25.57	-	-	741.73	28.81
Kawalazi Estate Company Limited	9,179.54	12.72	882.26	30.42	-	-	882.26	34.27
Exchange differences in translating financial statement of foreign operations	-	-	-	-	(1,167.09)	358.03	(1,167.09)	(45.33)
Total	72,137.38	100.00	2,900.40	100.00	(325.98)	100.00	2,574.42	100.00

Name of the entity	2016-17							
	Net Assets		Share in Profit / (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated Net Profit / (Loss)	Amount	As a % of consolidated other comprehensive	Amount	As a % of total comprehensive income
Holding Company								
Dhunseri Tea & Industries Limited	53,422.14	76.06	1,152.59	42.49	1,078.28	-112%	2,230.87	127.22
Subsidiary								
Indian								
Elfin Heights Private Limited #	373.43	0.53	(7.78)	(0.29)	-	-	(7.78)	(0.44)
Foreign								
Dhunseri Petrochem and Tea Pte Limited	(3,323.24)	(4.73)	274.52	10.12	-	-	274.52	15.65
Makandi Tea and Coffee Estates Limited	10,800.53	15.38	576.73	21.26	-	-	576.73	32.89
Kawalazi Estate Company Limited	8,964.59	12.76	716.82	26.42	-	-	716.82	40.88
Exchange differences in translating financial statement of foreign operations	-	-	-	-	(2,037.57)	212%	(2,037.57)	(116.19)
Total	70,237.45	100.00	2,712.88	100.00	(959.29)	100%	1,753.59	100.00

#Ceased to be a subsidiary from 19 August 2017.

Note - Since there is no non-controlling interest in the subsidiary companies, hence the disclosures relating to non-controlling interests are not applicable.

For and on behalf of the Board of Directors

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 21, 2018

R. Mahadevan
Company Secretary

C. K. Dhanuka
Managing Director
(DIN - 00005684)

Basudeo Beriwala
Director
(DIN - 00118319)

Vikash Jain
Chief Financial Officer

P. C. Dhandhania
Chief Executive Officer

FORM AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

[Pursuant to first proviso to Sub-section(3) of Section 129 Read with the Rule 5 of the Companies (Accounts) Rules, 2014]

(Amount in ₹ lakhs)

	Name of the Subsidiary Company	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	%of Shareholding	Country
1	DHUNSERI PETROCHEM & TEA PTE.LTD	Year Ended 31.12.2017	USD	1.0000	115.28	32.66	223.33	223.33	220.00	-	8.02	1.06	6.96	-	100	Singapore
			INR	63.9273	6,429.96	2,087.57	14,276.80	14,276.80	14,064.01	-	522.12	69.10	453.02	-	100	Singapore
2	MAKANDI TEA AND COFFEE ESTATES LTD	Year Ended 31.12.2017	MALAWI KWACHA	725.584	138.62	121,211.84	182,296.83	182,296.83	10,644.31	69,369.36	11,869.56	4,010.14	7,859.42	-	100	Malawi
			USD	1.0000	0.52	148.60	251.24	251.24	14.67	95.60	16.36	3.41	12.95	-	100	Malawi
			INR	63.9273	33.13	9,499.41	16,061.19	16,061.19	937.81	6,225.39	1,065.21	221.84	843.37	-	100	Malawi
3	KAWALAZI ESTATE COMPANY LIMITED	Year Ended 31.12.2017	MALAWI KWACHA	725.584	339.84	103,849.27	149,906.61	149,906.61	-	58,279.14	7,894.96	(1,936.00)	9,830.96	-	100	Malawi
			USD	1.0000	1.27	142.32	206.60	206.60	-	80.32	10.88	(2.67)	13.55	-	100	Malawi
			INR	63.9273	81.21	9,098.33	13,207.46	13,207.46	-	5,230.12	708.51	(173.74)	882.26	-	100	Malawi
4	A M HENDERSON & SONS LIMITED	Year Ended 31.12.2017	MALAWI KWACHA	725.584	2.14	15,072.20	15,088.20	15,088.20	-	-	(1,538.45)	(405.84)	(1,132.61)	-	100	Malawi
			USD	1.0000	0.003	18.13	18.76	18.76	-	-	(2.12)	(0.56)	(1.56)	-	100	Malawi
			INR	63.9273	0.20	1,231.93	1,274.63	1,274.63	-	-	(138.07)	(36.42)	(101.65)	-	100	Malawi

1. During the year M/s ELFIN HEIGHTS PVT LTD, a wholly owned subsidiary was disposed off by the Company.

DHUNSERI TEA & INDUSTRIES LTD.
CIN: L15500WB1997PLC085661
Regd. Office : 'Dhunseri House', 4A, Woodburn Park, Kolkata-700020
Ph.No.+91 33 2280 1950 (5 Lines), E-mail : mail@dhunseritea.com; Website : www.dhunseritea.com

Notice

NOTICE is hereby given that the 21st Annual General Meeting (AGM) of the Members of DHUNSERI TEA & INDUSTRIES LIMITED will be held on Tuesday the 7th day of August, 2018 at 10.30 a.m. at 'Kala Kunj', Sangit Kala Mandir Trust, 48, Shakespeare Sarani, Kolkata 700017 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2018 and the Reports of the Directors' and Auditors' thereon.
2. To declare a dividend of Rs.8.00 per equity share for the financial year ended 31st March, 2018.
3. To appoint a director in place of Mr. Rajiv Kumar Sharma (DIN 05197101) who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. Lovelock & Lewes, Chartered Accountants, Kolkata (Firm Registration No.301056E) for the year 2018-19 (as approved by the Members at the 17th Annual General Meeting as Statutory Auditors' of the Company, to hold office until the conclusion of 22nd Annual General Meeting) and that the Board of Directors be and are hereby authorised to fix their remuneration as recommended by the audit committee for the financial year ending 31st March, 2019.

SPECIAL BUSINESS :

5. Appointment of Mr. Vivek Goenka (DIN: 00042285) as an Independent Director.

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

   "RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, read with Schedule IV of the said Act, Mr. Vivek Goenka (DIN : 00042285), appointed as an Additional Director of the Company by the Board with effect from 30th August, 2017 under Section 161 of the Companies Act, 2013 and who holds office till the conclusion of the ensuing AGM and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company, to hold office for a term upto five consecutive years commencing from 30th August, 2017, not liable to retire by rotation."

6. Appointment of Mr. Mrigank Dhanuka (DIN 00005666) as an Executive Director.

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

   "RESOLVED that pursuant to the applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013 approval be and is hereby granted to the appointment of Mr. Mrigank Dhanuka (DIN 00005666) as an Executive Director of the Company for a period of five years from 14th February, 2018 till 13th February, 2023 and to the payment of his remuneration, perquisites and other benefits arising out of such appointment on the terms and conditions as contained in the agreement entered into between the Company and Mr. Mrigank Dhanuka the material terms of which are set out in the Explanatory Statement to this notice and which agreement is submitted to this meeting be and is hereby also approved.

   RESOLVED further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid Resolution including the alteration and variation in the terms and conditions of the said appointment and/or agreement so not to exceed the limits specified in Schedule V to the Companies Act, 2013 or any amendment thereof as may be agreed between the Board of Directors and Mr. Mrigank Dhanuka.

   RESOLVED further that in case of no profits or inadequacy of profits in any financial year the minimum remuneration as specified in the aforesaid agreement shall be paid to Mr. Mrigank Dhanuka."

7. Appointment of Prof. Ashoke Kumar Dutta (DIN: 00045170) as an Independent Director.

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

   "RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, read with Schedule IV of the said Act, Prof. Ashoke Kumar Dutta (DIN : 00045170), appointed as an Additional Director of the Company by the Board with effect from

21st May, 2018 under Section 161 of the Companies Act, 2013 and who holds office till the conclusion of the ensuing AGM and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company, to hold office for a term upto five consecutive years commencing from 21st May 2018, not liable to retire by rotation."

8. To ratify the remuneration of the Cost Auditor for the financial year ending 31st March, 2019 and in this regard to consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to M/s. Mani & Co, Cost Accountants (Firm Registration No. 000004), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019, amounting to Rs.1.50 lac (Rupees One lac and fifty thousand only) as also the payment of applicable taxes and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed."

By Order of the Board
For DHUNSERI TEA & INDUSTRIES LIMITED
Kolkata **R. MAHADEVAN**
21st May, 2018 Company Secretary

Notes :

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the 21st Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed hereto. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 1st August, 2018 till Tuesday, the7th August, 2018 (both days inclusive).
4. The Dividend for the financial year ended 31st March, 2018, as recommended by the Board, if approved at the AGM, will be paid on or after Tuesday, the 14th August, 2018 to those Members whose name appears in the Register of Members of the Company as on Tuesday, the 7th August, 2018.
5. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
6. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to the Company's Registrar & Share Transfer Agent M/s. Maheshwari Datamatics Private Limited, 23, R.N.Mukherjee Road, 5th Floor, Kolkata-700001.
7. The details of the directors seeking re-appointment under Item No.3 or appointment(s) under Item Nos.5, 6 and 7 respectively of this Notice is annexed hereto.
8. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting their email address either to the Company Secretary or to M/s Maheshwari Datamatics Pvt. Ltd. Members holding shares in demat form

are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

9. The Notice of AGM, Annual Report and Admission Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Admission Slip etc. are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Admission Slip etc. in electronic mode are requested to print the Admission Slip and submit a duly filled in Admission Slip at the Registration Counter at the AGM. The Admission slip shall also be made available to them at the venue of the meeting.

10. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, the 31st July, 2018 i.e. the cut-off date, are entitled to vote on the resolutions set forth in this Notice.

    Members who do not have access to e-voting facility may complete and send the Ballot Form enclosed with the Notice of the AGM, so as to reach the Scrutinizer, Mr. Kailash Chandra Dhanuka (FCS-2204; CP-1247), Practicing Company Secretary, at the Registered Office of the Company, not later than Monday, the 6thAugust, 2018. The instructions for filling the Ballot Form are given on the Form.

    The members may cast their votes on electronic voting system from a place other than the venue of the meeting (i.e remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Thursday, the 2nd August, 2018 and will end at 5.00 p.m. on Monday, the 6th August, 2018. In addition, the facility for physical voting shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting or through Ballot form, shall be eligible to vote at the AGM. The Company has appointed Mr. Kailash Chandra Dhanuka (FCS-2204; CP-1247), Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING:

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 is 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.

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 EVEN is 101456 and folio number is 001*** then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can use 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.

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, click 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 mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. 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.

2. 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.

3. Select "EVEN" of the Company, for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. 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.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. 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 a 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 email to dhanuka419@yahoo.co.in 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 to 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 Thursday, 2nd August, 2018 (9.00 a.m) and ends on Monday, 6th August, 2018 (5.00 p.m.). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, 31st July, 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.

ii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company

Notice *(Contd.)*

as on the cut-off date. 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 voting, either through remote e-voting or voting at the AGM through poll paper.

iii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

iv. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first 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 and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

v. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.dhunseritea.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

11. In case of joint holders, attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the Meeting.

12. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements if any, in which Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting.

13. The statement(s) containing the names, last known addresses and the unpaid and unclaimed dividends as on 31st March, 2018 of each person in respect of the years 2014-15, 2015-16 and 2016-17 are available on the Company's website www.dhunseritea.com

14. Members are requested to contact either the Company Secretary or M/s. Maheshwari Datamatics Private Limited for encashing their unclaimed dividends, if any, for the years 2014-15, 2015-16 and 2016-17.

15. Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends not encashed /claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF) established under Section 125(1) of the Companies Act, 2013. Further, all shares in respect of which (dividend has not been paid or claimed for seven consecutive years or more) shall be transferred by the Company in the name of IEPF as required by Section 124(6) of the Companies Act, 2013.

16. Members may communicate either with the Company Secretary or with the Company's Registrar and Share Transfer Agent for redressal of queries.

17. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to either the Company Secretary or to M/s. Maheshwari Datamatics Private Limited

18. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Admission Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the Admission Slip and hand it over at the Registration Counter at the venue.

19. Members desiring any information relating to the accounts are requested to write to the Company Secretary well in advance so as to enable the management to keep the information ready.

Details of director seeking re-appointment at this Annual General Meeting [Information pursuant to Regulations 36(3) & 26(4) of SEBI (LODR) 2015]

Item 3

Name of Director	RAJIV KUMAR SHARMA DIN: 05197101	Directorship held in other Companies	Dhunseri Petrochem Ltd Dhunseri Infrastructure Ltd Egyptian Indian Polyester Co. SAE Makandi Tea & Coffee Estates Ltd Kawalazi Estate Company Ltd IVL Dhunseri Petrochem Industries Private Limited Tastetaria Private Limited
Date of Birth	07.04.1965		
Date of Appointment	09.09.2014		
Expertise in specific Functional areas	Mr. Rajiv Kumar Sharma is a commerce graduate from University of Calcutta, and a Fellow Member of both the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. Mr. R. K. Sharma has a consistent and comprehensive academic track record. Mr. Sharma has close to 3 decades of experience in the field of finance, accounts, taxation, secretarial, contract negotiation etc. He is associated with the Dhunseri Group for more than 20 years.	Membership/ Chairmanship of Committees in Other Public companies	**Dhunseri Petrochem Ltd** - Share Transfer Committee : Member - Investment Committee : Member
		Shareholdings in the Company	100
Qualifications	B.Com; FCA; FCS		

Details of directors seeking appointment at this Annual General Meeting [Information pursuant to Regulations 36(3) & 26(4) of SEBI (LODR) Regulations, 2015]

Item 5

Name of Director	VIVEK GOENKA DIN: 00042285	Directorship held in other Companies	Maple Hotels & Resorts Limited Softweb Technologies Private Limited Warren Steels Private Limited Warren Tea Limited Warren Industrial Limited Sectra Plaza Private limited
Date of Birth	08.06.1982		
Date of Appointment	30.08.2017		
Expertise in specific Functional areas	Mr. Vivek Goenka is the President of Warren Tea Limited. He is also the Vice-Chairman of Indian Tea Association and the Governing Council Member of the Tea Research Association of India. He is associated with various social and business institutions and is an active member of the Entreprenuers' Organisation (EO) and was the Ex- President of EO Kolkata Chapter.	Membership/ Chairmanship of Committees in Other Public companies	Nil
		Shareholdings in the Company	Nil
Qualifications	Graduate, Management Studies, University of Nottingham & Masters in Finance & Investments, University of Nottingham		

Notice *(Contd.)*

Item 6

Name of Director	MRIGANK DHANUKA (DIN: 00005666)	Membership/ Chairmanship of Committees in Public companies	**Dhunseri Petrochem Limited** - Investment Committee: Member - Share Transfer Committee: Member **Dhunseri Investments Limited** - Share Transfer Committee: Member - Nomination & Remuneration Committee: Member - Investment Committee: Member - Risk Management Committee: Member **Naga Dhunseri Group Limited** - Stakeholders' Relationship Committee: Member - Share Transfer Committee: Member
Date of Birth	12.08.1980		
Date of Appointment	01.02.2014		
Expertise in specific Functional areas	Mr. Mrigank Dhanuka is the Vice Chairman of Dhunseri Petrochem Limited and is also on the board of several companies of the Group. He had his initial training with the Group Companies and has gathered vast business experience especially in Tea, Petrochemical and Hospitality industries.		
Qualifications	Graduate B.Com (Hons) University of Calcutta & undergone three years course on Industrial & Operations Engineering from University of Michigan, USA.	Shareholdings in the Company	23,184
Directorship held in other Companies	Dhunseri Petrochem Ltd : Vice Chairman Tastetaria Private Limited Twelve Cupcakes Pte Ltd. Dhunseri Investments Limited Naga Dhunseri Group Limited : Managing Director Mint Investments Limited Dhunseri Infrastructure Ltd Trimplex Investments Limited Madhuting Tea Private Limited Jatayu Estate Private Limited Egyptian Indian Polyester Co. SAE Makandi Tea & Coffee Estates Ltd Kawalazi Estate Company Ltd		

Item 7

Name of Director	ASHOKE KUMAR DUTTA DIN: 00045170	Qualifications	Post Graduate in Management from IIM
Date of Birth	17.07.1947	Directorship held in other Companies	All India Technologies Ltd. : Chairman Batchmates.Com Private Ltd. ABC India Ltd. International Sign Association of India
Date of Appointment	21.05.2018		
Expertise in specific Functional areas	Prof. Ashoke Kumar Dutta served as a Member of the Direct Tax Advisory Council (DTAC) of the Govt. of India and also as an Independent Director of National Hydel Power Corporation, National Hydel Development Corporation, Garden Reach Shipbuilders & Engineers , Orissa Mineral Development Corporation, Mineral and Scrap Trading Corporation and Andrew Yule & Co Ltd all Public Sector Units. He is a distinguished Academic Administrator with a unique background of heading a Media Company, a Business Organisation and an Educational Institute.	Membership/ Chairmanship of Committees in Other Public companies	ABC India Ltd - Nomination & Remuneration Committee: Chairman - Stakeholders' Relationship Committee: Member
		Shareholdings in the Company	Nil

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013:

Item Nos. 5 & 7

Mr. Vivek Goenka and Prof. Ashoke Kumar Dutta were appointed as Additional Directors [Non-Executive (Independent)] of the Company at the board meetings held on 30th August, 2017 and 21st May, 2018 respectively on the recommendation of the Nomination & Remuneration Committee and they are proposed to be appointed as Independent Directors of the Company, for a term of five years w.e.f. the date of their initial appointments i.e. 30th August, 2017 and 21st May, 2018 respectively pursuant to the provisions of Sections 149, 152 and other applicable provisions and the Rules made thereunder read with Schedule IV to the Companies Act, 2013.

The Company has received from Mr. Vivek Goenka and Prof. Ashoke Kumar Dutta (i) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (ii) a declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013

The approval is sought from the members for the appointment of Mr. Vivek Goenka and Prof. Ashoke Kumar Dutta as independent directors of the Company for a term of five consecutive years w.e.f. 30th August, 2017 and 21st May, 2018 respectively at the ensuing 21st AGM pursuant to Section 149 and other applicable provisions of the Companies Act, 2013. They shall not be liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Vivek Goenka and Prof. Ashoke Kumar Dutta who are proposed to be appointed as Independent Directors fulfil the conditions specified in the Act and Rules made thereunder and they are independent of the Management.

The Board considers their continued association as independent directors would be of immense benefit to the Company and it is desirable to avail their services as Independent Directors.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Vivek Goenka and Prof. Ashoke Kumar Dutta to whom the respective resolution relates, is concerned or interested in the resolution.

The Board recommends the Ordinary Resolutions set out at item nos. 5 and 7 for the approval of the members.

The brief profiles of Mr. Vivek Goenka and Prof. Ashoke Kumar Dutta are included as an annexure to this Notice as per Regulations 36(3) & 26(4) of SEBI (LODR) Regulations, 2015.

Item No. 6

As recommended by the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 14th February, 2018 appointed Mr. Mrigank Dhanuka as an Executive Director of the Company for a period of five years commencing from 14th February, 2018, subject to approval of the Members of the Company at the ensuing 21st Annual General Meeting. The remuneration payable to Mr.Mrigank Dhanuka as per the agreement entered into between the Company and Mr.Mrigank Dhanuka is within the limits prescribed in Schedule V of the Companies Act, 2013 and is given below:

i) **Salary :**

Rs. 75,000 (Rupees Seventy Five Thousand Only) per month in the grade of Rs. 75,000 – 5,000 – 95,000

ii) **Perquisites :**

In addition to salary, the Executive Director shall be entitled to the following perquisites:

(a) **Housing :** Rent Free Furnished Accommodation or in lieu thereof House Rent Allowance at 50% of the salary.

Where accommodation is provided by the Company, the expenditure on Gas, Electricity, Water, Furnishings and other Utilities to be borne/reimbursed by the Company shall be evaluated as per the provisions of the Income Tax Act, 1961 and in the absence of any such provision, the perquisites shall be evaluated at actual cost.

(b) **Medical Reimbursement :** The reimbursement of actual medical expenses incurred for self and family upto one month salary in a year or 3 months salary over a period of three years.

(c) **Leave Travel Concession :** For self and family once in a year.

(d) **Club Fees :** Fees of clubs subject to a maximum of two clubs.

(e) **Credit Cards :** Entry and renewal fees to be reimbursed/ paid by company. All expenses for official purposes to be reimbursed/ paid by the Company at actuals.

(f) **Leave :** As per Rules of the Company applicable to Senior Executives.

(g) **Personal Accident Insurance :** Premium not to exceed Rs. 25,000/- per annum.

(h) **Car :** Facility of Company Car with driver.

(i) **Telephone :** The Company shall provide and maintain a telephone at the residence and shall also provide all

Notice *(Contd.)*

mobile phone facilities. Personal long distance calls will be treated as perquisites.

iii) **Commission :**

Such amount of commission based on the net profits of the Company in a particular year, subject to a maximum of 2.50 % of the net profits of the company.

iv) **Other Benefits :**

In addition to the above perquisites, the Executive Director shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration specified above :

(a) **Provident Fund :** Company's Contribution towards Provident Fund at the rate of 12% of the salary or such rate prescribed as per Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

(b) **Superannuation Fund :** Company's contribution subject to a maximum of 15% of the salary for every completed year of service.

(c) **Gratuity :** As per the Payment of Gratuity Act, 1972.

(d) **Leave Encashment :** At the end of the tenure.

v) **Minimum Remuneration :**

The Executive Director shall be entitled to a minimum remuneration by way of salary and perquisites as specified above in the event of loss or inadequacy of profits in any year.

The Board recommends the Ordinary Resolution set out at item No.6 for approval of the Members.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Chandra Kumar Dhanuka and Mr. Mrigank Dhanuka to whom this resolution relates, is concerned or interested in the resolution.

The Agreement referred above in respect to the Resolution at item No.6 of the accompanying Notice will be open for inspection by the Members at the Registered Office of the Company between hours of 10.00 a.m. and 12.00 noon on any working day except on holidays.

A brief profile of Mr. Mrigank Dhanuka is included as an annexure to this Notice as per Regulations 36(3) & 26(4) of SEBI (LODR) Regulations, 2015

Item No. 8

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Mani & Co, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors for the year 2018-19.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 8 for approval of the Members.

By Order of the Board
For DHUNSERI TEA & INDUSTRIES LIMITED
R. MAHADEVAN
Company Secretary

Kolkata
21st May, 2018

Notes

Notes

Notes

CORPORATE INFORMATION

Board of Directors

C. K. Dhanuka
Chairman & Managing Director

M. Dhanuka
Executive Director

R. K. Sharma

B. Bajoria

N. Khaitan

V. Goenka

A. K. Dutta

Chief Executive Officer

P. C. Dhandhania

Chief Financial Officer

Vikash Jain

Company Secretary & Compliance Officer

R. Mahadevan

Statutory Auditor

Lovelock & Lewes
Chartered Accountants

Bankers

State Bank of India
Bank of Baroda
Punjab National Bank
United Bank of India
Development Credit Bank
ICICI Bank
HDFC Bank
Indusind Bank
Axis Bank

Registered Office

"Dhunseri House",
4A, Woodburn Park, Kolkata-700020
Phone: 91-33-2280-1950 (5 Lines)
Fax: 91-33-2287 8350/9274
E-mail: mail@dhunseritea.com
Website: www.dhunseritea.com
CIN: L15500WB1997PLC085661

Tea Estates

Bahadur Tea Estate
P.O. Tinsukia, Assam, Pin: 786125

Bahipookri Tea Estate
P.O. Mazbat, Assam, Pin: 784507

Bettybari Tea Estate
P.O. Mazbat, Assam, Pin: 784507

Dhunseri Tea Estate
P.O. Mazbat, Assam, Pin: 784507

Dilli Tea Estate
P.O. Parbatpur, Assam, Pin: 786623

Hatijan Tea Estate
P.O. Hoogrijan, Assam, Pin: 786601

Khagorijan Tea Estate
P.O. Sepekhati, Assam, Pin: 786592

Khetojan Tea Estate
P.O. Tinsukia, Assam, Pin: 786125

Orang Tea Estate
P.O. Mazbat, Assam, Pin: 784507

Santi Tea Estate
P.O. Hoogrijan, Assam, Pin: 786601

Tea Packaging Factory

SP-534-A, Sitapura Industrial Area
Jaipur, Rajasthan

Subsidiary Companies

Dhunseri Petrochem & Tea Pte Ltd.
160, Robinson Road, #17-01,
SBF Centre, Singapore 068914

Makandi Tea and Coffee Estates Ltd.
Thunga Estate, Twelve Mile Turnoff
Thyolo Road, Malawi

Kawalazi Estate Company Ltd.
Thunga Estate, Makandi
Thyolo Road, Malawi

AM Henderson & Sons Ltd.
Chiwale Estate, Sharpe Road
Thunga, Thyolo
P.O. Box 5247
Limbe

Registrars and Share Transfer Agents

Maheshwari Datamatics Pvt. Limited
23, R N Mukherjee Road, 5th Floor
Kolkata-700001
Phone: 91-33-2243-5029
91-33-2248-2248
Fax: 91-33-2248 4787
Email: mdpldc@yahoo.com
CIN: U20221WB1982PTC034886

Dhunseri
TEA & INDUSTRIES LIMITED

BRIGHTSTAR
COMMUNICATIONS PVT. LTD.
033 2213 0558