Kothari Group
Imagine Inspire Deliver

GILLANDERS ARBUTHNOT & CO. LTD.

GACL/CS/SC/ASE/AGM/114/Gen/16-17

29th December, 2016

The National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex
Bandra (East)
MUMBAI – 400 051.

The Secretary,
The Calcutta Stock Exchange Ltd.,
7, Lyons Range,
KOLKATA – 700 001.

BSE Limited,
Floor 25, P J Towers,
Dalal Street,
MUMBAI – 400 001.

Dear Sirs,

SUB: 82nd Annual General Meeting

We wish to inform you that 82nd Annual General Meeting of the Company was duly convened on 28th December, 2016 at the Mini Auditorium Hall of the Science City, J. B. S. Haldane Avenue, Kolkata – 700 046.

Enclsoed please find the following for your information and record:

1. A summary of the proceedings of the 82nd Annual General Meeting (AGM) of the Company, in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.(Attached as Annexure-A)

2. The details regarding the Voting results in the format prescribed under Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.(Attached as Annexure-B)

3. Consolidated Report of the Scrutinizer dated 29th December, 2016.(Attached as Annexure-C)

4. Annual Report of the Company for the financial year ended on 31st March, 2016 pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the Company.

In connection with the above, and pursuant to Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that Resolution Nos 1 to 5 as stated in the Notice dated 19th November, 2016 were passed by the Shareholders by requisite majority.

Thanking You,

Yours faithfully,
For GILLANDERS ARBUTHNOT & CO. LTD.

Dhananjoy Karmakar
Company Secretary.

Encl: a/a

ANNEXURE - A

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GILLANDERS ARBUTHNOT & CO. LTD.

Summary of the proceedings of the 82nd Annual General Meeting of Gillanders Arbuthnot And Company Limited

The 82nd Annual General Meeting (AGM) of the Members of Gillanders Arbuthnot and Company Limited was convened on Wednesday, the 28th December, 2016 at the Mini Auditorium Hall of the Science City, J.B.S. Haldane Avenue, Kolkata – 700 046 at 11-30 A.M.

- Mr. N. Pachisia, one of the Independent Directors of the Company stated that Mr. A. K. Kothari, Chairman of the Company is unable to attend the 82nd AGM due to ill health. He then requested Mr. H.M. Parekh, Independent Director of the Company to Chair the Meeting and conduct the proceedings. The same was seconded by Smt. P. D. Kothari, Promoter Director of the Company.
- Mr. H. M. Parekh, Independent Director of the Company, chaired the Meeting. The business before the Meeting was taken up as the quorum was present, which remained present throughout the Meeting. As per the records of attendance, 504 Members were present in person or through proxy at the Meeting.
- The Meeting was attended by all the Directors (except Mr. A. K. Kothari, Chairman of the Company due to ill health and Dr. H. P. Kanoria, Independent Director of the Company due to his pre occupations and prior commitments), Mr. P. K. Jain, Chief Financial Officer, Mr. D. Karmakar, Company Secretary, Mr. S. Sharma representative of Messrs Singhi & Co., Statutory Auditor and CS K. C. Dhanuka, Secretarial Auditor.
- The Chairman of the Meeting, covered the items of Ordinary Businesses and Special Businesses before the Meeting, as listed under Serial Nos. 1 to 5 below. He further informed that there is no qualification, reservation or adverse remark in the Auditor's Report on the Financial Statements and the report of the said Secretarial Auditor.
- The Chairman of the Meeting informed the Members that in compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act") read with the relevant Rules of the Act, and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided the facility of e-voting. The Company had engaged the Services of Central Depository Services (India) Limited (CDSL) for providing e-voting facilities. The e-voting period commenced at 9-30 A.M. on Saturday, 24th December, 2016 and ended at 5-00 P.M. on Tuesday, 27th December, 2016.
- The Chairman of the Meeting further informed the Meeting that the facility for voting through Ballot paper has been made available at the Meeting for the Members who have not cast their vote through e-voting.
- The Chairman of the Meeting informed that the Company has appointed CS Deepak Kumar Khaitan, Pracitising Company Secretary, to scrutinize the e-voting and ballot process in fair and transparent manner.
- The Chairman of the Meeting invited the Members to raise questions, offer comments or seek clarifications on matters relating to Agendas stated in Notice dated 19th November, 2016 convening the 82nd AGM of the Company. Thereafter, the Chairman of the Meeting, Mr. P. K. Jain, Chief Financial Officer, Mr. N. Pachisia, Director and Mr. D. Karmakar, Company Secretary responded to the queries/clarifications of Members satisfactorily.
- Thereafter, the Chairman of the Meeting asked those Members who could not cast their vote through e-voting to then cast their vote through Ballot paper.
- Thereafter, the Chairman of the Meeting announced that the e-voting results shall be submitted to the Stock Exchanges in the prescribed format and the said results along with the Consolidated

GILLANDERS ARBUTHNOT & CO. LTD. KOLKATA

Registered Office : C-4, Gillander House, Netaji Subhas Road, Kolkata - 700 001, India
Phone : +91-33 2230-2331 (6 Lines), 2242-9140 (3 Lines), 3022-4470 (4 Lines), Fax : +91-33-2230-4185
E-mail : gillander@gillandersarbuthnot.com, secretarial@gillandersarbuthnot.com
www.gillandersarbuthnot.com
CIN : L51909WB1935PLC008194

Report of the Scrutinizer , shall also be placed on the Company's website at www.gillandersarbuthnot.com and at CDSL website at www.cdslindia.com/evoting/evotinginstanceandresults.aspx. He further informed that the results shall also be paced on the Notice Board of the Company at its Registered Office.

- Thereafter, voting by ballot process at the Meeting was conducted smoothly

The Following resolutions have been passed by Members with requisite majority:

Ordinary Businesses	
1.	Adoption of the audited financial statement of the Company for the financial year ended on 31st March, 2016, the Reports of the Board of Directors and Auditors thereon. – **Ordinary Resolution**
2.	Re-appointment of Smt. Prabhawati Devi Kothari (DIN 00051860), who retires by rotation, and being eligible, offers herself for re-appointment. – **Ordinary Resolution**
3.(a)	Ratification of re-appointment of M/s. Singhi & Co., Chartered Accountants, Kolkata, (Firm Registration No. 302049E) as Auditor of the Company, to hold office till the conclusion of the 83rd Annual General Meeting of the Company and authority to the Board of Directors to fix remuneration. – **Ordinary Resolution**
3.(b)	Ratification of re-appointment of M/s. Dutta Ghosh & Associates, Chartered Accountants, Kolkata, (Firm Registration No. 309088E), as Branch Auditor of GIS Cotton Mill, Champdany, a unit of the Textile Division of the Company, to hold office till the conclusion of the 83rd Annual General Meeting of the Company and authority to the Board of Directors to fix remuneration. – **Ordinary Resolution**
3.(c)	Ratification of re-appointment of M/s. Kothari & Company, Chartered Accountants, Kolkata, (Firm Registration No. 301178E), as Branch Auditor of Engineering (MICCO) Division of the Company, to hold office till the conclusion of the 83rd Annual General Meeting of the Company and authority to the Board of Directors to fix remuneration. – **Ordinary Resolution**
Special Businesses	
4.	Ratification of remuneration payable to Cost Auditors of Tea, Textile, Engineering (MICCO) and Chemical (Waldies) Divisions of the Company for the financial year 2016-17. – **Ordinary Resolution**
5.	Payment of Commission to Non-Executive Directors (including Independent Directors) pursuant to the provisions of Section 197 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under. – **Special Resolution**

The Meeting including the formalities relating to the Ballot process concluded at 1-30 P.M. with a vote of thanks to the Chair.

For GILLANDERS ARBUTHNOT & CO. LTD.

Dhananjay Karmakar

Company Secretary

ANNEXURE - B

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GILLANDERS ARBUTHNOT AND COMPANY LIMITED
Registered Office – C-4, Gillander House Netaji Subhas Road, Kolkata – 700 001
CIN: L51909WB1935PLC008194
Phone : +91-33 2230-2331 (6 Lines), 2242-1940 (3 Lines), 3022-4470 (4 Lines), Fax : +91-33-2230-4185
Website : www.gillandersarbuthnot.com; E-mail : gillander@gillandersarbuthnot.com

VOTING DETAILS OF 82ND ANNUAL GENERAL MEETING (AGM)

Date of the AGM	28th December, 2016
Total Number of Shareholders on record date	15384
No. of shareholders present in the meeting either in person or through proxy :	
Promoter & Promoter group	13
Public	491
Total	504
No. of shareholders attended the meeting through Video Conferencing	N.A.
Promoter & Promoter group	
Public	
Total	

GILLANDERS ARBUTHNOT & CO. LTD. ★KOLKATA-1★

Agenda No. 1: **Adoption of the audited financial statement of the Company for the financial year ended on 31st March, 2016, the Reports of the Board of Directors and Auditors thereon.**

Resolution required: (Ordinary/Special)			Ordinary Resolution					
Whether promoter/promoter group are interested in the agenda/resolution ?			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2)/(1)]*100	No.of votes in favour (4)	No of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter & Promoter Group	E-Voting	14671715	14612789	99.5984	14612789	0	100.0000	
	Poll		0	0.0000	0	0		
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		14612789	99.5984	14612789	0	100.0000	
Public - Institutional holders	E-Voting	1263644	0		0	0		
	Poll		0		0	0		
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total		0		0	0		
Public - Non Institution	E-Voting	5406987	17295	0.3199	17295	0	100.0000	
	Poll		33	0.0006	33	0	100.0000	
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		17328	0.3205	17328	0	100.0000	
Total		21342346	14630117	68.5497	14630117	0	100.0000	0.0000

GILLANDERS ARBUTHNOT & CO. LTD. KOLKATA-1

Agenda No. 2: **Re-appointment of Smt. Prabhawati Devi Kothari (DIN 00051860), who retires by rotation, and being eligible, offers herself for re-appointment.**

Resolution required: (Ordinary/Special)			Ordinary Resolution					
Whether promoter/promoter group are interested in the agenda/resolution ?			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2)/(1)]*100	No.of votes in favour (4)	No of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter & Promoter Group	E-Voting	14671715	14612789	99.5984	14612789	0	100.0000	
	Poll		0	0.0000	0	0		
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		14612789	99.5984	14612789	0	100.0000	
Public - Institutional holders	E-Voting	1263644	0		0	0		
	Poll		0		0	0		
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total		0		0	0		
Public - Non Institution	E-Voting	5406987	17295	0.3199	17250	45	99.7398	0.2602
	Poll		33	0.0006	33	0	100.0000	
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		17328	0.3205	17283	45	99.7403	0.2597
Total		21342346	14630117	68.5497	14630072	45	99.9997	0.0003

Agenda No. 3 (a): **Ratification of re-appointment of M/s. Singhi & Co., Chartered Accountants, Kolkata, (Firm Registration No. 302049E) as Auditor of the Company, to hold office till the conclusion of the 83rd Annual General Meeting of the Company and authority to the Board of Directors to fix remuneration.**

Resolution required: (Ordinary/Special)			Ordinary Resolution.					
Whether promoter/promoter group are interested in the agenda/resolution ?			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2)/(1)]*100	No.of votes in favour (4)	No of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter & Promoter Group	E-Voting	14671715	14612789	99.5984	14612789	0	100.0000	
	Poll		0	0.0000	0	0		
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		14612789	99.5984	14612789	0	100.0000	
Public - Institutional holders	E-Voting	1263644	0		0	0		
	Poll		0		0	0		
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total		0		0	0		
Public - Non Institution	E-Voting	5406987	17295	0.3199	17250	45	99.7398	0.2602
	Poll		33	0.0006	33	0	100.0000	
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		17328	0.3205	17283	45	99.7403	0.2597
Total		21342346	14630117	68.5497	14630072	45	99.9997	0.0003

GILLANDERS ARBUTHNOT & CO. LTD. KOLKATA-1

Agenda No. 3 (b): **Ratification of re-appointment of M/s. Dutta Ghosh & Associates, Chartered Accountants, Kolkata, (Firm Registration No. 309088E), as Branch Auditor of GIS Cotton Mill, Champdany, a unit of the Textile Division of the Company, to hold office till the conclusion of the 83rd Annual General Meeting of the Company and authority to the Board of Directors to fix remuneration.**

Resolution required: (Ordinary/Special)			Ordinary Resolution.					
Whether promoter/promoter group are interested in the agenda/resolution ?			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2)/(1)]*100	No.of votes in favour (4)	No of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter & Promoter Group	E-Voting	14671715	14612789	99.5984	14612789	0	100.0000	
	Poll		0	0.0000	0	0		
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		14612789	99.5984	14612789	0	100.0000	
Public - Institutional holders	E-Voting	1263644	0		0	0		
	Poll		0		0	0		
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total		0		0	0		
Public - Non Institution	E-Voting	5406987	17295	0.3199	17250	45	99.7398	0.2602
	Poll		33	0.0006	33	0	100.0000	
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		17328	0.3205	17283	45	99.7403	0.2597
Total		21342346	14630117	68.5497	14630072	45	99.9997	0.0003

GILLANDERS ARBUTHNOT & CO. LTD. ★KOLKATA-1★

Agenda No. 3 (c): **Ratification of re-appointment of M/s. Kothari & Company, Chartered Accountants, Kolkata, (Firm Registration No. 301178E), as Branch Auditor of Engineering (MICCO) Division of the Company, to hold office till the conclusion of the 83rd Annual General Meeting of the Company and authority to the Board of Directors to fix remuneration.**

Resolution required: (Ordinary/Special)			Ordinary Resolution					
Whether promoter/promoter group are interested in the agenda/resolution ?			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2)/(1)]*100	No.of votes in favour (4)	No of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter & Promoter Group	E-Voting	14671715	14612789	99.5984	14612789	0	100.0000	
	Poll		0	0.0000	0	0		
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		14612789	99.5984	14612789	0	100.0000	
Public - Institutional holders	E-Voting	1263644	0		0	0		
	Poll		0		0	0		
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total		0		0	0		
Public - Non Institution	E-Voting	5406987	17295	0.3199	17250	45	99.7398	0.2602
	Poll		33	0.0006	33	0	100.0000	
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		17328	0.3205	17283	45	99.7403	0.2597
Total		21342346	14630117	68.5497	14630072	45	99.9997	0.0003

GILLANDERS ARBUTHNOT & CO. LTD. KOLKATA

Agenda No. 4: **Ratification of remuneration payable to Cost Auditors of Tea, Textile , Engineering(MICCO) and Chemical(Waldies) Divisions of the Company for the financial year 2016-17.**

Resolution required: (Ordinary/Special)			Ordinary Resolution					
Whether promoter/promoter group are interested in the agenda/resolution ?			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2)/(1)]*100	No.of votes in favour (4)	No of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter & Promoter Group	E-Voting	14671715	14612789	99.5984	14612789	0	100.00000	
	Poll		0	0.0000	0	0		
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		14612789	99.5984	14612789	0	100.0000	
Public - Institutional holders	E-Voting	1263644	0		0	0		
	Poll		0		0	0		
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total		0		0	0		
Public - Non Institution	E-Voting	5406987	17295	0.3199	17250	45	99.7398	0.2602
	Poll		33	0.0006	33	0	100.0000	
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		17328	0.3205	17283	45	99.7403	0.2597
Total		21342346	14630117	68.54971	14630072	45	99.9997	0.0003

GILLANDERS ARBUTHNOT & CO. LTD. KOLKATA

Agenda No. 5: **Payment of Commission to Non-Executive Directors (including Independent Directors) pursuant to the provisions of Section 197 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under.**

Resolution required: (Ordinary/Special)			Special Resolution.					
Whether promoter/promoter group are interested in the agenda/resolution ?			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2)/(1)]*100	No.of votes in favour (4)	No of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter & Promoter Group	E-Voting	14671715	14612789	99.5984	14612789	0	100.0000	
	Poll		0	0.0000	0	0		
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		14612789	99.5984	14612789	0	100.0000	
Public - Institutional holders	E-Voting	1263644	0		0	0		
	Poll		0		0	0		
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total		0		0	0		
Public - Non Institution	E-Voting	5406987	17295	0.3199	17250	45	99.7398	0.2602
	Poll		33	0.0006	33	0	100.0000	
	Postal Ballot (if applicable)		N.A.	0.0000	N.A.	N.A.	N.A.	N.A.
	Total		17328	0.3205	17283	45	99.7403	0.2597
Total		21342346	14630117	68.5497	14630072	45	99.9997	0.0003

For Gillanders Arbuthnot & Co. Ltd.

(D. Karmakar)
Company Secretary

ANNEXURE - C

CS Deepak Kumar Khaitan
B.Com(H), M.Com, F.C.S.,DCG(ICSI)
Practising Company Secretary
Mobile : + 91 90070 55560
:khaitan52@gmail.com / info@deepakkhaitan.com
☎: + 91 98303 06692 :officedkk@gmail.com
GEM House, 5B Russell Street, Unit 7B, 7th Floor, Kolkata – 700 071

Consolidated Report of the Scrutinizer

[In accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014]

To
The Chairman of the Board of Directors of
Gillanders Arbuthnot and Company Limited
C-4, Gillander House
Netaji Subhas Road
Kolkata – 700 001
West Bengal

Dear Sir,

Pursuant to the letter dated 21st November, 2016 issued by Gillanders Arbuthnot and Company Limited having CIN: L51909WB1935PLC008194 (hereinafter referred to as 'the Company') appointing me as the Scrutinizer under Section 108 of the Companies Act, 2013 read with Rule 20(4)(ix) of The Companies (Management and Administration) Rules, 2014 in respect of Notice of Annual General Meeting dated 19th November, 2016 for the purpose of remote e-voting and voting by ballot process at the meeting. I have examined the records of remote e-voting, ballots and other relevant papers as required for that purpose. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I hereby submit my consolidated report w.r.t the aforesaid remote e-voting and voting by ballot process at the meeting as under:-

1. The remote e-voting was unblocked on 28th December, 2016 in the presence of two witnesses who are not in employment of the Company i.e. CS Siddhi Dhandharia and CS Prerna Verma, as prescribed by law.

CS Deepak Kumar Khaitan
F.C.S. No. 5615
C. P. No. 5207
Practising Company Secretary

CS Deepak Kumar Khaitan
B.Com(H), M.Com, F.C.S.,DCG(ICSI)
Practising Company Secretary
Mobile : + 91 90070 55560
:khaitan52@gmail.com / info@deepakkhaitan.com
☎: + 91 98303 06692 :officedkk@gmail.com
GEM House, 5B Russell Street, Unit 7B, 7th Floor, Kolkata – 700 071

2. Particulars of all the remote e-voting and voting by ballot process as received at the meeting have been entered in a register separately maintained for the purpose.

3. The remote e-voting as well as the voting by ballot process at the meeting were duly scrutinized wherein the shareholding was matched with the closing status of the Register of Members on the cut-off date i.e. 21st December, 2016 as made available and the votes casted have been considered accordingly.

4. I am producing before you the ballot papers, register and the related records including print out of remote e-voting as available from the login Id from the website being www.evotingindia.com [as provided by Central Depository Services (India) Limited] for verification at your end at the time of submitting this report but they shall remain under my safe custody till you consider, approve and sign the minutes of the meeting.

5. Thereafter the same shall be handed over to you in terms of Rule 20(4)(xv) of The Companies (Management and Administration) Rules, 2014.

6. The compliance of the relevant provisions of the applicable law including the Companies Act, 2013 and Rules made thereunder is the responsibility of the management. My duty was limited to scrutinise the voting and remote e-voting process in a fair and transparent manner.

7. In my opinion, based on the above scrutiny, the 7 (Seven) resolutions from item nos. 1 to 5 of the above-mentioned notice may be considered to have been passed with requisite majority as understood herein below :-

CS Deepak Kumar Khaitan
F.C.S. No. 5615
C. P. No. 5207
Practising Company Secretary

CS Deepak Kumar Khaitan
B.Com(H), M.Com, F.C.S.,DCG(ICSI)
Practising Company Secretary

Mobile : + 91 90070 55560
:khaitan52@gmail.com / info@deepakkhaitan.com
☎: + 91 98303 06692 :officedkk@gmail.com
GEM House, 5B Russell Street, Unit 7B, 7th Floor, Kolkata – 700 071

Item No.	Particulars	In terms of no. of Shares	Percentage out of valid votes cast
1.	Votes cast in favour of the proposed resolution		
	By Remote e-voting	14630084	
	By Ballot Paper	33	
	Sub total (A)	14630117	100
	Votes cast against the proposed resolution		
	By Remote e-voting	0	
	By Ballot Paper	0	
	Sub total (B)	0	0
	TOTAL (A) + (B)	14630117	**100**

Item No.	Particulars	In terms of no. of Shares	Percentage out of valid votes cast
2.	Votes cast in favour of the proposed resolution		
	By Remote e-voting	14630039	
	By Ballot Paper	33	
	Sub total (A)	14630072	99.9997
	Votes cast against the proposed resolution		
	By Remote e-voting	45	
	By Ballot Paper	0	
	Sub total (B)	45	00.0003
	TOTAL (A) + (B)	14630117	**100**

CS Deepak Kumar Khaitan
F.C.S. No. 5615
C. P. No. 5207
Practising Company Secretary

CS Deepak Kumar Khaitan
B.Com(H), M.Com, F.C.S.,DCG(ICSI)
Practising Company Secretary
Mobile : + 91 90070 55560
:khaitan52@gmail.com / info@deepakkhaitan.com
☎: + 91 98303 06692 :officedkk@gmail.com
GEM House, 5B Russell Street, Unit 7B, 7th Floor, Kolkata – 700 071

Item No.	Particulars	In terms of no. of Shares	Percentage out of valid votes cast
3(a)	Votes cast in favour of the proposed resolution		
	By Remote e-voting	14630039	
	By Ballot Paper	33	
	Sub total (A)	14630072	99.9997
	Votes cast against the proposed resolution		
	By Remote e-voting	45	
	By Ballot Paper	0	
	Sub total (B)	45	00.0003
	TOTAL (A) + (B)	14630117	**100**

Item No.	Particulars	In terms of no. of Shares	Percentage out of valid votes cast
3(b)	Votes cast in favour of the proposed resolution		
	By Remote e-voting	14630039	
	By Ballot Paper	33	
	Sub total (A)	14630072	99.9997
	Votes cast against the proposed resolution		
	By Remote e-voting	45	
	By Ballot Paper	0	
	Sub total (B)	45	00.0003
	TOTAL (A) + (B)	14630117	**100**

CS Deepak Kumar Khaitan ★ Practising Company Secretary ★
F.C.S. No. 5615
C. P. No. 5207

CS Deepak Kumar Khaitan
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GEM House, 5B Russell Street, Unit 7B, 7th Floor, Kolkata – 700 071

Item No.	Particulars	In terms of no. of Shares	Percentage out of valid votes cast
3(c)	Votes cast in favour of the proposed resolution		
	By Remote e-voting	14630039	
	By Ballot Paper	33	
	Sub total (A)	14630072	99.9997
	Votes cast against the proposed resolution		
	By Remote e-voting	45	
	By Ballot Paper	0	
	Sub total (B)	45	00.0003
	TOTAL (A) + (B)	14630117	**100**

Item No.	Particulars	In terms of no. of Shares	Percentage out of valid votes cast
4.	Votes cast in favour of the proposed resolution		
	By Remote e-voting	14630039	
	By Ballot Paper	33	
	Sub total (A)	14630072	99.9997
	Votes cast against the proposed resolution		
	By Remote e-voting	45	
	By Ballot Paper	0	
	Sub total (B)	45	00.0003
	TOTAL (A) + (B)	14630117	**100**

CS Deepak Kumar Khaitan ★ F.C.S. No. 5615 C. P. No. 5207 ★ Practising Company Secretary

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Item No.	Particulars	In terms of no. of Shares	Percentage out of valid votes cast
5.	Votes cast in favour of the proposed resolution		
	By Remote e-voting	14630039	
	By Ballot Paper	33	
	Sub total (A)	14630072	99.9997
	Votes cast against the proposed resolution		
	By Remote e-voting	45	
	By Ballot Paper	0	
	Sub total (B)	45	00.0003
	TOTAL (A) + (B)	14630117	**100**

8. Decimals have been suitably rounded off, wherever required.

9. You may accordingly satisfy yourself and declare the result.

Thanking you,

Place: Kolkata
Date: 29.12.2016

CS Deepak Kumar Khaitan ★ F.C.S. No. 5615 C. P. No. 5207 ★ Practising Company Secretary

Signature:

Name: Deepak Kumar Khaitan
F.C.S. No.: 5615 / C.P. No.: 5207
ICSI Unique Code No. : I2003WB347200

As Authorised
For Gillanders Arbuthnot & Co. Ltd.

Director

Place: Kolkata
Date: 29.12.2016

Countersigned by Chairman

GILLANDERS ARBUTHNOT AND COMPANY LIMITED

ENRICHING LIVES SINCE 1935

ANNUAL REPORT

Kothari Group

Imagine Inspire Deliver

Mr. A.K. Kothari
Chairman

Mission

To be a good corporate citizen and to inspire and nurture the human spirit for a sustainable value based wealth creation, contributing in the socio economic progress of India in harmony with the environment.

Vision

Innovative, Dynamic and Holistic Global Conglomerate with passion for delivering outstanding performance based on integrity, professionalism, accountability and evolving in a vertical growth trajectory while enriching everyone we touch and enhancing value for all the stakeholders.

CORPORATE INFORMATION *

BOARD OF DIRECTORS

Mr. A. K. Kothari, *Chairman*

Smt. P. D. Kothari, *Director*

Dr. H. P. Kanoria, *Director*

Mr. H. M. Parekh, *Director*

Mr. N. Pachisia, *Director*

Mr. D. K. Sharda, *Managing Director & CEO*

CHIEF FINANCIAL OFFICER

Mr. P. K. Jain

COMPANY SECRETARY

Mr. D. Karmakar

STATUTORY AUDITOR

M/s. Singhi & Co., Kolkata

SOLICITORS

Khaitan & Co. LLP, Kolkata

BANKERS

Axis Bank Limited
Bank of India
First Merchant Bank Limited, Malawi
IDBI Bank Limited
State Bank of India
State Bank of Patiala
The Karur Vysya Bank Limited
United Bank of India

REGISTERED OFFICE

C-4, Gillander House,
Netaji Subhas Road, Kolkata-700001
Phone : 033-2230-2331 (6 Lines)
033-3022-4182 (4 Lines)
Fax : 033-2230 4185
E-mail : gillander@gillandersarbuthnot.com
Website : www.gillandersarbuthnot.com

*As on 19.11.2016

Audit Committee

Mr. H. M. Parekh, Chairman
Mr. A. K. Kothari, Member
Mr. N. Pachisia, Member

Stakeholders Relationship Committee

Mr. H. M. Parekh, Chairman
Mr. A. K. Kothari, Member
Smt. P. D. Kothari, Member
Mr. D. K. Sharda, Member

Nomination And Remuneration Committee

Mr. H. M. Parekh, Chairman
Smt. P. D. Kothari, Member
Dr. H. P. Kanoria, Member
Mr. N. Pachisia, Member

Corporate Social Responsibility Committee

Mr. H. M. Parekh, Chairman
Smt. P. D. Kothari, Member
Mr. N. Pachisia, Member

Branches/Offices

Amritsar, Delhi, Ludhiana,Panipat, Salem.

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Annual Report on the affairs of the Company together with the Audited Financial Statements for the financial year ended on 31st March, 2016.

FINANCIAL RESULTS

The Company's financial performance, for the year ended on 31st March, 2016, is summarized below : **(₹ in lakhs)**

	Standalone		Consolidated	
Particulars	**2015-16**	**2014-15**	**2015-16**	**2014-15**
Profit Before Depreciation, Interest, Unrealised Foreign Exchange Loss and Tax	**4,425.69**	5,416.23	**4,670.31**	5,359.34
Interest / Finance Charges	**4,650.28**	4,067.05	**5,132.94**	4,207.80
Profit/(Loss) Before Depreciation and Tax	**(224.59)**	1,349.18	**(462.63)**	1,151.54
Depreciation / Amortisation	**1,864.92**	2,063.02	**1,889.70**	2,101.29
Unreaslised Foreign Exchange Loss	**-**	-	**2,851.42**	271.46
Loss Before Tax	**2,089.51**	713.84	**5,203.75**	1,221.21
Taxation Charges:				
Current Tax	**80.00**	110.00	**154.37**	145.20
Deferred Tax Charges/(Written Back)	**-**	(504.20)	**79.93**	(480.20)
Loss After Tax from continuing operations	**2,169.51**	319.64	**5,438.05**	886.21
Loss from discontinuing operations	**97.41**	1.46	**97.41**	1.46
Loss for the year	**2,266.92**	321.10	**5,535.46**	887.67
Surplus in Statement of Profit and Loss brought forward	**5,439.05**	5,991.03	**4,872.48**	5,991.03
Depreciation adjustment as per revised calculations (net of deferred tax) pursuant to Schedule II of the Companies Act, 2013	**-**	(230.88)	**-**	(230.88)
Surplus carried to Balance Sheet	**3,172.13**	5,439.05	**(662.98)**	4,872.48
Earnings per Ordinary Share (₹) - Basic	**(10.70)**	(1.58)	**(26.01)**	(4.23)
Earnings per Ordinary Share (₹) - Diluted	**(10.70)**	(1.58)	**(26.01)**	(4.23)

FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS

For the financial year ended on 31st March, 2016, your Company reported a loss of ₹ 2,266.92 lakhs against a loss of ₹ 321.10 lakhs during the previous year. Total Income from Operations has decreased to ₹ 79,971.26 lakhs during the year under review from ₹ 86,366.26 lakhs in the previous year. Operational matters have been discussed under 'Management Discussion and Analysis,' detailed in appropriate part of this Report.

DIVIDEND

In view of the loss incurred by the Company for the financial year ended on 31st March, 2016, your Directors have not recommended any dividend for the said financial year.

ACQUISITION OF A COMPANY

During the year under review, your Company has acquired 49,995 fully paid up Equity shares of ₹10/- each (99.99% equity stake) of Barfani Builder Limited at a total consideration of ₹ 4,99,950/- primarily to facilitate reconstruction of the Company by transfer of Chemical (Waldies) Division of the Company to Barfani Builder Limited.

SCHEME OF ARRANGEMENT

A Scheme of Arrangement between the Company and one of its Subsidiaries i.e. Barfani Builder Limited and their respective Shareholders for reconstruction by transfer of Chemical (Waldies) Division of Gillanders Arbuthnot and Company Limited to Barfani Builder Limited has been filed with the Hon'ble High Court, Calcutta, for their consideration and sanction. The proposed Scheme of Arrangement would be beneficial for the Company and its Shareholders.

ALTERATION OF MEMORANDUM AND ARTICLES OF ASSOCIATION AND INCREASE IN SHARE CAPITAL

During the year under review, the Authorized Share Capital of your Company was increased from ₹ 44,00,00,000/- (Rupees Forty four crores only) divided into 4,20,00,000 (Four crores

twenty lakhs only) Ordinary Shares of ₹ 10/- each and 2,00,000 (Two lakhs only) Preference Shares of ₹ 100/- each to ₹ 74,00,00,000/- (Rupees Seventy four crores only) divided into 4,20,00,000 (Four crores twenty lakhs only) Ordinary Shares of ₹ 10/- each and 32,00,000 (Thirty two lakhs only) Preference Shares of ₹ 100/- each. Accordingly, the Memorandum of Association and Articles of Association were altered to give effect to the said changes.

The Board of Directors at their Meeting held on 19th November, 2016, have issued and allotted on private placement basis, 6,50,000 numbers of 7.75% Cumulative Redeemable Preference Shares of ₹ 100/- each to Kothari Investment & Industries Pvt. Ltd. and 5,60,000 numbers of 7.75% Cumulative Redeemable Preference Shares of ₹ 100/- each to Kothari & Company Pvt. Ltd., being the Promoter Group Companies, at par, aggregating to ₹ 12,10,00,000/-.

MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') is presented in a separate section forming part of the Annual Report. The industry structure, development, performance, opportunities, threats, outlook, risk and concerns, internal control systems and its adequacy, financial performance with respect to operational performance and material developments in human resource and industrial relations have been discussed in the paragraphs to follow.

Tea Division

Global Tea Production (excluding China) during the calendar year 2015 was lower as compared to the previous year mainly due to crop loss in India, Kenya and Sri Lanka. All India Tea Production was 1,191 million Kgs. in 2015 against 1,184 million Kgs. in 2014. However, the Division reported a production of 10.10 million Kgs., which is marginally higher than the production of 9.60 million Kgs. in the previous year.

Average Tea Prices at auction centers in North India witnessed a decrease of ₹ 2/- Per Kg. compared to previous year, primarily due to decrease in price of non-quality Teas. However, quality tea fetched higher prices compared to previous year.

The Directors are pleased to inform you that export by the Division, during the year under review has improved significantly when compared with previous year. The Division had penetrated into newer potential markets and has also strengthened its presence in the existing market. However, during the current year, export from India is facing stiff competition from African Tea producing Countries due to their low prices and higher production.

During the year under review, the performance of the Packet Tea segment was marginally down and the Division is hopeful for improved performance in the coming year.

Your Division's all Eight Factories are certified under ISO 2000:2005 and also enjoys Trust Tea Certification.

During the current year, global production till September has been higher as compared to the previous year. There is an increase in wages and input cost which will put pressure on the margin of the Division. However, the Directors expect with the improved yield and quality, the Division shall perform better during the current year.

Engineering (MICCO) Division

This Division is mainly involved in the EPC project in the Steel Sector. During the year under review, Steel Sector continued to be adversely affected due to global economic slowdown, thus resulting in delay in the expansion/ modernization in the Indian Steel Industry. In addition, expansion and revamp program by Steel Industry did not meet the planned completion schedule due to which further investment in sectors slowed down. Financial stress in the Steel Industry due to fall in returns from the huge investment made by the Steel Sector along with poor Infrastructure growth in the Country has also made them skeptical for further investment.

However, during the year under review, amongst others, prestigious order of Coke oven power distribution system (2x220 KVA transformer) at RINL, Vishakhapatnam was bagged by the Division along with consortium partner Danieli India Limited. The entry into power distribution system is a new area of diversification achieved by the Division. New orders have also been received from Tata like Sinter plant 1 and 2 and G Blast Furnace modification of deducting duct. Your Division has achieved a unique fit of commissioning of revamping of Blast Furnace No.1 at JSW Bellary plant, the said commissioned plant is producing more than rated capacity. Your Division has also commissioned Sinter Machine No. 1 in SAIL Bokaro plant in January, 2016. Presently, the Division is undergoing shutdown activities for the capital repair of BF2 Water System at RINL plant, Vishakhapatnam which is scheduled to be completed by November, 2016.

In May 2016, the operations of the Fabrication Factory of your Division located at Sodepur, West Bengal was discontinued as the fabrication jobs can be easily carried out at client's sites at a much cheaper cost.

This Division is facing stiff competition due to recession and cut throat pricing policy from customer's end but with our experience and expertise especially in the field of gasholder and blast furnace technology, your Directors are confident of winning new orders.

Textile Division

During the year under review, the production of this Division was reported at 18,642 M.T. The overall performance of the Division was adversely affected due to unfavourable market conditions resulting primarily from weak demand of yarn, both in export and domestic market, and high fluctuations in prices of raw materials.

The change in the cotton policy by Chinese Government (effective from 1st April, 2014) continued to put tremendous pressure on the raw cotton prices in the International Market, which resulted in substantial decline in exports of cotton yarn in

the first half of the year. Decline in exports, has resulted in steep increase in inventory of cotton yarn, which continued to push down the prices of yarn to unrealistic levels. On the contrary, the prices of cotton in the first half of the year did not correct in India because of lower physical inventory in the country. The prices of the synthetic fiber also witnessed a steep fall since December, 2015 due to sharp fall in the prices of crude oil. The interplay of these two factors had a combined effect of heavy operational and inventory losses to the Spinning Industry.

On arrival of new cotton from October, 2015, the prices of cotton in India declined very sharply, which for sometime even went below the minimum support price. The procurement of big volume of cotton by Cotton Corporation of India coupled with big volume of exports resulted in physical shortage of cotton particularly after June, 2016, which once again pushed the prices of cotton. The prices of other synthetic fiber have also increased in line with the crude oil prices. However, the spinning mills have not been able to pass on the increase in raw material prices, due to poor demand, both in domestic and international markets. The cotton crop in the cotton year i.e. October, 2015 to September, 2016 was estimated to be 338 lakhs bales. The cotton crop in the cotton year 2016-2017 is estimated to be 350 lakhs bales.

In order to overcome the steep fluctuations in the prices of raw material, which is expected to continue, the Division has started manufacturing value added dyed yarns, which will insulate the Division to an extent from uncertainties. The Directors expect that the performance of this Division in the coming year to be stable.

Chemical (Waldies) Division

This Division is engaged in the manufacture of Lead Oxides and PVC Stabilisers used in the manufacture of Battery, Paints and other products.

During the year under review, production was reported at 3,092 M.T. as against production of 3,587 M.T. in the previous year. The total revenue earned during the year was ₹ 4, 964 lakhs as against Rs.6, 442 lakhs in the previous year.

This Division has ISO-9001 Certification in Quality Management System and provides total customer satisfaction in terms of quality & service. It also enjoys ISO-14001 certification for its Environment Management System & OHSAS-18001 certification for its Occupational Health & Safety Management System.

Inspite of competition from unorganized sector, continuous efforts are being made for bringing in improvement in the operation of this Division. Your Directors expect improvement in performance during the current year.

Subsequent to the sanction of the Scheme of Arrangement by the Hon'ble High Court, Calcutta this Division would be transferred to Barfani Builder Limited, the Indian Subsidiary of your Company.

Property Division

This Division has reported revenue of ₹ 778.94 lakhs, which is marginally higher than the reported revenue of ₹ 711.99 lakhs, in the previous year. The increase in revenue was due to renewal of tenancy at increased rates for few existing tenants and addition of new tenants. Comprehensive fire safety policy is rigorously implemented with installation of fire safety equipments and conducting of fire safety drills at regular intervals.

The property market has not shown any significant sign of recovery due to recessionary economic condition. It has also been observed that huge property banks with all modern amenities are lying ideal and this Division will face severe competition in the coming years. However, your Division's property being centrally located and with recent repairs and renovation, your Directors are hopeful that the Division will do reasonably well by filling up vacant areas. The Directors expect that the performance of this Division in the coming year to be stable.

Closure of Trading Division

Your Directors wish to inform you that during the year under review, the Trading Division of your Company was closed with effect from close of business hours on 31st March, 2016, since it was not viable and economical to maintain and operate.

Internal financial control systems and their adequacy

Your Company has adequate Internal Financial Control Systems in all areas of operation. Your Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its businesses, including adherence to the Company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. Internal Audits are conducted by Independent firms of Chartered Accountants and the reports are discussed with the operational heads by the CFO and Managing Director & CEO of the Company, and thereafter, placed before the Meetings of the Audit Committee of the Board of Directors. Representatives of the Statutory Auditors and the Internal Auditors are also invited at the Meetings of the Audit Committee. Corrective measures suggested at the Audit Committee are duly implemented.

The Audit Committee of the Board also reviews the adequacy of Internal Financial Control Systems at regular intervals.

Human Resources and Industrial Relations

The Company has laid down the processes for attracting, retaining and recognizing talent as it acknowledges the importance of good Human Resource. Company has cordial relations with employees and there is mutual respect and admiration for each other. The Directors wish to record their appreciation for the co-operation received from all employees. Industrial relation was generally good.

Caution Statement

Management Discussion and Analysis Report contains forward-looking statements, which are based on certain assumptions and expectations of future events. The Company's actual results and performance may differ from those projected due to unforeseen circumstances viz., political, economic, etc., over which the Company does not have any control. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. Readers are advised to apply their own diligence and independent judgment.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated financial statements for the financial year ended on 31st March, 2016, prepared as per the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act'), Rules framed therein and the applicable Accounting Standards are provided in the Annual Report.

SUBSIDIARY / ASSOCIATE COMPANIES

During the year under review, Barfani Builder Limited, direct Indian Subsidiary, reported a profit of ₹ 16,507/- against a loss of ₹ 104/-, during the previous year. No operational activities have been undertaken by the said Subsidiary during the year under review.

Gillanders Holdings (Mauritius) Limited, the Direct Foreign Subsidiary, reported a profit of USD 28,009 against a loss of USD 10,630 during the previous year. No significant operational activities have been undertaken by the said Subsidiary during the year under review.

For the financial year ended on 31st March, 2016, Group Developments Limited, Malawi (GDL), Indirect Foreign Subsidiary, has reported a profit of MK 1,475.2 million against a reported loss of MK 369.4 million for the 7 months period ended on 31st March, 2015.

GDL has three wholly owned Subsidiaries viz., Naming'omba Tea Estates Limited, Maifisi Tea Estates Limited and Group Holdings Limited. GDL and its wholly owned Subsidiaries are engaged in growing and processing of Tea, Macadamia and other crops.

Inspite of severe drought in Malawi, Tea production for the year under review was 1.60 million kgs. compared to last year's production of 1.36 million kgs. The Tea price realization during the period was also higher than the previous year.

During the year, Macadamia (N I H) production was 1.39 million kgs. against last year's production of 1.68 million kgs. The fall in production was due to bad weather conditions.

During the period under review, the Macadamia Factory, which was partly damaged due to fire, resulting in disruption of production, was renovated. The fully renovated factory was commissioned and was made operational from April, 2016.

The dry spell during the planting period affected the mortality rate of both flue cured tobacco and burley. Production for the year under review was lower than the previous year.

During the year under review, your Company did not have associate / joint venture. A separate section on the performance and financial position of the Subsidiaries in Form AOC-1 is part of the Annual Report and is annexed to the Report.

FIXED DEPOSITS

The Company is eligible to invite, accept or renew deposits under the provisions of the Act and the Rules framed therein.

As on 31st March, 2016 an amount of ₹ 3,954.98 lakhs was outstanding as fixed deposits received from the public and Shareholders of your Company. Matured fixed deposit amounting to ₹ 11.28 lakhs remained unclaimed and outstanding as on 31st March, 2016, out of which 4 numbers of deposits amounting to ₹ 10.44 lakhs have been claimed and refunded, till date.

DIRECTORS

Smt. P. D. Kothari (DIN 00051860) will retire in the ensuing Annual General Meeting, and being eligible, offers herself, for re-appointment. The Board of Directors recommends the same.

The Company has received declarations from Dr. H. P. Kanoria (DIN 00286685), Mr. H. M. Parekh (DIN 00026530) and Mr. N. Pachisia (DIN 00233768), Independent Directors of the Company, that they meet the criteria of Independence as prescribed both under the Act and the SEBI Listing Regulations, 2015.

The details of programmes for familiarization / training of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters can accessed on the website of the Company at the link:http://www.gillandersarbuthnot.com/pdf/policy/Familiarization%20Programme%20for%20Independent%20Director.pdf

Smt. Sucharita Basu De (DIN 06921540) has resigned from the Board of Directors of the Company during the financial year ended on 31st March, 2016, due to pre occupations and prior commitments. The Board wishes to place on record its deep sense of appreciation and gratitude for the valuable contribution, guidance and advice received from her.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a) in the preparation of the annual accounts for the financial year ended on 31st March, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the loss of the Company for the year ended on that date;

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

d) the annual accounts has been prepared on a 'going concern' basis;

e) internal financial controls has been laid down so that the same can be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) proper systems has been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by Securities and Exchange Board of India. The Report on Corporate Governance confirming compliance with the conditions stipulated under the SEBI Listing Regulations, which forms part of the Annual Report, is attached to this Report. Certificate on Corporate Governance, as stipulated in the said Regulations, issued by CS Deepak Kumar Khaitan, Practicing Company Secretary (FCS No.5615), is also attached to this Report.

CONTRACTS AND ARRANGEMENTS 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. Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, Form AOC – 2 is not applicable to the Company.

During the year, the Company has 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. The Policy on related party transactions as approved by the Board may be accessed on the Company's website at the link : http://www.gillandersarbuthnot.com/pdf/policy/Related%20Party%20Transaction%20Policy.pdf

Your Directors draw attention of the Members to Note No. 38 to the standalone financial statements which set out related party disclosures.

CORPORATE SOCIAL RESPONSIBILITY

Your Company believes that growth, success and progress of a Company are not reflected only by its Balance Sheet but also by its ability to make a positive difference in the lives of people and tries to address the needs of people by taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development etc.

The Company does not limit itself in using resources only for earnings but also engage in activities which enrich and enhance the lives of everyone around us. Company's Corporate Social Responsibility (CSR) initiatives are continuous commitment to contribute to economic development and to improve the quality of life of humankind. Business decisions are based not only on financial factors, but also on social and environmental impact of such decisions.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link:http://www.gillandersarbuthnot.com/pdf/policy/Corporate%20Social%20Responsibility%20Policy.pdf

The Company undertakes need based initiatives in compliance with Schedule VII of the Act.

During the year under review, in compliance with Section 135 of the Act, an amount of ₹ 17.26 lakhs had to be spent by the Company on CSR activities. However, inspite of best efforts, your Company could spend only ₹ 2.61 lakhs, as no projects / programs could be taken up through the 'Kothari Group CSR Trust' due to procedural issues related to the said Trust. The balance amount of ₹ 14.65 lakhs has been carried forward to the next year. The Annual Report on CSR activities is annexed herewith and marked as **Annexure I.**

RISK MANAGEMENT

The Company has laid down a procedure to inform the Board Members, on a periodic basis, about the identified risks and the steps taken to mitigate and minimize the same. The Company has already identified and assessed major elements of risks, which may adversely affect the various Divisions of the Company. The Executive Management reviews the identified risks, including assessment of the said risks and procedures, which are being implemented for the monitoring, mitigating and minimization of the said risks. 'Risk Champions 'have been formally nominated at the operating businesses, whose role is to educate about the identified risks and to develop risk management culture within the businesses.

AUDITORS

At the 81st Annual General Meeting of the Company, held on 3rd September, 2015, Messrs. Singhi & Co., Chartered Accountants, (Firm Registration No. 302049E) has been re-appointed as the Statutory Auditor of the Company for a term of 5 (Five) consecutive years up to the conclusion of the 86th Annual General Meeting of the Company to be held in the calendar year 2020.

At the 80th Annual General Meeting of the Company, held on 14th August, 2014, Messrs. Dutta Ghosh & Associates, Chartered Accountants, (Firm Registration No. 309088E) and Messrs. Kothari & Company, Chartered Accountants, (Firm Registration No. 301178E), had been re-appointed as Branch Auditors of the GIS Cotton Mill (unit of Textile Division) and the Engineering (MICCO) Division of the Company for a term of 4 (Four) and 3 (Three) consecutive years respectively.

However, their re-appointments are subject to ratifications at the ensuing 82nd Annual General Meeting of the Company scheduled to be held on 28th December, 2016.

AUDITORS' REPORT

Auditors' Report to the Members of the Company does not contain any qualification or adverse remark. Financial Statements and the notes thereon are self-explanatory and need no further explanation.

COST AUDITORS

On the recommendation of the Audit Committee, and in compliance with the provision of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, your Board had appointed the following Cost Auditors to conduct the audit of the cost records of the Company, as detailed below:

S.N.	Division	Cost Auditors for the financial year ended on 31st March, 2016	Cost Auditors for the financial year ending on 31st March, 2017
1	Tea	M/s. Rammani Sarkar & Co.	M/s. B. Ray & Associates
2	Textile-North India Spinning Mill Unit	M/s. D. Sabyasachi & Co.	M/s. Rammani Sarkar & Co.
	Textile- GIS Cotton Mill Unit	M/s. D. Sabyasachi & Co.	M/s. Rammani Sarkar & Co.
3	Engineering (MICCO)	M/s. B. Ray & Associates	M/s. D. Sabyasachi & Co.
4	Chemical (Waldies)	M/s. B. Ray & Associates	M/s. D. Sabyasachi & Co.

In accordance with the provision of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, appropriate Resolution seeking your ratification of the Remuneration of the said Cost Auditors appointed for the year ending on 31st March, 2017, is appearing in the Notice convening the 82nd Annual General Meeting of the Company.

SECRETARIAL AUDIT

The Board had appointed CS. K. C. Dhanuka, Practising Company Secretary (FCS No. 2204), to conduct Secretarial Audit for the financial year ended on 31st March, 2016. The Secretarial Audit Report for the financial year ended on 31st March, 2016 is annexed herewith and marked as **Annexure II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

OTHER DISCLOSURES:

Composition of Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company, at present, comprises of Mr. H. M. Parekh as the Chairman of the Committee, Smt. P. D. Kothari and Mr. N. Pachisia as the Members of the said Committee.

Composition of Audit Committee

The Audit Committee of the Company, at present, comprises of Mr. H. M. Parekh as the Chairman of the Committee, Mr. A. K. Kothari and Mr. N. Pachisia as the Members of the said Committee. The recommendations made by the Audit Committee were accepted by the Board.

Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company, at present, comprises of Mr. H. M. Parekh as the Chairman of the Committee, Smt. P. D. Kothari, Dr. H. P. Kanoria and Mr. N. Pachisia as the Members of the said Committee. The criteria for performance evaluation of Board, Committees and the Directors are laid down under the Nomination and Remuneration Policy of the Company. Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed herewith and marked as **Annexure III.**

Composition of Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company, at present, comprises of Mr. H. M. Parekh as the Chairman of the Committee, Mr. A. K. Kothari, Smt. P. D. Kothari, and Mr. D. K. Sharda as the Members of the said Committee.

Whistle Blower Policy

The Company has in place a Whistle Blower Policy in compliance with the provisions of the Act and SEBI Listing Regulations. The said Policy provides for a formal vigil mechanism for all employees and Directors of the Company, to report to the Chairman of the Audit Committee of the Company, genuine concerns or grievances about the unethical behavior, actual or

suspected fraud or violation of the Company's Code of Conduct. The Policy on whistle blower may be accessed on the Company's website at the link:http://www.gillandersarbuthnot.com/pdf/policy/Whistle%20Blower%20Policy.pdf. Your Board affirms that no person has been denied access to the Chairman of the Audit Committee.

Meetings of the Board

Nine Meetings of the Board of Directors were held during the year. For further details, please refer to Clause II D of the report on Corporate Governance, which forms part of this Annual Report.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

During the year under review, an amount of ₹ 4,99,950/- was invested to purchase 49,995 numbers of fully paid up Equity Shares of ₹ 10/- each of Barfani Builder Limited.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, is annexed herewith and marked as **Annexure IV.**

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith and marked as **Annexure V.**

Particulars of Employees and related disclosures

No employee draws Remuneration in excess of the limits provided in the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016. Rule 5(2) of the said Rules state that the Board's Report shall include a statement showing the names of top ten employees in term of Remuneration drawn and the name of every employee, who, if employed throughout the financial year, was in receipt of Remuneration for that year, which, in the aggregate, was not less than ₹ 102 lakhs and if employed, for part of the financial year, was in receipt of Remuneration for any part of that year, at a rate which, in the aggregate, was not less than ₹ 8.50 lakhs per month.

Disclosures pertaining to Remuneration and a statement showing the names of top ten employees in term of Remuneration drawn, as required under Section 197(12) of the Act read with Rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is annexed herewith and marked as **Annexure VI**.

MATERIAL CHANGES

There have been no material changes and commitments affecting the financial position of the Company since the close of the financial year i.e. 31st March, 2016. Further, there has been no change in the nature of business of the Company.

GENERAL

Your Directors states that no significant or material orders were passed by the Regulators or Courts or Tribunals which may impact the going concern status and Company's operations in future and that there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

The Directors would like to record their appreciation for the co-operation and support received from the employees, shareholders, banks, government agencies and all stakeholders.

For and on behalf of the Board

A. K. Kothari
Chairman

Kolkata, 19th November, 2016

Annexure I

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year ended on 31st March, 2016

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	CSR Policy of the Company has been framed in accordance with the provisions of the Companies Act, 2013 and Rules framed therein and the activities undertaken are as per Schedule VII of the said Act. For details please refer to the section 'Other Board Committees' of the Corporate Governance Report. For the financial year ended on 31st March, 2016, the Company through registered trusts has undertaken activities of providing medical help and education to needy of the society. The web link for the CSR Policy is http://www.gillandersarbuthnot.com/pdf/policy/Corporate%20Social%20Responsibility%20Policy.pdf
2	The Composition of the CSR Committee.	Mr. H. M. Parekh - Chairman (Independent Director) Smt. P. D. Kothari (Non- Executive Promoter Director) Mr. N. Pachisia (Independent Director)
3	Average net profit of the Company for last three financial years.	₹ 863 lakhs
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 17.26 lakhs
5	Details of CSR spent during the financial year- (1) Total amount to be spent for the financial year: (2) Amount unspent , if any: (3) Manner in which the amount spent during the financial year :	 ₹ 2.61 lakhs ₹ 14.65 lakhs The manner in which the amount is spent isdetailed in the **Annexure A**

D. K. Sharda — *Managing Director & CEO*

H. M. Parekh — *Chairman-CSR Committee*

Kolkata, 19th November, 2016

Annexure A

(₹ in lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.N.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or Programs (1) Local Area or other (2)State and District where the projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads**	**Cumulative expenditure upto to the reporting period**	**Amount spent: Direct or through implementing agency**
1	Clean Ganga Fund	-	-	-	₹ 1.00	₹ 1.00	₹ 1.00
2	Prime Ministers National Relief Fund	-	-	-	₹ 1.00	₹ 1.00	₹ 1.00
3	Indian Institute of Cerebral Palsy-Computer Education to 5(five) children/adults with disability.	Medical and Health	Kolkata, West Bengal	₹ 0.61	₹ 0.61	₹ 0.61	₹ 0.61
	TOTAL	**-**	**-**	**₹ 0.61**	**₹ 2.61**	**₹ 2.61**	**₹ 2.61**

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

D. K. Sharda
Managing Director & CEO

H. M. Parekh
Chairman-CSR Committee

Kolkata, 19th November, 2016

Annexure II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with the Guidance Note on Secretarial Audit (Release-1.2) of the Institute of Company Secretaries of India]

To,
The Members,
Gillanders Arbuthnot and Company Limited
C-4, Gillander House, Netaji Subhas Road,
Kolkata – 700001

1. We have conducted the secretarial audit of **Gillanders Arbuthnot and Company Limited** having its registered office at C-4, Gillander House, Netaji Subhas Road, Kolkata – 700001 and having CIN L51909WB1935PLC008194 (hereinafter called **"The Company"**), for the financial year ended on 31st March, 2016 ("the period under review"). The aforesaid Secretarial Audit has been conducted pursuant to the provisions of section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with the Guidance Note on Secretarial Audit (Release-1.2) of The Institute of Company Secretaries of India, in a manner that provided us a reasonable basis for evaluating the corporate conduct and the process of statutory compliances under various statutes, rules, regulations, guidelines, as indicated here in below in the instant report and as such expressing my opinion thereon.
2. Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 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.
3. We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 and as shown to us during our audit, according to the provisions of the following laws:
   (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
   (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, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (applicable form 15th May, 2015);
      c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
      e. We further report that after considering the compliance system prevailing in the Company, and after carrying out test checks of the relevant records and documents maintained by the Company, we found that it has complied with the following laws that are applicable specifically to the Company :
         (i) The Factories Act, 1948;
         (ii) The Food Safety and Standards Act, 2006 and Food Safety and Standard Rules, 2011;
         (iii) The Tea Act, 1953 and rules thereunder;
         (iv) Tea Warehouse (Licensing) Order, 1989;
         (v) The Tea Waste (Control) Order, 1959;
         (vi) The Tea (Marketing) Control Order, 1984;
         (vii) Tea Plantations Provident Fund Scheme, 1955;
         (viii) The Plantations Labour Act, 1951;
         (ix) The Assam Plantation Labour Rules, 1956;
         (x) The Assam Agriculture Income Tax Act, 1939;
         (xi) Air (Prevention and Control of Pollution) Act, 1981 and Water (Preservation and Control of Pollution) Act, 1974;
         (xii) Directions given by the Office of Textile Commission and Rules made thereunder;
         (xiii) The Chemicals Act, 2008 and Chemicals (Amendment) Act, 2010;
         (xiv) The Central Excise Act, 1944;
   (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the period under review:-
      a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

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

c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

4. We have checked the standard listing agreement entered by the Company with the following Stock Exchanges in India and to the best of our understanding, we are of the view that the Company has adequately complied with the secretarial functions and board processes to comply with the applicable provision thereof, during the aforesaid period under review.

(i) National Stock Exchange of India Limited (NSE);

(ii) BSE Limited (BSE) and

(iii) The Calcutta Stock Exchange Limited (CSE)

5. We further report to the best of our understanding that,

a) The Board of Directors of the Company is duly constituted as per the provision of Companies Act, 2013 and of the Stock Exchanges Standard Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable, for the time being. 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.

b) Adequate notice is given to all Directors for the Board and Committee Meetings. Agenda and notes on agenda were sent in advance, and further information and clarifications on the agenda items were provided for meaningful participation at the meeting.

c) All decisions at Board Meetings and Committee Meetings are carried out unanimously, as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

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

a) Secretarial Standards issued by the Institute of Company Secretaries of India [applicable from 1st July, 2015]

b) The Listing Agreement entered into by the Company with BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and the Calcutta Stock Exchange Limited (CSE) and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Applicable from 1st December, 2015]

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

We further report that during the year under audit, the Company has passed resolutions by Postal Ballot on 18th February, 2016 with respect to the following matters:

i. Increase in Authorized Share Capital of the Company, with consequential amendment in the Memorandum of Association of the Company;

ii. Modification / alteration of Article 4 of the Articles of Association of the Company to give effect to the aforesaid increase in Authorized Share Capital and

iii. Issue and Offer of 30,00,000, 7.75% Cumulative Redeemable Preference Shares of ₹ 100/- each on a Private Placement basis to the Promoter(s) / Promoter Group Company(ies).

During the period under review, the Company has acquired 49,995 fully Paid Up Equity Shares of ₹ 10/- each (99.99% Equity Stake) of Barfani Builder Limited at a total consideration of ₹ 4,99,950/- primarily to facilitate reconstruction of the Company by transfer to Chemical (Waldies) Division of the Company to Barfani Builder Limited.

We further report that the Board of Directors of the Company has approved the Scheme of Arrangement between Gillanders Arbuthnot and Company Limited-(GACL) and Barfani Builder Limited-(BBL) for reconstruction by transfer of Chemical (Waldies) Division of GACL to BBL with effect from 1st April, 2015, subject to the approval by necessary authorities.

We further report that during the period under review, the Trading Division of the Company was closed with effect from close of business hours on 31st March, 2016, since it was not viable and economical to maintain and operate.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

It is stated that the compliance of all the applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the management. We have relied on the representation made by the Company and its Officers for systems and mechanism set-up by the Company for compliance under applicable laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. 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 its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities / statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India.

K. C. Dhanuka
K.C.Dhanuka & Co.
Company Secretaries
FCS - 2204, C.P. No. - 1247

Place : Kolkata
Date : 19th November, 2016

Annexure III

NOMINATION AND REMUNERATION POLICY

I. PREAMBLE

The Board of Directors of Gillanders Arbuthnot and Company Limited ("the Company") had approved and adopted the Nomination and Remuneration Policy at its meeting held on 13th November, 2014. The Securities and Exchange Board of India ("SEBI") vide its Notification dated 2nd September, 2015 has issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulations"). In order to align with the Regulations, the said Policy is being suitably modified / altered.

II. OBJECTIVE

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the Regulations. The Key Objectives of the Committee would be:

a. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b. To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation of the Board.

c. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

d. To provide to Key Managerial Personnel and Senior Management Personnel reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

e. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

f. To devise a policy on Board diversity.

g. To develop a succession plan for the Board and to regularly review the plan.

III. DEFINITIONS

a. **"Act"** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

b. **"Board"** means Board of Directors of the Company.

c. **"Key Managerial Personnel" (KMP)** means as defined underaccording to Section 2(51) of the Companies Act, 2013.

d. **"Senior Management"** means Senior Management Personnel of the Company who are 'one level below the Key Managerial Personnel'.

e. **"Independent Director"** means as defined under Regulation 16(1) (b) of the Regulations and under Section 149(6) of the Companies Act, 2013.

IV. ROLE OF COMMITTEE

1. Matters to be dealt:-

The Committee shall:

i. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.

ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management Personnel positions in accordance with the criteria laid down in this policy.

iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

iv. Device a Policy on Diversity of Board of Directors.

2. Policy for appointment and removal

a. Appointment

i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management Personnel level and recommend to the Board his / her appointment.

ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

iii. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of Shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

b. Term / Tenure

i. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

ii. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act and Regulation 25(1) of the Regulations, from time to time.

c. Evaluation Criteria for Directors

Performance evaluation is a key mean by which Board can recognize and correct corporate governance issues and add real value to the Company. The Board determines and discusses the reasons for governance failures and how Board evaluations can help prevent them from occurring. All Board Members are to participate in the evaluation and are encouraged to further discuss and refine their views during meetings. The following criteria are to be followed for reviewing the Directors' performance:-

a. Accomplishment of the organization's mission, objectives and strategic results for which the Executive Director(s) is responsible.

b. Ensuring that the Board is well informed on issues affecting the continuing relevance of the mission and the performance and reputation of the Company.

c. Adequacy of processes which monitor business performance, Board Member interaction with management, adequacy of Board knowledge, adequacy of business strategy, Board being informed, evaluation process for Executives and Directors.

d. Appropriateness of balance and mix of skills, size of Board, contribution of individual Board Members, adequacy of performance feedback to Board Members, adequacy of procedures dealing with inadequate performance by a Board Member.

e. Board's effectiveness in use of time, whether Board allowed sufficient opportunity to adequately assess management performance, Board's ability to keep abreast of developments in the wider environment which may affect adequacy of meeting, frequency and duration.

f. Working relationship between Chairman and Managing Director & Chief Executive Officer, segregation of duties between Board and Management, ability of Directors to express views to each other and to management in a constructive manner, adequacy of Board discussions and management of divergent views.

The evaluation will take place annually as per the requirement of law and Regulation 19 of the Regulations. The Board may undertake more frequent evaluations, if warranted. The performance evaluation will typically address activities, events and accomplishments that took place during the most recently completed fiscal year.

d. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

e. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3. Policy relating to the Remuneration

a. Remuneration to Chairman, Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

i. Fixed pay: The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

ii. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii. Provisions for excess Remuneration: If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is

refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

b. Remuneration to Non- Executive / Independent Director:

i. Remuneration: The remuneration / commission shall be fixed as per the terms and conditions mentioned in the Articles of Association of the Company and the Act.

ii. Sitting Fees: The Non- Executive / Independent Director shall receive remuneration by way of fees for attending meetings of Board or Committee thereof, as may be decided by the Board, from time to time. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

iii. Commission: Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act. 'Differential Commission may be paid to Non – Executive / Independent Director based on their participation, contribution and active role in the Board and strategic matters of the Company.'

iv. Stock Options: An Independent Director shall not be entitled to any stock option of the Company.

V. MEMBERSHIP

a. The Committee shall consist of a minimum three (3) Non-Executive Directors, majority of them being Independent.

b. Minimum two (2) Members, one of which must be an Independent Director, shall constitute a quorum for the Committee Meeting.

c. Membership of the Committee shall be disclosed in the Annual Report.

d. Term of the Committee shall be continued unless terminated by the Board of Directors.

VI. CHAIRPERSON

a. Chairperson of the Committee shall be an Independent Director.

b. Chairperson of the Company may be appointed as a Member of the Committee but shall not be a Chairman of the Committee.

c. In the absence of the Chairperson, the Members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

d. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other Member to answer the Shareholders' queries.

VII. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such intervals as may be required. However, at least one meeting should be held in a financial year.

VIII. COMMITTEE MEMBERS' INTERESTS

a. A Member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b. The Committee may invite such Executives, as it considers appropriate, to be present at the meetings of the Committee.

IX. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

X. VOTING

a. Matters arising for determination at Committee Meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

XI. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

a. Ensuring that there is an appropriate induction process in place for new Directors, KMPs and Members of Senior Management Personnel and reviewing its effectiveness.

b. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act.

c. Identifying and recommending Directors who are to be put forward for retirement by rotation.

d. Determining the appropriate size, diversity and composition of the Board.

e. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board.

f. Developing a succession plan for the Board, KMP and Senior Management Personnel and regularly reviewing the plan.

g. Evaluating the performance of the Board Members, KMP and Senior Management Personnel in the context of the Company's performance from business and compliance perspective.

h. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or

termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

i. Delegating any of its powers to one or more of its Members of the Committee.

j. Recommend necessary changes to the Board.

k. Consider any other matters, as may be requested by the Board.

XII. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

a. To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate Members of the Board, KMP and Senior Management Personnel and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

b. To approve the remuneration of the Senior Management Personnel including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

c. To delegate any of its powers to one or more of its Members of the Committee.

d. To consider any other matters as may be requested by the Board.

e. To consider matters relating to Directors & Officers Insurance Policy.

XIII. MINUTES OF THE COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee within 30 days from the date of the meeting. Minutes of the Committee Meetings will be tabled at the subsequent Board and Committee Meeting.

XIV. AMENDMENT(S) / MODIFICATION(S)

The Nomination and Remuneration Committee will review and may amend / modify this Policy from time to time.

For and on behalf of the Board

A. K. Kothari

Kolkata, 19th November, 2016 *Chairman*

Annexure IV

Information as per Clause(m) of Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended on 31st March, 2016

A. CONSERVATION OF ENERGY

i) Steps taken or impact on Conservation of Energy

The Company accords great importance to conservation of energy. The Company has taken the following steps:

a) Conventional tube lights and vapour lamps are being replaced by the energy efficient LED lights.

b) New Ultra High Efficiency motors are replaced with old motors to save energy.

c) The suction pascal of the comber section has been optimized.

d) Timely replacement of power capacitor and equipment for achieving ideal power factor.

e) Stabilizers are installed to increase the power system oscillation stability.

f) Conversion to Inverter drive from Variator drive.

g) Installation of wind propelled ventilators on factory roof which helps in maintaining the quality of produce and also provide better working environment inside the factory.

h) Installation of Rain water harvesting system to reduce pumping of ground water, hence, reducing power consumption.

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

a) LED Lights are being installed in the factories and Tea Gardens.

b) Risk Husk is used in Captive Power plant at our Textile Unit at Akbarpur. Natural Gases are used at various Tea Estates, wherever possible.

c) Jute caddies is used in Thermax Boiler regularly and also uses unusable dropping waste of cotton as boiler fuel.

iii) Capital Investment on energy conservation equipments

Investment is made for purchase of LED lights, VFBD driers, etc.

B. TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption:

a) Installation of latest machines / equipment, viz.,

i) Dalal Dyeing Machine

ii) Small Powerloom Machine for samples,

iii) Colour Matching equipments.

b) Installation of Latest Irrigation Equipment, CTC Machine, coal heater, Plucking machine in the Tea Gardens.

c) In-house seminars, discussions with experts and training programme were held for innovative ideas of production. The concerned staff members are also sponsored to attain various seminars and workshops for updating themselves in various aspect of the functioning of the Company.

d) The Company also uses vermicompost , Bio Humic Spray (BHS) and Indigenous Technical Knowledge (ITK) for improving the organic status of the soil in the Tea Gardens.

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

ii) Benefits derived like, Product improvement cost reduction, product development or Import substitution;

The efforts have helped in improving the productivity, production of high value added products, conservation of power and energy and overall improvement in the quality of products.

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

No technology has been imported by the Company during the last three years.

iv) The expenditure incurred on Research and Development

Recurring expenditure of ₹ 12.13 Lakhs was incurred.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earned and used during the financial year ended on 31st March, 2016:

(₹ in lakhs)

Foreign exchange earned	13,828.18
Foreign exchange used	4,034.30

For and on behalf of the Board

A. K. Kothari
Chairman

Kolkata, 19th November, 2016

Annexure V

FORM No. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2016

[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	L51909WB1935PLC008194
ii.	Registration Date	01.02.1935
iii.	Name of the Company	GILLANDERS ARBUTHNOT AND COMPANY LIMITED
iv.	Category/Sub-Category of the Company	PUBLIC COMPANY LIMITED BY SHARES
v.	Address of the Registered office and contact details	C-4, GILLANDER HOUSE, NETAJI SUBHAS ROAD, KOLKATA-700 001, INDIA Phone : 033 2230-2331(6 lines) Fax :033 2230 4185 e-mail :gillander@gillandersarbuthnot.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 Phone : 033 2248 2248, 2243 5029, 2231 6839 Fax :033 2248 4787 e-mail :mdpldc@yahoo.com

II	**PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10% or more of the total turnover of the Company)	**Attachment A**
III	**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**	**Attachment B**
IV	**SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)	
	I) Category-wise Share Holding	**Attachment C**
	ii) Shareholding of Promoters	**Attachment D**
	iii) Change in Promoters' Shareholding	**Attachment E**
	iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	**Attachment F**
	v) Shareholding of Directors and Key Managerial Personnel	**Attachment G**
V	**INDEBTEDNESS**	
	Indebtedness of the Company including interest outstanding/accrued but due for payment	**Attachment H**
VI	**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**	
	A. Remuneration to Managing Director, Whole-time Directors and/or Manager	**Attachment I**
	B. Remuneration to other Directors	**Attachment J**
	C. Remuneration to Key Managerial Personnel other than Managing Director/ Manager/Whole-time Directors	**Attachment K**
VII	**PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**	**Attachment L**

ATTACHMENT A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company)

Sl. No.	Name and description of main products	NIC code of the product	%-age to total turnover of the Company
1.	Yarn	13111/13114	43.81%
2.	Cultivation, Manufacture and Sale of Tea	01271/ 10791/ 46306	27.36%
3.	Other specialized construction activities	43900	22.07%

ATTACHMENT B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	%of Shares held	Applicable Section
1.	Gillanders Holdings (Mauritius) Limited 6th Floor, Tower A, 1 Cyber City, Ebene, Mauritius	NA	Wholly Owned Foreign Subsidiary	100	2(87)
2.	Group Developments Limited P. 0. Box 2, Thyolo, Malawi	NA	Wholly Owned Foreign Subsidiary	100	2(87)
3.	Naming'omba Tea Estates Limited* P. 0. Box 2, Thyolo, Malawi	NA	Wholly Owned Foreign Subsidiary	100	2(87)
4.	Maifisi Tea Estates Limited* P. 0. Box 2, Thyolo, Malawi	NA	Wholly Owned Foreign Subsidiary	100	2(87)
5.	Group Holdings Limited* P. 0 .Box 2, Thyolo, Malawi	NA	Wholly Owned Foreign Subsidiary	100	2(87)
6.	Barfani Builder Limited C-4, Gillander House, Netaji Subhas Road, Kolkata- 700 001	U24100WB2013PLC196945	Subsidiary	99.99	2(87)

* The entire shareholding of the Companies listed in Serial nos. 3, 4 and 5 are held by Group Developments Limited

Attachment C

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-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	295394	0	295394	1.3841	295394	0	295394	1.3841	0.0000
b) Central Govt.									
c) State Govt(s).									
d) Bodies Corp.	14376321	0	14376321	67.3605	14376321	0	14376321	67.3605	0.0000
e) Banks/FIs									
f) Any other									
Sub-total (A)(1)	**14671715**	**0**	**14671715**	**68.7446**	**14671715**	**0**	**14671715**	**68.7446**	**0.0000**

(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FIs									
e) Any other									
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)	**14671715**	**0**	**14671715**	**68.7446**	**14671715**	**0**	**14671715**	**68.7446**	**0.0000**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	300	0	300	0.0014	300	0	300	0.0014	0.0000
b) Banks/FIs	3437	65543	68980	0.3232	3437	65543	68980	0.3232	0.0000
c) Central Govt.	0	7086	7086	0.0332	0	7086	7086	0.0332	0.0000
d) State Govt(s).									
e) Venture Capital Funds									
f) Insurance Companies	1187278	0	1187278	5.5630	1187278	0	1187278	5.5630	0.0000
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1)	**1191015**	**72629**	**1263644**	**5.9208**	**1191015**	**72629**	**1263644**	**5.9208**	**0.0000**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	784569	39847	824416	3.8628	689784	39340	729124	3.4163	-11.5587
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2607030	626666	3233696	15.1515	2694835	618976	3313811	15.5269	2.4775
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1150745	46866	1197611	5.6114	1124900	46866	1171766	5.4903	-2.1580
c) Others (specify)									
Non Resident Indians	101637	32879	134516	0.6303	92106	32879	124985	0.5856	-7.0854
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	12925	0	12925	0.0606	59869	0	59869	0.2805	363.2031
Trusts	3823	0	3823	0.0179	3823	0	3823	0.0179	0.0000
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	0	0	0	0.0000	3609	0	3609	0.0169	100.0000
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Sub-total(B)(2)	**4660729**	**746258**	**5406987**	**25.3345**	**4668926**	**738061**	**5406987**	**25.3345**	**0.0000**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**5851744**	**818887**	**6670631**	**31.2554**	**5859941**	**810690**	**6670631**	**31.2554**	**0.0000**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**20523459**	**818887**	**21342346**	**100.00**	**20531656**	**810690**	**21342346**	**100.00**	**0.0000**

Attachment D

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

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year [As on 01-April-2015]			Shareholding at the end of the Year [As on 31-March-2016]			% change in share-holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encum-bered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encum-bered to total Shares	
1	KOTHARI PHYTOCHEMICALS AND INDUSTRIES LIMITED	5501078	25.7754	0.0000	5501078	25.7754	0.0000	0.0000
2	KOTHARI INVESTMENT & INDUSTRIES PRIVATE LIMITED	2253748	10.5600	0.0000	2253748	10.5600	0.0000	0.0000
3	VISHNUHARI INVESTMENTS & PROPERTIES LIMITED	1707291	7.9995	0.0000	1707291	7.9995	0.0000	0.0000
4	M.D. KOTHARI & COMPANY LIMITED	1521868	7.1307	0.0000	1521868	7.1307	0.0000	0.0000
5	KOTHARI & COMPANY PRIVATE LIMITED	1426199	6.6825	0.0000	1426199	6.6825	0.0000	0.0000
6	COMMERCIAL HOUSE PRIVATE LIMITED	1368212	6.4108	0.0000	1368212	6.4108	0.0000	0.0000
7	BHAKTWATSAL INVESTMENTS LIMITED	498498	2.3357	0.0000	498498	2.3357	0.0000	0.0000
8	ARUN KUMAR KOTHARI	49546	0.2321	0.0000	108472	0.5082	0.0000	118.9319
9	SATYAM FINANCIAL SERVICES LIMITED	88177	0.4132	0.0000	88177	0.4132	0.0000	0.0000
10	ARUN KUMAR KOTHARI (HUF)	75741	0.3549	0.0000	75741	0.3549	0.0000	0.0000
11	PRABHAWATI DEVI KOTHARI	67875	0.3180	0.0000	67875	0.3180	0.0000	0.0000
12	ANAND VARDHAN KOTHARI	43306	0.2029	0.0000	43306	0.2029	0.0000	0.0000
13	KOTHARI CAPITAL AND SECURITIES PRIVATE LIMITED	11250	0.0527	0.0000	11250	0.0527	0.0000	0.0000
14	GIRDHAR DAS KOTHARI	58926	0.2761	0.0000	0	0	0.0000	--100.0000
	TOTAL	**14671715**	**68.7446**	**0.0000**	**14671715**	**68.7446**	**0.0000**	**18.9319**

Attachment E

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

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning [As on 01st April-2015]/end of the year [As on 31st March-2016]					Cumulative Shareholding during the year [As on 01st April-2015 to 31st March-2016]	
	Name	No. of Shares	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
1.	BHAKTWATSAL INVESTMENTS LIMITED							
		498498	2.3357	01/04/2015	No Change during the year			
		498498	2.3357	31/03/2016			498498	2.3357
2	COMMERCIAL HOUSE PRIVATE LIMITED							
		1368212	6.4108	01/04/2015	No Change during the year			
		1368212	6.4108	31/03/2016			1368212	6.4108
3	KOTHARI CAPITAL AND SECURITIES PRIVATE LIMITED							
		11250	0.0527	01/04/2015	No Change during the year			
		11250	0.0527	31/03/2016			11250	0.0527
4	KOTHARI PHYTOCHEMICALS AND INDUSTRIES LIMITED							
		5501078	25.7754	01/04/2015	No Change during the year			
		5501078	25.7754	31/03/2016			5501078	25.7754
5	KOTHARI & COMPANY PRIVATE LIMITED							
		1426199	6.6825	01/04/2015	No Change during the year			
		1426199	6.6825	31/03/2016			1426199	6.6825
6	VISHNUHARI INVESTMENTS & PROPERTIES LIMITED							
		1707291	7.9995	01/04/2015	No Change during the year			
		1707291	7.9995	31/03/2016			1707291	7.9995
7	KOTHARI INVESTMENT & INDUSTRIES PRIVATE LIMITED							
		2253748	10.5600	01/04/2015	No Change during the year			
		2253748	10.5600	31/03/2016			2253748	10.5600
8	M.D. KOTHARI & COMPANY LIMITED							
		1521868	7.1307	01/04/2015	No Change during the year			
		1521868	7.1307	31/03/2016			1521868	7.1307
9	SATYAM FINANCIAL SERVICES LIMITED							
		88177	0.4132	01/04/2015	No Change during the year			
		88177	0.4132	31/03/2016			88177	0.4132
10	ARUN KUMAR KOTHARI (HUF)							
		75741	0.3549	01/04/2015	No Change during the year			
		75741	0.3549	31/03/2016			75741	0.3549
11	ARUN KUMAR KOTHARI							
		49546	0.2321	01/04/2015				
				26/06/2015	58926	Transmission	108472	0.5082
		108472	0.5082	31/03/2016			108472	0.5082
12	PRABHAWATI DEVI KOTHARI							
		67875	0.3180	01/04/2015	No Change during the year			
		67875	0.3180	31/03/2016			67875	0.3180
13	ANAND VARDHAN KOTHARI							
		43306	0.2029	01/04/2015	No Change during the year			
		43306	0.2029	31/03/2016			43306	0.2029
14	GIRDHAR DAS KOTHARI							
		58926	0.2761	01/04/2015				
				26/06/2015	-58926	Transmission	0	0.0000
		0	0.0000	31/03/2016			0	0.0000

Attachment F

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

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning [As on 01-April-2015]/end of the year [As on 31 -March-2016]					Cumulative Shareholding during the year [As on 01-April-2015 to 31-March-2016]	
	Name	No. of Shares	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
1	BONANZA PORTFOLIO LTD.							
		46181	0.2164	01/04/2015				
				10/04/2015	15193	Purchase	61374	0.2876
				17/04/2015	2837	Purchase	64211	0.3009
				08/05/2015	-95	Sale	64116	0.3004
				22/05/2015	-1305	Sale	62811	0.2943
				29/05/2015	-216	Sale	62595	0.2933
				05/06/2015	4398	Purchase	66993	0.3139
				19/06/2015	-210	Sale	66783	0.3129
				10/07/2015	4434	Purchase	71217	0.3337
				17/07/2015	-2547	Sale	68670	0.3218
				24/07/2015	15565	Purchase	84235	0.3947
				31/07/2015	-9981	Sale	74254	0.3479
				07/08/2015	14684	Purchase	88938	0.4167
				14/08/2015	6893	Purchase	95831	0.4490
				21/08/2015	2929	Purchase	98760	0.4627
				28/08/2015	-15984	Sale	82776	0.3878
				04/09/2015	-3335	Sale	79441	0.3722
				18/09/2015	-1400	Sale	78041	0.3657
				30/09/2015	-542	Sale	77499	0.3631
				16/10/2015	708	Purchase	78207	0.3664
				23/10/2015	3000	Purchase	81207	0.3805
				30/10/2015	1000	Purchase	82207	0.3852
				13/11/2015	34	Purchase	82241	0.3853
				20/11/2015	7091	Purchase	89332	0.4186
				27/11/2015	-27	Sale	89305	0.4184
				04/12/2015	3690	Purchase	92995	0.4357
				11/12/2015	-1751	Sale	91244	0.4275
				18/12/2015	437	Purchase	91681	0.4296
				25/12/2015	925	Purchase	92606	0.4339
				31/12/2015	-5959	Sale	86647	0.4060
				01/01/2016	-1993	Sale	84654	0.3966
				08/01/2016	3350	Purchase	88004	0.4123
				15/01/2016	-3150	Sale	84854	0.3976

				22/01/2016	-9100	Sale	75754	0.3549
				29/01/2016	155	Purchase	75909	0.3557
				05/02/2016	-832	Sale	75077	0.3518
				12/02/2016	-14	Sale	75063	0.3517
				26/02/2016	1185	Purchase	76248	0.3573
				04/03/2016	600	Purchase	76848	0.3601
				11/03/2016	160	Purchase	77008	0.3608
				18/03/2016	-864	Sale	76144	0.3568
				25/03/2016	-25	Sale	76119	0.3567
		75519	0.3538	31/03/2016	-600	Sale	75519	0.3538
2	JAMSON SECURITIES PVT. LTD.							
		105704	0.4953	01/04/2015	No Change during the year			
		105704	0.4953	31/03/2016			105704	0.4953
3	LIFE INSURANCE CORPORATION OF INDIA							
		1187278	5.5630	01/04/2015	No Change during the year			
		1187278	5.5630	31/03/2016			1187278	5.5630
4	RAVIRAJ DEVELOPERS LIMITED							
		24289	0.1138	01/04/2015				
				24/04/2015	989	Purchase	25278	0.1184
				01/05/2015	6020	Purchase	31298	0.1466
				15/05/2015	502	Purchase	31800	0.1490
				22/05/2015	1009	Purchase	32809	0.1537
				05/06/2015	8050	Purchase	40859	0.1914
				12/06/2015	2090	Purchase	42949	0.2012
				19/06/2015	5000	Purchase	47949	0.2247
				26/06/2015	1502	Purchase	49451	0.2317
				30/06/2015	9741	Purchase	59192	0.2773
				03/07/2015	1016	Purchase	60208	0.2821
				10/07/2015	311	Purchase	60519	0.2836
				17/07/2015	-1921	Sale	58598	0.2746
				24/07/2015	2100	Purchase	60698	0.2844
				07/08/2015	3852	Purchase	64550	0.3025
				14/08/2015	2354	Purchase	66904	0.3135
				04/09/2015	1	Purchase	66905	0.3135
				30/09/2015	-145	Sale	66760	0.3128
				27/11/2015	5000	Purchase	71760	0.3362
				25/12/2015	-8525	Sale	63235	0.2963
				31/12/2015	-22161	Sale	41074	0.1925
				08/01/2016	-6100	Sale	34974	0.1639
				15/01/2016	2345	Purchase	37319	0.1749
		37319	0.1749	31/03/2016			37319	0.1749
5	MALL COMMERCIAL PVT. LTD.							
		100903	0.4728	01/04/2015	No Change during the year			
		100903	0.4728	31/03/2016			100903	0.4728

6	PRAKASH JAIN							
		40597	0.1902	01/04/2015	No Change during the year			
		40597	0.1902	31/03/2016			40597	0.1902
7	JAGDISH AMRITLAL SHAH							
		110740	0.5189	01/04/2015	No Change during the year			
		110740	0.5189	31/03/2016			110740	0.5189
8	MUKTILAL GANULAL PALDIWAL*							
		35140	0.1646	01/04/2015				
				17/04/2015	141	Purchase	35281	0.1653
				08/05/2015	165	Purchase	35446	0.1661
				26/06/2015	765	Purchase	36211	0.1697
				21/08/2015	3405	Purchase	39616	0.1856
				28/08/2015	997	Purchase	40613	0.1903
				11/12/2015	800	Purchase	41413	0.1940
				18/12/2015	629	Purchase	42042	0.1970
				08/01/2016	1500	Purchase	43542	0.2040
				15/01/2016	1000	Purchase	44542	0.2087
				22/01/2016	2858	Purchase	47400	0.2221
				29/01/2016	258	Purchase	47658	0.2233
				05/02/2016	500	Purchase	48158	0.2256
				04/03/2016	1183	Purchase	49341	0.2312
				11/03/2016	1500	Purchase	50841	0.2382
		51341	0.2406	31/03/2016	500	Purchase	51341	0.2406
9	MAHESH KUMAR BIHANI#							
		65183	0.3054	01/04/2015				
				13/11/2015	-6500	Sale	58683	0.2750
				20/11/2015	-700	Sale	57983	0.2717
				04/03/2016	-13212	Sale	44771	0.2098
				11/03/2016	-10384	Sale	34387	0.1611
				18/03/2016	-8825	Sale	25562	0.1198
				25/03/2016	-1500	Sale	24062	0.1127
		14372	0.0673	31/03/2016	-9690	Sale	14372	0.0673
10	BISHWANATH PRASAD AGRAWAL							
		85000	0.3983	01/04/2015				
				31/12/2015	-21346	Sale	63654	0.2983
				08/01/2016	-26034	Sale	37620	0.1763
		37620	0.1763	31/03/2016			37620	0.1763
11	SUVARNA KUMARI AGRAWAL							
		185000	0.8668	01/04/2015	No Change during the year			
		185000	0.8668	31/03/2016			185000	0.8668
12	BANK OF BARODA							
		54567	0.2557	01/04/2015	No Change during the year			
		54567	0.2557	31/03/2016			54567	0.2557

*Not in the list of Top 10 Shareholders as on 01/04/2015. The same has been reflected above since the Shareholder was one of the Top 10 Shareholders as on 31/03/2016.

Ceased to be in the list of Top 10 Shareholders as on 31/03/2016. The same is reflected above since the Shareholder was one of the Top 10 Shareholders as on 01/04/2015.

Attachment G

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

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 01-April-2015]/ end of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 01-April-2015 to 31-March-2016]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	ARUN KUMAR KOTHARI				
	At the beginning of the year	49546	0.2321		
	Change during the year (26.06.2015)	58926	0.2761	108472	0.5082
	At the end of the year	108472	0.5082	108472	0.5082
2	PRABHAWATI DEVI KOTHARI				
	At the beginning of the year	67875	0.3180		
	At the end of the year	67875	0.3180	67875	0.3180
3	DHANANJOY KARMAKAR				
	At the beginning of the year	50	0.0002		
	Change during the year (19.06.2015)	-50	0.0002		
	At the end of the year	0	0.0000	0	0.0000
4	PRAVIN KUMAR JAIN				
	At the beginning of the year	501	0.0023		
	At the end of the year	501	0.0023	501	0.0023

Attachment H

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but due for payment **(₹ in Lakhs)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted-ness
Indebtedness at the beginning of the financial year - 1st April, 2015				
i) Principal Amount	24,668.21	9,170.00	2,948.84	36,787.05
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	42.00	178.57	220.57
Total (i+ii+iii)	**24,668.21**	**9,212.00**	**3,127.41**	**37,007.62**
Change in indebtedness during the financial year				
· Addition	9,394.73	10,255.00	3,271.17	22,920.90
· Reduction	11,625.60	7,751.98	2,218.45	21,596.03
Net Change	**-2,230.87**	**2,503.02**	**1,052.72**	**1,324.87**
Indebtedness at the end of the financial year - 31st March, 2016				
i) Principal Amount	22,437.34	11,700.00	3,954.98	38,092.32
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	15.02	225.15	240.17
Total (i+ii+iii)	**22,437.34**	**11,715.02**	**4,180.13**	**38,332.49**

Attachment I

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director & CEO **(₹ in Lakhs)**

Sl. No.	Particulars of Remuneration	Name of the Managing Director & CEO Mr. D. K. Sharda
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	32.92
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	8.39
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	
2	Stock Option	-
3	Sweat Equity	-
4	Commission	
	- As a percentage of profit	-
	- Others, specify	-
5	Others, please specify	-
	Total Amount (A)	**41.31**
	Ceiling as per the Act@	

@ The Company has incurred a loss of ₹ 2,266.92 lakhs and hence, Section II of Part II of Schedule V is applicable. The Effective Capital of the Company is ₹ 26,604.02 lakhs as on 31st March, 2016 . The Company can pay remuneration to upto ₹ 120 lakhs plus 0.01% of the effective capital in excess of ₹ 250 crores.

Attachment J

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other Directors **(₹ in Lakhs)**

Sl. No.	Particulars of Remuneration	Name of Directors*						Total Amount
1	**Independent Directors**	**-**	**-**	**HPK**	**HMP**	**NP**	**SBD**	
	- Fee for attending Board / Committee meetings	-	-	0.45	2.34	2.08	0.26	5.13
	- Commission	-	-	-	-	-	-	-
	- Others, please specify	-	-	-	-	-	-	-
	Total(1)	**-**	**-**	**0.45**	**2.34**	**2.08**	**0.26**	**5.13**
2	**Other Non-Executive Directors**	**AKK**	**PDK**					
	- Fee for attending Board / Committee meetings	2.56	1.93	-	-	-	-	4.49
	- Commission	-	-	-	-	-	-	-
	- Others, please specify	-	-	-	-	-	-	-
	Total(2)	**2.56**	**1.93**	**-**	**-**	**-**	**-**	**4.49**
	Total(B)=(1+2)	**2.56**	**1.93**	**0.45**	**2.34**	**2.08**	**0.26**	**9.62**
	Total Managerial Remuneration (A+B)							**50.93**
	Overall Ceiling as per the Act@							

@ The Company has incurred a loss of ₹ 2,266.92 lakhs and hence, Section II of Part II of Schedule V is applicable. The Effective Capital of the Company is ₹ 26,604.02 lakhs as on 31st March, 2016. The Company can pay remuneration to upto ₹ 120 lakhs plus 0.01% of the effective capital in excess of ₹ 250 crores.

***** AKK-Mr. A. K. Kothari, PDK-Smt. P.D. Kothari, HPK-Dr. H.P. Kanoria, HMP-Mr. H.M.Parekh, NP-Mr. Naresh Pachisia, SBD-Mrs. S. Basu De.

Attachment K

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD **(₹ in Lakhs)**

Sl. No.	Particulars of Remuneration	Mr. P. K. Jain - Chief Financial Officer	Mr. D. Karmakar - Company Secretary	Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	27.36	11.18	38.54
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	1.83	0.16	1.99
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- As a percentage of profit	-	-	-
	- Others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	**29.19**	**11.34**	**40.53**

Attachment L

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : None

For and on behalf of the Board

A. K. Kothari
Chairman

Kolkata, 19th November, 2016

Annexure VI

Details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

1. Ratio of remuneration of each Director to median remuneration of employees, percentage increase in remuneration of each Director, Chief Executive Officer(CEO), Chief Financial Officer, and Company Secretary during the financial year ended on 31st March, 2016 :

S.N.	Name of Director and KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	%age increase in remuneration for the financial year ended on 31st March, 2016
1.	Mr. D. K. Sharda	Managing Director & CEO	1:97.04	7.77%
2.	Mr. P. K. Jain	Chief Financial Officer	Not Applicable	NIL
3.	Mr. D. Karmakar	Company Secretary	Not Applicable	12.06%

Note: Mr. A. K. Kothari, Non-Executive Promoter Chairman, Smt. P. D. Kothari, Non-Executive Promoter Director received only sitting fees during the financial year ended on 31st March, 2016. Dr. H. P. Kanoria, Mr. H. M. Parekh and Mr. N. Pachisia, who are Independent Directors received only sitting fees in the said financial year. Mrs. S. Basu De, Independent Director, who resigned during the financial year ended on 31st March, 2016, also received sitting fees.

2. In the financial year ended on 31st March, 2016, there was decrease of 8.77% in the median remuneration of employees.

3. There were 9,271 permanent employees on the rolls of the Company as on 31st March, 2016.

   Mr. S. Datta, then the President and functional head of the Engineering (MICCO) Division of the Company was in receipt of remuneration in the financial year ended on 31st March, 2016 in excess of that drawn by Mr. D. K. Sharda, Managing Director & CEO of the Company but he along with his spouse and children did not hold any shares of the Company.

4. Average salary increase of Managerial employee and Non Managerial employee during the financial year ended on 31st March, 2016 is 5.37% and 5.75% respectively.

5. The remuneration is paid as per the Nomination and Remuneration Policy of the Company.

6. Statement showing Particulars of top ten employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule, 5(2) & 5 (3) of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

Sl. No.	Name	Designation / Nature of Duties	Remuneration received p.m. (₹)	Qualification	Experience	Age in years	Date of commencement of Employment	Last Employment held before joining the Company
1	Mr. Santanu Datta*	President - MICCO	4,51,300	B.E.(Mechanical)	39 years	62 years	18.03.2015	Primetals Technologies India Private Limited
2	Mr. Dev Kishan Sharda	Managing Director & CEO	3,44,211	B.Com, CA (Inter)	47 years	69 years	01.09.1973	Singhi & Co.
3	Mr. Mahesh Sodhani	President - Tea & Property	3,11,090	B.Com (Hons.), ACA, ACS, AICWA	18 years	44 years	01.05.2001	Kothari Plantation and Industries Ltd.
4	Mr. Manoj Sodhani	President - Textile	3,10,090	B.Com (Hons.), LLB, ACA,CS	20 years	45 years	01.04.1996	NP Veneer & Saw Mills Ltd.
5	Mr. S. P. Bhatt	Sr. President & COO- GIS Cotton Mill	3,03,921	B.Tech (Textile)	41 years	61 years	19.08.1998	Shree Bhawani Cotton Mills Ltd.
6	Mr. Tapas Kumar Bagchi	Jt. President	2,84,333	B.E.(Mechanical)	52 years	75 years	20.07.1987	Ardec India Pvt Ltd.
7	Mr. Pravin Kumar Jain	Jt. President & CFO	2,56,320	B.Com (Hons.), LLB, FCA, Certificate in Business & Industrial Administration	38 years	58 years	10.01.1984	Jain & Co., Chartered Accountants
8	Mr Gan Nayak Pathak#	President - Pers. & Admin.	2,52,056	B.Sc, LLB,CLW	46 years	73 years	14.03.1989	Hooghly Mills Company Limited
9	Mr. Sanjib Raha	President	2,17,123	B.Tech (Textile)	25 years	45 years	18.12.2013	PT. Lotus Indah Textile Industries
10	Mr. Subhayan Bhattacharya@	GM - Commercial	1,95,900	B.Com , CA	18 years	43 years	10.07.2015	Primetals Technologies India Private Limited

*Mr. Santanu Dutta resigned from the services of the Company from close of business hours on 1st October, 2016.
Mr. Gan Nayak Pathak retired from the services of the Company from the close of working hours of 30th September, 2016.
@ Mr. Subhayan Bhattacharya has been promoted and designated as Vice President – MICCO with effect from 1st October, 2016.

Notes:

1. Remuneration includes Basic Salary, HRA, Special Allowance, Ex-gratia, LTA, Medical, Leave Encashment, Employer's contribution to Provident Fund, Employer's contribution to NPS, Incentives and other Perquisites.
2. Nature of Employment and Duties: Contractual and in accordance with terms and conditions as per Company's rules and policies.
3. None of the above employees is a relative of any Director of the Company.

For and on behalf of the Board

A. K. Kothari
Chairman

Kolkata, 19th November, 2016

REPORT ON CORPORATE GOVERNANCE

[In accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") erstwhile Clause 49 of Listing Agreement with Stock Exchanges, the Directors present the Company's Report on Corporate Governance with respect to the financial year ended on 31st March, 2016]

I. Company's philosophy on Corporate Governance

The Company believes that good Corporate Governance means the adoption of best practices to ensure that the Company operates not only within the regulatory framework but is also guided by the broader business ethics. The Company's policy is reflected by the values of integrity, transparency, professionalism and accountability. The adoption of business and corporate practices based on transparency, professionalism and accountability, besides creating wealth for the shareholders, benefits the customers, creditors, employees, government and society at large.

The Company believes in meaningful policy on Corporate Governance by empowering the executive management and creating a mechanism of checks and balances to ensure that the decision making powers vested in the executive management are used with care and responsibility to meet the stakeholders' aspirations and societal expectations. The Company has complied with the conditions of Corporate Governance for the financial year ended on 31st March, 2016 as stipulated in:

- Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreement of the Company with stock exchanges for the period from 1st April, 2015 to 30th November, 2015.
- Clause 49 (VII)(E) of the Listing Agreement of the Company with the stock exchanges for the period from 1st April, 2015 to 1st September, 2015.
- Regulation 23(4) of the SEBI Listing Regulations for the period from 2nd September, 2015 to 31st March, 2016 and
- Regulations 17 to 27 (excluding Regulation 23(4)) and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the Listing Regulations for the period from 1st December, 2015 to 31st March, 2016.

The references to the specific Regulations in this report have been made in the context of SEBI Listing Regulations because as on 31st March, 2016, the aforesaid new Regulations were already effective. However, for the specific periods wherein Clause 49 of Listing Agreement was applicable as mentioned herein above, the Company was in compliance with the relevant conditions of Clause 49 of Listing Agreement and hence references to the conditions of SEBI Listing Regulations to be construed accordingly. The Company agrees to comply with the provisions of Regulations 17 to 27 read with paras C, D and E of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to Corporate Governance which shall be implemented in a manner so as to achieve the objectives set by the Company.

Pursuant to Regulation 109(2) of SEBI Listing Regulations, the Company has executed a fresh Listing Agreement with the stock exchanges, wherein the Ordinary Shares of the Company are listed, within six months from the date of notification of SEBI Listing Regulations.

II. Board of Directors (hereinafter referred to as the 'Board')

The Board is entrusted with the ultimate responsibility of the management, affairs, directions and performance of the Company and has been vested with requisite powers, authorities and duties.

(A) Composition of Board

During the financial year ended on 31st March, 2016, your Company's Board was duly constituted in accordance with the requirements laid down under the Companies Act, 2013 (hereinafter referred to as 'the Act') and the Regulation 17(1) of SEBI Listing Regulations and as at the close of the aforesaid financial year it was comprised of 6 (Six) Directors, 3 (Three) being Independent Directors, 2 (Two) being Non – Executive Promoter Directors and 1 (One) being Whole-time Director with considerable experience in their respective fields. In compliance with the requirements of the Act and SEBI Listing Regulations, the Company has 1 (One) Women Director on its Board.

The Chairman provides overall direction and guidance to the Board. Concurrently, the Managing Director & CEO of the Company is responsible for the overall implementation. In the operations and functioning of the Company, the Managing Director & CEO is assisted by the operational and functional heads.

As on the date of this report, your Board is duly constituted in compliance with the Act and the SEBI Listing Regulations. Mrs. S. Basu De, Independent Director of the Company, has resigned from the Board and its Committees thereof, with effect from 18th September, 2015.

(B) Independent Directors

As on 31st March, 2016, the Board consisted of following 3 (Three) Independent Directors, in accordance with the provisions of the Act and SEBI Listing Regulations:

S.N.	Name	Date of Appointment
1	Dr. H. P. Kanoria	14th August, 2014
2.	Mr. H. M. Parekh	14th August, 2014
3.	Mr. N. Pachisia	14th August, 2014

In accordance with Clause VIII of Schedule IV to the Act and Regulation 17(10) of SEBI Listing Regulations, the Board of Directors has evaluated the performance of the Independent Directors as per the criteria laid down in the Nomination and Remuneration Policy of the Company.

During the year under review, the Independent Directors, in accordance with Regulation 25(3) of the SEBI Listing Regulations and Clause VII of Schedule IV to the Act, met exclusively for a meeting on 13th February, 2016, without the presence of the Managing Director & CEO, Non-Executive Promoter Directors or Management Personnel, to review the performance of Non-Independent Directors and Board, as a whole. The Independent Directors also reviewed the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Management and the Board.

The Board has also laid down a policy for familiarization of the Independent Directors with the operations of the Company, as well as, to make them aware about their rights, responsibilities and liabilities as an Independent Director. The details of the Policy on Familiarization Programme of the Independent Directors are available on the website of the Company and can be accessed at the link: http://www.gillandersarbuthnot.com/pdf/policy/Familiarization%20Programme%20for%20Independent%20Director.pdf

Mr. H. M. Parekh was appointed as the Lead Independent Director with effect from 13th November, 2014. All Independent Directors have given necessary disclosures under Section 149(7) of the Act.

Smt. Sucharita Basu De (DIN 06921540), Independent Director, has resigned from the Board of Directors of the Company with effect from 18th September, 2015, due to her pre occupations and prior commitments.

(C) Non-Executive Directors' Compensation and Disclosures

Remuneration to the Non-Executive Directors and Independent Directors are paid only after the approval of the Board and Members of the Company. At present, the sitting fees paid for attending a Meeting of the Board of Directors is ₹ 15,000/- and its Committees is ₹ 11,000/-, which is subject to deduction of tax at source. Details of sitting fees paid to them are given at respective places in this Report. In accordance with the Resolution proposed to be passed by the Members at the ensuing 82nd Annual General Meeting of the Company to be held on 28th December, 2016, the Non-Executive Directors, including the Independent Directors, of the Company, may be paid remuneration, in addition to the sitting fees and reimbursement of expenses for attending the said Meetings, as the Board may determine in such proportion and manner, not exceeding 1% (one percent) of the net profits of the Company for each financial year, as computed in accordance with the provisions of Section 198 of the Act and Rules framed thereunder.

(D) Other Provisions as to Board and Committees

Your Company's Board plays an important role in ensuring good Corporate Governance and functioning of the Company. All information, as applicable and specified in Regulation 17(7) read with Schedule II Part A of SEBI Listing Regulations are regularly placed before the Board. Agenda and Notes on Agenda are circulated to the Directors in advance before each Meeting of the Board and Committees for facilitating meaningful and focused discussions at the Meeting. In case of exigencies or urgency of matters, resolutions are passed by circulation.

The Members of the Board have complete freedom to express their opinion and the decisions are taken after detailed discussions.

The Board meets at least once in a quarter and at least four times in a year to review and approve the quarterly financial results and operations of the Company. Apart from the above, Board Meetings are convened, as and when required, by giving proper notice. The intervening period between two Board Meetings is well within the maximum gap of 120 days between any two consecutive Meetings as specified in Regulation 17(2) of SEBI Listing Regulations and Section 173(1) of the Act.

During the year under review, the Board met 9 (Nine) times. The details of Board Meetings held during the financial year ended on 31st March, 2016 are as under:

S.N.	Date of Board Meeting	City	No. of Directors present
1.	29th May, 2015	Kolkata	5
2.	13th August, 2015	Kolkata	6
3.	3rd September, 2015	Kolkata	4
4.	10th October, 2015	Kolkata	6
5.	14th November, 2015	Kolkata	6
6.	29th December, 2015	Kolkata	6
7.	12th February, 2016	Kolkata	5
8.	31st March, 2016	Kolkata	4
9.	31st March, 2016	Kolkata	4

The details of the Directors with regard to the outside Directorships and Committee positions, as well as Board Meetings/ Annual General Meeting (AGM) as on 31st March, 2016 are as follows:

S.N.	Name of Director	Category of Director	Attendance during 2015-2016		No. of Outside Directorship (s)/ Chairperson (s) of the outside Board$	No. of Membership(s)/ Chairmanship(s) in outside Committee*
			Board Meetings	Last AGM held on 03.09.2015		
1.	Mr. A. K. Kothari	Non-Executive Promoter Chairman	9	Yes	6	3
2	Smt. P. D. Kothari	Non-Executive Promoter	7	Yes	5	2
3.	Dr. H. P. Kanoria	Independent	3	No	16	-
4.	Mr. H. M. Parekh	Independent	9	Yes	8	8 (3 as Chairman)
5.	Mr. N. Pachisia	Independent	8	No	7	5
6.	Mrs. S. Basu De#	Independent	1	No	-	-
7.	Mr. D. K. Sharda	Managing Director & CEO	9	Yes	2	-

$ Includes Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act.
* Excludes Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act. It only includes Audit Committee and Stakeholders Relationship Committee.
#Resigned from the Board of Directors of the Company with effect from 18th September, 2015. 3 Meetings were held during her tenure.

None of the above mentioned Directors of the Board hold Directorships in more than ten Public Companies. Further none of them is a member of more than ten Committees or Chairman of more than five Committees as specified in the Regulation 26 of SEBI Listing Regulations, across all the Companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other Public Companies as on 31stMarch, 2016 have been made by the Directors.

None of the other Directors is acting as an Independent Director in more than seven listed Companies.

The Independent Directors are also in compliance with proviso to Regulation 25 (1) of SEBI Listing Regulations.

None of the Directors are related to inter-se except for Mr. A. K. Kothari and Smt. P. D. Kothari.

(E) Code of Conduct

1. In order to align with the Regulation 17(5) of SEBI Listing Regulations, the Code of Conduct was revised by the Board of Directors on 14th November, 2015. The said Code is applicable to all its Board Members, Key Managerial Personnel and Senior Management Personnel representing all Executives from the 'General Manager' Grade and above. The Code of Conduct attempts to set forth the guiding principles on which the Company shall operate and, conduct its daily business with its multitudinous stakeholder's viz. shareholders, customers, creditors, employees, government, regulatory agencies, media and society at large. The Code of Conduct also contains the duties of the Independent Directors as laid down in Schedule IV to the Act. The new and revised Code may be accessed on the Company's website at the link:http://www.gillandersarbuthnot.com/pdf/policy/Corporate%20Governance%20-Code%20of%20Conduct.pdf

2. Declaration as required under Regulation 26(3) of SEBI Listing Regulations with respect to financial year ended on 31st March, 2016, signed by the Managing Director & CEO has been provided to the Board and is reproduced as **Annexure 1** to this Report.

(F) Whistle Blower Policy

The Company has implemented the Whistle Blower Policy by way of forming a vigil mechanism, as required under Section 177 of the Act and Regulation 22 of SEBI Listing Regulations. The said policy provides for adequate safeguards against the victimization of the Directors and employees who avail this mechanism and ensures that the personnel get direct access to the Chairperson of Audit Committee as defined in the Act and SEBI Listing Regulations. The same has been affirmed by the Board of Directors of the Company. The said policy can be accessed on the Company's website at the link: http://www.gillandersarbuthnot.com/pdf/policy/Whistle%20Blower%20Policy.pdf

(G) Policy for Determination of Materiality of Events / Information and Archival Policy

In accordance with Regulation 30 of SEBI Listing Regulations, the Company has framed a Policy for Determination of Materiality of Events / Information which provides guidance to the Board, management and staff on the assessment of materiality of events which will have bearing on the performance / operations of the Company.

Further the Company has an Archival Policy in line with the requirements of SEBI Listing Regulations to ensure that information relating to the Company is adequately disclosed on its web-site as required by law. The Policies have been uploaded on the Company's website at the link: http://www.gillandersarbuthnot.com/policies.php

(H) Policy for Preservation of Documents

In accordance with Regulation 9 of SEBI Listing Regulations, the Company has framed a Policy on preservation of documents which has been approved by the Board of Directors of the Company. This Policy is intended to guide the Company and its officers on maintenance of any documents, their preservation and disposal. The said policy can be accessed on the Company's website at the link: http://www.gillandersarbuthnot.com/pdf/policy/Policy%20for%20Preservation%20of%20Documents.pdf

III. Audit Committee

(A) Qualified and Independent Audit Committee

Your Company has a qualified and independent Audit Committee with the powers and the role that are in accordance with Section 177 of the Act and Rules made thereunder and Regulation 18 of SEBI Listing Regulations, which acts as a link between the Management, the Statutory Auditor, Branch Auditors, Cost Auditors and Internal Auditors and the Board of Directors and oversees the financial reporting process.

The composition of the Audit Committee is as follows:

S.N.	Name of the Director	Category	Designation
1.	Mr. H. M. Parekh	Independent	Chairman
2.	Mr. A. K. Kothari	Non-Executive Promoter	Member
3.	Mr. N. Pachisia	Independent	Member
4.	Mrs. S. Basu De#	Independent	Member

#Resigned from the Board of Directors of the Company with effect from 18th September, 2015.

The Statutory Auditor, Cost Auditors, as well as the Internal Auditors, Managing Director & CEO, Chief Financial Officer, and other Executives of the Company are invited to the Audit Committee Meetings, as and when required. The Company Secretary acts as the Secretary to the Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting held on 3rd September, 2015.

(B) Meetings of the Audit Committee

During the year under review, the Audit Committee met 5 (Five) times on 29th May, 2015, 13th August, 2015, 14th November, 2015, 12th February, 2016 and 31st March, 2016 to deliberate on various matters. The details of the composition, attendance and sitting fees paid are as follows:

S.N	Name of the Member	No. of Meetings attended	Gross Amount of Sitting fees paid (₹)
1.	Mr. H. M. Parekh	5	55,000
2.	Mr. A. K. Kothari	5	55,000
3.	Mr. N. Pachisia	5	55,000
4.	Mrs. S. Basu De@	1	11,000

@Resigned from the Board of Directors of the Company with effect from 18th September, 2015. 2 (Two) Meetings were held during her tenure.

(C) Powers of Audit Committee

The Audit Committee during the year under review was endowed with the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considered necessary.

(D) Role of Audit Committee

The role of the Audit Committee during the year under review includes the following:

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. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
3. Approval of payment to Statutory Auditor for any other services rendered by the Statutory Auditor;
4. Reviewing, with the management, the annual financial statements and Auditors Report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
   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 the 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 utilization 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 Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, 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 Chief Financial Officer 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.

(E) Review of information by Audit Committee

The Audit Committee 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 the management;
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditor;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Internal Auditors shall be subject to review by the Audit Committee;
6. Statement of deviations, if any.

IV. Nomination and Remuneration Committee

Your Company through its Board of Directors has set up a Nomination and Remuneration Committee. The role of the said Committee is in accordance with Section 178 of the Act read with Rules made thereunder and Regulation 19 of SEBI Listing Regulations. Mr. H. M. Parekh, Chairman of the Nomination and Remuneration Committee, was present at the last Annual General Meeting of the Company held on 3rd September, 2015.

At present, the composition of the Nomination and Remuneration Committee is as follows:

S.N.	Name of the Director	Category	Designation
1.	Mr. H. M. Parekh	Independent	Chairman
2.	Smt. P. D. Kothari	Non-Executive Promoter	Member
3.	Dr. H. P. Kanoria	Independent	Member
4.	Mr. N. Pachisia	Independent	Member

The role of the Nomination and Remuneration Committee during the year under review includes the following:

1. 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;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in Key Managerial Personnel and Senior Management positions in accordance with the criteria laid down in the Company's Nomination and Remuneration Policy, and recommend to the Board their appointment and removal.

During the year under review, the Nomination and Remuneration Committee met once on 12th February, 2016 to deliberate on various matters. The details of the composition, attendance and sitting fees paid are as follows:

S.N	Name of the Member	Attendance	Gross Amount Sitting fees paid of (₹)
1.	Mr. H. M. Parekh	Yes	11,000
2.	Smt. P. D. Kothari	Yes	11,000
3.	Dr. H. P. Kanoria	No	-
4.	Mr. N. Pachisia	Yes	11,000

V. Subsidiary Companies

The Company has a wholly owned direct Foreign Subsidiary at Mauritius by the name. Gillanders Holdings (Mauritius) Limited. The Company also has an Indirect Foreign Subsidiary Company viz. Group Developments Limited (GDL). GDL has three wholly

owned subsidiaries viz., Naming'omba Tea Estates Limited, Maifisi Tea Estates Limited and Group Holdings Limited, all located at Malawi.

The provisions of Regulation 24 of SEBI Listing Regulations are not applicable to the said Companies.

However, on 31st March, 2016, the Company along with its nominees had acquired 99.99% of Equity Shares of Barfani Builder Limited (CIN-U24100WB2013PLC196945), an Unlisted Indian Company, by purchasing 49,995 fully paid up Equity Shares of ₹ 10/- each at par. Pursuant to Regulation 24 of SEBI Listing Regulations, financial statements of the Unlisted Subsidiaries are placed before the Audit Committee of the Company. Minutes of the Meetings of the Board of Directors of the Subsidiary Companies are also placed before the Meeting of the Board of Directors of the Company.

VI. Risk Management

The Company has laid down a procedure to inform the Board Members, on a periodic basis, about the identified risks and the steps taken to mitigate and minimize the same. The Company has already identified and assessed major elements of risks, which may adversely affect the various Divisions of the Company. The Executive Management reviews the identified risks, including assessment of the said risks and procedures, which are being implemented for the monitoring, mitigating and minimization of the said risks. 'Risk Champions' have been formally nominated at the operating businesses, whose role is to educate about the identified risks and to develop risk management culture within the businesses.

VII. Related Party Transactions

Your Company places all the details of related party transactions before the Audit Committee periodically. The Audit Committee reviews in its Meetings the details of the related party transactions entered into by the Company. A comprehensive list of related party transactions as required by the Accounting Standard (AS) 18, and as prescribed under the Act, forms part of Note No. 38 to the standalone financial statements in the Annual Report.

The Company's related party transactions include transactions with its Associate / Promoter Group / Sister Companies and are entered into on considerations of various business exigencies, liquidity and capital resources. All related party transactions are negotiated on an arm's length basis. Omnibus approval for related party transactions are granted by the Audit Committee subject to the conditions laid down in the Act and Regulation 23 of SEBI Listing Regulations. These transactions are not likely to have any conflict with the interests of the Company at large. During the period under review, the Company has not entered into any material transaction with any of its related parties.

VIII. Disclosures

(A) Related Party Transactions

Your Company has disclosed the details of all the material transactions, if any, with related parties on a quarterly basis in the compliance report on Corporate Governance and the policy on the Related Party Transactions can be accessed on the Company's website at the link:
http://www.gillandersarbuthnot.com/pdf/policy/Related%20Party%20Transaction%20Policy.pdf

(B) Disclosure of Accounting Treatment

Your Company has followed all relevant Accounting Standards while preparing the Financial Statements.

(C) Remuneration to Directors

Remuneration of the Whole-time Director of the Company is recommended by the Nomination and Remuneration Committee and thereafter approved by the Board subject to the approval of the Members of the Company. The details of the Nomination and Remuneration Committee have been mentioned in Clause IV above.

Non-Executive Directors are entitled to sitting fees for attending the Meetings of the Board and Committees thereof. The present sitting fees is ₹ 15,000/- and ₹ 11,000/- for attending Meetings of the Board and Committee respectively. Commission to the Non-Executive Directors, including Independent Directors, will be paid if approved by the Members at the ensuing 82nd Annual General Meeting of the Company to be held on 28th December, 2016, depending on the respective involvement of the Non-Executive Directors in the affairs of the Company, subject to the limits laid down in the Act.

Details of total remuneration paid to all the Directors of your Company for the year ended on 31st March, 2016 are as follows:

(₹ in lakhs)

S.N.	Name	Salary	Contribution to Provident & Other Funds	Leave Encashment on Retirement	Perquisites	Sitting Fees	Commission	Total
1.	Mr. A. K. Kothari	N.A.	N.A.	N.A.	N.A.	2.56	-	**2.56**
2.	Smt. P. D. Kothari	N.A.	N.A.	N.A.	N.A.	1.93	-	**1.93**
3.	Dr. H. P. Kanoria	N.A.	N.A.	N.A.	N.A.	0.45	-	**0.45**
4.	Mr. H. M. Parekh	N.A.	N.A.	N.A.	N.A.	2.34	-	**2.34**
5.	Mr. N. Pachisia	N.A.	N.A.	N.A.	N.A.	2.08	-	**2.08**
6.	Mrs. S. Basu De**$**	N.A.	N.A.	N.A.	N.A.	0.26	-	**0.26**
7.	Mr. D. K. Sharda	32.92	3.66	N.A.	4.73	N.A.	N.A.	**41.31**
	Total	**32.92**	**3.66**	**-**	**4.73**	**9.62**	**-**	**50.93**

$ Resigned from the Board of Directors of the Company with effect from 18th September, 2015.

During the year, the Company had paid professional fees to Messrs. Khaitan & Co. LLP, a firm in which Mrs. S. Basu De, Non-Executive Independent Director of the Company, is an associate Partner. However, Mrs. S. Basu De has resigned from the Board of Directors of the Company with effect from 18th September, 2015. There was no other pecuniary relationship or significant/material transactions of the Non-Executive Directors vis-à-vis the Company.

Mr. D. K. Sharda has been appointed as Managing Director & CEO of the Company for a period of 3 (Three) years with effect from 1st April, 2014 and accordingly, an Agreement dated 27th March, 2014 has been entered into with him by the Company, which contains the terms and conditions of his appointment including notice period.

All Non-Executive Directors have disclosed their shareholding in the Company. Details of shareholding of Non -Executive and Independent Directors are as follows:

S.N.	Name of Director	No. of Ordinary (Equity) Shares held as on 31st March, 2016
1.	Mr. A. K. Kothari	1,84,213
2.	Smt. P. D. Kothari	67,875
3.	Dr. H. P. Kanoria	-
4.	Mr. H. M. Parekh	-
5.	Mr. N. Pachisia	-

(D) Management

1. The Management Discussion and Analysis Report forms part of the Annual Report and are in accordance with the requirements of Schedule V of SEBI Listing Regulations.
2. No material, financial and commercial transactions have been made by the Senior Management having personal interest, which may have a potential conflict with the interest of the Company at large.
3. The Code of Conduct has been disclosed on the website of the Company.

(E) Shareholders

1. The Company has provided the details of the Directors seeking re-appointment (as per the requirement specified in Regulations 26(4) and 36(3) of SEBI Listing Regulations) in the Notice convening the 82nd Annual General Meeting of the Company. Smt. P. D. Kothari retires by rotation at the ensuing Annual General Meeting, and is eligible, for re-election.
2. Out of all the Directors of your Company, only Mr. A. K. Kothari and Smt. P. D. Kothari are related to each other.
3. Quarterly results are regularly sent to Stock Exchanges where the Ordinary Shares of the Company are listed and are also put on the Company's website.
4. **Stakeholders Relationship Committee**

   The Company has a Stakeholders Relationship Committee of the Board, constituted in accordance with the provisions of Section 178(5) of the Act and Regulation 20 of SEBI Listing Regulations to specifically look into various matters relating to shareholders/ investors, including transfer and transmission of shares, as well as, non-receipt of annual report, non- receipt of declared dividends, issue of share certificates (including issue of renewed or duplicate share certificates), shares after transfers/ transmissions and delays in transfer / transmission of shares, etc. In addition, the Committee looks into other issues including status of dematerialization/rematerialisation of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement, from time to time.

   At present, the Stakeholders Relationship Committee comprises of the following Directors viz., Mr. H. M. Parekh (Independent Director) as Chairman and Mr. A. K. Kothari, Smt. P. D. Kothari and Mr. D. K. Sharda as Members of the Committee. Mr. D. Karmakar, Company Secretary acts as the Compliance Officer. The said Committee met once during the year on 12th February, 2016.

   Details of the attendance and sitting fees paid are as follows:

S.N.	Name of the Member	Attendance	Gross Amount of Sitting fees paid (₹)
1.	Mr. H. M. Parekh	Yes	11,000
2.	Mr. A. K. Kothari	Yes	11,000
3.	Smt. P. D. Kothari	Yes	11,000
4.	Mr. D. K. Sharda	Yes	N.A.

   During the year, the Company has received 5 (Five) complaints regarding non-receipt of Annual Report/ Share Certificate/ Dividend from the shareholders, all of which were attended satisfactorily. There was no investor complaint pending against the Company as on 31st March, 2016 on SCORES, the web based complaint redressal system of SEBI.

   Pursuant to the authorization of the Board of Directors of the Company, either the Managing Director & CEO or the Chief Financial Officer or the Company Secretary approves the Transfer / Transmission / Sub-division / Consolidation/ Renewal/ Replacement / Issue of Duplicate Share Certificate(s) / Deletion of Name(s) and Dematerialization / Rematerialisation of Shares of the Company. A summary of transfer / transmission etc. of securities of the Company so approved by the Managing Director & CEO, Chief Financial Officer and the Company Secretary is placed at every Board Meeting / Stakeholders Relationship Committee Meeting. A certificate from a Practicing Company Secretary is obtained on a half yearly basis, as per the provisions of Regulations 40 (9) &(10) of SEBI Listing Regulations, relating to

compliance with the formalities of share transfer and the same is filed with the Stock Exchanges.

In compliance with the Regulations 7(2) & (3) of SEBI Listing Regulations, a Compliance Certificate is filed with the Stock Exchanges where the shares of the Company are listed. The said Certificate is duly signed by both the Company Secretary & Compliance Officer of the Company and the authorised representative of the Share Transfer Agent on a half yearly basis to certify that all activities relating to both physical and electronic share transfer facility of the Company are maintained by 'Maheshwari Datamatics Pvt. Ltd'. Registrar and Share Transfer Agent (RTA) of the Company.

5. **Compliances by the Company**

No strictures/penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India (SEBI) or any Statutory Authority on any matters related to capital markets during the last 3 years.

This report has been prepared for the financial year ended 31st March, 2016 according to the provisions of the Act read with the Rules framed/amended therein and the SEBI Listing Regulations, which came into effect from 1st December, 2015, as per Circular SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September, 2015. Your Board has taken all necessary steps to ensure compliance of the provisions of the above laws, as prescribed.

(F) Disclosure of resignation of Directors

Mrs. S. Basu De has resigned from the Board of Directors of the Company with effect from 18th September, 2015. Requisite forms have been filed with the Ministry of Corporate Affairs and the Stock Exchanges were also intimated accordingly. The details of the resignation are mentioned on the website of the Company.

(G) Disclosure of formal letter of appointment

The draft formal letter of appointment issued to the Independent Directors, which contains the terms and conditions relating to their appointment, is available in the Company's website at the link: http://www.gillandersarbuthnot.com/pdf/da_letter_i_directors.pdf

(H) Proceeds from public issues, rights issues, preferential issues etc.

During the year, the Company has not raised any proceeds from public issue, right issue or preferential issue. However, the Board of Directors at their Meeting held on 19th November, 2016, have issued and allotted on private placement basis, 6,50,000 numbers of 7.75% Cumulative Redeemable Preference Shares of ₹ 100/-each to Kothari Investment & Industries Pvt. Ltd. and 5,60,000 numbers of 7.75% Cumulative Redeemable Preference Shares of ₹ 100/- each to Kothari & Company Pvt. Ltd., being the Promoter Group Companies, at par, aggregating to ₹ 12,10,00,000/-.

(I) Prohibition of Insider Trading

GACL – Code of Conduct for Prevention of Insider Trading, approved by the Board of Directors, inter alia, prohibits purchase or sale of securities of the Company by the 'Specified Persons' while in possession of unpublished price sensitive information in relation to the Company.

IX. CEO and CFO Certification

The Managing Director & CEO and the CFO of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI Listing Regulations. They also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of SEBI Listing Regulations.

X. Report on Corporate Governance

A. This Corporate Governance Report forms part of the Annual Report. The Company is compliant with all the applicable provisions of SEBI Listing Regulations.

B. Your Company regularly submits quarterly compliance report to the Stock Exchanges within 15 days from the close of each quarter, as per the requirement specified in Regulation 27(2) of SEBI Listing Regulations.

XI. Compliance

A. A Certificate from CS Deepak Kumar Khaitan, Practicing Company Secretary (FCS No. 5615), regarding compliance with the conditions of Corporate Governance, as stipulated in SEBI Listing Regulations, is annexed to the Directors' Report and forms part of the Annual Report.

B. The Company is compliant with all the mandatory requirements of Corporate Governance as specified in the Regulations 17 to 27 read with paras C, D and E of Schedule V and clauses (b) to (i) of sub- regulation 2 of Regulation 46 of SEBI Listing Regulations.

C. Non-Mandatory Requirements: In accordance with the Regulation 27 read with Part E of Schedule II of SEBI Listing Regulations, the Company have adopted the following discretionary requirements:

i) Audit Report: The financial statements are unqualified as there are no audit qualification on the financial results of the Company for the financial year ended on 31st March, 2016.

ii) Separate Posts of Chairman and Chief Executive Officer: Mr. A.K. Kothari is the Chairman of the Company and Mr. D.K. Sharda is the Chief Executive Officer and Managing Director of the Company. The Company has complied with the requirement of having separate persons to the post of Chairman and Chief Executive Officer.

iii) Reporting of Internal Auditors: The Internal Auditors of the Company reports directly to the Audit Committee.

XII. General Body Meetings:

1. Location and time of last three Annual General Meetings (AGM):

Financial Year	Date of AGM	Venue	Time
2014-2015 (81st AGM)	03.09.2015	Mini Auditorium Hall of the Science City, J.B.S. Haldane Avenue, Kolkata- 700 046	11.30 A.M.
2013-2014 (80th AGM)	14.08.2014	Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, Kolkata-700001	11.30 A.M.
2012-2013 (79th AGM)	10.08.2013	Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, Kolkata-700001	11.30 A.M.

2. At the last Annual General Meeting of the Company held on 3rd September, 2015, one Special Resolution was proposed and passed. Five Special Resolutions were passed in the Annual General Meeting held on 14th August, 2014 and no Special Resolution was passed in the Annual General Meeting held on 10th August, 2013.

3. **Postal Ballot:**

During the financial year ended on 31st March, 2016, 3 (Three) Special Resolutions have been passed through postal ballot by the Members of the Company for according consent to the Board of Directors on matters relating to Sections 5, 13, 14, 23, 42, 55, 61 and 62 of the Act. The Postal Ballot process was carried out in accordance with the procedure set out in Section 110 of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014. Mr. D. K. Sharda, Managing Director & CEO and Mr. D. Karmakar, Company Secretary of the Company were responsible for the conduct of the postal ballot process. During the conduct of the Postal Ballot, the Company had provided e-voting facility to its shareholders to cast their votes electronically through the e-voting platform. Postal ballot forms and business reply envelopes were sent to the shareholders to enable them to cast their vote in writing on the postal ballot. CS Deepak Kumar Khaitan, Practicing Company Secretary, (FCS No.5615), was appointed as the Scrutinizer. The Result of the Postal Ballot conducted vide notice dated 1st January, 2016 was declared on 18th February, 2016, the said result was sent to the Stock Exchanges and displayed on the notice Board of the Company at its registered office, uploaded in the Company's website and published in the newspapers as required by applicable law, which is as follows (voting pattern):

Item No.	Resolutions	No. of Votes Cast (For) No. of Shares	No. of Votes Cast (Against) No. of Shares
1.	Special Resolution pursuant to provisions of Sections 13 and 61 of the Companies Act, 2013 - Increase in the Authorised Share Capital of the Company.	15825460	483
2.	Special Resolution pursuant to provisions of Sections 5 and 14 of the Companies Act, 2013-Alteration of Article 4 of the Articles of Association of the Company.	15825302	563
3.	Special Resolution pursuant to provisions of Sections 23, 42, 55 and 62 of the Companies Act, 2013- Issue and offer of 7.75% Cumulative Redeemable Preference Shares of Rs. 100/- each on private placement basis.	15825360	505

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing 82nd Annual General Meeting of the Company require passing a resolution through Postal Ballot.

XIII. Means of Communication:

1. The quarterly/half-yearly/annual financial results in the proforma prescribed as per the SEBI Listing Regulations are approved by the Board of Directors and thereafter intimated to the Stock Exchanges and also published in the leading newspapers like The Economic Times/ Business Standard in English and in Aajkaal/ Ekdin in Bengali. The results are also available in the Company's website at http://www.gillandersarbuthnot.com/financials.php
2. NSE Electronic Application Processing System (NEAPS) - All periodical compliance filings like shareholding pattern, corporate governance report, etc. are filed electronically on NEAPS.
3. BSE Corporate Compliance & Listing Centre (including XBRL Mode) – All periodical compliance filings are filed electronically on the said centre.
4. Quarterly/half yearly reports are not being sent to the shareholders.

XIV. General Shareholder Information:

1)	**Corporate Identity Number (CIN) of the Company**	L51909WB1935PLC008194
2)	**Date, time and venue of the Annual General Meeting (AGM)**	Registrar of Companies, West Bengal (ROC) vide its letter dated 8th July, 2016 has allowed extension up to 31st December, 2016 within which AGM is to be held for the financial year ended on 31st March, 2016. Accordingly, 82nd Annual General Meeting of the Company will be held on 28th December, 2016 at 11:30 A.M. at the Mini Auditorium Hall of the Science City at J. B. S. Haldane Avenue, Kolkata – 700 046.
3)	**Financial Calendar 2016-2017** (tentative and subject to change)	• Financial Year: April to March • First Quarter Results: by second week of August, 2016 • Half Yearly Results: by second week of November,2016 • Third Quarter Results: by second week of February,2017 • Audited results for the year ending 31st March 2017 by last week of May, 2017
4)	**Book Closure Period**	21st December, 2016 to 28th December, 2016. (both days inclusive)
5)	**Dividend Payment Date**	No dividend has been recommended.
6)	**Listing on Stock Exchanges**	i) National Stock Exchange of India Limited(NSE) Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai-400051. ii) BSE Limited (BSE) P J Towers, Dalal Street, Mumbai- 400 001. iii) The Calcutta Stock Exchange Limited (CSE) 7 Lyons Range, Kolkata-700 001. The Company has paid the Annual Listing fees to NSE, BSE & CSE for 2016-2017
7)	**Stock Code**	NSE - GILLANDERS BSE - 532716 CSE - 17321 & 10017321

8) Stock Market Price and BSE Sensex for the financial year under review

Months	Stock Price at NSE		Stock Price at BSE		BSE Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2015	63.20	53.15	64.35	50.50	29,094.61	26,897.54
May 2015	60.00	55.30	60.50	55.05	28,071.16	26,423.99
June 2015	55.00	45.60	53.45	45.10	27,968.75	26,307.07
July 2015	72.10	48.50	72.30	50.00	28,578.33	27,416.39
August 2015	73.75	45.00	74.45	47.50	28,417.59	25,298.42
September 2015	57.80	49.65	57.40	49.95	26.471.82	24,833.54
October 2015	59.55	52.20	59.25	53.25	27,618.14	26,168.71
November 2015	66.90	53.00	66.75	53.10	26,824.30	25,451.42
December 2015	80.70	59.70	81.00	60.65	26,256.42	24,867.73
January 2016	79.30	58.30	79.10	59.00	26,197.27	23,839.76
February 2016	64.50	48.90	65.40	48.50	25,002.32	22,494.61
March 2016	63.40	50.80	63.95	49.80	25,479.62	23,133.18

Source NSE & BSE Websites.

9) Registrar & Share Transfer Agent (Both Physical & Demat Segments)	**Maheshwari Datamatics Pvt. Ltd.** (Unit : Gillanders Arbuthnot and Company Limited) 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001
10) Share Transfer System	Requests for transfer of shares in physical form received either at the office of the Company or at the office of the Registrar are generally approved within a maximum period of 15 days from the date of receipt provided the documents are complete in all respects.

11) Distribution of Shareholding as on 31st March, 2016

Ordinary Shares held	Number of Shareholders	Percentage of Share holders	Number of Shares	Percentage of Shares
1-500	14350	90.0646	1138861	5.3362
501-1000	780	4.8955	600638	2.8143
1001-2000	375	2.3536	555983	2.6051
2001-3000	151	0.9477	379538	1.7783
3001-4000	59	0.3703	210188	0.9848
4001-5000	43	0.2699	193728	0.9077
5001-10000	99	0.6214	702109	3.2898
10001 and above	76	0.4770	17561301	82.2838
Total	**15933**	**100.00**	**21342346**	**100.00**

12) Categories of Shareholders as on 31st March, 2016

Category	Number of shares	Percentage of Shareholdings
Indian Promoters	14671715	68.7446
Mutual Funds	300	0.0014
Banks, Financial Institutions, Insurance Companies	1256258	5.8862
Central Government/State Government(s)	7086	0.0332
Bodies Corporate	729124	3.4163
Indian Public	4485577	21.0174
NBFCs	3609	0.0169
NRI	124985	0.5856
Others - Trusts, Clearing Members	63692	0.2984
Total	**21342346**	**100.00**

13) Dematerialisation of Shares and Liquidity	The shares of the Company are available for trading in the dematerialized form under both the Depository Systems in India - National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). The annual custody fees for the financial year 2016-17 have been paid to NSDL and CDSL. Trading in Company's shares can now be done only in the dematerialized form. As on 31st March, 2016, 2,05,31,656 Ordinary Shares representing 96.2015% of the total Ordinary Share Capital of the Company were held in dematerialized form. The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL is INE047B01011.
14) Outstanding ADRs/ GDRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	Not applicable
15) Plant Locations	**1. Tea Division:** **a)** Betjan Tea Estate, Post Office: Makum Junction, District: Tinsukia, Assam. Pin - 786170 **b)** Jutlibari Tea Estate, Post Office: Hoograjan, District: Dibrugarh, Assam. Pin - 786601 **c)** Gorunga Tea Estate, Post Office: Golaghat, District: Golaghat, Assam. Pin - 785621 **d)** Arun Tea Estate, Post Office: Dhekiajuli, District: Sonitpur, Assam. Pin - 784110 **e)** Dooria Tea Estate, Post Office: Golaghat, District: Golaghat, Assam. Pin - 785621 **f)** Borkatonee Tea Estate, Post Office: Golaghat, District: Golaghat, Assam. Pin - 785621 **g)** Dherai Tea Estate, Post Office: Dhekiajuli, District: Sonitpur, Assam. Pin - 784110 **h)** Gairkhata Tea Estate, Post Office: Gairkhata, District: Jalpaiguri, W.B. Pin - 735212 **i)** Taipoo Tea Estate, Post Office: Bagdogra, District: Darjeeling, W. B. Pin - 734422 **j)** Tengpani Tea Estate, Post Office: Makum Junction, District: Tinsukia, Assam. Pin - 786170 **2. Textile Division:** (i) North India Spinning Mill, Vill.- Akbarpur, Ahmedgarh - 148021 District: Sangrur, Punjab. (ii) GIS Cotton Mill, 47, G.T. Road, Champdany, P.O. Baidyabati, District: Hooghly, W.B. Pin - 712222 **3. Chemical (Waldies) Division:** 70, G.T. Road (East), P.O. Konnagar, District : Hooghly - 712235. W. B.

16) Address for Communication	Gillanders Arbuthnot and Company Limited, Secretarial Department, C-4, Gillander House, Netaji Subhas Road, Kolkata - 700 001. Phone : (033) 2230 2331 (6 Lines), 2230 4182 (4 Lines) Fax : 033 - 2230 4185 email: secretarial@gillandersarbuthnot.com **(Investors are requested to forward their complaints / grievances, if any, to the above e-mail address only)** **Registrar and Share Transfer Agent** Maheshwari Datamatics Pvt. Ltd. (Unit : Gillanders Arbuthnot and Company Limited) 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001 Phone : (033) 2248 2248, 2243 5029, 2231 6839 Fax : 033 - 2248 4787 email: mdpldc@yahoo.com

17) Cost Audit

For the Financial Year 2014-2015	
Name of Division	**Name of Cost Auditor**
Tea	M/s. B. Ray & Associates,
Textile Division	M/s. D. Sabyasachi & Co.
Chemical (Waldies)	M/s Rammani Sarkar & Co.
Engineering (MICCO)	M/s Rammani Sarkar & Co.
For the Financial Year 2015-2016	
Name of Division	**Name of Cost Auditor**
Tea	M/s Rammani Sarkar & Co.
Textile Division	M/s. D. Sabyasachi & Co.
Engineering (MICCO)	M/s. B. Ray & Associates
Chemical (Waldies)	M/s. B. Ray & Associates

XV. Other Board Committees

1) Finance Committee

The Finance Committee of the Board of Directors of the Company has been delegated powers/authorities by the Board of Directors subject to certain limits. At present, Mr. A. K. Kothari is the Chairman of the Committee, whereas, Smt. P. D. Kothari and Mr. D. K. Sharda are the Members of the said Committee. Mr. P. K. Jain, Chief Financial Officer is a permanent invitee to the Committee and Mr. D. Karmakar, Company Secretary, acts as the Secretary to the Committee. During the year under review, the Finance Committee met 5 (Five) times.

2) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company has been constituted in accordance with the Act. At present, Mr. H. M. Parekh is the Chairman of the Committee, Smt. P. D. Kothari and Mr. N. Pachisia, are the Members of the said Committee. The Committee was reconstituted by the Board on 10th October, 2015 due to the resignation of Mrs. S. Basu De. Mr. D. Karmakar, Company Secretary, acts as the Secretary to the Committee. During the year under review, the Corporate Social Responsibility Committee met once i.e. on 14th November, 2015.

The Committee is entrusted with the duty to assist the Board in discharging its social responsibilities by recommending Corporate Social Responsibility Policy and the programs in which the Company should undertake Corporate Social Activities.

XVI. Other Useful information for Shareholders

1) Unpaid/Unclaimed Dividends

Shareholders who have not yet encashed their dividend warrant(s) for the financial year 2009-2010 or any subsequent financial years are requested to submit their claims to the Registered Office of the Company for revalidation/issue of duplicate dividend warrants quoting reference of their Ledger Folio numbers. Unclaimed dividend for the year 2008-2009 has been transferred to Investor Education and Protection Fund.

2) Green Initiative in Corporate Governance

In furtherance of the "Green Initiative in Corporate Governance" initiated by the Ministry of Corporate Affairs, the Company once again requests all the shareholders, holding shares in dematerialized form and who has not yet registered their e-mail address, to register their e-mail address with the Company for receiving notice/documents including Annual Report in electronic mode through their concerned Depository Participants. Shareholders who hold shares in physical form and who has not yet registered their e-mail address are requested to register their e-mail id with Maheshwari Datamatics Pvt. Ltd., Registrar and Share Transfer Agent of the Company.

3) Equity Shares in the Suspense Account

In terms of Regulation 39 (4) of SEBI Listing Regulations read with Schedule VI of the said Regulation, the Company reports that no shares are lying in the suspense account, which were issued in demat form and physical form.

For and on behalf of the Board

A. K. KOTHARI
Chairman

Date: 19th November, 2016
Place : Kolkata

Annexure 1

Declaration as prescribed under Schedule V as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's 'Code of Conduct' for the financial year ended on 31st March, 2016.

Date : 19th November, 2016
Place : Kolkata

D. K. Sharda
Managing Director & CEO

COMPLIANCE CERTIFICATE

REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

[as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To the Members of
Gillanders Arbuthnot and Company Limited
(CIN L51909WB1935PLC008194)

1. I have reviewed the compliance of conditions of Corporate Governance by Gillanders Arbuthnot and Company Limited (hereinafter referred to as 'the Company'), for the year ended on 31st March, 2016, as stipulated in :
   (a) Clause 49 [excluding clause 49(VII)(E)] of the Listing Agreement of the Company with stock exchanges for the period from 1st April, 2015 to 30th November, 2015.
   (b) Clause 49 (VII)(E) of the Listing Agreement of the Company with the stock exchanges for the period from 1st April, 2015 to 1st September, 2015.
   (c) Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the period from 2nd September, 2015 to 31st March, 2016 and
   (d) Regulations 17 to 27 [excluding Regulation 23(4)] and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the Listing Regulations for the period from 1st December, 2015 to 31st March, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review of the 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.
3. In my opinion and to the best of my information and according to the examinations of the relevant records and the explanations given to me and the management representation letter of even date, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of Listing Agreement with stock exchanges and Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 hereinabove, in all material aspects, during the year ended on 31st March, 2016.
4. I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

CS Deepak Kumar Khaitan
Practising Company Secretary
F.C.S. No.: 5615
C.P. No.: 5207
ICSI Unique Code No. :I2003WB347200

Date: 19th November,2016
Place: Kolkata

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GILLANDERS ARBUTHNOT AND COMPANY LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Gillanders Arbuthnot and Company Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31st March, 2016 and its loss and its cash flows for the year ended on that date.

Other Matters

7. We did not audit the financial statements/ information of two units included in the standalone financial statements of the Company whose financial statements reflect total assets of Rs. 38,741.06 lakhs as at 31st March, 2016 and total revenues of Rs. 32,919.15 lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of these units have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these units, is based solely on the report of such branch auditors.

   Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

9. 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 reports on the accounts of Engineering (MICCO) Division and GIS Cotton Mill (a unit of Textile Division) of the Company audited under section 143(8) of the Act has been sent to us and have been properly dealt with us in preparing our report;
   d) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

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

f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' to this report; and

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as stated in Note 31 to the financial statements;

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

   iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company.

For Singhi & Co.
Chartered Accountants
Firm's registration number: 302049E

Anurag Singhi
Partner
Membership number: 066274

Place: Kolkata
Dated: 29th May, 2016

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 8 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

i. In respect of its fixed assets:

   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us, the fixed assets have been physically verified during the year by the management and/or by a firm of Chartered Accountants on behalf of the management at reasonable intervals and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note No. 12 on Fixed Assets are held in the name of the Company except for 1 (one) lease for estate and development having a gross block of Rs. 115.03 lakhs and net block of Rs. 115.03 lakhs which is under renewal.

ii. As explained to us, inventories (excluding inventories with third parties) were physically verified during the year by the management or by a firm of Chartered Accountants on behalf of the management at reasonable intervals and no material discrepancies were noticed on such verification. In respect of inventories lying with third parties, those have substantially been confirmed by them.

iii. According to the information and explanations given to us, the Company has not granted any loan secured/unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Consequently, the provisions of clauses iii (a), iii (b) and iii (c) of the 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 Act, with respect to the loans, investments, guarantees and security.

v. According to information and explanations given to us, the Company has complied with the directives issued by Reserve Bank Of India, and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under with respect to deposits (from public). According to the information and explanation's given to us no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. We have broadly reviewed the cost records maintained by the Company relating to its products (Chemical, Engineering, Tea and Textile) pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 148(1) of the Act, and are of the opinion that prima facie the prescribed Cost Records have been made and maintained. We have, however not made a detailed examination of the cost record with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us and the records of the Company examined by us:

   a) The Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, to the appropriate authorities.

   There are no arrears in respect of the aforesaid dues as at 31st March, 2016 for a period of more than six months from the date they became payable.

   b) The particulars of dues of income tax, sales tax, duty of excise, service tax, duty of customs, and value added tax, as applicable, have not been deposited by the Company on account of disputes are as follows.

Name of the Statute	Nature Of Dues	Amount (Rs. In lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Sales Tax	34.60	2003-04 & 2004-05	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
		309.25	2006-07 to 2011-12	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
		190.63	2012-13	The Appellate Joint Commissioner, Sales Tax Kolkata
The West Bengal Sales Tax Act,1994	Sales Tax	30.25	1996-97 & 1998-99	Deputy Commissioner of Commercial Taxes, Kolkata
		0.10	2003-04 & 2004-05	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
		0.82	2001-02	Settlement of Dispute Board
The West Bengal Value Added Tax Act, 2005	Sales Tax	62.03	2012-13	The Appellate Joint Commissioner, Sales Tax Kolkata
		347.37	2006-07 to 2007-08	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Bengal Finance (Sales Tax) Act, 1941	Sales Tax	15.66	1985-86	West Bengal Commercial Taxes and Revisional Board, Kolkata Additional Commissioner of Commercial Tax (Appeal), Odisha
Orissa Sales Tax Act,1947	Sales Tax	0.53	1998-99	Additional Commissioner of Sales Tax, Cuttack
The Central Sales Tax (Orissa) Rules, 1957	Sales Tax	9.30	1998-99 & 1999-2000	Additional Commissioner of Sales Tax, Cuttack
Jharkhand Value Added Tax Act, 2005	Sales Tax	87.88	2009-10 to 2012-13	Sales Tax Tribunal, Commissioner of Commercial Taxes, Ranchi
The Central Excise Act, 1944	Excise Duty	34.32	Upto 1987-88	Office of the Commissioner-Central Excise
		90.04 (Net of amount paid under Protest Rs.3.29 lakhs)	Various periods from 1994-95 to 2007-08	Office of the Additional/Deputy Commissioner of Central Excise
Finance Act, 1994	Service Tax	274.24 (Net of amount paid under Protest Rs.81.66 lakhs)	2003-04 to 2011-12	CESTAT, Kolkata
		Nil (Net of amount paid under Protest Rs.17.75 lakhs	2006-07 & 2007-08	CCE (Appeals) Bhubaneswar-ii
		35 Lakhs (Net of amount paid under Protest Rs.4 lakhs)	June 2005 to September 2010	CESTAT, Chennai
		27.69 Lakhs (Net of amount paid under Protest Rs.2.24 lakhs)	October 2010 to June 2012	Commissioner of Central Excise (Appeals)
Income Tax Act, 1961	Income Tax	9.12	2007-08 to 2015-16	Asst. commissioner of I.T- CPC(TDS)
		5.86	1987-88	Hon'ble High Court at Calcutta

viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government. The Company had neither any outstanding debenture at the beginning of the year nor has it issued any debenture during the year.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

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

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

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Singhi & Co.
Chartered Accountants
Firm's registration number: 302049E

Anurag Singhi
Partner
Membership number: 066274

Place: Kolkata
Dated: 29th May, 2016

FINANCIAL STATEMENTS

Annexure - B to the Independent Auditor's Report

(Referred to in paragraph 9 (g) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Gillanders Arbuthnot and Company Limited for the year ended 31st March, 2016)

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

1. We have audited the internal financial controls over financial reporting of Gillanders Arbuthnot and Company Limited ('the Company') as of 31st March 2016 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'). 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.

Auditor's Responsibility

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

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

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 over financial reporting.

1. Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 Singhi & Co.
Chartered Accountants
Firm's Registration Number: 302049E

Anurag Singhi
Partner
Membership Number: 06627466274

Place: Kolkata
Dated: 29th May, 2016

BALANCE SHEET as at 31st March, 2016

₹ in Lakhs

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	**2,334.23**	2,334.23
Reserves and Surplus	3	**16,752.33**	19,019.25
Non-Current Liabilities			
Long Term Borrowings	4	**12,545.09**	8,063.86
Deferred Tax Liabilities (Net)	5	-	-
Other Long Term Liabilities	6	**2,366.29**	2,743.53
Current Liabilities			
Short Term Borrowings	7	**21,334.56**	25,148.27
Trade Payables			
i) Dues to Micro and Small enterprises	8	**-**	18.71
ii) Dues to creditors other than Micro and Small enterprises	9	**11,469.21**	10,770.88
Other Current Liabilities	10	**8,030.52**	7,697.85
Short Term Provisions	11	**2,845.14**	2,670.64
	TOTAL	**77,677.37**	78,467.22
ASSETS			
Non-Current Assets			
Fixed Assets	12		
(i) Tangible Assets		**23,465.14**	23,553.36
(ii) Intangible Assets		**29.85**	35.73
(iii) Capital Work-in-Progress		**105.41**	1,041.65
		23,600.40	24,630.74
Non-Current Investments	13	**2,719.25**	2,714.25
Long Term Loans and Advances	14	**5,033.05**	7,942.51
Other Non-Current Assets	15	**1,903.00**	1,629.68
Current Assets			
Current Investments	16	**99.74**	99.07
Inventories	17	**15,814.48**	15,297.43
Trade Receivables	18	**12,400.61**	12,923.58
Cash and Bank Balances	19	**421.09**	398.23
Short Term Loans and Advances	20	**10,892.24**	7,744.80
Other Current Assets	21	**4,793.51**	5,086.93
	TOTAL	**77,677.37**	78,467.22

Significant Accounting Policies 1

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For and on behalf of the Board

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number - 302049E
Anurag Singhi
Partner
Membership No. 066274
Kolkata, 29th May, 2016

D. K. Sharda
Managing Director & CEO

D. Karmakar
Company Secretary

A. K. Kothari
Chairman

P. K. Jain
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2016

₹ in Lakhs

Particulars	Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Income			
Revenue from Operations (Gross)	22	**79,971.26**	86,366.26
Less : Excise Duty		**632.92**	819.07
Revenue from Operations (Net)		**79,338.34**	85,547.19
Other Income	23	**781.34**	799.06
Total Revenue		**80,119.68**	86,346.25
Expenses			
Cost of Materials Consumed	24	**28,242.53**	34,857.83
Purchases of Stock-in-Trade	25	**10,080.94**	8,707.49
Changes in Inventories of Finished goods, Stock-in-Process and Stock-in-Trade	26	**(653.12)**	91.16
Employee Benefits Expense	27	**13,217.12**	11,966.48
Finance Costs	28	**4,650.28**	4,067.05
Depreciation and Amortisation Expense	12	**1,864.92**	2,063.02
Other Expenses	29	**24,806.52**	25,307.06
Total Expenses		**82,209.19**	87,060.09
Loss Before Tax		**2,089.51**	713.84
Tax Expense:			
-Current Tax	30	**80.00**	110.00
-Deferred Tax		-	(504.20)
Loss from Continuing Operations (A)		**2,169.51**	319.64
Loss from Discontinuing Operations	35	**97.41**	1.46
Tax expense of Discontinuing Operations		-	-
Loss from Discontinuing operations (B)		**97.41**	1.46
Loss for the year (A+B)		**2,266.92**	321.10
Earnings per Ordinary Share (Face Value of ₹10 per share)			
Basic & Diluted (in ₹)	45	**(10.70)**	(1.58)
Significant Accounting Policies	1		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For and on behalf of the Board

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number - 302049E
Anurag Singhi
Partner
Membership No. 066274
Kolkata, 29th May, 2016

D. K. Sharda
Managing Director & CEO

D. Karmakar
Company Secretary

A. K. Kothari
Chairman

P. K. Jain
Chief Financial Officer

CASH FLOW STATEMENT for the year ended 31st March, 2016

₹ in Lakhs

		For the year ended 31st March, 2016		For the Year Ended 31st March, 2015	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Loss before tax		**2,186.92**		715.30
	Adjustments for :				
	Depreciation and Amortisation Expense	**1,868.18**		2,067.15	
	Finance Cost (Net of incentive income)	**4,650.28**		4,067.05	
	Profit on Sale of Investments (Net)	**-**		(16.41)	
	Loss on Sale of Fixed Assets (Net)	**8.66**		4.99	
	Bad Debts and Advances written off	**100.50**		170.47	
	Provision for Doubtful Debts and advances (Net of written back)	**171.52**		(36.93)	
	Provision for diminution in value of investment written back	**(0.67)**		(0.76)	
	Interest Income	**(241.08)**		(272.39)	
	Dividend Income	**(13.41)**		(24.17)	
	Liability no longer required written back	**(213.48)**	**6,330.50**	(76.59)	5,882.41
	Operating profit before Working Capital Changes		**4,143.58**		5,167.11
	Adjustments for :				
	Trade and Other Receivables	**514.29**		(3,052.60)	
	Inventories	**(517.05)**		1,955.58	
	Trade and Other Payables	**392.67**	**389.91**	375.31	(721.71)
	Cash Generated from Operations		**4,533.49**		4,445.40
	Direct Taxes Paid (Net)		**(388.52)**		129.79
	Interest received on Income Tax Refund		**-**		105.65
	Net Cash from Operating Activities		**4,144.97**		4,680.84
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets including Capital Work in Progress	**(1,054.72)**		(2,501.33)	
	Proceeds from Sale of Fixed Assets	**41.46**		38.72	
	Capital Subsidy Received	**33.27**		17.51	
	Proceeds from Sale of Current Investments	**-**		406.78	
	Proceeds from Sale of Long Term Investments	**-**		27.00	
	Investment in Subsidiaries	**(5.00)**		(6.00)	
	Interest Received	**323.31**		81.23	
	Dividend Received	**13.41**		24.17	
	Net Cash used in Investing Activities		**(648.27)**		(1,911.92
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Short Term Borrowings (Net)	**(4,595.47)**		1,314.36	
	Proceeds from Long Term Borrowings	**8,894.74**		4,104.80	
	Repayment of Long Term Borrowings	**(3,850.44)**		(2,504.58)	
	Proceeds from Fixed Deposits (from Public)	**1,873.60**		2,248.38	
	Repayment of Fixed Deposits (from Public)	**(867.46)**		(2,424.54)	
	Dividend Paid	**(9.23)**		(184.81)	
	Tax on Dividend	**-**		(29.92)	
	Finance Charges Paid	**(4,646.26)**		(4,083.19)	
	Net Cash used in Financing Activities		**(3,200.52)**		(1,559.50)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)		**296.18**		1,209.42

CASH FLOW STATEMENT (Contd.)

₹ in Lakhs

	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015	
Cash and Cash Equivalents on Opening date		**2,027.91**		818.49
Cash and Cash Equivalents on Closing date [See Note-b below]		**2,324.09**		2,027.91
		296.18		1,209.42

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on 'Cash Flow Statements'.
2. Cash and Cash Equivalents includes ₹ 1,985.86 lakhs (Previous Year - ₹ 1,789.93 lakhs) available for restricted use (Refer Note - 19). The restrictions are mainly on account of cash and bank balances held as margin money deposit against bank guarantees, under lien and unclaimed dividends.
3. The deposits maintained by the bank comprises of time deposits, which can be withdrawn by the company at any point of time without prior notice or penalty on the principal.
4. Previous year's figures have been rearranged and regrouped, wherever necessary.

The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date.

For and on behalf of the Board

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number - 302049E
Anurag Singhi
Partner
Membership No. 066274
Kolkata, 29th May, 2016

D. K. Sharda
Managing Director & CEO

D. Karmakar
Company Secretary

A. K. Kothari
Chairman

P. K. Jain
Chief Financial Officer

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2016

1. Significant Accounting Policies

1.1 Basis of Accounting

These financial statements of the Company have been prepared to comply in all material aspects with all the applicable accounting principles in India (Indian GAAP), the applicable accounting standards as prescribed under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis.

1.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3 Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and cumulative impairment losses, if any**.** Cost includes duties, taxes, incidental expenses, erection/commissioning expenses and borrowing cost attributable to qualifying assets up to the date, the asset is put to use. The cost of extension of planting on cultivable land including cost of development is capitalised.

1.4 Intangible Assets

Costs incurred on intangible assets, resulting in future economic benefits are capitalised as intangible assets. Intangible assets are stated at cost less accumulated amortisation and cumulative impairment losses, if any.

1.5 Depreciation & Amortisation

a) Depreciation on tangible fixed assets is provided under Straight Line Method at rates determined based on useful lives of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or re-assessed by the Company based on technical evaluation except in respect of the following where written down value method is followed:

   i) In respect of assets under Company's Engineering (MICCO) Division.

   ii) In respect of Tea Division, assets acquired from Kothari Plantations and Industries Limited amalgamated with the Company.

   iii) In respect of the Plant & Machinery other than continues process plant under Textile Division, useful lives of 30 years has been considered on the basis of technical evaluation, which is different from lives specified in Schedule-II.

b) In respect of spares for specific machinery cost of such spare is amortised over the useful lives of the related machinery as estimated by the management.

c) Leasehold land is amortised over the lease period.

d) Computer software is amortised over a period of five years.

1.6 Impairment of Assets

The carrying amounts of fixed assets are reviewed at each balance sheet date to determine, if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of the fixed assets of a cash generating unit exceeds its recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

1.7 Investments

Long Term Investments are stated at cost with an appropriate provision for diminution in value, other than temporary in nature, in the valuation of long term investments. Current Investments are stated at lower of cost and fair value. Gains/Losses on disposal of investments are recognised as income/expenditure.

1.8 Foreign Currency Transactions

Transactions in foreign currencies are recognised at the rate existing at the time of such transactions. Gain or Loss resulting from the settlement of such transactions is recognised in the Statement of Profit and Loss. At the Balance Sheet date, monetary items denominated in foreign currency are translated at year-end rates or the forward cover rates as applicable. The resultant translation differences, if any, are recognised in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements (contd.)

1.9 Derivative Instruments

The Company uses forward exchange contracts to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of forwards exchange contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortized as expense or income over the life of contract. Other forwards exchange contracts outstanding at the Balance Sheet date are marked to market and in case of loss the same is provided for in the financial statements. Any profit or losses arising on cancellation of forward exchange contracts are recognised as income or expense for the period.

1.10 Inventories

Inventories are valued as under: -

a)	Stores and Spare Parts	-	At cost (on weighted average basis) or net realisable value whichever is lower.
b)	Raw Materials	-	At cost (on weighted average basis) or net realisable value whichever is lower.
c)	Stock in Process	-	Is valued with material at lower of weighted average cost and market rate and estimated conversion cost.
d)	Finished Goods / Stock in Trade / Contract in Progress	-	For long term contracts, contract in progress is valued at realisable value/ contractual rate and provision for losses, as may be estimated for completion thereof.
		-	Others - At cost or net realisable value whichever is lower.
e)	Waste / Scrap	-	Waste and Scrap are valued at estimated realisable value.

1.11 Employee Benefits

a) Short Term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

b) Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques.

c) Actuarial gains/losses arising under Defined Benefit Plans are recognized immediately in the Statement of Profit and Loss as income/expense for the year in which they occur.

1.12 Provisions, Contingent Liabilities and Contingent Assets

i) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if
   a) the Company has a present obligation as a result of a past event;
   b) a probable outflow of resources is expected to settle the obligation; and
   c) the amount of the obligation can be reasonably estimated.

ii) Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received. Contingent liability is disclosed in case of
   a) present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
   b) present obligation when no reliable estimate is possible; and
   c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

iii) Contingent Assets are neither recognised, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

1.13 Recognition of Income and Expenditure

Items of income and expenditure are recognised on accrual and prudent basis. Contract Revenue is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Expected loss, if any, on the construction/project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included in contract revenue is taken into consideration. Dividends income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

Notes to the Standalone Financial Statements (contd.)

1.14 Taxes on Income

Income tax expense comprises current tax and deferred tax charge. Current tax is determined as the amount of tax payable in respect of taxable income for the year based on applicable tax rates and laws. Deferred tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only if there is reasonable / virtual certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. Such assets are reviewed as at each Balance Sheet date to reassess the realizability thereof. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefit in the form of tax credit against future income tax liability, is recognised in the Balance Sheet if there is convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.15 Leases

For assets acquired under Operating Lease, rentals payable are charged to Statement of Profit and Loss. Assets acquired under Finance Lease are capitalised at lower of the Fair Value and Present Value of Minimum Lease Payments. Lease income from operating leases is recognised in the Statement of Profit and Loss over the period of Lease.

1.16 Government Grants

Government Grants related to specific Tangible fixed assets are deducted from gross values of related assets in arriving at their book value. Government Grants related to revenue are recognised in Statement of Profit and Loss.

1.17 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2. Share Capital

₹ in Lakhs

2.1

Particulars	As at 31st March, 2016	As at 31st March, 2015
Authorised		
4,20,00,000 (Previous Year - 4,20,00,000) Ordinary Shares of ₹ 10 each	**4,200.00**	4,200.00
32,00,000 (Previous Year - 2,00,000) Preference Shares of ₹ 100 each	**3,200.00**	200.00
Issued		
2,13,42,346 (Previous Year - 2,13,42,346) Ordinary Shares of ₹ 10 each	**2,134.23**	2,134.23
2,00,000 (Previous Year - 2,00,000) Preference Shares of ₹ 100 each	**200.00**	200.00
Subscribed and Fully Paid up		
2,13,42,346 (Previous Year - 2,13,42,346) Ordinary Shares of ₹ 10 each	**2,134.23**	2,134.23
2,00,000 (Previous Year - 2,00,000) Preference Shares of ₹ 100 each	**200.00**	200.00
	2,334.23	2,334.23

2.2 Reconciliation of number of Shares Outstanding:

Particulars	2015-16		2014-15	
	Ordinary Shares	Preference Shares	Ordinary Shares	Preference Shares
Shares outstanding at the beginning of the year	**2,13,42,346**	**2,00,000**	2,13,42,346	2,00,000
Shares outstanding at the end of the year	**2,13,42,346**	**2,00,000**	2,13,42,346	2,00,000

Notes to the Standalone Financial Statements (contd.)

2.3 Rights, Preferences and Restrictions attached to shares

i) Ordinary Shares

(a) The Company has only one class of Ordinary shares having a face value of ₹ 10 per share and each holder of Ordinary shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors (except interim dividend) is subject to the approval of the shareholders in the Annual General Meetings.

(b) In case of liquidation the Ordinary Shareholders are eligible to receive remaining assets of the company, after distribution of all the preferential amounts, in the proportion of their Shareholding.

(ii) Preference Shares

(a) The Company has one class of 8 % Redeemable Cumulative Preference Shares having a par value of ₹ 100 per share and the holder of Preference shares has a preferential right over the Ordinary shareholders with respect to payment of dividend and repayment of Share Capital in case of liquidation. The preference shareholder do not have voting powers except in a meeting of preference shareholder.

(b) The 8% Redeemable Cumulative Preference Shares are redeemable at par in 15 (fifteen) years from the date of allotment i.e. 31st March, 2005 with the option to the Company to redeem the same at any time after the expiry of 60 (sixty) months from the said date of allotment at the discretion of the Board of Directors of the Company.

2.4 Shares of the Company held by each shareholder holding more than 5% shares

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	Number of Shares held	% of Shares held	Number of Shares held	% of Shares held
Ordinary Shareholders				
Kothari Phytochemicals & Industries Ltd.	**55,01,078**	**25.78**	55,01,078	25.78
Kothari Investment & Industries Pvt. Ltd.	**22,53,748**	**10.56**	22,53,748	10.56
Vishnuhari Investments & Properties Ltd.	**17,07,291**	**8.00**	17,07,291	8.00
M.D. Kothari & Company Ltd.	**15,21,868**	**7.13**	15,21,868	7.13
Kothari & Co. Pvt. Ltd.	**14,26,199**	**6.68**	14,26,199	6.68
Commercial House Pvt. Ltd.	**13,68,212**	**6.41**	13,68,212	6.41
Life Insurance Corporation of India	**11,87,278**	**5.56**	11,87,278	5.56
Preference Shareholder				
Kothari & Co. Pvt. Ltd.	**2,00,000**	**100.00**	2,00,000	100.00

2.5 Details of aggregate number of Fully paid up Ordinary Shares issued pursuant to a Contract / Bonus during the period of five years immediately preceeding 31st March

Particulars	As at 31st March, 2016	As at 31st March, 2015
	No. of Ordinary Shares	
Fully paid up Ordinary Shares of ₹ 10 each by way of bonus shares by capitalisation of General Reserve	-	71,14,115

Notes to the Standalone Financial Statements (Contd.)

3 Reserves & Surplus

₹ in Lakhs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
Capital Reserve				
At the beginning and at the end of the year		**3,394.88**		3,394.88
Amalgamation Reserve				
At the beginning and at the end of the year		**61.93**		61.93
Export Profit Reserve				
At the beginning and at the end of the year		**0.85**		0.85
Preference Shares Redemption Reserve				
At the beginning and at the end of the year		**262.47**		262.47
General Reserve				
At the beginning of the year		**9,860.07**		9,860.07
Surplus in Statement of Profit and Loss				
At the beginning of the year	**5,439.05**		5,991.03	
Add : Depreciation adjustment as per revised calculations (net of deferred tax) [Refer Note-12(c)]	**-**		230.88	
Loss for the year	**2,266.92**		321.10	
		3,172.13		5,439.05
Total		**16,752.33**		19,019.25

4 Long Term Borrowings

Particulars	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
	Non Current Portion		Current Maturities	
Secured				
Term Loans in Indian Rupees				
From Banks				
IDBI Bank Ltd	**-**	267.00	**267.00**	368.00
State Bank of Patiala	**2,940.00**	340.00	**400.00**	360.00
State Bank of India	**7,703.29**	5,428.73	**2,118.11**	2,095.78
IndusInd Bank Ltd (for Equipment)	**-**	44.11	**44.11**	123.22
HDFC Bank Ltd (for Vehicles)	**2.18**	25.58	**23.17**	26.26
The Karur Vysya Bank Ltd.	**-**	900.00	**-**	100.00
From Others				
Tea Board of India	**122.90**	122.90	**24.58**	49.16
	10,768.37	7,128.32	**2,876.97**	3,122.42
Unsecured				
Fixed Deposits (From Public)	**1,276.72**	935.54	**324.42**	449.30
YES Bank Ltd.	**500.00**	-	**1,000.00**	-
	1,776.72	935.54	**1,324.42**	449.30
Total	**12,545.09**	8,063.86	**4,201.39**	3,571.72

Notes to the Standalone Financial Statements (Contd.)

4.1 - Terms of Repayment of Term Loans & Other Loans

₹ in Lakhs

Particulars	Nature of Loan	Amount	Period of Maturity	No. of Instalments due	Instalment Value	Repayment Terms	Rate of Interest p.a.
From Banks:-							
IDBI Bank Ltd	Technology Upgradation Fund Scheme (TUF) - II	267.00	Dec -16	3	92.00/Quarter 83.00/Quarter	Apr'16- Sep'16 Dec '16	Base rate + 2.55%
State Bank of Patiala	TUF - II	340.00	Mar -17	4	90.00/Quarter 70.00/Quarter	Apr'16 - Dec'16 Mar'17	Base rate+ 1.70%
State Bank of India	TUF - II	630.71	Mar -17	4	182.67/Quarter 82.70/Quarter	Apr'16 - Dec'16 Mar'17	Base rate+ 2.00 %
	TUF - III	505.00	Mar -19	12	49.00/Quarter 43.00/Quarter 37.00/Quarter 20.00/Quarter	Apr'16 - Sep'17 Dec'17 Mar'18-Dec'18 Mar'19	Base rate+ 2.00%
	TUF - IV	1,961.19	Dec-18	11	196.00/Quarter 195.00/Quarter 174.23/Quarter 24.96/Quarter	Sep, Dec, Mar quarter of 2016-17 to 2017-18 and June 2018-19 "June Quarter of 2016-17 to 2017-18" Sep'18 Dec'18	Base rate+2.00%
State Bank of India	Term Loan (III)	96.00	Mar-19	11	10.00/Quarter 11.00/Quarter 1.00/Quarter 2.00/Quarter	"Jun, Sep, Dec quarter of 2016-17to 2017-18" "Mar Quarter of 2016-17 to 2017-18 & Jun '18 " Sep'18 Mar'19	Base rate+ 2.00%
	Term Loan (IV)	326.35	Dec-17	7	50.00/Quarter 26.35/Quarter	Apr'16 - Sep'17 Dec'17	Base rate+ 2.00 %
State Bank of India	Corporate Loan -I	2,920.00	Mar-23	28	25.00/Quarter 50.00/Quarter 75.00/Quarter 100.00/Quarter 125.00/Quarter 175.00/Quarter 185.00/Quarter	Apr'16 - Mar'17 Apr'17 - Mar'18 Apr'18 - Mar'19 Apr'19 - Mar'20 Apr'20 - Mar'21 Apr'21 - Sep'22 Dec'22 - Mar'23	Base rate+ 1.00 %
	Corporate Loan -II	2,870.00	Mar-23	28	15.00/Quarter 60.00/Quarter 70.00/Quarter 75.00/Quarter 100.00/Quarter 150.00/Quarter 175.00/Quarter 175.00/Quarter 35.00/Quarter	Apr'16 - Mar'17 Apr'17 - Dec'17 Mar'18 Apr'18 - Mar'19 Apr'19 - Mar'20 Apr'20 - Mar'21 Apr'21 - Mar'22 Apr'22 - Dec'22 Mar'23	"Base rate+ 1.70 %"
State Bank of India	Lease Rental Discounting Loan (LRD)	512.15	March-20	48	"Equated monthly Installment (EMI)"	Apr'16- Mar'20	Base rate+ 1.50 %
State Bank of Patiala	Corporate Loan	3,000.00	Mar-23	28	15.00/Quarter 60.00/Quarter 70.00/Quarter 75.00/Quarter 100.00/Quarter 150.00/Quarter 175.00/Quarter 175.00/Quarter 165.00/Quarter	Apr'16 - Mar'17 Apr'17 - Dec'17 Mar'18 Apr'18 - Mar'19 Apr'19 - Mar'20 Apr'20 - Mar'21 Apr'21 - Mar'22 Apr'22 - Dec'22 Mar'23	Base rate+ 1.35 %
IndusInd Bank Ltd	Equipment Loan	3.07	July -16	4	"Equated monthly Installment (EMI)"	Apr'16 - July'16	10.51%
		3.07	July -16	4	(EMI)	Apr'16 - July'16	
		3.07	July -16	4	(EMI)	Apr'16 - July'16	
		2.77	July -16	4	(EMI)	Apr'16 - July'16	
		2.77	July -16	4	(EMI)	Apr'16 - July'16	
		2.77	July -16	4	(EMI)	Apr'16 - July'16	
		2.77	July -16	4	(EMI)	Apr'16 - July'16	
		2.78	July -16	4	(EMI)	Apr'16 - July'16	
		2.78	July -16	4	(EMI)	Apr'16 - July'16	
		18.26	July -16	4	(EMI)	Apr'16 - July'16	
HDFC Bank Ltd.	Vehicle Loan	3.85	Apr -17	13	EMI	Apr'16 - Apr'17	10.50%
		19.17	Apr -17	13	EMI	Apr'16 - Apr'17	10.00%
		2.33	May -17	14	EMI	Apr'16 - May'17	10.75%
YES Bank Limited	Term Loan	1,500.00	April-17	3	500.00/Month	Feb'17 - April'17	11.00% (fixed)
From Others:-							
Tea Board of India	Special Purpose Tea Fund Scheme	147.48	Mar -22	12	12.29/ Half Yearly	Apr'16 - Jan'22	10.24%

Notes to the Standalone Financial Statements (Contd.)

4.2 Security Clauses

1. The Term Loan from IDBI Bank Ltd (IDBI), State Bank of Patiala (SBP) and State Bank of India (SBI), Corporate Loan from State Bank of India (SBI), State Bank of Patiala (SBP) and Letter of Credit facility from SBI for purchase of capital goods are secured by first charge by way of Equitable Mortgage by deposit of title deeds of the Company's immovable properties situated at (a) Akbarpur, Punjab, (b) Champdani, West Bengal, (c) Gillander House, West Bengal, (d) Sodepur, West Bengal and (e) Konnagar, West Bengal and also secured by way of 1st charge on entire Fixed Assets, both present and future of the Company except those pertaining to the Tea Division but subject to prior charge(s) created on current assets (except Tea Division) in favour of Company's bankers for securing working capital facilities availed from time to time in the ordinary course of business. The mortgage and charge shall rank pari passu with the mortgage and charges created / to be created in favour of IDBI, SBP and SBI. The term loans and letter of credit for Capital Goods are also secured by guarantee of a Director.
2. Lease Rental Discounting (LRD) Term Loan from SBI is secured by assignment/hypothecation of current and future lease proceed, rental receivables and other fees from certain chargeable area of Gillander House, West Bengal and are also secured / to be secured by 1st charge on entire Fixed Assets, both present and future of the Company except those pertaining to the Tea division but subject to prior charge(s) created / to be created on current assets (except Tea Division) in favour of Company's bankers. The mortgage and charge shall rank pari passu with the mortgage and charges created / to be created in favour of IDBI, SBP and SBI. The term loan is also secured by guarantee of a Director.
3. Term Loan from YES Bank Limited is secured by guarantee of a Director.
4. The Term Loan from IndusInd Bank Ltd. , are secured by hypothecation of the related Equipments purchased and guarantee by a Director.
5. Term Loan from HDFC Bank Ltd., are secured by hypothecation of the related vehicles purchased.
6. The Term Loan from Tea Board of India under Special Purpose Tea Fund Scheme (SPTF) is secured by second charge by way of equitable mortgage on immovable properties situated at the Tea estates and also further secured by second charge by way of hypothecation of Tea crop of the estates.

4.3 Maturity pattern for Fixed Deposit (from Public) having rate of interest varying between 10.25% p.a. - 11.25% p.a. are as set out below :-

₹ in Lakhs

	2016-17	2017-18	2018-19
Maturity Period	324.42	747.12	529.60

5 Deferred Tax Liabilities (Net)

Particulars	**As at 31st March, 2016**	As at 31st March, 2015
Deferred Tax Liabilities		
- Depreciation and Amortisation	**2,083.59**	1,868.41
Less: Deferred Tax Assets		
- Provision for doubtful debts	**198.47**	134.78
- Items allowed on actual payment basis under Income Tax Act	**987.62**	1,066.18
- Unabsorbed depreciation/Carry forward business losses #	**897.50**	667.45
Total	**-**	-

The recognition of deferred tax asset on unabsorbed depreciation/business losses has been restricted to the extent of deferred tax liability on account of timing difference in respect of depreciation, the reversal of which is virtually certian.

6 Other Long Term Liabilities

Job Advance received from Customers	**688.98**	1,023.63
Trade deposit/Security deposit received	**1,598.55**	1,672.78
Interest Accrued but not due on Fixed Deposits (from Public)	**78.76**	47.12
Total	**2,366.29**	2,743.53

Notes to the Standalone Financial Statements (Contd.)

7 Short Term Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
7.1 Secured		
Short Term Loan from Bank	**-**	2,500.00
Working Capital Facilities from Banks		
- United Bank of India	**982.64**	2,105.16
- Other Banks	**7,809.36**	9,812.31
	8,792.00	14,417.47
7.2 Unsecured		
Short Term Loans		
From Banks	**4,000.00**	6,500.00
From Other Bodies Corporate	**6,150.00**	2,670.00
From Related Parties	**50.00**	-
Fixed Deposits (from Public)	**2,342.56**	1,560.80
	12,542.56	10,730.80
Total	**21,334.56**	25,148.27

(I) The working capital facilities from United Bank of India are secured by hypothecation of Tea Crop, Made Tea, Book Debts and all other Current Assets of the Tea Estates and are further secured by way of Equitable Mortgage on immovable properties situated at the Tea Estates.

(ii) Working Capital Facilities from Banks, (except those availed by Tea Division of the Company from United Bank of India) are secured by hypothecation of Company's (other than Tea Division) entire current assets, both present and future, ranking pari passu inter-se, and guaranteed by a Director and are further secured by way of second charge on the Fixed Assets of the Company (other than Tea Division) ranking pari passu inter-se.

(iii) The Working Capital Facilities having interest rate varying between 10.15% p.a. - 12.00% p.a. are repayable on demand.

(iv) Unsecured Short Term Loan :

(a) From HDFC Bank Ltd. ₹4,000.00 Lakhs having interest rate varying between 10.50% p.a. to 11.00% p.a. is repayable by June 2016.

(b) From Bodies Corporate and related parties having interest varying between 13.00% p.a. to 14.00% p.a. are repayable on demand.

(v) Fixed Deposit (from Public) is having interest rate varying between 10.25% p.a. to 11.25% p.a.

8. Trade Payable - Dues to Micro and Small Enterprises

Particulars	As at 31st March, 2016	As at 31st March, 2015
i) Principal Amount remaining unpaid to any suppliers under MSMED Act	**-**	18.71
ii) Interest due thereon remaining unpaid to any suppliers on above	**-**	-
iii) Any Payment made to suppliers beyond appointed date (under Section 16 of the Act)	**-**	-
iv) Interest due and payable to suppliers under MSMED Act	**-**	-
v) Interest Accrued & remaining unpaid	**-**	-
vi) Interest remaining due & payable as per section 23 of the Act	**-**	-
Total	**-**	18.71

The Company has compiled this information based on intimation received from the suppliers of their status as Micro or Small Enterprises and/or its registration with appropriate authority under the Micro, Small and Medium Enterprises Act, 2006 ("MSMED Act").

Notes to the Standalone Financial Statements (Contd.)

9 Trade Payables - Dues to Creditors other than Micro and Small enterprises

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
For Goods	**5,607.20**	5,073.08
For Services & Others	**4,225.45**	3,306.83
Acceptances	**1,636.56**	2,390.97
Total	**11,469.21**	10,770.88

10 Other Current Liabilities

Current Maturities of Long- Term Borrowings [Refer Note-4]	**4,201.39**	3,571.72
Interest Accrued but not due on borrowings	**159.99**	172.97
Job advance received from Customers	**635.74**	1,379.79
Advances from Agents and Customers	**152.38**	95.07
Unclaimed Dividends	**50.43**	59.66
Unclaimed matured deposits and interest accrued thereon	**12.70**	3.68
Statutory Liabilities	**341.36**	322.43
Trade deposit/Security deposit received	**614.43**	408.32
Employee's related liabilities	**1,525.14**	1,226.00
Other payables #	**336.96**	458.21
Total	**8,030.52**	7,697.85

Includes liability for Electricity voltage surcharge, Capital items etc.

11 Short Term Provisions

Provision for Employee Benefits		
- Provision for Leave	**283.25**	284.07
- Provision for Gratuity	**2,561.89**	2,386.57
Total	**2,845.14**	2,670.64

Notes to the Standalone Financial Statements (Contd.)

12. Fixed Assets

₹ in Lakhs

Sl No.	Particulars	Gross Block				Depreciation and Amortisation				Net Block	
		Balance as at 31st March 2015	Additions	Disposals/ Adjustments	**Balance as at 31st March 2016**	Balance as at 31st March 2015	For the year ended 31st March 2016	Disposal / Adjustments	**Balance as at 31st March 2016**	**Balance as at 31st March 2016**	Balance as at 31st March 2015
A	**Tangible Assets**										
	Freehold Land	445.57	-	-	445.57	-	-	-	-	445.57	445.57
	Leasehold Land	16.08	-	-	16.08	-	-	-	-	16.08	16.08
	Estate & Development	3,251.83	-	-	3,251.83	-	-	-	-	3,251.83	3,251.83
	Buildings (see note-b below)	8,299.29	308.26	208.10	8,399.45	3,472.77	191.47	164.97	3,499.27	4,900.18	4,826.52
	Bridges, culverts, boundaries, etc	17.14	-	-	17.14	5.58	0.84	-	6.42	10.72	11.56
	Roads	106.60	17.91	(215.28)	339.79	96.14	8.66	(172.07)	276.87	62.92	10.46
	Plant and Machinery	31,683.90	528.35	220.00	31,992.25	18,129.81	1,295.99	151.60	19,274.20	12,718.05	13,554.09
	Furniture and Fittings	538.50	13.15	29.31	522.34	330.92	46.27	14.95	362.24	160.10	207.58
	Motor Vehicles	1,152.41	35.58	47.31	1,140.68	753.38	93.24	43.89	802.73	337.95	399.03
	Office Equipment	297.18	21.76	(25.43)	344.37	218.03	35.12	(17.22)	270.37	74.00	79.15
	Computers and data processing units	362.75	9.70	(59.36)	431.81	326.48	17.88	(49.85)	394.21	37.60	36.27
	Electrical Installations and Equipments	1,568.21	897.48	(4.80)	2,470.49	852.99	162.74	(4.62)	1,020.35	1,450.14	715.22
	Live Stock	80.86	-	-	80.86	80.86	-	-	80.86	-	-
	Total	**47,820.32**	**1,832.19**	**199.85**	**49,452.66**	**24,266.96**	**1,852.21**	**131.65**	**25,987.52**	**23,465.14**	**23,553.36**
	Previous Year	46,207.94	1,958.31	345.93	47,820.32	22,160.32	2,049.68	(56.96)	24,266.96	23,553.36	
B	**Intangible Assets**										
	Computer Softwares	324.69	10.05	-	334.74	288.96	15.97	0.04	304.89	29.85	35.73
	Total	**324.69**	**10.05**	**-**	**334.74**	**288.96**	**15.97**	**0.04**	**304.89**	**29.85**	**35.73**
	Previous Year	308.43	16.26	-	324.69	271.49	17.47	-	288.96	35.73	
C	**Capital Work In Progress**									105.41	1,041.65
	Total									**105.41**	**1,041.65**
	Previous Year									1,041.65	
	Grand Total (A+B+C)	**48,145.01**	**1,842.24**	**199.85**	**49,787.40**	**24,555.92**	**1,868.18**	**131.69**	**26,292.41**	**23,600.40**	**24,630.74**
	Previous Year	46,516.37	1,974.57	345.93	48,145.01	22,431.81	2,067.15	(56.96)	24,555.92	24,630.74	

Note:

a) Disposals/Adjustments includes ₹ 33.27 Lakhs (Previous Year ₹ 17.51 Lakhs) relating to Capital Subsidy received during the year.

b) Refer to Note - 44(b) for Office Premises given on Operating Lease (included under Head 'Building' above).

c) In the previous year, the Company has adjusted depreciation of ₹ 230.88 Lakhs (net of deferred tax), which has been adjusted with opening balance of surplus in statement of profit and loss on account of transitional provision under Schedule-II of the Companies Act, 2013.

d) Gross Block includes ₹229.94 Lakhs (Previous year ₹256.19 Lakhs) on which depreciation of ₹3.26 Lakhs (Previous year ₹4.13 Lakhs) is included in above depreciation on account of discontinuing operations.

Notes to the Standalone Financial Statements (Contd.)

13 Non-Current Investments **₹ in Lakhs**

Particulars	Face Value (₹)	Nos	As at 31st March, 2016	As at 31st March, 2015
Long Term Investments				
(At Cost unless otherwise stated)				
a) Quoted-Other than Trade				
Amarjothi Spinning Mills Ltd.	10	1	*	*
B & A Ltd.	10	1	*	*
Banswara Syntex Ltd.	10	1	*	*
Dhunseri Petrochems Tea Ltd.	10	1	*	*
Duncan Industries Ltd.	10	1	*	*
Era Infra Engineering Ltd.	2	1	*	*
Ginni Filaments Ltd.	10	1	*	*
Goodricke Group Ltd.	10	1	*	*
GTN Industries Ltd.	10	1	*	*
Harrisons Malayalam Ltd.	10	1	*	*
James Warren Tea Ltd.	10	1	-	-
Jay Shree Tea & Industries Ltd.	5	1	*	*
K.P.R. Mill Ltd.	10	1	*	*
Kilburn Engineering Ltd.	10	1	*	*
Kiran Vypar Limited	10	1	*	*
L.G.Balakrishnan & Bros. Ltd.	10	2	*	*
Lambodhara Textiles Ltd.	5	2	*	*
Lanco Infratech Ltd.	1	1	*	*
Maharaja Shree Umaid Mills Ltd.	10	1	*	*
Maral Overseas Ltd.	10	1	*	*
McLeod Russel India Ltd.	5	1	*	*
McNally Bharat Engineering Co. Ltd.	10	1	*	*
Mukand Engineers Ltd.	10	1	*	*
Nahar Industrial Enterprises Ltd.	10	1	*	*
Nahar Spinning Mills Ltd.	5	1	*	*
NCC Ltd.	2	1	*	*
Nitin Spinners Ltd.	10	1	*	*
Patspin India Ltd.	10	1	*	*
Petron Engineering Construction Ltd.	10	1	*	*
Punj Lloyd Ltd.	2	1	*	*
Rajapalayam Mills Ltd.	10	1	*	*
Rajvir Industries Ltd.	10	1	*	*
Rossel India Ltd.	2	1	*	*
RSWM Ltd.	10	1	*	*
Sambandam Spinning Mills Ltd.	10	1	*	*
Sangam (India) Ltd.	10	1	*	*
Shree Rajasthan Syntex Ltd.	10	1	*	*
Shriram EPC Ltd.	10	1	*	*
Simplex Projects Ltd.	10	1	*	*
Stewarts & Llyods of India Ltd.	10	1	*	*
Suryajyoti Spinning Mills Ltd.	10	1	*	*
Suryalata Spinning Mills Ltd.	10	1	*	*
Suryavanshi Spinning Mills Ltd.	10	1	*	*
Sutlej Textiles & Industries Ltd.	10	1	*	*
UB Engineering Ltd.	10	1	*	*
Vardhman Polytex Ltd.	10	1	*	*
Vardhman Textiles Ltd.	10	1	*	*
Warren Tea Ltd.	10	1	*	*
Welspun Enterprises Ltd.	10	1	*	*
Winsome Textile Industries Ltd.	10	1	*	*
Winsome Yarns Ltd.	10	1	*	*
Sub total			**0.04**	0.04

* Amount is below the rounding off norm adopted by the Company.

Notes to the Standalone Financial Statements (Contd.)

13 Non-Current Investments (Contd.)

₹ in Lakhs

Particulars	Face Value (₹)	Nos	As at 31st March, 2016	As at 31st March, 2015
b) Unquoted - in Trade				
Investment in Fully paid Equity Shares of Subsidiary Company				
Gillanders Holdings (Mauritius) Ltd	1 #	10,000 (10,000)	**6.00**	6.00
Barfani Builder Ltd	10	49,995 (-)	**5.00**	-
c) Unquoted-other than Trade				
(i) Investment in Fully paid Equity Shares of Others				
ABC Tea Workers Welfare Services Ltd.	10	7,502 (7,502)	**0.75**	0.75
Kothari Hi Tech Consultants Pvt. Ltd.	10	95,000 (95,000)	**9.50**	9.50
Satyam Financial Services Ltd.	10	59,669 (59,669)	**7.18**	7.18
Bharat Fritz Werner Ltd	2	26,81,811 (26,81,811)	**2,694.90**	2,694.90
Woodlands Multispeciality Hospital Ltd.	10	8,655 (8,655)	**0.87**	0.87
			2,724.20	2,719.20
Less: Provision of Diminution in value of Investments			**5.00**	5.00
Sub total			**2,719.20**	2,714.20
(ii) Investment in Fully paid Debentures				
5% 10 years Redeemable Debenture in Shillong Club Ltd.	100	13	**0.01**	0.01
Sub total			**0.01**	0.01
Total			**2,719.25**	2,714.25
Note:- Figures in the brackets represents previous year figures # In USD				
Aggregate book value of Quoted Investments			**0.04**	0.04
Aggregate market value of Quoted Investments			**0.06**	0.04
Aggregate book value of Unquoted Investments			**2,724.21**	2,719.21
Aggregate provision for diminution in value of Investments			**5.00**	5.00

14 Long Term Loans and Advances

(Unsecured and Considered good)		
Capital Advances	**113.03**	147.00
Security Deposits Paid	**4,920.02**	7,795.51
Total	**5,033.05**	7,942.51

15 Other Non-Current Assets

Deposits with Banks (Original maturity with more than 12 months) (Refer Note - 19)	**1,903.00**	1,629.68
Total	**1,903.00**	1,629.68

Notes to the Standalone Financial Statements (Contd.)

16 Current Investments (valued at lower of cost or fair market value, unless otherwise stated) **₹ in Lakhs**

Particulars	Face Value (₹)	Nos	As at 31st March, 2016	As at 31st March, 2015
Unquoted - Other Than Trade (At Cost unless otherwise stated)				
(a) Investments in Government and Trust Securities				
6 Years National Saving Certificates (Deposited with Commercial Tax Officer)			**0.07**	0.07
Sub Total			**0.07**	0.07
(b) Investments in Mutual Funds				
SBI PSU Fund - Regular Plan-Growth	10	2,50,000 (2,50,000)	**25.00**	25.00
SBI Premier Liquid Fund- Institutional-Growth	100	4 (4)	**0.07**	0.07
Goldman Sachs Mutual Fund Gold Benchmark	100	3,100 (3,100)	**78.79**	78.79
			103.86	103.86
Less :-Provision for Diminution in Value of Investments			**4.19**	4.86
Sub Total			**99.67**	99.00
Total			**99.74**	99.07
Note:- Figures in the brackets represents previous year figures				
Aggregate book value of Unquoted Investments			**103.93**	103.93
Aggregate provision for diminution in value of investments			**4.19**	4.86

Notes to the Standalone Financial Statements (Contd.)

17 Inventories

(Refer Note - 1.10 for mode of Valuation)

₹ **in Lakhs**

Particulars	**As at 31st March, 2016**	As at 31st March, 2015
Raw Materials	**3,382.19**	3,485.97
Stock-in-Process	**1,152.88**	1,149.28
Finished Goods (Other than Trading Goods)	**7,176.99**	6,465.96
Stock-in-Trade (Goods purchased for Trading)	**587.76**	721.05
Contract-in-Progress	**1,234.34**	1,088.66
Stores and Spare Parts	**2,263.44**	2,363.85
Waste	**13.94**	15.62
Scrap	**2.94**	7.04
Total	**15,814.48**	15,297.43
Included in above are		
Goods in Transit		
Raw Materials	**142.60**	547.41
Stock-in-Trade (Goods purchased for Trading)	**-**	4.26
Total	**142.60**	551.67

Broad Category of Inventories

Finished Goods		
Tea	**1,350.26**	1,819.30
Lead Oxide and Metallic Stearates	**237.43**	208.56
Cotton and Man - Made Fibre Yarn	**5,589.30**	4,438.10
Total	**7,176.99**	6,465.96
Stock-in-Process		
Lead Oxide and Metallic Stearates	**96.28**	86.92
Cotton and Man - Made Fibre Yarn	**1,056.60**	1,057.32
Others	**-**	5.04
Total	**1,152.88**	1,149.28
Stock-in-Trade		
Paints & Allied Products	**-**	77.56
Boughtout Goods for Construction Jobs	**587.76**	643.49
Total	**587.76**	721.05

Notes to the Standalone Financial Statements (Contd.)

18 Trade Receivables

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
(Unsecured and considered good, unless otherwise stated)		
(a) Outstanding for a period exceeding six months from the date they become due for payment		
Considered Good	**3,516.76**	3,162.34
Considered Doubtful	**421.12**	317.52
Less: Provision for Doubtful Trade Receivables	**421.12**	317.52
Sub total	**3,516.76**	3,162.34
(b) Other Trade Receivables		
Considered Good	**8,883.85**	9,761.24
Considered Doubtful	**0.27**	2.70
Less: Provision for Doubtful Trade Receivables	**0.27**	2.70
Sub total	**8,883.85**	9,761.24
Total	**12,400.61**	12,923.58

19 Cash and Bank Balances

(a) Cash and Cash Equivalents		
Balances with Banks	**302.57**	169.78
Cheques, Drafts in hand and in Transit	**15.56**	31.83
Cash in hand	**14.60**	18.43
Sub total	**332.73**	220.04
(b) Other Bank Balances		
Unclaimed Dividend Accounts	**50.43**	59.66
Margin Money with Banks	**37.93**	118.53
Deposits with Banks (Original maturity with more than 12 months) # # includes ₹1,811.64 Lakhs (previous year ₹1,611.74 lakh) under lien with bank (refer note 31.2(iv))	**1,903.00**	1,629.68
Sub total	**1,991.36**	1,807.87
Total	**2,324.09**	2,027.91
Less : Deposits with Banks disclosed under 'Other Non Current Assets' (Refer Note - 15)	**1,903.00**	1,629.68
Total	**421.09**	398.23

Notes to the Standalone Financial Statements (Contd.)

20 Short Term Loans and Advances

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
(Unsecured and Considered Good)		
Security Deposits	**5,487.40**	2,161.88
Advance for Raw Materials and Stores	**399.69**	732.98
Balances with Statutory/Government Authorities	**1,892.39**	1,886.74
Advance Payment of Income Tax (Net of Provision)	**1,287.05**	978.53
Deposit with NABARD	**634.54**	569.70
Other Advances Recoverable in Cash or in Kind #	**1,191.17**	1,414.97
Sub total	**10,892.24**	7,744.80
(Unsecured and Considered Doubtful)		
Balances with Statutory/Government Authorities	**12.44**	12.91
Other Advances Recoverable in Cash or in Kind #	**72.59**	64.16
	85.03	77.07
Less: Provision for Doubtful Loans & Advances	**85.03**	77.07
Sub total	**-**	-
Total	**10,892.24**	7,744.80

includes Prepaid Expenses, Contractor advances, etc.

21 Other Current Assets

(Unsecured and Considered Good)		
Interest Receivable on Loans and Deposits	**49.50**	131.73
Subsidy/Incentive Receivables	**554.14**	596.28
Export Incentive Receivables	**145.12**	278.23
Other Receivables	**4,044.75**	4,080.69
Total	**4,793.51**	5,086.93

Notes to the Standalone Financial Statements (Contd.)

22 Revenue From Operations (Gross) **₹ in Lakhs**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Sale of Products		
Cotton and Man - Made Fibre Yarn	**33,407.55**	36,563.67
Tea	**21,410.98**	18,657.46
Fabrics	**418.92**	1,663.86
Lead Oxide and Metallic Stearates	**4,962.26**	6,436.90
Sub total	**60,199.71**	63,321.89
Income from Construction Contracts	**17,612.75**	20,895.42
Income from Services	**-**	11.68
Other Operating Revenue		
Subsidies	**48.83**	68.56
Export Incentives	**688.98**	522.24
Claims	**15.61**	44.32
Sale of Waste	**580.57**	742.39
Rental Income	**785.72**	711.99
Sale of Scrap	**39.09**	47.77
Sub total	**2,158.80**	2,137.27
Total	**79,971.26**	86,366.26

Notes to the Standalone Financial Statements (Contd.)

23 Other Income

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Interest Income		
- Interest on Bank and Other Deposits	**239.35**	165.72
- Interest Received on Income Tax Refund	**-**	105.65
Dividend Income		
- Long Term Investments	**13.41**	10.73
- Current Investments	**-**	13.44
Insurance Claim Received	**18.82**	0.14
Foreign Exchange Fluctuations (Net)	**52.87**	87.94
Profit on Sale of Investments (Net)		
- Long Term Investments	**-**	16.18
- Current Investments	**-**	0.23
Provision for Doubtful Trade Receivables and Advances written back	**-**	47.49
Liabilities no longer required, written back	**185.86**	75.52
Provision for Diminution in Value of Investment written back	**0.67**	0.76
Other Non Operating Income	**270.36**	275.26
Total	**781.34**	799.06

24 Cost of Materials Consumed

Opening Stock	**3,485.97**	4,176.60
Add : Purchases	**28,138.75**	34,167.20
Less : Closing Stock	**3,382.19**	3,485.97
Total	**28,242.53**	34,857.83
Broad Category of Materials Consumed		
i) Green Leaf (Purchased)	**2,513.97**	2,705.07
ii) Cotton and Man-Made Fibre Yarn	**21,773.50**	26,246.95
iii) Mild Steel	**323.35**	1,348.34
iv) Lead	**3,631.71**	4,557.47
Total	**28,242.53**	34,857.83

Notes to the Standalone Financial Statements (Contd.)

25 Purchases of Stock-in-Trade

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Tea	**3,716.53**	3,165.89
Boughtout Goods for Construction job	**6,364.41**	5,541.60
Total	**10,080.94**	8,707.49

26 Changes in Inventories of Finished goods, Stock-in-Process and Stock-in-Trade

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
(a) Finished Goods (Manufactured)				
Opening Inventories	**6,465.96**		5,705.71	
Closing Inventories	**7,176.99**	**(711.03)**	6,465.96	(760.25)
(b) Stock-in-Process				
Opening Inventories	**1,149.28**		1,458.94	
Closing Inventories	**1,152.88**	**(3.60)**	1,149.28	309.66
(c) Stock-in-Trade *				
Opening Inventories	**643.49**		1,184.72	
Closing Inventories	**587.76**	**55.73**	643.49	541.23
(d) Stock of Scrap				
Opening Inventories	**7.04**		2.89	
Closing Inventories	**2.94**	**4.10**	7.04	(4.15)
(e) Waste				
Opening Inventories	**15.62**		20.29	
Closing Inventories	**13.94**	**1.68**	15.62	4.67
Total		**(653.12)**		91.16

* excludes ₹77.56 Lakhs (previous year ₹154.08 Lakhs) from opening inventories on account of Discontinuing Operations.

Notes to the Standalone Financial Statements (Contd.)

27 Employee Benefits Expense **₹ in Lakhs**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
a) Salaries and Wages	**11,038.58**	9,630.18
b) Contribution to Provident and Other Funds		
- Contribution to Gratuity Fund	**192.30**	429.12
- Contribution to Provident Fund	**850.57**	739.46
- Contribution to Employee State Insurance Fund	**127.60**	119.76
c) Staff Welfare Expenses	**1,008.07**	1,047.96
Total	**13,217.12**	11,966.48

27.1 Information in accordance with the requirements of the Accounting Standard - 15 on 'Employee Benefits':-

a. Provident Fund

The Company makes a contribution for Provident Fund towards defined contribution plans for eligible employees. In respect of certain employees, Provident Fund Contribution is made to Trust Funds administered by the Company towards defined benefit plans. The Company shall make good for deficiency, if any, in the interest rate declared by the trust vis-à-vis statutory rate.

During the year Company has contributed ₹852.30 Lakhs, which includes ₹1.73 Lakhs for discontinuing operations (Previous Year ₹ 745.59 Lakhs, which includes ₹6.13 Lakhs for discontinuing operations) towards provident fund.

Based on the Guidance Note on measurement of Provident Fund liabilities from The Actuarial Society the actuary has provided the valuation of interest guaranteed on Provident Fund. Accordingly, there is no shortfall of interest required to be provided for as at 31st March, 2016 as well as in the previous year.

b. Employee State Insurance Scheme

The Company make contribution for Employee State Insurance (ESI) Scheme towards defined contribution plan. During the year Company has contributed ₹127.94 Lakhs, which includes ₹0.34 Lakhs for discontinuing operations (Previous year ₹133.41 Lakhs, which includes ₹13.65 Lakhs for discontinuing operations).

c. Gratuity

The Employee's Gratuity Fund Scheme, a defined benefit plan, is administered by Life Insurance Corporation of India (LIC) and SBI Life Insurance Company Ltd. (SBI Life). LIC or SBI Life make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit as prescribed. Vesting occurs upon completion of five years of service. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method at each balance sheet date.

Notes to the Standalone Financial Statements (Contd.)

27.2 The following table sets forth the particular in respect of the Defined Benefit Plans of the Company for the year ended 31st March 2016.

₹ in Lakhs

	Description	Gratuity (Funded)	
		2015-16	2014-15
A	**Reconciliation of Opening and Closing Balances of the Present Value of the Defined Benefit Obligation**		
	Present value of Obligation as on 1st April	**2,457.70**	2,475.30
	Current Service Cost	**148.07**	139.81
	Interest Cost	**189.88**	179.02
	Actuarial (Gain)/Losses	**(159.23)**	138.67
	Benefits Paid	**(44.73)**	(475.10)
	Present Value of Obligation as on 31st March	**2,591.69**	2,457.70
B	**Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets**		
	Fair Value of Plan Assets as on 1st April	**71.13**	519.18
	Expected Return on Plan Assets	**6.22**	46.73
	Actuarial Gain /(Losses)	**(4.03)**	(20.08)
	Contribution	**1.21**	0.40
	Benefits Paid	**(44.73)**	(475.10)
	Fair Value of Plan Assets as on 31st March	**29.80**	71.13
C	**Reconciliation of the Present Value of the Defined Benefit Obligation and Fair Value of Plan Assets**		
	Present Value of Obligation as on 31st March	**2,591.69**	2,457.70
	Fair Value of Plan Assets as on 31st March	**29.80**	71.13
	Assets/ (Liabilities) recognised in the Balance Sheet	**(2,561.89)**	(2,386.57)
D	**Expenses recognised in the Statement of Profit and Loss**		
	Current Service Cost	**148.07**	138.81
	Interest Cost	**189.88**	179.02
	Expected return on Plan Assets	**(6.22)**	(46.73)
	Actuarial (Gain)/Losses	**(155.20)**	158.75
	Total Expense recognised #	**176.53**	429.85
E	**Category of Plan Assets**		
	Fund with LIC	**29.29**	26.22
	Fund with SBI Life	**0.51**	44.91
	Total	**29.80**	71.13
F	**Actual return on Plan Assets**	**2.19**	26.65
G	**Principal Actuarial Assumptions**		
	Discount Rate	**7.80%**	8.00%
	Salary Escalation	**3.00%**	3.00%
	Expected return on Assets	**8.75%**	9.00%
	Mortality Rates	**IALM 2006-08 ULTIMATE**	IALM 2006-08 ULTIMATE

includes ₹15.77 Lakhs written back (previous year ₹0.73 Lakhs provided) for discontinuing operations.

Notes to the Standalone Financial Statements (Contd.)

27.3 Net Assets / (Liability) recognised in Balance Sheet (including experience adjustment impact)

₹ in Lakhs

Description	Gratuity (Funded)				
	2015-16	**2014-15**	2013-14	2012-13	2011-12
Present Value of Obligation at the end of the year	**2,591.69**	2,457.70	2,475.30	2,295.79	2,272.95
Fair Value of Plan Assets at the end of the year	**29.80**	71.13	519.18	754.00	1,069.22
(Assets)/Liabilities recognised in the Balance Sheet	**2,561.89**	2,386.57	1,956.12	1,541.79	1,203.73
Experience adjustment on Plan Liabilities	**159.23**	138.67	155.42	125.53	52.66
Experience adjustment on Plan Assets	**(4.03)**	(20.08)	(15.93)	(12.65)	(74.30)

Notes :-

1) The detail of experience adjustment arising on plan assets and liabilities as required by paragraph 120(n)(ii) of Accounting Standard-15 on 'Employee Benefits' is given to the extent of information provided in the Actuarial Valuation Report.

2) The estimate of future salary increases, considered in actuarial valuations takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

3) The expected rate of return on plan assets is based on actuarial assumption.

4) The company expect to contribute a sum of ₹ 751.70 Lakhs during 2016-17 towards Gratuity Fund.

5) The above information is actuarially determined.

28 Finance Costs

₹ in Lakhs

Particulars	**For the year ended 31st March, 2016**	For the year ended 31st March, 2015
Interest Expenses (net of incentive income)	**4,328.26**	3,823.49
Other Borrowing Costs	**322.02**	243.56
Total	**4,650.28**	4,067.05

Notes to the Standalone Financial Statements (Contd.)

29 Other Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Consumption of Stores and Spare Parts	**3,211.76**	3,472.74
Power and Fuel	**6,429.91**	6,436.05
Repairs to Buildings	**284.76**	269.79
Repairs to Machinery	**1,303.46**	1,150.03
Other Repairs	**140.45**	145.98
Jobs on Contract	**5,637.52**	6,474.02
Jobs Outsourcing	**810.07**	825.97
Machinery Hire Charges	**991.13**	417.53
Cess on Green Leaf and Made Tea	**130.26**	124.81
Excise Duty on Closing Stock of Finished Goods (Net)	**(29.99)**	15.51
Freight, Shipping, Delivery and Selling Expenses	**1,852.75**	1,732.58
Selling Agents' Commission	**270.85**	431.01
Brokerage and Discount on Sale	**539.72**	634.92
Auditors' Remuneration		
Statutory Auditor		
- Audit Fees	**16.00**	16.00
- Other Services	**14.20**	10.70
- Reimbursement of Expenses	**0.20**	0.51
Branch Auditors		
- Audit Fees	**4.95**	4.95
- Tax Audit Fees	**1.50**	1.50
- Other Services	**1.73**	1.45
- Reimbursement of Expenses	**0.46**	0.67
Rent	**97.81**	106.78
Rates and Taxes, excluding taxes on income	**317.99**	257.43
Insurance	**278.74**	256.88
Bad Debts and Advances Written off	**91.59**	170.47
Provision for Doubtful Debts and Advances	**123.70**	5.41
Directors Fees & Commission	**9.62**	8.26
Consultation and Advisory Charges	**217.09**	276.09
Loss on Sale of Fixed Assets (Net)	**7.11**	5.37
Travelling and Conveyance Expenses	**901.71**	931.84
Other Miscellaneous Expenses	**1,149.47**	1,121.81
Total	**24,806.52**	25,307.06

30 Current Tax

Agricultural Income Tax	**80.00**	110.00
Total	**80.00**	110.00

Notes to the Standalone Financial Statements (Contd.)

31. Contingent Liabilities and Commitments **₹ in Lakhs**

Particulars		As at 31st March, 2016	As at 31st March, 2015
31.1	**Contingent Liabilities**		
	Claims against the Company not acknowledged as debts		
	i) Sales Tax	**1,118.31**	983.35
	ii) Cess on Jute Bags/Jute Twine	**7.32**	7.32
	iii) Cess and Excise on Captive Consumption	**11.33**	11.33
	iv) Excise Duty	**114.22**	70.30
	v) Service Tax	**442.58**	425.90
	vi) Income Tax	**106.02**	106.02
	vii) Voltage Surcharge on Electricity consumed	**159.32**	159.32
	Note: In respect of above, future cash flows are determinable only on receipt of judgements pending at various forums/authorities which in the opinion of the Company is not tenable and there is no possibility of any reimbursement in case of above		
31.2	**Commitments**		
	i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of advance₹113.03 Lakhs (Previous Year ₹147.00 Lakhs)]	**206.65**	337.07
	ii) Arrear Dividend on Redeemable Cumulative Preference Shares: The Board has not declared any dividend on Redeemable Cumulative Preference Shares. Dividend in arrears on cumulative preference shares can be paid in a later year where there are profits to justify such payment.	**32.00**	16.00
	iii) The Company has given counter guarantee to a bank for issue of stand by letter of credit against loan availed by the Wholly Owned subsidiary from a bank:		
	a) Amount of guarantee given USD 13.00 million	**8,623.28**	8,125.65
	b) Amount outstanding as on 31st March USD 12.45 million (Previous Year USD 12.60 million)	**8,259.58**	7,876.70
	iv) Deposits with Bank committed to continue till the tenure of stand by letter of credit.	**1,811.64**	1,611.74

32. Information in accordance with the requirements of the Accounting Standard-17 on 'Segment Reporting' :

(a) The Company has identified Six primary business segments viz :

i) Textile - Manufacture and sale of yarn and fabric made out of Cotton and Man-Made Fibre viz., Acrylic, Polyster, Viscose Staple and Blends thereof.

ii) Engineering (MICCO) - Manufacture and sale of Steel Structural, Pipes and Equipments and Designing, Supplying, Erectioning and Commissioning of projects on turnkey basis.

iii) Tea - Manufacture and sale of tea

iv) Chemical (Waldies) - Manufacture and sale of lead oxide, white lead, lead salts and metallic stearates

v) Trading - Purchase and sale of paints and allied products

vi) Property - Letting out property on rent

Segments have been identified and reported taking into account nature of products and services, the different risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with the following additional policies for segment reporting.

i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

ii) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related asset and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Notes to the Standalone Financial Statements (Contd.)

Primary Segment Information (Business Segment): **₹ in Lakhs**

Particulars	Textile	Engineering (MICCO)	Tea	Chemical (Waldies)	Trading (Discontinuing Operations)	Property	Unallocable	Total
Gross Segment Revenue External Turnover	34,839.22 (39,311.21)	17,631.56 (20,917.83)	21,757.27 (18,982.86)	4,964.27 (6,442.37)	182.94 (1,233.77)	778.94 (711.99)	- (-)	80,154.20 (87,600.03)
Inter Segment Revenue	- (-)	- (-)	- (-)	- (-)	- (-)	101.72 (101.72)	- (-)	101.72 (101.72)
Total Turnover	34,839.22 (39,311.21)	17,631.56 (20,917.83)	21,757.27 (18,982.86)	4,964.27 (6,442.37)	182.94 (1,233.77)	880.66 (813.71)	- (-)	80,255.92 (87,701.75)
Less : Excise Duty	- (-)	78.12 (106.42)	- (-)	554.80 (712.65)	- (-)	- (-)	- (-)	632.92 (819.07)
Segment Revenue (Net of Excise Duty)	34,839.22 (39,311.21)	17,553.44 (20,811.41)	21,757.27 (18,982.86)	4,409.47 (5,729.72)	182.94 (1,233.77)	880.66 (813.71)	- (-)	79,623.00 (86,882.68)
Less : Inter Segment Elimination	- (-)	- (-)	- (-)	- (-)	- (-)	101.72 (101.72)	- (-)	101.72 (101.72)
Revenue from Operations (Net)								79,521.28 (86,780.96)
Segment Result	524.86 (107.89)	(121.15) (1616.78)	1,454.20 (919.49)	170.90 (275.27)	(99.12) (-2.47)	640.64 (585.55)		2,570.33 (3,502.51)
Less: Unallocable Expenditure net of Unallocable Income							106.97 (150.76)	106.97 (150.76)
Finance Costs							4,650.28 (4,067.05)	4,650.28 (4,067.05)
Loss before Tax								2,186.92 (715.30)
Depreciation and Amortisation	986.41 (938.81)	333.19 (460.16)	488.04 (583.86)	3.65 (3.39)	3.26 (4.13)	1.56 (3.30)	52.07 (73.50)	1,868.18 (2,067.15)
Non Cash Expenses other than Depreciation and Amortisation	- (-)	162.23 (169.83)	47.09 (-)	- (0.64)	56.72 (5.16)	5.98 (5.41)	- (-)	272.02 (181.04)
Capital Expenditure	464.00 (1,351.15)	31.62 (31.99)	372.15 (961.80)	- (13.69)	- (0.37)	3.81 (0.33)	15.68 (61.69)	887.26 (2,421.02)
Segment Assets	30,506.84 (29,872.72)	26,888.86 (27,362.11)	11,800.85 (13,019.07)	1,474.35 (1,353.56)	266.71 (568.63)	103.29 (82.73)	6,636.47 (6,208.40)	77,677.37 (78,467.22)
Segment Liabilities	6,362.82 (6,482.11)	8,256.76 (8,568.89)	4,094.75 (3,580.46)	557.78 (407.63)	39.57 (213.22)	528.82 (487.92)	38,750.31 (37,373.51)	58,590.81 (57,113.74)

b) Secondary Segment Information (Geographical Segment):

The Company operates predominantly within geographical limits of India and therefore the Secondary Segment has been demarcated into 'Within India' and 'Outside India' operations as under:

₹ in Lakhs

	Within India	Outside India	Total
Segment Revenue	65,310.88 (76,550.69)	14,210.40 (10,230.27)	79,521.28 (86,780.96)
Segment Assets	68,110.12 (69,102.51)	2,930.78 (3,156.32)	71,040.90 (72,258.82)
Capital Expenditure	871.58 (2,359.33)	- (-)	871.58 (2,359.33)

Figures in brackets represent particulars for Previous Year

Notes to the Standalone Financial Statements (Contd.)

33. During the year, the Company, along with its nominees, acquired 99.99% equity shares of Barfani Builder Limited ("BBL"), by purchasing 49,995 fully paid up equity shares of ₹ 10/- each at par from the shareholders of BBL .

34. The Company will apply with the Hon'ble High Court at Calcutta, for approval of a Scheme of Arrangement for reconstruction by transfer of its Chemical (Waldies) Division in West Bengal, of the company to BBL with effect from 1st April 2015. Pending approvals of Hon'ble High Court at Calcutta and of regulatory authorities and completion of requisite formalities, the financials of the Chemical (Waldies) Division has been included in these Financial Statements.

35. Discontinuing Operations

In view of the long term strategy of the Company, the Board of Directors in their meeting held on 31st March, 2016 have decided to close its Trading Division with effect from the close of business hours of 31st March, 2016.

The following statement shows the revenue and expenditure of the discontinuing operations of Trading Division –

₹ in Lakhs

Particulars	**2015-16**	2014-15
Revenue	**217.13**	1244.37
Less: Expenses	**311.28**	1241.70
Less: Finance cost	**-**	-
Less: Depreciation and amortization expense	**3.26**	4.13
Loss Before Tax	**97.41**	1.46
Tax Expense	**-**	-
Loss after Tax	**97.41**	1.46

The carrying amounts of the total assets and liabilities of the division are as follows:

Particulars	**2015-16**	2014-15
Total Assets	**266.71**	569.15
Total Liabilities	**47.37**	213.22
Net assets	**219.34**	355.93

Net cash flow attributable to the division are as below:

Particulars	**2015-16**	2014-15
Revenue	**217.13**	1,244.37
Operating activities	**(30.62)**	0.13
Investing activities	**5.70**	1.90
Financing activities	**7.79**	-
Net cash flows	**(17.13)**	2.03

36. A Corporate Social Responsibility (CSR) committee has been formed by the Company as per provisions of Section 135 of the Companies Act, 2013. The areas for CSR activities are promoting education, healthcare, animal welfare and projects ensuring environment sustainability. Disclosures of Corporate Social Responsibility expenditure are in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

Particulars	**2015-16**	2014-15
Amount of CSR expenditure to be incurred during the year	**17.26**	12.21
CSR expenditure (Revenue Nature) incurred during the year	**2.61**	12.26

37. Revenue expenditure on Research and Development of ₹ 12.13 Lakhs (Previous Year ₹ 11.40 Lakhs) represents subscription to Tea Research Association.

38. Related Party Disclosure

38.1 Information in accordance with requirements of the Accounting Standard-18 on 'Related Party Disclosures':-

A) Subsidiary Companies:

i) Direct Subsidiary:
   a) Gillanders Holdings (Mauritius) Limited, Mauritius (GHML)
   b) Barfini Builder Limited (BBL)

ii) Indirect Subsidiaries :
   c) Group Development Limited, Malawi (Wholly Owned Subsidiary (WOS) of GHML) (GDL)
   d) Naming'omba Tea Estates Limited (WOS of GDL)
   e) Mafisi Tea Estaes Limited (WOS of GDL)
   f) Group Holdings Limited (WOS of GDL)

B) Name of the Companies in which Directors/Key Management Personnel and their relatives have significant influence

i. M D Kothari and Company Limited (MDKCL)
ii. Bharat Fritz Werner Ltd. (BFW)
iii. Kothari and Co Pvt. Limited (KCPL)
iv. Kothari Investment & Industries Pvt. Limited (KIIPL)
v. Commercial House Pvt. Limited (CHPL)
vi. Vishnuhari Investment and Properties Limited (VIPL)
vii. Kothari Medical Centre (KMC)
viii. Kothari Phytochemicals Industries Limited (KPIL)
ix. Albert David Limited (ADL)

C) Key Management Personnel of the Company

Mr. D K Sharda (DKS) – Managing Director & Chief Executive Officer

Notes to the Standalone Financial Statements (Contd.)

38.2 Details of transactions entered into with the related parties

₹ in Lakhs

Nature of Transaction	2015-16												2014-15										
	MDKCL	BFW	KCPL	KIIPL	KMC	VIPL	KPIL	CHPL	ADL	GHML	BBL	TOTAL	MDKCL	BFW	KCPL	KIIPL	KMC	VIPL	KPIL	CHPL	ADL	GHML	TOTAL
Rent Paid	-	-	2.40	9.00	-	-	-	-	-	-	-	**11.40**	-	-	2.40	9.00	-	-	-	-	-	-	11.40
Rent Received	-	2.30	0.44	-	0.44	-	0.75	-	-	-	-	**3.93**	-	2.30	0.44	-	0.44	-	0.75	-	-	-	3.93
Guarantee Commission Received	-	-	-	-	-	-	-	-	-	2.13	-	**2.13**	-	-	-	-	-	-	-	-	-	1.05	1.05
Guarantee Commission Paid	4.30	-	-	-	-	-	-	0.84	-	-	-	**5.14**	4.30	-	-	-	-	-	-	1.24	-	-	5.54
Unsecured Loans Taken	30.00	-	45.00	-	-	75.00	-	-	-	-	-	**150.00**	45.00	-	140.00	-	-	40.00	-	125.00	300.00	-	650.00
Unsecured Loans Repaid	30.00	-	45.00	-	-	25.00	-	-	-	-	-	**100.00**	45.00	-	140.00	-	-	40.00	-	125.00	300.00	-	650.00
Interest on Loans Taken	0.96	-	3.94	-	-	1.65	-	-	-	-	-	**6.55**	2.55	-	7.02	-	-	2.28	-	7.42	1.66	-	20.93
Equity Contribution	-	-	-	-	-	-	-	-	-	-	5.00	**5.00**	-	-	-	-	-	-	-	-	-	6.00	6.00
Expenses made on behalf of Subsidiary	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	290.11	290.11
Reimbursement of Expenses by Subsidiary	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	(290.11)	(290.11)
Balance as on 31st March																							
Guarantee Commission Receivable	-	-	-	-	-	-	-	-	-	3.27	-	**3.27**	-	-	-	-	-	-	-	-	-	1.05	1.05
Guarantee Given (Refer Note No. 31.2 (iii))	-	-	-	-	-	-	-	-	-	8,623.28	-	**8,623.28**	-	-	-	-	-	-	-	-	-	8,125.65	8,125.65
Unsecured Loan Taken	-	-	-	-	-	50.00	-	-	-	-	-	**50.00**	-	-	-	-	-	-	-	-	-	-	-

38.3 Transactions with the Key Management Personnel

₹ in Lakhs

Nature of Transaction	Key Management Personnel of the Company	
	2015-16	2014-2015
	DKS	DKS
Remuneration Paid	**41.31**	38.33

Notes to the Standalone Financial Statements (Contd.)

39. Imported and Indigenous Material consumed: **₹ in Lakhs**

Particulars	**2015-16**	**%**	2014-15	%
Raw Materials				
- Imported	**4,045.35**	**14.32**	4,439.53	12.74
- Indigenous	**24,197.18**	**85.68**	30,418.30	87.26
	28,242.53	**100.00**	34,857.83	100.00
Stores & Spare Parts (including components)				
- Imported	**72.04**	**2.24**	63.71	1.83
- Indigenous	**3,139.72**	**97.76**	3,409.03	98.17
	3,211.76	**100.00**	3,472.74	100.00

40. CIF Value of Imports

Particulars	**2015-16**	2014-15
i) Raw Materials	**3,407.64**	3,922.55
ii) Capital Equipment	**2.63**	189.81
iii) Stores, Spare Parts and Components	**59.76**	57.17
iv) Bought Out goods	**450.32**	-
Total	**3920.35**	4,169.53

41. Expenditure in Foreign Currency

Particulars	**2015-16**	2014-15
i) Commission on Sales/Orders	**78.65**	147.33
ii) Traveling Expenses	**19.98**	42.13
iii) Consultancy Charges	**-**	43.02
iv) Bank Charges & Commission	**0.78**	0.24
v) Quality Claim	**14.54**	7.79
Total	**113.95**	240.51

42. Earnings in Foreign Currency

Particulars	**2015-16**	2014-15
i) Export of Goods calculated on F.O.B. basis	**13,826.05**	9,692.34
ii) Claim Settling Commission	**-**	0.18
iii) Guarantee Commission	**2.13**	1.05
Total	**13,828.18**	9,693.57

Notes to the Standalone Financial Statements (Contd.)

43. Information in accordance with the requirements of the Accounting Standard 7 on 'Construction Contracts':-

₹ in Lakhs

		2015-16	2014-15
a)	Contract revenue recognised for the year	**17,631.56**	20,917.83
b)	Aggregate amount of contracts costs incurred and recognised Profits (Less recognised losses) up to the year end for all the Contracts-in-Progress.	**126,537.56**	118,558.57
c)	The amount of customer advances outstanding for Contracts-in-Progress as at year end.	**1,324.72**	2,403.42
d)	The amount of retention money due from customers for Contracts-in-Progress as at year end.	**9,997.25**	9,573.44
e)	Gross amount due from customers for Contracts-in-Progress as at year end [included in work-in-progress ₹ 1,234.34 Lakhs (Previous year ₹ 1,088.66 Lakhs), Trade Receivables ₹ 7,290.32 Lakhs (Previous year ₹ 7,153.36 Lakhs)]	**8,524.65**	8,242.02
f)	Gross amount due to customer for contract work in Progress as at year end	**-**	-

44. Operating Lease Commitments

a) The Company has taken various Plant and Machinery for its Engineering (MICCO) Division under cancellable operating lease. Lease range for the period between 3 to 8 months. During the year the Company has charged related lease rental of ₹ 991.13 Lakhs (Previous Year ₹ 417.53 Lakhs) in the Statement of Profit and Loss under the head Machinery Hire Charges.

b) The Company has given office premises under cancellable operating leases. These leasing arrangements range between 3 years and 15 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. Initial Direct costs for such leases are borne by the Company and charged off to revenue. Lease rentals are recognised as income for ₹555.24 Lakhs during the year (Previous Year ₹524.10 Lakhs). The gross value and accumulated depreciation of such asset as at 31st March, 2016 was ₹23.59 Lakhs (Previous Year ₹23.59 Lakhs) and ₹22.41 Lakhs (Previous Year ₹22.41 Lakhs) respectively.

c) The Company has certain operating leases for premises (residential, offices and godowns) which are not non-cancellable range between 3 months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged in the Statement of Profit and Loss under the head Rent (Refer Note - 29).

45. Basic and Diluted Earnings per Share

		2015-16	2014-15
(i)	Loss after tax available for Ordinary Shareholders (₹ in Lakhs) *	**2,282.92**	337.10
(ii)	Weighted average of Ordinary Shares of ₹ 10 each outstanding during the year (Numbers)	**2,13,42,346**	2,13,42,346
(iii)	Basic and Diluted Earnings per Share [(I) / (ii)] (in ₹)	**(10.70)**	(1.58)

* After adjusting arrear dividend on Preference Shares of ₹16.00 Lakhs (Previous Year ₹ 16.00 Lakhs), the Board has not recommended any dividend on Redeemable Preference shares for the year 2015-16 and Dividend Distribution Tax thereupon of ₹Nil Lakhs (Previous Year ₹Nil Lakhs).

Notes to the Standalone Financial Statements (Contd.)

46. Derivative Instruments and Un-hedged Foreign Currency Exposure

(a) The year-end net monetary foreign currency exposures that have not been hedged by a derivative instrument are given below:

₹ in Lakhs

Currency	**As at 31st March, 2016 Net (Buy) / Sell***	As at 31st March, 2015 Net (Buy) / Sell*
USD	**317.90**	39.01
EURO	**-**	(0.82)

(b) Category wise outstanding Foreign Currency exposure entered for hedging by way of Forward Contract are as follows:

Currency	**As at 31st March, 2016 Net (Buy) / Sell***	As at 31st March, 2015 Net (Buy) / Sell*
USD	**1,023.83**	627.06

(c) Forward Contract against firm commitments

Currency	**As at 31st March, 2016 Net (Buy) / Sell***	As at 31st March, 2015 Net (Buy) / Sell*
EURO	**1,931.53**	(271.73)

*Sell indicates Receivable and Buy indicates Payable.

47. Previous year's figures have been regrouped and / or reclassified, wherever considered necessary to correspond with the current year's classification and / or disclosure.

As per our report of even date.

For and on behalf of the Board

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number - 302049E

Anurag Singhi
Partner
Membership No. 066274
Kolkata, 29th May, 2016

D. K. Sharda
Managing Director & CEO

D. Karmakar
Company Secretary

A. K. Kothari
Chairman

P. K. Jain
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF
GILLANDERS ARBUTHNOT AND COMPANY LIMITED

Report On The Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Gillanders Arbuthnot and Company Limited ('the Holding Company') and its subsidiaries (collectively hereinafter referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ('the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 of 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 have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 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 financial statements.

5. 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 paragraph 7 on 'Other Matters' below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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 31 March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

7. We did not audit the financial statements in respect of branches, two subsidiaries and a step down subsidiary whose financial statements taken together reflect total assets of Rs. 47,567 lakhs as at 31st March, 2016, total revenues of Rs. 35,611 lakhs and net cash outflow amounting to Rs. 93 lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statements have been audited by other auditors

whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

8. Our opinion on the consolidated financial statements, and our report on Other Legal and Regualtory 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 auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

9. As required by sub-section 3 of Section 143 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 financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the Group incorporated in India is disqualified as on 31 March, 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

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

I. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 32 to the consolidated financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary company incorporated in India.

For SINGHI & Co.
Chartered Accountants
Firm Registration No. 302049E

Anurag Singhi
Partner
Membership No. 066274

Place : Kolkata
Dated : the 29th May, 2016

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 9 (f) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Gillanders Arbuthnot and Company Limited for the year ended 31st March, 2016)

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March, 2016, we have audited the internal financial controls over financial reporting of Gillanders Arbuthnot and Company Limited ('the Holding Company') and its subsidiary company which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal

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

Auditor's Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 7 below on 'Other Matters', is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, 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.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For SINGHI & Co.
Chartered Accountants
Firm Registration No. 302049E

Anurag Singhi
Partner
Membership No. 066274

Place : Kolkata
Dated : the 29th May, 2016

CONSOLIDATED BALANCE SHEET as at 31st March, 2016

₹ in Lakhs

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	**2,334.23**	2,334.23
Reserves and Surplus	3	**15,471.52**	26,618.68
Minority Interest		**-**	-
Non-Current Liabilities			
Long Term Borrowings	4	**21,639.27**	15,993.69
Deferred Tax Liabilities (Net)	5	**6.95**	3,395.75
Other Long Term Liabilities	6	**2,366.29**	2,743.53
Current Liabilities			
Short Term Borrowings	7	**21,956.60**	25,816.96
Trade Payables			
i) Dues to Micro and Small enterprises	8	**-**	18.71
ii) Dues to creditors other than Micro and Small enterprises	9	**11,608.15**	10,941.06
Other Current Liabilities	10	**8,042.25**	7,966.98
Short Term Provisions	11	**3,063.85**	2,694.28
	TOTAL	**86,489.11**	98,523.87
ASSETS			
Non-Current Assets			
Fixed Assets	12		
(i) Tangible Assets		**23,931.27**	35,397.17
(ii) Intangible Assets		**29.81**	35.73
(iii) Capital Work-in-Progress		**428.31**	1,123.27
		24,389.39	36,556.17
Goodwill on Consolidation	13	**7,040.77**	6,634.47
Non-Current Investments	14	**2,708.25**	2,708.25
Long Term Loans and Advances	15	**5,033.05**	7,942.51
Other Non-Current Assets	16	**1,903.00**	1,629.68
Current Assets			
Current Investments	17	**99.74**	99.07
Inventories	18	**16,172.66**	16,055.99
Trade Receivables	19	**12,843.46**	13,251.90
Cash and Bank Balances	20	**462.90**	472.13
Short Term Loans and Advances	21	**11,045.65**	8,087.82
Other Current Assets	22	**4,790.24**	5,085.88
	TOTAL	**86,489.11**	98,523.87
Significant Accounting Policies	1		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For and on behalf of the Board

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number - 302049E
Anurag Singhi
Partner
Membership No. 066274
Kolkata, 29th May, 2016

D. K. Sharda
Managing Director & CEO

D. Karmakar
Company Secretary

A. K. Kothari
Chairman

P. K. Jain
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2016

₹ in Lakhs

Particulars	Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Income			
Revenue from Operations (Gross)	23	**82,379.07**	87,113.16
Less : Excise Duty		**632.92**	819.07
Revenue from Operations (Net)		**81,746.15**	86,294.09
Other Income	24	**1,064.17**	861.33
Total Revenue		**82,810.32**	87,155.42
Expenses			
Cost of Materials Consumed	25	**28,242.53**	34,858.33
Purchases of Stock-in-Trade	26	**10,080.94**	8,707.49
Changes in Inventories of Finished goods, Stock-in-Process and Stock-in-Trade	27	**(391.11)**	(192.84)
Employee Benefits Expense	28	**14,241.83**	12,470.86
Finance Costs	29	**5,132.94**	4,207.80
Depreciation and Amortisation Expense	12	**1,889.70**	2,101.29
Unrealised Foreign Exchange Loss	43	**2,851.42**	271.46
Other Expenses	30	**25,965.82**	25,952.24
Total Expenses		**88,014.07**	88,376.63
Loss Before Tax		**5,203.75**	1,221.21
Tax Expense:			
-Current Tax	31	**154.37**	145.20
-Deferred Tax		**79.93**	(480.20)
Loss from Continuing Operations (A)		**5,438.05**	886.21
Loss from Discontinuing Operations	36	**97.41**	1.46
Tax expense of Discontinuing Operations		**-**	-
Loss from Discontinuing operations (B)		**97.41**	1.46
Minority Interest		**-**	-
Loss for the year (A+B)		**5,535.46**	887.67
Earnings per Ordinary Share (Face Value of ₹10 per share)			
Basic & Diluted (in ₹)	46	**(26.01)**	(4.23)

Significant Accounting Policies 1

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For and on behalf of the Board

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number - 302049E
Anurag Singhi
Partner
Membership No. 066274
Kolkata, 29th May, 2016

D. K. Sharda
Managing Director & CEO

D. Karmakar
Company Secretary

A. K. Kothari
Chairman

P. K. Jain
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2016

₹ in Lakhs

		For the year ended 31st March, 2016		For the year ended 31st March, 2015	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Loss before tax		**5,301.16**		1,222.67
	Adjustments for :				
	Depreciation and Amortisation Expense	**1,892.96**		2,105.42	
	Finance Cost (Net of incentive income)	**5,132.94**		4,207.80	
	(Profit) on Sale of Investments (Net)	**-**		(16.41)	
	(Profit)/Loss on Sale of Fixed Assets (Net)	**(221.12)**		4.99	
	Unrealised Exchange Loss	**2,851.42**		-	
	Bad Debts and Advances written off	**100.50**		170.47	
	Provision for Doubtful Debts and advances (Net of written back)	**171.52**		(36.93)	
	Provision for diminution in value of investment written back	**(0.67)**		(0.76)	
	Interest Income	**(241.08)**		(272.40)	
	Dividend Income	**(13.41)**		(24.17)	
	Liability no longer required written back	**(213.48)**	**9,459.58**	(76.59)	6,061.42
	Operating profit before Working Capital Changes		**4,158.42**		4,838.75
	Adjustments for :				
	Trade and Other Receivables	**342.76**		(3,475.78)	
	Inventories	**(495.56)**		1,574.08	
	Trade and Other Payables	**422.32**	**269.52**	670.47	(1,231.23)
	Cash Generated from Operations		**4,427.94**		3,607.52
	Direct Taxes Paid (Net)		**(393.25)**		122.91
	Inretest received on Income Tax refund		-		105.65
	Net Cash from Operating Activities		**4,034.69**		3,836.08
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets including Capital Work in Progress	**(1,561.32)**		(2,632.77)	
	Proceeds from Sale of Fixed Assets	**378.28**		38.72	
	Capital Subsidy Received	**33.27**		17.51	
	Acquisition of a subsidiary company	**(5.00)**		(2,313.92)	
	Proceeds from Sale of Current Investments	**-**		406.78	
	Proceeds from Sale of Long Term Investments	**-**		27.00	
	Interest Received	**323.31**		81.23	
	Dividend Received	**13.41**		24.17	
	Net Cash used in Investing Activities		**(818.05)**		(4,351.28)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Short Term Borrowings (Net)	**(4,392.12)**		1,825.32	
	Proceeds from Long Term Borrowings	**9,555.63**		12,012.27	
	Repayment of Long Term Borrowings	**(3,949.94)**		(2,504.58)	
	Proceeds from Fixed Deposits (from Public)	**1,873.60**		2,248.38	
	Repayment of Fixed Deposits (from Public)	**(867.46)**		(2,424.54)	
	Dividend Paid	**(9.23)**		(184.81)	
	Tax on Dividend	**-**		(29.92)	
	Guarantee Settlement	**-**		(4,929.19)	
	Finance Charges Paid	**(5,163.03)**		(4,221.02)	
	Net Cash used in Financing Activities		**(2,952.55)**		1,791.91
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)		**264.09**		1,276.71

CONSOLIDATED CASH FLOW STATEMENT (Contd.)

₹ in Lakhs

	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015	
Cash and Cash Equivalents on Opening date		**2,101.81**		825.10
Cash and Cash Equivalents on Closing date [See Note-b below]		**2,365.90**		2,101.81
		264.09		1,276.71

Notes :

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on 'Cash Flow Statements'.

b) Cash and Cash Equivalents includes ₹1,985.86 lakhs (Previous Year ₹1,789.93 lakhs) available for restricted use (Refer Note - 20). The restrictions are mainly on account of cash and bank balances held as margin money deposit against bank guarantees, under lien and unclaimed dividends.

c) The deposits maintained by the bank comprises of time deposits, which can be withdrawn by the company at any point of time without prior notice or penalty on the principal.

d) Previous year's figures have been rearranged and regrouped, wherever necessary.

The accompanying notes are an integral part of the Consolidated financial statements.

As per our report of even date.

For and on behalf of the Board

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E
Anurag Singhi
Partner
Membership No. 066274
Kolkata, 29th May, 2016

D. K. Sharda
Managing Director & CEO

D. Karmakar
Company Secretary

A. K. Kothari
Chairman

P. K. Jain
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2016

1. Significant Accounting Policies

1.1 Principles of Consolidation

The Consolidated Financial Statements (CFS) relate to Gillanders Arbuthnot and Company Limited (the Company), its subsidiaries and its step-down subsidiaries (the Group). The CFS has been prepared in accordance with Accounting Standard-21 on "Consolidated Financial Statements" (AS-21) and is prepared on the following basis:

(a) The financial statements of the Group are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions including unrealized profits / losses in period end assets, such as inventories, fixed assets etc. The difference between the Company's cost of investments in the Subsidiaries, over portion of equity at the time of acquisition of shares is recognized in the CFS as Goodwill or Capital Reserve, as the case may be.

(b) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are translated at the average rates prevailing during the period. Assets, liabilities and equity are translated at the closing rate. Any exchange difference arising on translation is recognized in the "Foreign Currency Translation Reserve". The financial statements of the subsidiaries used in consolidation are drawn upto the same reporting date as that of the company.

(c) Minority Interest's share of net profit of subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

(d) Minority Interest's share of net assets of subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

(e) The CFS is prepared by using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any and to the extent possible, are made in the CFS and are presented in the same manner as the company's standalone financial statements except otherwise stated.

1.2 Basis of Accounting

These consolidated financial statements of the Group have been prepared to comply in all material aspects with all the applicable accounting principles in India (Indian GAAP), the applicable accounting standards as prescribed under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, to the extent notified. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis.

1.3 Use of Estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.4 Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and cumulative impairment losses, if any. Cost includes duties, taxes, incidental expenses, erection/commissioning expenses and borrowing cost attributable to qualifying assets up to the date, the asset is put to use. The cost of extension of planting on cultivable land including cost of development is capitalised.

1.5 Intangible Assets

Costs incurred on intangible assets, resulting in future economic benefits are capitalised as intangible assets. Intangible assets are stated at cost less accumulated amortisation and cumulative impairment losses, if any.

1.6 Depreciation & Amortisation

a) Depreciation on tangible fixed assets is provided under Straight Line Method at rates determined based on useful lives of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or re-assessed by the Company based on technical evaluation except in respect of the following where written down value method is followed:

i) In respect of assets under Company's Engineering (MICCO) Division.

ii) In respect of Tea Division, assets acquired from Kothari Plantations and Industries Limited amalgamated with the Company.

iii) In respect of the Plant & Machinery other than continues process plant under Textile Division, useful lives of 30 years has been considered on the basis of technical evaluation, which is different from lives specified in Schedule-II.

Notes to the Consolidated Financial Statements (contd.)

b) In respect of spares for specific machinery cost of such spare is amortised over the useful lives of the related machinery as estimated by the management.

c) Leasehold land is amortised over the lease period.

d) Computer software is amortised over a period of five years.

1.7 Impairment of Assets

The carrying amounts of fixed assets are reviewed at each balance sheet date to determine, if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of the fixed assets of a cash generating unit exceeds its recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

1.8 Investments

Long Term Investments are stated at cost with an appropriate provision for diminution in value, other than temporary in nature, in the valuation of long term investments. Current Investments are stated at lower of cost and fair value. Gains/Losses on disposal of investments are recognised as income/expenditure.

1.9 Foreign Currency Transactions

Transactions in foreign currencies are recognised at the rate existing at the time of such transactions. Gain or Loss resulting from the settlement of such transactions is recognised in the Statement of Profit and Loss. At the Balance Sheet date, monetary items denominated in foreign currency are translated at year-end rates or the forward cover rates as applicable. The resultant translation differences, if any, are recognised in the Statement of Profit and Loss.

1.10 Derivative Instruments

The Group uses forward exchange contracts to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments. In respect of forwards exchange contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortized as expense or income over the life of contract. Other forwards exchange contracts outstanding at the Balance Sheet date are marked to market and in case of loss the same is provided for in the financial statement. Any profit or losses arising on cancellation of forward exchange contracts are recognised as income or expense for the period.

1.11 Inventories

Inventories are valued as under: -

a)	Stores and Spare Parts	-	At cost (on weighted average basis) or net realisable value whichever is lower.
b)	Raw Materials	-	At cost (on weighted average basis) or net realisable value whichever is lower.
c)	Stock in Process	-	Is valued with material at lower of weighted average cost and market rate and estimated conversion cost.
d)	Finished Goods/Stock in Trade /Contract in Progress	-	For long term contracts, contract in progress is valued at realisable value/contractual rate and provision for losses, as may be estimated for completion thereof.
		-	Others - At cost or net realisable value whichever is lower.
e)	Waste / Scrap	-	Waste and Scrap are valued at estimated realisable value.

1.12 Employee Benefits

a) Short Term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

b) Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques.

c) Actuarial gains/losses arising under Defined Benefit Plans are recognized immediately in the Statement of Profit and Loss as income/expense for the year in which they occur.

d) In case of Group Development Limited (along with its subsidiaries) there is a policy of severance pay as part of long term employee benefits. The Group's net obligation in respect of long-term employee benefit is the amount of future benefit that employees have earned in return for their service in the current and prior period.

1.13 Provisions, Contingent Liabilities and Contingent Assets

i) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

a) the Company has a present obligation as a result of a past event;

Notes to the Consolidated Financial Statements (contd.)

b) a probable outflow of resources is expected to settle the obligation;, and

c) the amount of the obligation can be reasonably estimated.

ii) Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received. Contingent liability is disclosed in case of

a) present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;

b) present obligation when no reliable estimate is possible; and

c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

iii) Contingent Assets are neither recognised, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

1.14 Recognition of Income and Expenditure

Items of income and expenditure are recognised on accrual and prudent basis. Contract Revenue is recognised by reference to the stage of completion of the contract activity at the reporting date of the consolidated financial statements on the basis of percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Expected loss, if any, on the construction/project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included in contract revenue is taken into consideration. Dividends income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

1.15 Taxes on Income

Income tax expense comprises current tax and deferred tax charge. Current income tax expense comprises taxes on income from operations in India and in Foreign Jurisdiction. Income tax payable in India is determined in accordance with the applicable provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws in countries where such operations are domiciled. Deferred tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only if there is reasonable / virtual certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. Such assets are reviewed as at each Balance Sheet date to reassess the realizability thereof. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Group is able to and intends to settle the asset and liability on a net basis. The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefit in the form of tax credit against future income tax liability, is recognised in the Balance Sheet if there is convincing evidence to the effect that the Group will pay normal income tax during the specified period.

1.16 Leases

For assets acquired under Operating Lease, rentals payable are charged to Statement of Profit and Loss. Assets acquired under Finance Lease are capitalised at lower of the Fair Value and Present Value of Minimum Lease Payments. Lease income from operating leases is recognised in the Statement of Profit and Loss over the period of Lease.

1.17 Government Grants

Government Grants related to specific Tangible fixed assets are deducted from gross values of related assets in arriving at their book value. Government Grants related to revenue are recognised in the Statement of Profit and Loss.

1.18 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Consolidated Financial Statements (contd.)

2. Share Capital **₹ in Lakhs**

2.1

Particulars	As at 31st March, 2016	As at 31st March, 2015
Authorised		
4,20,00,000 (Previous Year - 4,20,00,000) Ordinary Shares of ₹ 10 each	**4,200.00**	4,200.00
32,00,000 (Previous Year - 2,00,000) Preference Shares of ₹ 100 each	**3,200.00**	200.00
Issued		
2,13,42,346 (Previous Year - 2,13,42,346) Ordinary Shares of ₹ 10 each	**2,134.23**	2,134.23
2,00,000 (Previous Year - 2,00,000) Preference Shares of ₹ 100 each	**200.00**	200.00
Subscribed and Fully Paid up		
2,13,42,346 (Previous Year - 2,13,42,346) Ordinary Shares of ₹ 10 each	**2,134.23**	2,134.23
2,00,000 (Previous Year - 2,00,000) Preference Shares of ₹ 100 each	**200.00**	200.00
	2,334.23	2,334.23

2.2 Reconciliation of numbers of Shares Outstanding:

Particulars	2015-16		2014-15	
	Ordinary Shares	Preference Shares	Ordinary Shares	Preference Shares
Shares outstanding at the beginning of the year	**2,13,42,346**	**2,00,000**	2,13,42,346	2,00,000
Shares outstanding at the end of the year	**2,13,42,346**	**2,00,000**	2,13,42,346	2,00,000

2.3 Rights, Preferences and Restrictions attached to shares

i) Ordinary Shares

(a) The Company has only one class of Ordinary shares having a face value of ₹ 10 per share and each holder of Ordinary shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors (except interim dividend) is subject to the approval of the shareholders in the Annual General Meeting.

(b) In case of liquidation the Ordinary Shareholders are eligible to receive remaining assets of the company, after distribution of all the preferential amounts, in the proportion of their Shareholding.

(ii) Preference Shares

(a) The Company has one class of 8 % Redeemable Cumulative Preference Shares having a par value of ₹ 100 per share and the holder of Preference shares has a preferential right over the Ordinary shareholders with respect to payment of dividend and repayment of Share Capital in case of liquidation. The preference shareholder does not have voting powers except in a meeting of preference shareholder.

(b) The 8% Redeemable Cumulative Preference Shares are redeemable at par in 15 (fifteen) years from the date of allotment i.e. 31st March, 2005 with the option to the Company to redeem the same at any time after the expiry of 60 (sixty) months from the said date of allotment at the discretion of the Board of Directors of the Company.

Notes to the Consolidated Financial Statements (contd.)

2.4 Shares of the Company held by each shareholder holding more than 5% shares

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	Number of Shares held	**% of Shares held**	Number of Shares held	% of Shares held
Ordinary Shareholders				
Kothari Phytochemicals & Industries Ltd.	**55,01,078**	**25.78**	55,01,078	25.78
Kothari Investment & Industries Pvt. Ltd.	**22,53,748**	**10.56**	22,53,748	10.56
Vishnuhari Investments & Properties Ltd.	**17,07,291**	**8.00**	17,07,291	8.00
M.D. Kothari & Company Ltd.	**15,21,868**	**7.13**	15,21,868	7.13
Kothari & Co. Pvt. Ltd.	**14,26,199**	**6.68**	14,26,199	6.68
Commercial House Pvt. Ltd.	**13,68,212**	**6.41**	13,68,212	6.41
Life Insurance Corporation of India	**11,87,278**	**5.56**	11,87,278	5.56
Preference Shareholder				
Kothari & Co. Pvt. Ltd.	**2,00,000**	**100.00**	2,00,000	100.00

2.5 Details of aggregate number of Fully paid up Ordinary shares issued pursuant to a Contract / Bonus during the period of five years immediately preceeding 31st March

Particulars	**As at 31st March, 2016**	As at 31st March, 2015
	No. of Ordinary Shares	No. of Ordinary Shares
Fully paid up Ordinary Shares of ₹ 10/- each by way of bonus shares by capitalisation of General Reserve		71,14,115

Notes to the Consolidated Financial Statements (Contd.)

3 Reserves & Surplus

₹ in Lakhs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
Capital Reserve				
At the beginning and at the end of the year		**3,394.88**		3,394.88
Biological Assets Revaluation Reserve				
At the beginning of the year	**6,891.60**		-	
Addition on acquisition of subsidiary	**-**		6,891.60	
Less: Adjustment during the year [Refer Note-12(b)]	**6,891.60**	**-**	-	6,891.60
Property Revaluation Reserve				
At the beginning of the year	**959.50**		-	
Addition on acquisition of subsidiary	**-**		959.50	
Less: Adjustment during the year [Refer Note-12(b)]	**959.50**	**-**	-	959.50
Amalgamation Reserve				
At the beginning and at the end of the year		**61.93**		61.93
Foreign Currency Translation Reserve				
At the beginning of the year	**314.90**		-	
Addition on acquisition of subsidiary	**-**		314.90	
Addition during the year (net)	**2,239.40**	**2,554.30**	-	314.90
Export Profit Reserve				
At the beginning and at the end of the year		**0.85**		0.85
Preference Share Redemption Reserve				
At the beginning and at the end of the year		**262.47**		262.47
General Reserve				
At the beginning and at the end of the year		**9,860.07**		9,860.07
Surplus in Statement of Profit and Loss				
At the beginning of the year	**4,872.48**		5,991.03	
Less: Depreciation adjustment as per revised calculations (net of deferred tax) [Refer Note-12(e)]	**-**		230.88	
Loss for the year	**5,535.46**		887.67	
		(662.98)		4,872.48
Total		**15,471.52**		26,618.68

4 Long Term Borrowings

Particulars	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
	Non Current Portion		Current Maturities	
Secured				
Term Loans in Indian Rupees				
From Banks				
IDBI Bank Ltd	**-**	267.00	**267.00**	368.00
State Bank of Patiala	**2,940.00**	340.00	**400.00**	360.00
State Bank of India	**7,703.29**	5,428.73	**2,118.11**	2,095.78
IndusInd Bank Ltd (for Equipment)	**-**	44.11	**44.11**	123.22
HDFC Bank Ltd (for Vehicles)	**2.18**	25.58	**23.17**	26.26
The Karur Vysya Bank Ltd.	**-**	900.00	**-**	100.00
Axis Bank Ltd.	**8,259.58**	7,876.70	**-**	-
First Merchant Bank Ltd.	**834.60**	53.13	**-**	-
From Others				
Tea Board of India	**122.90**	122.90	**24.58**	49.16
	19,862.55	15,058.15	**2,876.97**	3,122.42
Unsecured				
Fixed Deposits (From Public)	**1,276.72**	935.54	**324.42**	449.30
YES Bank Ltd.	**500.00**	-	**1,000.00**	-
	1,776.72	935.54	**1,324.42**	449.30
Total	**21,639.27**	15,993.69	**4,201.39**	3,571.72

Notes to the Standalone Financial Statements (Contd.)

4.1 - Terms of Repayment of Term Loans & Other Loans

₹ in Lakhs

Particulars	Nature of Loan	Amount	Period of Maturity	No. of Instal-ments due	Instalment Value	Repayment Terms	Rate of Interest p.a.
From Banks:-							
IDBI Bank Ltd	Technology Upgradation Fund Scheme (TUF) - II	267.00	Dec -16	3	92.00/Quarter 83.00/Quarter	Apr'16- Sep'16 Dec '16	Base rate + 2.56%
State Bank of Patiala	TUF - II	340.00	Mar -17	4	90.00/Quarter 70.00/Quarter	Apr'16 - Dec'16 Mar'17	Base rate+ 1.70%
State Bank of India	TUF - II	630.71	Mar -17	4	182.67/Quarter 82.70/Quarter	Apr'16 - Dec'16 Mar'17	Base rate+ 2.00 %
	TUF - III	505.00	Mar -19	12	49.00/Quarter 43.00/Quarter 37.00/Quarter 20.00/Quarter	Apr'16 - Sep'17 Dec'17 Mar'18-Dec'18 Mar'19	Base rate+ 2.00%
	TUF - IV	1,961.19	Dec-18	11	196.00/Quarter 195.00/Quarter 174.23/Quarter 24.96/Quarter	Sep, Dec, Mar quarter of 2016-17 to 2017-18 and June 2018-19 "June Quarter of 2016-17 to 2017-18" Sep'18 Dec'18	Base rate+2.00%
State Bank of India	Term Loan (III)	96.00	Mar-19	11	10.00/Quarter 11.00/Quarter 1.00/Quarter 2.00/Quarter	"Jun, Sep, Dec quarter of 2016-17to 2017-18" "Mar Quarter of 2016-17 to 2017-18 & Jun '18 " Sep'18 Mar'19	Base rate+ 2.00%
	Term Loan (IV)	326.35	Dec-17	7	50.00/Quarter 26.35/Quarter	Apr'16 - Sep'17 Dec'17	Base rate+ 2.00 %
State Bank of India	Corporate Loan -I	2,920.00	Mar-23	28	25.00/Quarter 50.00/Quarter 75.00/Quarter 100.00/Quarter 125.00/Quarter 175.00/Quarter 185.00/Quarter	Apr'16 - Mar'17 Apr'17 - Mar'18 Apr'18 - Mar'19 Apr'19 - Mar'20 Apr'20 - Mar'21 Apr'21 - Sep'22 Dec'22 - Mar'23	Base rate+ 1.00 %
	Corporate Loan -II	2,870.00	Mar-23	28	15.00/Quarter 60.00/Quarter 70.00/Quarter 75.00/Quarter 100.00/Quarter 150.00/Quarter 175.00/Quarter 175.00/Quarter 35.00/Quarter	Apr'16 - Mar'17 Apr'17 - Dec'17 Mar'18 Apr'18 - Mar'19 Apr'19 - Mar'20 Apr'20 - Mar'21 Apr'21 - Mar'22 Apr'22 - Dec'22 Mar'23	Base rate+ 1.70 %
State Bank of India	Lease Rental Discounting Loan (LRD)	512.15	March-20	48	"Equated monthly Installment (EMI)"	Apr'16- Mar'20	Base rate+ 1.50 %
State Bank of Patiala	Corporate Loan	3,000.00	Mar-23	28	15.00/Quarter 60.00/Quarter 70.00/Quarter 75.00/Quarter 100.00/Quarter 150.00/Quarter 175.00/Quarter 175.00/Quarter 165.00/Quarter	Apr'16 - Mar'17 Apr'17 - Dec'17 Mar'18 Apr'18 - Mar'19 Apr'19 - Mar'20 Apr'20 - Mar'21 Apr'21 - Mar'22 Apr'22 - Dec'22 Mar'23	Base rate+ 1.35 %
IndusInd Bank Ltd	Equipment Loan	3.07 3.07 3.07 2.77 2.77 2.77 2.77 2.78 2.78 18.26	July -16 July -16 July -16 July -16 July -16 July -16 July -16 July -16 July -16 July -16	4 4 4 4 4 4 4 4 4 4	"Equated monthly Installment (EMI)" (EMI) (EMI) (EMI) (EMI) (EMI) (EMI) (EMI) (EMI) (EMI)	Apr'16 - July'16 Apr'16 - July'16 Apr'16 - July'16 Apr'16 - July'16 Apr'16 - July'16 Apr'16 - July'16 Apr'16 - July'16 Apr'16 - July'16 Apr'16 - July'16 Apr'16 - July'16	10.51%
HDFC Bank Ltd.	Vehicle Loan	3.85 19.17 2.33	Apr -17 Apr -17 May -17	13 13 14	EMI EMI EMI	Apr'16 - Apr'17 Apr'16 - Apr'17 Apr'16 - May'17	10.50% 10.00% 10.75%
YES Bank Limited	Term Loan	1,500.00	April-17	3	500.00/Month	Feb'17 - April'17	11.00% (fixed)
Axis Bank Ltd. Singapore	Term Loan	8,259.58	Sep-22	6	1238.94/Year 1238.94/Year 1238.94/Year 1238.94/Year 1238.94/Year 2064.90/Year	Sep'17 Sep'18 Sep'19 Sep'20 Sep'21 Sep'22	3 month LIBOR + 2.90%
First Merchant Bank Limited, Malawi	Term Loan	834.60	Mar-22	60	13.91/Month	Mar'17-Mar-22	7.75%
From Others:-							
Tea Board of India	Special Purpose Tea Fund Scheme	147.48	Mar -22	12	12.29/ Half Yearly	Apr'16 - Jan'22	10.24%

Notes to the Consolidated Financial Statements (Contd.)

4.2 Security Clauses

1. The Term Loan from IDBI Bank Ltd (IDBI), State Bank of Patiala (SBP) and State Bank of India (SBI) , Corporate Loan from State Bank of India (SBI), State Bank of Patiala (SBP) and Letter of Credit facility from SBI for purchase of capital goods are secured by first charge by way of Equitable Mortgage by deposit of title deeds of the Company's immovable properties situated at (a) Akbarpur, Punjab, (b) Champdani, West Bengal, (c) Gillander House, West Bengal, (d) Sodepur, West Bengal and (e) Konnagar, West Bengal and also secured by way of 1st charge on entire Fixed Assets, both present and future of the Company except those pertaining to the Tea Division but subject to prior charge(s) created on current assets (except Tea Division) in favour of Company's bankers for securing working capital facilities availed from time to time in the ordinary course of business. The mortgage and charge shall rank pari passu with the mortgage and charges created/ to be created in favour of IDBI, SBP and SBI . The term loans, corporate loan and letter of credit for Capital Goods are also secured by guarantee of a Director.
2. Lease Rental Discounting (LRD) Term Loan from SBI is secured by assignment/ hypothecation of current and future lease proceeds, rental receivables and other fees from certain chargeable area of Gillander House, West Bengal and are also secured/to be secured by 1st charge on entire Fixed Assets, both present and future of the Company except those pertaining to the Tea Division but subject to prior charge(s) created/to be created on current assets (except Tea Division) in favour of Company's bankers. The mortgage and charge shall rank pari passu with the mortgage and charges created/ to be created in favour of IDBI, SBP and SBI. The term loan is also secured by guarantee of a Director.
3. Term Loan from YES Bank Limited is secured by guarantee of a Director.
4. The Term Loan from IndusInd Bank Ltd. , are secured by hypothecation of the related Equipments purchased and guarantee by a Director.
5. The Term Loan from HDFC Bank Ltd., are secured by hypothecation of the related vehicles purchased .
6. The Term Loan of Gillanders Holdings (Mauritius) Limited, Maritius from Axis Bank Ltd., Singapore, are secured by Axis Bank Limited, India which has offered a stand by letter of credit USD 13 Million to Axis Bank Limited, Singapore, by creating a pari-passu charge on tea estates in India, of the Holding Company.
7. The Term Loan of Group Developments Limited, Malawi from First Merchant Bank Limited, are secured by collateral security by way of mortgage charge on Naming'omba Tea Estate, a unit of a subsidiary of Group Developments Limited, Malawi.
8. The Term Loan from Tea Board of India under Special Purpose Tea Fund Scheme (SPTF) is secured by second charge by way of equitable mortgage on Immovable properties situated at the Tea estates and also further secured by second charge by way of hypothecation of Tea crop of the estates .

4.3 Maturity pattern for Fixed Deposit (from Public) having rate of interest varying between 10.25% p.a. - 11.25% p.a. are as set out below :-

₹ in Lakhs

	2016-17	2017-18	2018-19
Maturity Period	324.42	747.12	529.60

5 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Deferred Tax Liabilities		
- Depreciation and Amortisation	**2,090.54**	5,264.16
Less: Deferred Tax Assets		
- Provision for doubtful debts	**198.47**	134.78
- Items allowed on actual payment basis under Income Tax Act	**987.62**	1,066.18
- Unabsorbed depreciation/Carry forward business losses #	**897.50**	667.45
Total	**6.95**	3,395.75

The recognition of deferred tax asset on unabsorbed depreciation / business losses has been restricted to the extent of deferred tax liability on account of timing difference in respect of depreciation, the reversal of which is virtually certain.

Notes to the Consolidated Financial Statements (Contd.)

6 Other Long Term Liabilities **₹ in Lakhs**

Job Advance received from Customers	**688.98**	1,023.63
Trade deposit/Security deposit received	**1,598.55**	1,672.78
Interest Accrued but not due on Fixed Deposits (from Public)	**78.76**	47.12
Total	**2,366.29**	2,743.53

7 Short Term Borrowings

Particulars	**As at 31st March, 2016**	**As at 31st March, 2015**
7.1 Secured		
Working Capital Facilities from Banks		
- United Bank of India	**982.64**	2,105.16
- Other Banks	**8,431.40**	12,981.00
	9,414.04	15,086.16
7.2 Unsecured		
Short Term Loans		
From Banks	**4,000**	6,500.00
From Other Bodies Corporate	**6,150.00**	2,670.00
From Related Parties	**50.00**	-
Fixed Deposits (from Public)	**2,342.56**	1,560.80
	12,542.56	10,730.80
Total	**21,956.60**	25,816.96

(i) The working capital facilities from United Bank of India are secured by hypothecation of Tea Crop, Made Tea, Book Debts and all other Current Assets of the Tea Estates and are further secured by way of Equitable Mortgage on immovable properties situated at the Tea Estates.

(ii) Working Capital Facilities from other Banks, (except those availed by Tea Division of the Company from United Bank of India) are secured by hypothecation of Company's (other than Tea Division) entire current assets, both present and future, ranking pari passu inter-se, and guaranteed by a Director and are further secured by way of second charge on the Fixed Assets of the Company (other than Tea Division) ranking pari passu inter-se.

(iii) Working capital facilities from First Merchant Bank Ltd., Malawi, for ₹622.04 Lakhs of Group Developments Limited, Malawi is secured by mortgage charge on Naming'omba Tea Estate, a unit of subsidiary of Group Developments Limited, Malawi.

(iii) The Working Capital Facilities having interest rate varying between 10.15% p.a. - 12.00% p.a. are repayable on demand.

(iv) Unsecured Short Term Loan :

(a) From HDFC Bank Ltd. ₹4,000.00 Lakhs having interest rate varying between 10.50% p.a. to 11.00% p.a. is repayable by June 2016.

(b) From Bodies Corporate and related parties having interest varying between 13.00% p.a. to 14.00% p.a. are repayable on demand.

(v) Fixed Deposit (from Public) is having interest rate varying between 10.25% p.a. to 11.25% p.a.

Notes to the Consolidated Financial Statements (Contd.)

8 Trade Payable - Dues to Micro and Small Enterprises

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
i) Principal Amount remaining unpaid to any suppliers under MSMED Act	-	18.71
ii) Interest due thereon remaining unpaid to any suppliers on above	-	-
iii) Any Payment made to suppliers beyond appointed date (under Section 16 of the Act) -	-	
iv) Interest due and payable to suppliers under MSMED Act	-	-
v) Interest Accrued & remaining unpaid	-	-
vi) Interest remaining due & payable as per section 23 of the Act	-	-
Total	-	18.71

The Group has compiled this information based on intimation received from the suppliers of their status as Micro or Small Enterprises and/or its registration with appropriate authority under the Mico, Small and Medium Enterprises Act, 2006 ("MSMED Act").

9 Trade Payable - Dues to Creditors other than Micro and Small Enterprises

For Goods	**5,746.11**	5,243.26
For Services & Others	**4,225.48**	3,306.83
Acceptances	**1,636.56**	2,390.97
Total	**11,608.15**	10,941.06

10 Other Current Liabilities

Current Maturities of Long- Term Borrowings [Refer Note-4]	**4,201.39**	3,571.72
Interest Accrued but not due on borrowings	**166.49**	178.51
Job advance received from Customers	**635.74**	1,379.79
Advances from Agents and Customers	**152.38**	95.07
Unclaimed Dividends	**50.43**	59.66
Unclaimed matured deposits and interest accrued thereon	**12.70**	3.68
Statutory Liabilities	**341.36**	322.43
Trade deposit/Security deposit received	**614.43**	408.32
Employee's related liabilities	**1,525.14**	1,331.51
Other payables #	**342.19**	616.29
Total	**8,042.25**	**7,966.98**

Includes liability for Electricity voltage surcharge, Capital items etc.

11 Short Term Provisions

Provision for Employee Benefits		
- Provision for Leave	**353.83**	307.71
- Provision for Gratuity	**2,561.89**	2,386.57
Provision for Taxation	**0.32**	-
Others	**147.81**	-
Total	**3,063.85**	2,694.28

Notes to the Consolidated Financial Statements (Contd.)

12 Fixed Assets

₹ in Lakhs

Sl No.	Particulars	Gross Block				Depreciation and Amortisation				Net Block	
		Balance as at 31st March 2015	Additions	Disposals/ Adjustments	**Balance as at 31st March 2016**	Balance as at 31st March 2015	For the year Ended 31st March 2016	On disposal/ Adjustments	**Balance as at 31st March 2016**	**Balance as at 31st March 2016**	**Balance as at 31st March 2015**
A	**Tangible Assets**										
	Freehold Land	750.84	-	212.55	538.29	-	-	-	-	538.29	750.84
	Leasehold Land	16.08	-	-	16.08	-	-	-	-	16.08	16.08
	Estate & Development	3,251.83	-	-	3,251.83	-	-	-	-	3,251.83	3,251.83
	Buildings (see note-d below)	10,021.36	432.72	1,578.38	8,875.70	3,878.65	191.47	322.56	3,747.56	5,128.14	6,142.71
	Bridges, culverts, boundaries, etc.	17.14	-	-	17.14	5.58	0.84	-	6.42	10.72	11.56
	Roads	106.60	17.91	(215.28)	339.79	96.14	8.66	(172.07)	276.87	62.92	10.46
	Plant and Machinery	31,908.06	628.07	377.02	32,159.11	18,256.51	1,295.99	193.09	19,359.41	12,799.70	13,651.55
	Furniture and Fittings	568.98	23.34	50.54	541.78	348.15	49.15	20.93	376.37	165.41	220.83
	Motor Vehicles	1,347.49	67.38	183.13	1,231.74	860.85	115.14	81.88	894.11	337.63	486.64
	Office Equipment	297.18	21.76	(25.43)	344.37	218.03	35.12	(17.22)	270.37	74.00	79.15
	Computers and data processing units	362.75	9.70	(59.36)	431.81	326.48	17.88	(49.85)	394.21	37.60	36.27
	Electrical Installations and Equipments	1,568.21	897.48	(4.80)	2,470.49	852.99	162.74	(4.62)	1,020.35	1,450.14	715.22
	Live Stock	80.86	-	-	80.86	80.86	-	-	80.86	-	-
	Biological Assets	10,024.03	18.07	9,983.29	58.81	-	-	-	-	58.81	10,024.03
	Total	**60,321.41**	**2,116.43**	**12,080.04**	**50,357.80**	**24,924.24**	**1,876.99**	**374.70**	**26,426.53**	**23,931.27**	**35,397.17**
	Previous Year	58,666.02	2,008.12	352.73	60,321.41	22,781.89	2,087.95	(54.40)	24,924.24	35,397.17	
B	**Intangible Assets**										
	Computer Softwares	324.69	10.05	-	334.74	288.96	15.97	-	304.93	29.81	35.73
	Total	**324.69**	**10.05**	**-**	**334.74**	**288.96**	**15.97**	**-**	**304.93**	**29.81**	**35.73**
	Previous Year	308.43	16.26	-	324.69	271.49	17.47		288.96	35.73	
C	Capital Work In Progress									428.31	1,123.27
	Total									**428.31**	**1,123.27**
	Previous Year									1,123.27	
	Grand Total (A+B+C)	**60,646.10**	**2,126.48**	**12,080.04**	**50,692.54**	**25,213.20**	**1,892.96**	**374.70**	**26,731.46**	**24,389.39**	**36,556.17**
	Previous Year	58,974.45	2,024.38	352.73	60,646.10	23,053.38	2,105.42	(54.40)	25,213.20	36,556.17	

Note : a) Disposals/Adjustments includes ₹ 33.27 Lakhs (Previous Year ₹ 17.51 Lakhs) relating to Capital Subsidy received during the year.

b) Biological Assets and Property, Plant & Equipment related to foreign subsidiaries (i.e. Group Developments Limited, Malawi alongwith its' subsidiaries) are measured at fair value, which is not in accordance with the Company's policy of valuation at historical cost basis. The revalued amount, included in gross block above, is ₹9,964.13 Lakhs (including deferred tax asset of ₹3,072.53 Lakhs) and ₹1,201.78 Lakhs (including deferred tax asset of ₹242.28 Lakhs) of Biological Assets and Property, Plant & Equipments respectively, has been disclosed under the head disposals/adjustment during the year, to align with the valuation of the said assets of the above subsidiaries with those of the group. The gross value of the Tangible Assets related to such subsidiaries at the end of the year is ₹905.13 Lakhs (Previous year ₹12,501.09 Lakhs).

c) Disposal/Adjustment to gross block includes net loss of ₹373.11 Lakhs (previous year ₹ Nil) and disposal/adjustment from accumulated depreciation for the year includes net gain of ₹214.36 Lakhs (previous year ₹2.48 Lakhs) on account of translation of fixed assets and depreciation to date, respectively, of foreign subsidiaries, the effect of which is considered in Foreign Currency Translation Reserve.

d) Refer to Note - 45(b) for Office Premises given on Operating Lease (included under Head 'Building' above).

e) In the previous year, the Company has adjusted depreciation of ₹ 230.88 Lakhs (net of deferred tax), which has been adjusted with opening balance of statement of profit and loss on account of transitional provision of Schedule-II of the Companies Act, 2013.

f) Gross Block includes ₹229.94 Lakhs (Previous year ₹256.19 Lakhs) on which depreciation of ₹3.26 Lakhs (Previous year ₹4.13 Lakhs) is included in above depreciation on account of discontinuing operations.

Notes to the Consolidated Financial Statements (Contd.)

13 Goodwill on Consolidation

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
At the begining of the year	**6,634.47**	-
Addition on acquisition of subsidiary	**-**	6.634.47
Add : Impact of foreign currency translation	**406.30**	-
Total	**7,040.77**	6,634.47

14 Non-current Investments

Particulars	Face Value (₹)	Nos	As at 31st March, 2016	As at 31st March, 2015
Long Term Investments				
(At Cost unless otherwise stated)				
a) Quoted-Other than Trade				
Amarjothi Spinning Mills Ltd.	10	1	*	*
B & A Ltd.	10	1	*	*
Banswara Syntex Ltd.	10	1	*	*
Dhunseri Petrochems & Tea Ltd.	10	1	*	*
Duncans Industries Ltd.	10	1	*	*
Era Infra Engineering Ltd.	2	1	*	*
Ginni Filaments Ltd.	10	1	*	*
Goodricke Group Ltd.	10	1	*	*
GTN Industries Ltd.	10	1	*	*
Harrisons Malayalam Ltd.	10	1	*	*
James Warren Tea Ltd.	10	1	-	-
Jay Shree Tea & Industries Ltd.	5	1	*	*
K.P.R. Mill Ltd.	10	1	*	*
Kilburn Engineering Ltd.	10	1	*	*
Kiran Vypar Limited	10	1	*	*
L.G.Balakrishnan & Bros. Ltd.	10	2	*	*
Lambodhara Textiles Ltd.	5	2	*	*
Lanco Infratech Ltd.	1	1	*	*
Maharaja Shree Umaid Mills Ltd.	10	1	*	*
Maral Overseas Ltd.	10	1	*	*
McLeod Russel India Ltd.	5	1	*	*
McNally Bharat Engineering Co. Ltd.	10	1	*	*
Mukund Engineers Ltd.	10	1	*	*
Nahar Industrial Enterprises Ltd.	10	1	*	*
Nahar Spinning Mills Ltd.	5	1	*	*
NCC Ltd.	2	1	*	*
Nitin Spinners Ltd.	10	1	*	*
Patspin India Ltd.	10	1	*	*
Petron Engineering Construction Ltd.	10	1	*	*
Punj Lloyd Ltd.	2	1	*	*
Rajapalayam Mills Ltd.	10	1	*	*
Rajvir Industries Ltd.	10	1	*	*
Rossel India Limited	2	1	*	*
RSWM Ltd.	10	1	*	*
Sambandam Spinning Mills Ltd.	10	1	*	*
Sangam (India) Ltd.	10	1	*	*
Shree Rajasthan Syntex Ltd.	10	1	*	*
Shriram EPC Ltd.	10	1	*	*
Simplex Projects Ltd.	10	1	*	*
Stewarts & Llyods of India Ltd.	10	1	*	*
Suryajyoti Spinning Mills Ltd.	10	1	*	*
Suryalata Spinning Mills Ltd.	10	1	*	*
Suryavanshi Spinning Mills Ltd.	10	1	*	*
Sutlej Textiles & Industries Ltd.	10	1	*	*
UB Engineering Ltd.	10	1	*	*
Vardhman Polytex Ltd.	10	1	*	*
Vardhman Textiles Ltd.	10	1	*	*
Warren Tea Ltd.	10	1	*	*
Welspun Projects Ltd.	10	1	*	*
Winsome Textile Industries Ltd.	10	1	*	*
Winsome Yarns Ltd.	10	1	*	*
Sub total			**0.04**	**0.04**

* Amount is below the rounding off norm adopted by the Company.

Notes to the Consolidated Financial Statements (Contd.)

14 Non-Current Investments (Contd.)

₹ in Lakhs

Particulars	Face Value (₹)	Nos	As at 31st March, 2016	As at 31st March, 2015
b) Unquoted - Other Than Trade (At Cost unless otherwise Stated)				
(i) Investment in Fully paid Equity Shares				
ABC Tea Workers Welfare Services Ltd.	10	7,502 (7,502)	**0.75**	0.75
Kothari Hi Tech Consultants Pvt. Ltd.	10	95,000 (95,000)	**9.50**	9.50
Satyam Financial Services Ltd.	10	59,669 (59,669)	**7.18**	7.18
Bharat Fritz Werner Ltd.	2	26,81,811 (26,81,811)	**2,694.90**	2,694.90
Woodlands Multispeciality Hospital Ltd.	10	8,655 (8,655)	**0.87**	0.87
			2,713.20	2,713.20
Less: Provision of Diminution in value of Investments			**5.00**	5.00
Sub total			**2,708.20**	2,708.20
(ii) Investment in Fully paid Debentures				
5% 10 years Redeemable Debenture in Shillong Club Ltd.	100	13 (13)	**0.01**	0.01
Sub total			**0.01**	0.01
Total			**2,708.25**	2,708.25
Note : Figures in the brackets represents previous year figures				
Aggregate book value of Quoted Investments			**0.04**	0.04
Aggregate market value of Quoted Investments			**0.06**	0.04
Aggregate book value of Unquoted Investments			**2,713.21**	2,713.21
Aggregate provision for diminution in value of Investments			**5.00**	5.00

15 Long Term Loans and Advances

	As at 31st March, 2016	As at 31st March, 2015
(Unsecured and Considered good)		
Capital Advances	**113.03**	147.00
Security Deposits Paid	**4,920.02**	7,795.51
Total	**5,033.05**	7,942.51

16 Other Non-Current Assets

	As at 31st March, 2016	As at 31st March, 2015
Deposits with Banks (Original Maturity more than 12 months) (Refer Note - 20)	**1,903.00**	1,629.68
Total	**1,903.00**	1,629.68

Notes to the Consolidated Financial Statements (Contd.)

17 Current Investments (valued at lower of cost or fair market value, unless otherwise stated) **₹ in Lakhs**

Particulars	Face Value (₹)	Nos	As at 31st March, 2016	As at 31st March, 2015
Unquoted - Other than Trade				
(a) Investments in Government and Trust Securities				
6 Years National Saving Certificates (Deposited with Commercial Tax Officer)			**0.07**	0.07
Sub Total			**0.07**	0.07
(b) Investments in Mutual Funds				
SBI PSU Fund - Regular Plan-Growth	10	2,50,000 (2,50,000)	**25.00**	25.00
SBI Premier Liquid Fund - Institutional-Growth	100	4 (4)	**0.07**	0.07
Goldman Sachs Mutual Fund Gold Benchmark	100	3,100 (3,100)	**78.79**	78.79
			103.86	103.86
Less : Provision for Diminution in Value of Investments			**4.19**	4.86
Sub Total			**99.67**	99.00
Total			**99.74**	99.07
Note Figures in the brackets represents previous year figures				
Agregate Book value of Unquoted Investments			**103.93**	103.93
Agregate provision for diminution in value of investments			**4.19**	4.86

Notes to the Consolidated Financial Statements (Contd.)

18 Inventories

(Refer Note - 1.11 for mode of Valuation)

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Raw Materials	**3,382.19**	3,485.97
Stock-in-Process	**1,152.88**	1,149.28
Finished Goods (Other than Trading Goods)	**7,381.54**	7,088.52
Stock-in-trade (Goods purchased for Trading)	**587.76**	721.05
Contract-in-Progress	**1,234.34**	1,088.66
Stores and Spare Parts	**2,417.07**	2,499.85
Waste	**13.94**	15.62
Scrap	**2.94**	7.04
Total	**16,172.66**	16,055.99
Included in above are		
Goods in Transit		
Raw Materials	**142.60**	547.41
Stock-in-trade (Goods purchased for Trading)	**-**	4.26
Total	**142.60**	551.67

Broad Category of Inventories

Finished Goods		
Tea, Macademia Nuts and Other Crops	**1,554.81**	2,441.86
Lead Oxide and Metalic Stearates	**237.43**	208.56
Cotton and Man-Made Fibre Yarn	**5,589.30**	4,438.10
Total	**7,381.54**	7,088.52
Stock-in-Process		
Lead Oxide and Metalic Stearates	**96.28**	86.92
Cotton and Man-Made Fibre Yarn	**1,056.60**	1,057.32
Others	**-**	5.04
Total	**1,152.88**	1,149.28
Stock-in-Trade		
Paints & Allied Products	**-**	77.56
Boughtout Goods for Construction Jobs	**587.76**	643.49
Total	**587.76**	721.05

Notes to the Consolidated Financial Statements (Contd.)

19 Trade Receivables

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
(Unsecured considered good, unless otherwise stated)		
(a) Outstanding for a period exceeding six months from the date they become due for payment		
Considered Good	**3,516.76**	3,162.34
Considered Doubtful	**421.12**	317.52
Less: Provision for Doubtful Trade Receivables	**421.12**	317.52
Sub total	**3,516.76**	3,162.34
(b) Other Trade Receivables		
Considered Good	**9,326.70**	10,089.56
Considered Doubtful	**0.27**	2.70
Less: Provision for Doubtful Trade Receivables	**0.27**	2.70
Sub total	**9,326.70**	10,089.56
Total	**12,843.46**	13,251.90

20 Cash and Bank Balances

(a) Cash and Cash Equivalents		
Balances with Banks	**339.13**	243.68
Cheques, Drafts in hand and in Transit	**15.56**	31.83
Cash in hand	**19.85**	18.43
Sub total	**374.54**	293.94
(b) Other Bank Balances		
Unclaimed Dividend Accounts	**50.43**	59.66
Margin Money with Banks	**37.93**	118.53
Deposits with Banks (Original maturity with more than 12 months) # # includes ₹1,811.64 (Previous year ₹1,611.74) Lakhs under lien with bank (Refer note 32.2 (iii))	**1,903.00**	1,629.68
Sub total	**1,991.36**	1,807.87
Total	**2,365.90**	2,101.81
Less : Deposits with Banks disclosed under 'Other Non-Current Assets' (Refer Note - 16)	**1,903.00**	1,629.68
Total	**462.90**	472.13

Notes to the Consolidated Financial Statements (Contd.)

21 Short Term Loans and Advances

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
(Unsecured and Considered Good)		
Security Deposits	**5,487.40**	2,161.88
Advance for Raw Materials and Stores	**399.69**	732.98
Balances with Statutory/Government Authorities	**1,892.39**	1,886.74
Advance Payment of Income Tax (Net of Provision)	**1,287.05**	974.20
Deposit with NABARD	**634.54**	569.70
Other Advances Recoverable in Cash or in Kind #	**1,344.58**	1,762.32
Sub Total	**11,045.65**	8,087.82
(Unsecured and Considered Doubtful)		
Balances with Statutory/Government Authorities	**12.44**	12.91
Other Advances Recoverable in Cash or in Kind #	**72.59**	64.16
Sub Total	**85.03**	77.07
Less: Provision for Doubtful Loans & Advances	**85.03**	77.07
Sub Total	**-**	-
Total	**11,045.65**	8,087.82

includes Prepaid Expenses, Contractor advances, etc.

22 Other Current Assets

(Unsecured and Considered Good)		
Interest Receivable on Loans and Deposits	**49.50**	131.73
Subsidy/Incentive Receivables	**554.14**	596.28
Export Incentive Receivables	**145.12**	278.23
Other Receivables	**4,041.48**	4,079.64
Total	**4790.24**	5,085.88

Notes to the Consolidated Financial Statements (Contd.)

23 Revenue From Operations (Gross) **₹ in Lakhs**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Sale of Products		
Cotton and Man - Made Fibre Yarn	**33,407.55**	36,563.67
Tea, Macademia Nuts and other crops	**23,818.79**	19,404.36
Fabrics	**418.92**	1,663.86
Lead Oxide and Mettalic Stearates	**4,962.26**	6,436.90
Sub Total	**62,607.52**	64,068.79
Income from Constructions Contracts	**17,612.75**	20,895.42
Income from Services	**-**	11.68
Other Operating Revenue		
Subsidies	**48.83**	68.56
Export Incentives	**688.98**	522.24
Claims	**15.61**	44.32
Sale of Waste	**580.57**	742.39
Rental Income	**785.72**	711.99
Sale of Scrap	**39.09**	47.77
Sub Total	**2,158.80**	2,137.27
Total	**82,379.07**	87,113.16

Notes to the Consolidated Financial Statements (Contd.)

24 Other Income

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Interest Income		
- Interest on Bank and Other Deposits	**239.35**	165.73
- Interest Received on Income Tax Refund	**-**	105.65
Dividend Income		
- Long Term Investments	**13.41**	10.73
- Current Investments	**-**	13.44
Profit on Sale of Fixed Assets (Net)	**222.67**	-
Insurance Claim Received	**18.82**	0.14
Sale of scrap and used materials of stores	**0.07**	3.66
Foreign Exchange Fluctuations (Net)	**52.87**	87.94
Profit on Sale of Investments (Net)		
- Long Term Investments	**-**	16.18
- Current Investments	**-**	0.23
Provision for Doubtful Trade Receivables and Advances written back	**-**	47.49
Liabilities no longer required, written back	**185.86**	75.52
Provision for Diminution in Value of Investment written back	**0.67**	0.76
Other Non Operating Income	**330.45**	333.86
Total	**1,064.17**	861.33

25 Cost of Raw Materials Consumed

Opening Stock	**3,485.97**	4,176.60
Add : Purchases	**28,138.75**	34,167.70
Less : Closing Stock	**3,382.19**	3,485.97
Total	**28,242.53**	34,858.33
Broad Category of Raw Materials Consumed		
i) Green Leaf (Purchased)	**2,513.97**	2,705.57
ii) Cotton and Man-Made Fibre Yarn	**21,773.50**	26,246.95
iii) Mild Steel	**323.35**	1,348.34
iv) Lead	**3,631.71**	4,557.47
Total	**28,242.53**	34,858.33

Notes to the Consolidated Financial Statements (Contd.)

26 Purchases of Stock-in-Trade

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Tea	**3,716.53**	3,165.89
Boughtout Goods for Construction Jobs	**6,364.41**	5,541.60
Total	**10,080.94**	8,707.49

27 Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
(a) Finished Goods (Manufactured)				
Opening Inventories	**7,088.52**		5,999.64	
Closing Inventories	**7,381.54**	**(293.02)**	7,088.52	(1,088.88)
(b) Stock-in-Process				
Opening Inventories	**1,149.28**		1,458.94	
Closing Inventories	**1,152.88**	**(3.60)**	1,149.28	309.66
(c) Stock-in-Trade				
Opening Inventories	**643.49**		1,184.72	
Closing Inventories	**587.76**	**55.73**	643.49	541.23
(d) Stock of Scrap				
Opening Inventories	**7.04**		2.89	
Closing Inventories	**2.94**	**4.10**	7.04	(4.15)
(e) Waste				
Opening Inventories	**15.62**		20.29	
Closing Inventories	**13.94**	**1.68**	15.62	4.67
(f) Fluctuation in Exchange Rate Carried to Foreign Exchange Translation Reserve		**(156.00)**		44.63
Total		**(391.11)**		(192.84)

* excludes ₹77.56 lakhs (previous year ₹154.08 Lakhs) from opening inventories on account of Discontinuing Operations

Notes to the Consolidated Financial Statements (Contd.)

28 Employee Benefits Expense **₹ in Lakhs**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
a) Salaries and Wages	**11,951.42**	10,090.46
b) Contribution to Provident and Other Funds		
- Contribution to Gratuity Fund	**192.30**	429.12
- Contribution to Provident Fund	**850.57**	739.46
- Contribution to Employee State Insurance Fund	**127.60**	119.76
c) Staff Welfare Expenses	**1,119.94**	1,092.06
Total	**14,241.83**	12,470.86

28.1 Information in accordance with the requirements of the Accounting Standard - 15 on 'Employee Benefits':-

a. Provident Fund

The Company makes a contribution for Provident Fund towards defined contribution plans for eligible employees. In respect of certain employees, Provident Fund contribution is made to Trust Funds administered by the Company towards defined benefit plans. The Company shall make good for deficiency, if any, in the interest rate declared by the trust vis-à-vis statutory rate.

During the year Company has contributed ₹852.30 Lakhs, which includes ₹1.73 Lakhs for discontinuing operations (Previous Year ₹ 745.59 Lakhs, which includes ₹6.13 Lakhs for discontinuing operations) towards provident fund.

Based on the Guidance Note on measurement of Provident Fund liabilities from The Actuarial Society the actuary has provided the valuation of interest guaranteed on Provident Fund. Accordingly, there is no shortfall of interest required to be provided for as at 31st March, 2016 as well as in the previous year.

b. Employee State Insurance Scheme

The Company make contribution for Employee State Insurance (ESI) Scheme towards defined contribution plan. During the year Company has contributed ₹127.94 Lakhs, which includes ₹0.34 Lakhs for discontinuing operations (Previous year ₹133.41 Lakhs, which includes ₹13.65 Lakhs for discontinuing operations).

c. Gratuity

The Employee's Gratuity Fund Scheme, a defined benefit plan, is administered by Life Insurance Corporation of India (LIC) and SBI Life Insurance Company Ltd. (SBI Life). LIC or SBI Life make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit as prescribed. Vesting occurs upon completion of five years of service. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method at each balance sheet date.

Notes to the Consolidated Financial Statements (Contd.)

28.2 The following table sets forth the particular in respect of the Defined Benefit Plans of the Group for the year ended 31st March, 2016.

₹ in Lakhs

	Description	Gratuity (Funded) 2015-16	Gratuity (Funded) 2014-15
A	**Reconciliation of Opening and Closing Balances of the Present Value of the Defined Benefit Obligation**		
	Present value of Obligation as on 1st April	**2,457.70**	2,475.30
	Current Service Cost	**148.07**	139.81
	Interest Cost	**189.88**	179.02
	Actuarial (Gain) / Losses	**(159.23)**	138.67
	Benefits Paid	**(44.73)**	(475.10)
	Present Value of Obligation as on 31st March	**2,591.69**	2,457.70
B	**Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets**		
	Fair Value of Plan Assets as on 1st April	**71.13**	519.18
	Expected Return on Plan Assets	**6.22**	46.73
	Acruarial Gain / (Losses)	**(4.03)**	(20.08)
	Contribution	**1.21**	0.40
	Benefits Paid	**(44.73)**	(475.10)
	Fair Value of Plan Assets as on 31st March	**29.80**	71.13
C	**Reconciliation of the Present Value of the Defined Benefit Obligation and Fair Value of Plan Assets**		
	Present Value of Obligation as on 31st March	**2,591.69**	2,457.70
	Fair Value of Plan Assets as on 31st March	**29.80**	71.13
	Assets / (Liabilities) recognised in the Balance Sheet	**(2,561.89)**	(2,386.57)
D	**Expenses recognised in the Statement of Profit and Loss**		
	Current Service Cost	**148.07**	**138.81**
	Interest Cost	**189.88**	**179.02**
	Expected return on Plan Assets	**(6.22)**	**(46.73)**
	Actuarial (Gain) / Losses	**(155.20)**	**158.75**
	Total Expense recognised #	**176.53**	**429.85**
E	**Category of Plan Assets**		
	Fund with LIC	**29.29**	26.22
	Fund with SBI Life	**0.51**	44.91
	Total	**29.80**	71.13
F	**Actual return on Plan Assets**	**2.19**	26.65
G	**Principal Actuarial Assumptions**		
	Discount Rate	**7.80%**	8.00%
	Salary Escalation	**3.00%**	3.00%
	Expected return on Assets	**8.75%**	9.00%
	Mortality Rates	**IALM 2006-08 ULTIMATE**	IALM 2006-08 ULTIMATE

includes ₹15.77 Lakhs written back (previous year ₹0.73 Lakhs provided) for discontinuing operations.

Notes to the Consolidated Financial Statements (Contd.)

28.3 Net Assets / (Liability) recognised in Balance Sheet (including experience adjustment impact)

₹ in Lakhs

Description	**Gratuity (Funded) 2015-16**	Gratuity (Funded) 2014-15
Present Value of Obligation at the end of the year	**2,591.69**	2,457.70
Fair Value of Plan Assets at the end of the year	**29.80**	71.13
(Assets) / Liabilities recognised in the Balance Sheet	**2,561.89**	2,386.57
Experience adjustment on Plan Liabilities	**159.23**	138.67
Experience adjustment on Plan Assets	**(4.03)**	(20.08)

Notes :-

1) The detail of experience adjustment arising on plan assets and liabilities as required by paragraph 120(n)(ii) of Accounting Standard-15 on 'Employee Benefits' is given to the extent of information provided in the Actuarial Valuation Report.

2) The estimate of future salary increases, considered in actuarial valuations takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

3) The expected rate of return on plan assets is based on actuarial assumption.

4) The group expect to contribute a sum of ₹ 751.70 Lakhs during 2016-17 towards Gratuity Fund.

5) The above information is actuarially determined.

29 Finance Costs

Particulars	**For the year ended 31st March, 2016**	For the year ended 31st March, 2015
Interest Expenses (net of incentive income)	**4,700.37**	3,964.24
Other Borrowing Costs	**432.57**	243.56
Total	**5,132.94**	4,207.80

Notes to the Consolidated Financial Statements (Contd.)

30. Other Expenses **₹ in Lakhs**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Consumption of Stores and Spare Parts	**3,601.39**	3,602.09
Power and Fuel	**6,578.45**	6,557.38
Repairs to Buildings	**293.63**	274.15
Repairs to Machinery	**1,358.18**	1,174.19
Other Repairs	**160.86**	213.94
Jobs on Contract	**5,637.52**	6,474.02
Jobs Outsourcing	**810.07**	825.97
Machinery Hire Charges	**991.13**	417.53
Cess on Green Leaf and Made Tea	**130.26**	124.81
Excise Duty on Closing Stock of Finished Goods (Net)	**(29.99)**	15.51
Freight, Shipping, Delivery and Selling Expenses	**1,953.16**	1,785.74
Selling Agents' Commission	**270.85**	431.01
Brokerage and Discount on Sale	**539.72**	634.92
Auditors' Remuneration		
Statutory Auditor		
- Audit Fees	**16.00**	16.00
- Other Services	**14.20**	10.70
- Reimbursement of Expenses	**0.20**	0.51
Branch Auditors		
- Audit Fees	**44.09**	23.10
- Tax Audit Fees	**1.50**	1.50
- Other Services	**1.73**	1.45
- Reimbursement of Expenses	**0.46**	0.67
Rent	**97.81**	106.78
Rates and Taxes, excluding taxes on income	**317.99**	257.43
Insurance	**297.20**	266.36
Bad Debts and Advances Written off	**91.59**	170.47
Provision for Doubtful Debts and Advances	**123.70**	5.41
Directors Fees & Commission	**11.58**	9.79
Consultation and Advisory Charges	**226.11**	290.82
Loss on Sale of Fixed Assets (Net)	**-**	5.37
Travelling and Conveyance Expenses	**922.64**	935.24
Other Miscellaneous Expenses	**1,503.79**	1,319.38
Total	**25,965.82**	25,952.24

31 Current Tax

Income Tax	**74.37**	35.20
Agricultural Income Tax	**80.00**	110.00
Total	**154.37**	145.20

Notes to the Consolidated Financial Statements (Contd.)

32. Contingent Liabilities and Commitments **₹ in Lakhs**

Particulars		As at 31st March, 2016	As at 31st March, 2015
32.1	**Contingent Liabilities**		
	Claims against the Group not acknowledged as debts		
	i) Sales Tax	**1,118.31**	983.35
	ii) Cess on Jute Bags/Jute Twine	**7.32**	7.32
	iii) Cess and Excise on Captive Consumption	**11.33**	11.33
	iv) Excise Duty	**114.22**	70.30
	v) Service Tax	**442.58**	425.90
	vi) Income Tax	**106.02**	106.02
	vii) Voltage Surcharge on Electricity consumed	**159.32**	159.32
	viii) Others	**31.99**	155.66
	Note: In respect of above, future cash flows are determinable only on receipt of judgements pending at various forums/authorities which in the opinion of the Company is not tenable and there is no possibility of any reimbursement in case of above.		
32.2	**Commitments**		
	i) "Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of advance ₹113.03Lakhs (Previous Year ₹147.00 Lakhs)]"	**233.97**	346.16
	ii) Arrear Dividend on Redeemable Cumulative Preference Shares:	**32.00**	16.00
	iii) The Board has not declared any dividend on Redeemable Cumulative Preference Shares. Dividend in arrears on cumulative preference shares can be paid in a later year where there are profits to justify such payment.		
	iv) Deposits with Bank committed to continue till the tenure of stand by letter of credit	**1,811.64**	1611.74

Notes to the Consolidated Financial Statements (Contd.)

33. Information in accordance with the requirements of the Accounting Standard-17 on 'Segment Reporting' :

(a) The Group has identified Six primary business segments viz :

i)	Textile	-	Manufacture and sale of yarn and fabric made out of Cotton and Man-Made Fibre viz., Acrylic, Polyster, Viscose Staple and Blends thereof.
ii)	Engineering (MICCO)	-	Manufacture and sale of Steel Structurals, Pipes and equipments and Designing, Supplying, erectioning and Commissioning of projects on turnkey basis.
iii)	Tea	-	Manufacture and sale of tea & Macademia Nuts
iv)	Chemical (Waldies)	-	Manufacture and sale of lead oxide, white lead, lead salts and metallic stearates
v)	Property	-	Letting out property on rent
vi)	Trading	-	Purchase and sale of paints and allied products

Segments have been identified and reported taking into account nature of products and services, the different risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with the following additional policies for segment reporting :-

i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

ii) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related asset and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Primary Segment Information (Business Segment): **₹ in Lakhs**

Particulars	Textile	Engineering (MICCO)	Tea	Chemical (Waldies)	Trading (Discontinuing operations)	Property	Unallocable	Total
Gross Segment Revenue								
External Turnover	34,839.22	17,631.56	24,165.07	4,964.27	182.94	778.94	-	82,562.00
	(39,311.21)	(20,917.83)	(19,729.77)	(6,442.37)	(1,233.77)	(711.99)	-	(88,346.94)
Inter Segment Revenue	-	-	-	-	-	101.72	-	101.72
	-	-	-	-	-	(101.72)	-	(101.72)
Total Turnover	34,839.22	17,631.56	24,165.07	4,964.27	182.94	880.66	-	82,663.71
	(39,311.21)	(20,917.83)	(19,729.77)	(6,442.37)	(1,233.77)	(813.71)	-	(88,448.66)
Less : Excise Duty	-	78.12	-	554.80	-	-	-	632.92
	-	(106.42)	-	(712.65)	-	-	-	(819.07)
Segment Revenue (Net of Excise Duty)	34,839.22	17,553.44	24,165.07	4,409.47	182.94	880.66	-	82,030.80
	(39,311.21)	(20,811.41)	(19,729.77)	(5,729.72)	(1,233.77)	(813.71)	-	(87,629.59)
Less : Inter Segment Elimination						101.72		101.72
						(101.72)		(101.72)
Revenue from Operations (Net)								81,929.08
								(87,527.87)
Segment Result	524.86	(121.15)	(1,177.67)	170.90	(99.12)	640.64		(61.54)
	(107.89)	(1,616.78)	(552.88)	(275.27)	(-2.47)	(585.55)		(3,135.90)
Less: Unallocable Expenditure net of							106.68	106.68
Unallocable Income							(150.77)	(150.77)
Finance Costs							5,132.94	5,132.94
							(4,207.80)	(4,207.80)
Loss before Tax								5,301.16
								(1,222.67)
Depreciation and Amortisation	986.41	333.19	512.81	3.65	3.26	1.56	52.08	1,892.96
	(938.81)	(460.16)	(622.13)	(3.39)	(4.13)	(3.30)	(73.50)	(2,105.42)
Non Cash Expenses other than	-	162.22	47.09	-	56.72	5.98	2,851.42	3,123.43
Depreciation and Amortisation	-	(169.83)	-	(0.64)	(5.16)	(5.41)	(271.46)	(452.50)
Capital Expenditure	464.00	31.62	913.38	-	-	3.81	15.68	1,428.49
	(1,351.15)	(31.99)	(1,093.23)	(13.69)	(0.37)	(0.33)	(61.69)	(2,552.45)
Segment Assets	30,506.84	26,888.86	13,577.53	1,474.35	266.71	103.29	13,707.05	86,524.63
	(29,872.72)	(27,362.11)	(26,445.56)	(1,353.56)	(568.63)	(82.73)	(12,838.56)	(98,523.87)
Segment Liabilities	6,362.82	8,256.76	4,457.28	557.78	39.57	528.82	48,515.85	68,718.88
	(6,482.11)	(8,568.89)	(7,429.28)	(407.63)	(213.22)	(487.92)	(45,981.91)	(69,570.96)

Notes to the Consolidated Financial Statements (Contd.)

b) Secondary Segment Information (Geographical Segment):

The company operates predominantly within geographical limits of India and therefore the Secondary Segment has been demarcated into 'Within India' and 'Outside India' operations as under:

₹ in Lakhs

	Within India	Outside India	Total Revenue
Segment Revenue	65,310.87 (76,550.70)	16,618.21 (10,977.17)	81,929.08 (87,527.87)
Segment Assets	69,443.94 (69,102.50)	3,373.64 (16,582.81)	72,817.58 (85,685.31)
Capital Expenditure	887.31 (2,359.33)	525.50 (131.43)	1,412.81 (2,490.76)

Figures in brackets represent particulars for Previous Year

34. During the year, the Company, along with its nominees, acquired 99.99% equity shares of Barfani Builder Limited ("BBL"), by purchasing 49,995 fully paid up equity shares of ₹ 10/- each at par from the shareholders of BBL.

35. The Company will apply with the Hon'ble High Court at Calcutta, for approval of a Scheme of Arrangement for reconstruction by transfer of its Chemical (Waldies) Division in West Bengal, of the company to BBL with effect from 1st April 2015. Pending approvals of Hon'ble High Court at Calcutta and of regulatory authorities and completion of requisite formalities, the financials of the Chemical (Waldies) Division has been included in these Financial Statements.

36. Discontinuing Operations

In view of the long term strategy of the Company, the Board of Directors in their meeting held on 31st March, 2016 have decided to close its Trading Division with effect from the close of business hours of 31st March, 2016.

The following statement shows the revenue and expenditure of the discontinuing operations of Trading Division – **₹ in Lakhs**

Particulars	**2015-16**	2014-15
Revenue	**217.13**	1244.37
Less: Expenses	**311.28**	1241.70
Less: Finance cost	**-**	-
Less: Depreciation and amortization expense	**3.26**	4.13
Loss Before Tax	**97.41**	1.46
Tax Expense	**-**	-
Loss after Tax	**97.41**	1.46

The carrying amounts of the total assets and liabilities of the division are as follows:

Particulars	**2015-16**	2014-15
Total Assets	**266.71**	569.15
Total Liabilities	**47.37**	213.22
Net assets	**219.34**	355.93

Net cash flow attributable to the division are as below:

Particulars	**2015-16**	2014-15
Revenue	**217.13**	1,244.37
Operating activities	**(30.62)**	0.13
Investing activities	**5.70**	1.90
Financing activities	**7.79**	-
Net cash flows	**(17.13)**	2.03

Notes to the Consolidated Financial Statements (Contd.)

37. a) Enterprises consolidated as subsidiary in accordance with Accounting Standard 21 on Consolidated Financial Statements (CFS)

Name of the Enterprise	Country of Incorporation	Percentage of ownership interest as at 31st March, 2016	Percentage of voting power as at 31st March, 2016	Percentage of ownership interest as at 31st March, 2015	Percentage of voting power as at 31st March, 2015
Subsidiaries (Held directly)					
Gillanders Holdings (Mauritius) Limited (GHML)	Mauritius	100.00	100.00	100.00	100.00
Barfani Builder Limited (BBL)	India	99.99	99.99	-	-
Subsidiaries (Held indirectly)					
Group Developments Ltd. (WOS of GHML) (GDL)	Malawi	100.00	100.00	100.00	100.00
Naming'omba Tea Estates Limited (WOS of GDL)	Malawi	100.00	100.00	100.00	100.00
Mafisi Tea Estates Limited (WOS of GDL)	Malawi	100.00	100.00	100.00	100.00
Group Holdings Ltd. (WOS of GDL)	Malawi	100.00	100.00	100.00	100.00

b) The financial statements of GHML and GDL and its subsidiaries are audited in their respective countries as per their respective laws.

c) The contribution of the subsidiaries acquired during the year is as under **₹ in Lakhs**

Name of the subsidiary	Revenue (post acquisition)	Net profit/(loss) (post acquisition)	Net assets
Barfani Builder Limited (India)	Nil	Nil	5.13

38. For the purpose of consolidation, the CFS of GHML reflecting consolidation of GDL as at 31st March, 2016 which have been prepared in accordance with International Financial Reporting standards have been restated, where considered material, to comply with Generally Accepted Accounting Principles in India and other recognized accounting practices and policies followed by the Company except as disclosed below:

In view of different sets of environment in which foreign subsidiaries operate in their respective countries, provision for depreciation is made to comply with local laws and by use of management estimate. It is not practical to align rates of depreciation of such subsidiaries with those of the Group. The gross value of depreciable tangible assets in Note 12 includes ₹905.13 Lakhs (previous year ₹12,501.09 Lakhs).

Notes to the Consolidated Financial Statements (Contd.)

39. Additional Information, as required under Schedule-III to the Companies Act, 2013, of enterprises consolidated as Subsidiary: **₹ in Lakhs**

Name of the entity	As at 31st March, 2016				As at 31st March, 2015			
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent								
Gillanders Arbuthnot and Company Limited	107.11	19,072.29	-40.95	(2,266.75)	73.73	21,346.43	36.29	(322.15)
Subsidiaries								
Foreign								
1) Gillanders Holdings (Mauritius) Limited (Mauritius)	-5.85	(1,041.71)	-8.44	(467.17)	-3.46	(1,001.86)	33.24	(295.08)
2) Group Developments Limited (Malawi)	-1.29	(229.96)	-50.61	(2,801.54)	29.73	8,608.34	30.47	(270.44)
Indian								
Barfani Builder Limited	0.03	5.13	0.00	-	-	-	-	-

40. A Corporate Social Responsibility (CSR) committee has been formed by the company as per provisions of Section 135 of the Companies Act, 2013. The areas for CSR activities are promoting education, healthcare, animal welfare and projects ensuring environment sustainability. Disclosures of Corporate Social Responsibility expenditure are in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities" **₹ in Lakhs**

Particulars	2015-16	2014-15
Amount of CSR expenditure to be incurred during the year	**17.26**	12.21
CSR expenditure (Revenue Nature) incurred during the year	**2.61**	12.26

41. Revenue expenditure on Research and Development of ₹12.13 Lakhs (Previous Year ₹11.40 Lakhs) represents subscription to Tea Research Association.

42. Related Party Disclosure

42.1 List of related parties and relationships:

Sl. No.	Name of the related party	Relationship
1	Mr. D.K.Sharda (DKS)	Key Management Personnel (KMP)
2	Mr. Sachidananda Payandee Govinda (SPG)	
3	Mr. Vimla Ramsamy (VR)	
4	M D Kothari and Company Limited (MDKCL)	Company's over which KMP/Directors & their relatives are able to exercise significant influence
5	Bharat Fritz Warner Ltd. (BFW)	
6	Kothari and Co Pvt. Limited (KCPL)	
7	Kothari Investment & Industries Pvt. Limited (KIIPL)	
8	Commercial House Pvt. Limited (CHPL)	
9	Vishnuhari Investments and Properties Limited (VIPL)	
10	Kothari Medical Centre (KMC)	
11	Kothari Phytochemicals Industries Limited (KPIL)	
12	Albert David Limited (ADL)	

Notes to the Consolidated Financial Statements (Contd.)

42.2 Details of transactions entered into with the related parties:

₹ in Lakhs

Nature of Transaction	2015-16										2014-15									
	MDKCL	BFW	KCPL	KIIPL	KMC	VIPL	KPIL	CHPL	ADL	**TOTAL**	MDKCL	BFW	KCPL	KIIPL	KMC	VIPL	KPIL	CHPL	ADL	TOTAL
Rent Paid	-	-	2.40	9.00	-	-	-	-	-	**11.40**	-	-	2.40	9.00	-	-	-	-	-	11.40
Rent Received	-	2.30	0.44	-	0.44	-	0.75	-	-	**3.93**	-	2.30	0.44	-	0.44	-	0.75	-	-	3.93
Gurantee Commission Paid	4.30	-	-	-	-	-	-	0.84	-	**5.14**	4.30	-	-	-	-	-	-	1.24	-	5.54
Unsecured Loans Taken	30.00	-	45.00	-	-	75.00	-	-	-	**150.00**	45.00	-	140.00	-	-	40.00	-	125.00	300.00	650.00
Unsecured Loans Repaid	30.00	-	45.00	-	-	25.00	-	-	-	**100.00**	45.00	-	140.00	-	-	40.00	-	125.00	300.00	650.00
Interest on Loans Taken	0.96	-	3.94	-	-	1.65	-	-	-	**6.55**	2.55	-	7.02	-	-	2.28	-	7.42	1.66	20.93
Balance as on 31st March																				
Unsecured Loan Taken	-	-	-	-	-	50.00	-	-	-	**50.00**	-	-	-	-	-	-	-	-	-	-

42.3 Transactions with the Key Management Personnel

₹ in Lakhs

Nature of Transaction	Key Management Personnel of the Company					
	2015-16			2014-15		
	DKS	**SPG**	**VR**	DKS	SPG	VR
Remuneration Paid	**41.31**	**-**	**-**	38.33	-	-
Remuneration/Sitting Fees Paid	**-**	**0.98**	**0.98**	-	0.77	0.77

Notes to the Consolidated Financial Statements (Contd.)

43 An unrealised exchange loss of ₹2,851.42 lakhs (previous year ₹271.46 lakhs) has been provided in the accounts as a result of exchange rate movement on translation of foreign currency loan in Group Developments Limited, Malawi, a step-down subsidiary of the company.

44. Information in accordance with the requirements of the Accounting Standard 7 on 'Construction Contracts':- **₹ in Lakhs**

		2015-16	2014-15
a)	Contract revenue recognised for the year	**17,631.56**	20,917.83
b)	Aggregate amount of contracts costs incurred and recognised Profits (Less recognised losses) up to the year end for all the Contracts-in-Progress.	**126,537.56**	118,558.57
c)	The amount of customer advances outstanding for Contracts-in-Progress as at year end.	**1,324.72**	2,403.42
d)	The amount of retention money due from customers for Contracts-in-Progress as at year end.	**9,997.25**	9,573.44
e)	Gross amount due from customers for Contracts-in-Progress as at year end [included in work-in-progress ₹1,234.34 Lakhs (Previous year ₹1088.66 Lakhs), Trade Receivables ₹7,290.32 Lakhs (Previous year ₹ 7,153.36 Lakhs)]	**8,524.65**	8,242.02
f)	Gross amount due to customer for contract work in Progress as at year end	**-**	-

45. Operating Lease Commitments

a) The Group has taken various Plant and Machinery for its Engineering (MICCO) Division under cancellable operating lease. Lease range for the period between 3 to 8 months. During the year the Company has charged related lease rental of ₹ 991.13 Lakhs (Previous Year ₹ 417.53 Lakhs) in the Statement of Profit and Loss under the head Machinery Hire Charges.

b) The Group has given office premises under cancellable operating leases. These leasing arrangements range between 3 years and 15 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. Initial Direct costs for such leases are borne by the Company and charged off to revenue. Lease rentals are recognised as income for ₹555.24 Lakhs during the year (Previous Year ₹524.10 Lakhs). The gross value and accumulated depreciation of such asset as at 31st March, 2016 was ₹23.59 Lakhs (Previous Year ₹23.59 Lakhs) and ₹22.41 Lakhs (Previous Year ₹22.41 Lakhs) respectively.

c) The Group has certain operating leases for premises (residential, offices and godowns) which are not non-cancellable range between 3 months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged in the Statement of Profit and Loss under the head Rent (Refer Note - 30).

46. Basic and Diluted Earnings per Share

		2015-16	2014-15
(i)	Loss after tax available for Ordinary Shareholders (₹ in Lakhs) *	**5,551.49**	903.67
(ii)	Weighted average of Ordinary Shares of ₹ 10/- each outstanding during the year (Numbers)	**2,13,42,346**	2,13,42,346
(iii)	Basic and Diluted Earnings per Share [(i) / (ii)] (in ₹)	**(26.01)**	(4.23)

* After adjusting Arrear Dividend on Preference Shares of ₹ 16.00 Lakhs (the Board has not recommended any dividend on Redeemable Preference shares for the year 2015-16) and Dividend Distribution Tax there upon of ₹ Nil Lakhs.

Notes to the Consolidated Financial Statements (Contd.)

47. Information relevant for the group has only been disclosed.

48. Minority interest during the year (previous year-Nil) in Balance Sheet and the Statement of Profit and Loss is below the rounding-off norms adopted by the Group.

49. Previous years' figures have been regrouped and/or reclassified whenever necessary to correspond with the current years' classification for disclosure.

As per our report of even date.

For and on behalf of the Board

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number - 302049E

Anurag Singhi
Partner
Membership No. 066274
Kolkata, 29th May, 2016

D. K. Sharda
Managing Director & CEO

D. Karmakar
Company Secretary

A. K. Kothari
Chairman

P. K. Jain
Chief Financial Officer

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

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

Part "A" : Subsidiaries

(Information in respect of each subsidiary to be presented with amount in ₹ Lakh)

1.	Sl. No.	1	2	3
2.	Name of the subsidiary	**Gillanders Holdings (Mauritius) Ltd.**	**Group Developments Ltd. ***	**Barfani Builder Ltd.#**
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	**1st April, 2015 to 31st March, 2016**	**1st April , 2015 to 31st March, 2016**	**1st April , 2015 to 31st March, 2016**
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign \subsidiaries	**USD Exchange Rate- 66.3329**	**Malawian Kwacha Exchange Rate - 0.098**	**Indian Rupee -**
5.	Share capital	**6.63**	**1.26**	**5.00**
6.	Reserves & surplus	**(51.94)**	**(5836.78)**	**-**
7.	Total assets	**8229.27**	**1606.83**	**5.00**
8.	Total liabilities	**8274.58**	**7442.35**	**-**
9.	Investments	**2455.62**	**-**	**-**
10.	Turnover	**-**	**2407.81**	**-**
11.	Profit/(Loss) before taxation	**91.15**	**(3236.33)**	**0.30**
12.	Provision for taxation	**72.82**	**81.36**	**0.13**
13.	Profit/(Loss) after taxation	**18.33**	**(3317.69)**	**0.17**
14.	Proposed Dividend	**-**	-	-
15.	% of shareholding	**100%**	**100%**	**99.99%**

Notes: 1. There are no subsidiaries which are yet to commence operation
2. There are no subsidiaries which have been liquidated or sold during the year 2015-16

* Include its three wholly-owned subsidiaries, viz. Naming'omba Tea Estates Ltd., Mafisi Tea Estates Ltd. and Group Holdings Ltd., all located at Malawi.

Acquired on 31st March, 2016

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013related to Associate Companies and Joint Ventures

Name of Associate	**-**
Latest audited Balance Sheet date	**-**
Shares of Associate held by the company on the year end	
No.	**-**
Amount of Investment in Associates	**-**
Extend of Holding %	**-**
Description of how there is significant influence	
Reason why the associate is not consolidated	**-**
Networth attributable to Shareholding as per latest audited Balance Sheet	**-**
Profit/Loss for the year	**-**
i. Considered in Consolidation	**-**
ii. Not Considered in Consolidation	**-**

Notes: 1. There are no associates and joint ventures which are yet to commence operation
2. There are no associates and joint ventures which have been liquidated or sold during the year 2015-16

For and on behalf of the Board

	A. K. Kothari	**D. K. Sharda**	**D. Karmakar**	**P. K. Jain**
Kolkata, 29th May, 2015	*Chairman*	*Managing Director & CEO*	*Company Secretary*	*Chief Financial Officer*

Notes

Notes

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