

Corporate Identification No.  
L15421WB1890PLC000612

**ANNUAL GENERAL MEETING**

Date : 28th September 2018  
Day : Friday  
Time : 3.00 P. M.  
Venue : Bharatiya Bhasha Parishad  
36A, Shakespeare Sarani,  
Kolkata – 700 017

**Directors**

INDRA JALAN 00046265  
ANIRUDHA JALAN 02610396  
SHRIDHAR ISSAR 00044295  
SANJAY KUMAR KEJRIWAL 00061102  
UMMEDMAL BANTHIA 07314632

**DIN****Company Secretary & CFO**

K. C. MISHRA  
M. No. ACS-13288

**Auditors**

MESSRS. K. N. GUTGUTIA & CO.  
CHARTERED ACCOUNTANTS  
6C, MIDDLETON STREET  
KOLKATA - 700 071  
FRN : 304153E

**Registrars & Transfer Agents**

R & D INFOTECH PRIVATE LTD.  
CORPORATE OFFICE  
1st Floor, 7A, BELTALA ROAD  
Kolkata – 700 026  
Phone Nos.: 033-24192641/42  
Email: rdinfo.investors@gmail.com

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**Bankers**

ALLAHABAD BANK

**Garden:**

TYROON TEA ESTATE  
P. O. KHARIKATIA  
DIST. JORHAT  
ASSAM

**Registered Office**

3, NETAJI SUBHAS ROAD  
KOLKATA – 700 001

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copies of the Annual Report at the meeting.

**NOTICE**

NOTICE is hereby given that the Annual General Meeting of TYROON TEA COMPANY LIMITED will be held as scheduled below:

Date : 28th September 2018  
Day : Friday  
Place : Bharatiya Bhasha Parishad  
36A, Shakespeare Sarani,  
Kolkata – 700 017.  
Time : 3.00 P.M.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt Reports of the Auditors and Directors and the Audited financial statements of the Company for the year ended 31st March, 2018.
2. To appoint a Director in place of Mr. Anirudha Jalan, (DIN 02610396) who retires by rotation and being eligible offers himself for re-appointment.

**Registered Office:**

“McLeod House”  
3, Netaji Subhas Road  
Kolkata – 700 001

By Order of the Board  
For Tyroon Tea Company Limited

**K. C. Mishra**  
Company Secretary and CFO

The 14th Day of Aug, 2018

**Notes:****1. PROXY**

A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxy in order to be effective must be deposited with the Company at its Registered Office at least forty-eight hours before the commencement of the meeting. A person shall not act as a proxy for more than 50 members and holding in aggregate not more than 10% of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% of the total voting Share capital of the Company provided that such person shall not act as a proxy for any other person.

**2. CLOSURE OF REGISTER OF MEMBERS**

The Register of Members of the Company will remain closed from 21st September 2018 to 28th September 2018 (both days inclusive) in connection with the Annual General Meeting.

**3 UNPAID OR UNCLAIMED DIVIDEND**

Pursuant to section 205A of the Companies Act, 1956 all unclaimed / unpaid dividends up to the year ended 31st March, 1995 have been transferred to General Revenue Account of Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, West Bengal at Kolkata.

**4. DEPOSITORY SYSTEM**

The Company, consequent to introduction of the Depository System entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members, therefore now have the option of holding and dealing in the shares of the Company in the electronic form through NSDL or CDSL.

Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.

**5. PAN AND BANK DETAILS**

The Securities and Exchange Board of India (SEBI) has mandated by its Circular NO. SEBI/HO/MIRSD/DOPI/CIR/2018/73 dated 20th April 2018 for submission of Permanent Account Number (PAN) and Bank details together with an original cancelled cheque leaf/attested Bank Pass Book showing the name of Account Holder to the Registrar and Share Transfer Agent (RTA) of the Company by all the security holders holding securities in physical form.

A separate notice in this respect will be send by RTA enclosing a Form where the above particulars to be provided will be sent separately.

**6. HOLDING OF SHARES IN DEMAT FORM**

SEBI has recently amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by its notification dated 8th June, 2018 providing that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository. This provision shall come into force on the one hundred and eightieth day from the date of publication of the notification in the Official Gazette.

In view of the above, the Shareholders holding shares of the Company in physical mode are requested to get their shares dematerialized at an early date.

**7. EMAIL ID**

Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**8. LODGEMENT OF TRANSFER DOCUMENTS**

The instruments of share transfer complete in all respects should reach the Company prior to closure of the Register of Members as stated above.

**9. CONSOLIDATION OF MULTIPLE FOLIOS**

Shareholders who are holding shares in identical order of names in more than one folio, are requested to write to the Company enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio.

**10. CHANGE OF ADDRESS**

Members are requested to quote their Registered Folio Number in all correspondence with the Company and notify the Company immediately of change, if any, in their registered address in case of physical shares. Members holding shares in electronic form are requested to inform their depository participants.

**11. ATTENDANCE SLIP**

Members are requested to affix their signature at the space provided at the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the Board Resolution/Power of attorney authorizing their representative to attend and vote at the Annual General Meeting.

**12. AVAILABILITY OF ANNUAL REPORT**

Members may also note that the notice of Annual General Meeting and the Annual reports will also be available at the Company's website [www.tyroontea.com](http://www.tyroontea.com) for their download.

**13. Voting through Electronic means:**

- (a) The Company is pleased to provide members a facility to exercise their right to vote on the resolutions as set out in the Notice calling for the Annual General Meeting (AGM) by 'electronic means' and all the businesses may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL), in compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014.
- (b) Voting rights are reckoned on the basis of the shares registered in the names of the members/beneficial owners as on the record date fixed for this purpose, viz., 21ST September, 2018.
- (c) Mr. Dhruva Charan Sahoo of D. C. Sahoo & Co., Practicing company secretaries, Kolkata has been appointed as scrutinizer for conducting the e-Voting process in a fair and transparent manner.
- (d) Members are requested to read the instructions given below.
  - (A) The instructions for e-Voting are as under:
    - (i) Open e-mail and then open PDF file viz., "Tyroon Tea Company Limited –AGM 2018 e-Voting.pdf" with their Client ID or Folio No. as password. The said PDF file contains the User ID and password for e-Voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL in the address bar: [www.eVoting.nsdl.com](http://www.eVoting.nsdl.com)
    - (iii) Click on shareholder – Login
    - (iv) Enter User ID and password as initial password noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password with new password with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.
    - (vi) Home page of e-Voting opens. Go to "eVoting" icon and select "Active Evoting Cycles".
    - (vii) Select "EVEN" of Tyroon Tea Company Limited.
    - (viii) Now members are ready for e-Voting as Cast Vote page opens.
    - (ix) Cast the vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once the member has voted on the resolution, such member will not be allowed to modify their vote, subsequently.
- (xii) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF)/JPG Format) of the relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer through e-mail to dcsahoo123@rediffmail.com with copy marked to evoting@nsdl.co.in .

(B) In case of members receiving physical copy of the Notice of AGM:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (e-Voting Event Number)	USER ID	PASSWORD/PIN
106940	Existing	Existing

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of Item No.12(d)(A) above to cast vote.
- (e) In case of any queries, members may refer to the Frequently Asked Questions (FAQs) for Members and e-Voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free No. 1800222990
- (f) If members are already registered with NSDL for e-Voting, then they can use their existing user ID and password for casting the vote.
- (g) Members can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (h) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off-date of 21st September, 2018.
- (i) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding share as of the cut of date i.e. 21st September, 2018 may obtain the login id and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to RTA.  
However if you are already registered with NSDL for remote e-voting then you can use your existing user id and password for casting your vote. If you forgot your password you can reset your password by using “forget user details/password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free number 1800222990.
- (j) The e-Voting period commences on 25th September 2018 (9:00 am) and ends on 27th September 2018 (5:00 pm). During this period, members holding shares either in physical form or in dematerialized form, as on 21st September 2018, may cast their votes electronically. The e-Voting module will be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, such member will not be allowed to change it subsequently.
- (k) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-Voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast “in favour” or “against”, if any, forthwith to the Chairman of the Company.

- (l) The Results declared along with the Scrutinizer's Report will be placed on the Company's website [www.tyroontea.com](http://www.tyroontea.com) and on the website of NSDL within two days of passing of the resolutions at the AGM and communicated to the Stock Exchanges.
- (m) All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during 10.00 am to 12.00 noon on all working days upto and including the date of the AGM.
- 14) A brief profile of directors, who are proposed to be re-appointed/appointed in this AGM, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholding and relationship with other directors of the Company are given below:

**Details of Director Seeking Re-appointment at the Annual General Meeting**

Particulars	Mr. Anirudha Jalan (Promoter)
DIN	02610396
Date of Birth	06/06/1985
Date of Appointment	17/07/2014
Qualification	B.Sc. Finance and MBA
Nature of Experience Functional Area	Mr. Anirudha Jalan has over 10 years experience in the tea industry, both in Assam and Dooars. He holds a Bsc in Finance from The University of Illinois at Urbana-Champaign. He is and an MBA from The Indian School of Business, Hyderabad. Mr Jalan has previously worked with financial companies like Morgan Stanley and Ernst & Young.
Name of Directorship in other Companies	Rajgir Properties (P) Ltd.
Membership/ Chairmanship of committee in public Company	Audit Committee, of Tyroon Tea Company Limited.
Shareholding	1064197
Relation	Relative of Mrs. Indra Jalan and Mr. S. P. Jalan (KMP)

The above report was placed and approved by the Board at its Meeting held on 14th August, 2018.

## REPORT OF THE DIRECTORS

The Directors of the Company have pleasure in presenting the Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2018.

<b>Financial Results</b>	<b>This Year Rs.</b>	<b>Previous Year Rs.</b>
Profit before Interest, Depreciation and Taxation	<b>88,84,393</b>	85,68,091
Less: Interest	<b>31,06,004</b>	1,67,571
Depreciation	<b>56,62,065</b>	57,32,241
Profit / (loss) before tax	<b>1,16,324</b>	26,68,279
Less : Provision for Taxation	<b>9,58,390</b>	8,82,556
Profit / (Loss) after tax	<b>(8,42,066)</b>	17,85,723
Add : Deferred Tax Credit	<b>(15,10,873)</b>	(23,28,155)
Less: Proposed Dividend	—	—
Tax on Proposed Dividend	—	—
(Loss)/Profit for the year	<b>(23,52,939)</b>	(5,42,432)

### DIVIDEND

The Board of Directors of your Company do not recommend dividend for the year under review (Previous year Nil).

### OPERATION OVERVIEW

Your company's turnover stood at Rs.25.15 crore for the period ended 31-03-2018 against Rs. 24.39 crore in the previous year. The increase in turnover by Rs.0.76 crore is due to increase in average selling price.

### COURSE OF BUSINESS AND OUTLOOK

Management discussion and analysis report give the state of affairs of the business of the Company attached to this report separately. (Annexure I)

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.

Particulars in respect of conservation of energy, technology absorption , foreign exchange earnings and outgo as required under section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Account) Rules, 2014 as set out in a separate statement attached hereto and forming part of the report. (Annexure II)

### CORPORATE GOVERNANCE

Regulation 27(2) of The (Listing Obligation and Disclosure Requirements) Regulation, 2015 vide SEBI circular no. CIR/CFB/Policy cell/7/2014 dated 15th September, 2014 is not mandatory for your Company. The Report for the same will be attached as and when the same will be applicable to your Company.

**EXTRACTS OF ANNUAL RETURN**

The Extracts of Annual Return in format MGT-9 for the financial year 2017-18 have been enclosed with the report. **(Annexure III)**

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(1)(c) of the Companies Act, 2013 and on the basis of explanation and compliance certificate given by the executive of the Company and subject to the disclosures in the annual accounts and also on the basis of discussion with the Statutory Auditors of the Company from time to time we state as under :-

- (a) That in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure.
- (b) That the director had selected such accounting policy and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period:
- (c) That the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities:
- (d) That the directors had prepared the annual accounts on a going concern basis:
- (e) That the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively: and
- (f) That the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DIRECTORS:**

Mr. Anirudha Jalan DIN 02610396 Director, retire by rotation at the ensuing Annual General Meeting, being eligible offers himself for re-appointment. The Board recommends his re-appointment.

**ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committee and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

**NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

The Board of directors has met 5 times and independent Director met once during the year ended 31st March, 2018.

**DETAILS OF COMMITTEE OF DIRECTORS**

The composition of Audit committee of Directors, nomination and remuneration committee of directors and stake holders of the grievance committee of directors, number of meeting held during the financial year 2017-18 and meeting attended by each member of the committee as required under the Companies Act, 2013 (Annexure IV). The CEO and CFO are invitees to the meeting.



The recommendation by the Audit Committee as and when made to Board has been accepted by it and there were no instance of dis-agreements between the committee and the Board.

**KEY MANAGERIAL PERSONNEL**

Since the last report there has been no change in key Managerial Personnel.

Mr. S. P. Jalan, CEO and Mr. K. C. Mishra, Company Secretary and CFO of the Company are the key managerial personnel of the Company as per definition under section 2(51) and Section 203 of the Act.

**DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT**

Financial Statement (i.e. Balance Sheet, Profit & Loss Statement, Cash Flow Statement together with notes) are prepared through the process which has computerized as well as manual controls to ensure accuracy of recording all transaction taking place during any accounting period and the resultant financial position at period end. All data relating payroll, purchase, agricultural activity, selling and other activity are recorded through ERP operating system at Head Office and in house software used at Tea Estate. All data and transaction entered in the system are checked by various functional on the basis of supporting documents and records, then the accounting entries checked by accounts personnel and finally approved by Managerial Personnel.

At periodic interval the accounting data are compiled and financial statement are prepared. While preparing the financial statements, it is ensured that all transaction pertaining to the accounting period are recorded.

Fixed Assets, Stock of Tea and all other stores are physically verified. Balance confirmations are obtained for significant items of trade receivable and advance.

After preparation of financial statement all items appearing in the statement are analyzed in order to ensure overall reasonableness.

The Company has adopted policy and procedure for ensuring the orderly and efficient conduct of its business, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting record and timely preparation of reliable financial disclosures.

**PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY**

The particulars of Contracts or Arrangements made with related parties pursuant to sub-section (1) of Section 188 of the Companies Act, 2013 furnished in Form AOC -2, is attached to this report as Annexure V.

The transaction with related party which requires disclosure under section 134(3)(h) of The Companies Act, 2013 and Rule 8(2) of the Companies (accounts) Rules 2014 are given in the notes to the financial statement.

**LOAN, INVESTMENT AND GUARANTEE BY THE COMPANY**

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under section 186 of The Companies Act, 2013.

**FIXED DEPOSIT**

Your Company has not accepted any fixed deposit for the financial year ended 31-03-2018.

**RISK MANAGMENT**

The Company has led down a comprehensive risk assessment and minimization procedure which is reviewed by the Board from time to time. The procedures are reviewed to ensure that executive management control risk through means of properly defined frame work. The major risk have been identified by the Company and its mitigation process / measures have been formulated.

**ANALYSIS OF REMUNERATION**

Pursuant to Rule 5 of the Companies (Appointment and Remuneration) Rules 2014 disclosure on remuneration related information of employee, key managerial personnel is annexed herewith in Annexure VI.

**REMUNERATION POLICY**

Remuneration policy pursuant to Section 178 of the Companies Act, 2013 annexed herewith in Annexure VII.

**DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company reported to provide the safe and conducive work environment to its employees during the year under review, no case of sexual harassment was reported.

**AUDITORS**

At the Annual General Meeting held on 25th September, 2017 M/s. K. N. Gutgutia & Co. Chartered Accountants, Kolkata, Firm Registration No. 304153E were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2022, M/s. K. N. Gutgutia & Co. has conducted audit for the financial year ended 31st March, 2018 and furnished their report to the Board. There is no qualification, reservation or adverse remarks made by the statutory auditors of the Company in their report pertaining to the year ended 31st March, 2018.

**SECRETARIAL AUDIT REPORT**

A Secretarial Audit Report for the year ended 31-03-2018 in prescribed form duly audited by the Practicing Company Secretary M/s. D. C. Sahoo & Co. is annexed herewith and forming part of the report. (Annexure VIII)

**PARTICULARS OF EMPLOYEES**

No employee of the Company was in receipt of such remuneration as to disclose particular pursuant to the provision of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

**INTERNAL FINACIAL CONTROL**

The Board has adopted the policy and procedure for ensuring the orderly and efficient conduct of its business, including adherences to the Company's Policy, the safeguarding of its assets, the prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosure.

**ACKNOWLEDGEMENT**

The Directors wish to express their appreciation to all officers, members, staff and workmen of the Company for valuable services rendered and dedication exhibited by them. They also express their gratitude to Tea Board and Bankers for their co-operation and support extended to the Company and express their thanks to Shareholders for their confidence and understanding.

**Registered Office:**

McLeod House"  
3, Netaji Subhas Road,  
Kolkata - 700 001.  
Kolkata, The 14th day of August, 2018

For and on behalf of the Board

**Shridhar Issar**  
**Sanjay Kumar Kejriwal**  
*Directors*

**ANNEXURE 1****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industrial Structure and Development**

India is the largest producer of tea in the world, producing about 1322 against 1267 million Kgs of Tea during calendar year 2016 annually. This represents around 43% of world black tea production. Sri Lanka, Kenya and other African countries, Bangladesh are other main black tea Producer globally. The tea Industry plays a vital role in the Indian economy by way of contributing valuable foreign exchange and providing employment to a vast work force in remote areas.

Weather condition during 2017 varied from country to country. In India due to favorable weather condition there is increase of production to the tune of 54 million Kgs. Demand in global Market has increased due to stability in geo-political situation. The Auction price in India is higher in comparison to last year.

Cost in India were higher due to increase in input cost like wages, welfare expenses etc.

The company has one tea estate together with own processing unit. Your company is committed to improve quality. Tea continues to enjoy the status of a popular beverage in the world. The huge domestic market offers a significant opportunity for the tea industry in India. Tea is now also being promoted as a health drink and offers significant opportunities for increase in consumption world wide.

**Outlook**

The health of our industry depends to a large extent on the geographical conditions which are outside the realm of the control of the company. The tea industry is a highly labour intensive. The wages of workers are determined according to periodic wage settlement agreement which often increase the labour cost to a significant extent irrespective of any improvement in productivity and realization. The average sale price is expected to increase marginally in comparison to last year. In spite of increase in Production of Own tea as well as teas made from Bought leaf, sharp increase in wages, salaries and fuel costs may adversely effect the working of the Company.

**Internal Control System and its adequacy**

The Company has an adequate Internal Control system to ensure proper and efficient use of the company's resources, its protection against any unauthorized use, accuracy in financial reporting and due compliance of the company policy procedure as well as the statutes. Statutory and internal auditors also review its implementation and progress at periodic intervals and take corrective action where any short comings are identified. The audit committee similarly reviews the internal control system and provides guidance for improvement.

**Financial and operational performance**

During the year 2017-2018 the company reported a net sale of Rs. 25.15 Crores in comparison to previous year Rs.24.39 Crores and loss for the year ended 31st March 2018 (after tax) is Rs.23.52 Lakh in comparison to profit of Rs. 5.42 Lakh last year. Due to increase in cost of production the operation of Company was adversely effected resulting in loss for the year under review.

**Human resources and development**

The company has around 1500 permanent employees employed at the tea estate. The labour welfare officer employed specifically for the purpose monitors the welfare of the workers.

Your company runs a hospital, ambulance and dispensaries at its out divisions providing medical care to the employees.

**Personnel**

The Industrial relation remains satisfactory for the year under review.

**ANNEXURE II**

**(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Account) Rules, 2014)**

**(A) CONSERVATION OF ENERGY**

1. Energy Conservation Measure taken:	---		
2. Additional investments and proposals if any, being implemented for reduction of consumption of energy		Installation of Automatic Voltage Regulator	
3. Impact of the measures at : (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production.		The cost of production has been reduced after installation of the energy saving equipments barring increase in rates of inputs	
4. Power and Fuel Consumption		Current Year	Previous Year
1. Electricity			
a) Purchased Unit		8,59,457	8,73,275
Total Amount (Rs.)		83,57,551	92,28,028
Rate / Unit		9.72	10.57
b) Own Generation			
i) Through diesel Generator Unit		1,96,494	1,86,278
ii) Units per Litre of diesel oil Cost/Unit (Rs.)		30.18	26.49
2. (a) Natural Gas			
Quantity (Scum)		7,74,870	6,97,215
Total Amount		73,49,768	75,41,729
Average Rate		9.49	10.82
(b) Consumption Per Unit of Production			
Black Tea (in Kgs.)		13,86,437	14,05,742
Electricity (In Unit)		0.76	0.75
Furnace Oil (in Litres)		-	-
Coal (in Kgs.)		-	-
Natural Gas (in Scum)		7,74,870	6,97,215
Natural Gas (per unit)		0.56	0.50

**(B) RESEARCH AND DEVELOPMENT**

1. Specific area in which R & D carried out by the Company – Vermiculture farming.
2. Future plan of action

Works are in hand to improve all aspects of field management which will improve both quality and production.

3. Expenditure on R & D

- |  |   |                |
|--|---|----------------|
| (a) Capital  | : |                |
| (b) Recurring  | : | Rs.3,67,888.00 |
| (c) Total R & D expenditure<br>as percentage of total turnover | : |                |

**(C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

1. Efforts are being made towards technology absorption, adaptation and innovation: -
2. In case of imported technology (imported during the last 6 years from the beginning of the financial year) following information may be furnished:
  - (a) Technology imported (b) year of import (c) has technology been fully absorbed (d) if not fully absorbed areas where they have not taken place, reason and future plan of actions.

No Technology was imported during last 5 years.

FOREIGN EXCHANGE EARNING – Rs. Nil (Previous year Rs. Nil)

FOREIGN EXCHANGE OUTGO – Rs. 9,34,473.00 (Previous year Rs. NIL)

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**FORM NO. MGT-9**

<b>I. REGISTRATION AND OTHER DETAILS</b>		
i.	CIN	L15421WB1890PLC000612
ii.	Registration Date	21.06.1980
iii.	Name of the Company	TYROON TEA COMPANY LIMITED
iv.	Category / Sub-Category of the Company	PUBLIC COMPANY LIMITED BY SHARES
v.	Address of the Registered Office and contact details	3, Netaji Subhas Road, Kolkata 700001 West Bengal, Tel No.:- 91 03322486071 Email ID info@tyroon tea.com
vi.	Whether listed company	Yes
vii.	Name, address and contact details of Registrar and Transfer Agent, if any	R & D Infotech Private Ltd. Corporate Office : 1st Floor 7A, Beltala Road. Kolkata 700026 Phone Number : 033-2419-2641/42

<b>II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
All the business activities contributing 10% or more of the total turnover of the company shall be stated:-			
Sr. No.	Name and Description of main Businesses	NIC Code of the Product/service	% of Total Turnover of the Company
1	BLACK TEA	1132	100

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>					
Sr.	Name & Address of Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	Srikrishna Arjun Trading & Investment Company Private Limited	U67120WB1973PTC028756	Associate	28.10	Section 2(6) and other applicable provisions, if any of Companies Act 2013

## IV) SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

## i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year 01.04.2017				No of Shares held at the end of the year 31.03.2018				%change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	1160672	0	1160672	34.12	1160672	0	1160672	34.12	0.00
b) Central Govt.or State Govt.	0	0	0.00	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	1126240	0	1126240	33.10	1126240	0	1126240	33.10	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL:(A) (1)</b>	<b>2286912</b>	<b>0</b>	<b>2286912</b>	<b>67.22</b>	<b>2286912</b>	<b>0</b>	<b>2286912</b>	<b>67.22</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>2286912</b>	<b>0</b>	<b>2286912</b>	<b>67.22</b>	<b>2286912</b>	<b>0</b>	<b>2286912</b>	<b>67.22</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	500	500	0.01	0	500	500	0.01	0.00
b) Banks/FI	0	2400	2400	0.07	0	2400	2400	0.07	0.00
c) Cenntal govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00%
g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00%
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00%
	0	0	0	0.00	0	0	0	0.00	0.00%
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>2900</b>	<b>2900</b>	<b>0.09</b>	<b>0</b>	<b>2900</b>	<b>2900</b>	<b>0.09</b>	<b>0.00%</b>
<b>(2) Non Institutions</b>									
a) Bodies corporate									
i) Indian	44484	7874	52358	1.54	47520	7874	55394	1.63	0.09%
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	475457	218608	694065	20.40	474313	213409	687722	20.21	-0.19%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	313545	52320	365865	10.75	316852	52320	369172	10.85	0.10%
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00%
<b>SUB TOTAL (B)(2):</b>	<b>833486</b>	<b>278802</b>	<b>1112288</b>	<b>32.69</b>	<b>838685</b>	<b>273603</b>	<b>1112288</b>	<b>32.69</b>	<b>0.00%</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>833486</b>	<b>281702</b>	<b>1115188</b>	<b>32.78</b>	<b>838685</b>	<b>276503</b>	<b>1115188</b>	<b>32.78</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>				0.00			0	0.00	0.00%
<b>Grand Total (A+B+C)</b>	<b>3120398</b>	<b>281702</b>	<b>3402100</b>	<b>100.00</b>	<b>3125597</b>	<b>276503</b>	<b>3402100</b>	<b>100.00</b>	<b>0.00%</b>



## ii) Shareholding of Promoters

Sr. Shareholders Name No.	Shareholding at the beginning of year 01.04.2017			Shareholding during and at the end of the year 31.03.2018			% change in Share holding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1 Anuradha Jalan	409419	12.03	0.00	1064197	31.28	0.00	19.25
2 Arun Kumar Jalan	654778	19.25	0.00	0	0.00	0.00	-19.25
3 Creative Services Pvt.Ltd.	37753	1.11	0.00	37753	1.11	0.00	0.00
4 Indra Jalan	26880	0.79	0.00	26880	0.79	0.00	0.00
5 James Alexander & Company Limited	132645	3.90	0.00	132645	3.90	0.00	0.00
6 Rajyashree Jalan	23795	0.70	0.00	23795	0.70	0.00	0.00
7 Shrikrishna Arjun Trading and Investment Company Private Ltd.	955842	28.10	0.00	955842	28.10	0.00	0.00
8 Sriprakash Jalan	32800	0.96	0.00	32800	0.96	0.00	0.00
9 Sudarshan Kuman Jalan	12000	0.35	0.00	12000	0.35	0.00	0.00
10 Vandana Jalan	1000	0.03	0.00	1000	0.03	0.00	0.00
<b>TOTAL</b>	<b>2286912</b>	<b>67.22</b>	<b>0.00</b>	<b>2286912</b>	<b>67.22</b>	<b>0.00</b>	<b>0.00</b>

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

Particulars	Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2018	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	2286912	67.22	2286912	67.22
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)				
At the End of the year	2286912	67.22	2286912	67.22

**iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2017		Date Wise Increase/Decrease in Shareholding during the year		Cumulative Shareholding during the year		Shareholding at the end of the year 31.03.2018	
		No. of Shares	of total shares of the Company	No. of Shares	of total shares of the Company	No. of Shares	of total shares of the Company	No. of Shares	of total shares of the Company
1	Mahendra Girdharilal	0	0	0	0	0	0	78999	2.32
2	Rathinasamy Narayanasamy Rubesh	125907	3.70	0	0	125907	3.70	125907	3.70
3	Rajendra Jain	23436	0.69			23436	0.69		
	03-11-17			-100	0.00	23336	0.69		
	12-01-18			500	0.01	23836	0.70		
	19-01-18			-188	0.01	23648	0.70		
	26-01-18			100	0.00	23748	0.70		
	09-02-18			147	0.00	23895	0.70		
	16-02-18			2842	0.08	26737	0.79		
	23-02-18			6	0.00	26743	0.79	26743	0.79
4	Santeethas	40574	1.19	0	0	40574	1.19	40574	1.19
5	Uphaar Financial Services Private Limited	28494	0.84	0	0	28494	0.84	28494	0.84
6	Irma Begg	26160	0.77	0	0	26160	0.77	26160	0.77
7	Ghita Begg	26160	0.77	0	0	26160	0.77	26160	0.77
8	N Lalitha	23508	0.69	0	0	23508	0.69	23508	0.69
9	Pragney Jagdishbhai Patel	21121	0.62	0	0	21121	0.62	21121	0.62
10	R Vanithar	18176	0.53	0	0	18176	0.53	18176	0.53

**v) Shareholding of Directors & KMP**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2017		Date Wise Increase/Decrease in Shareholding during the year		Cumulative Shareholding during the year		Shareholding at the end of the year 31.03.2018	
		No. of Shares	of total shares of the Company	No. of Shares	of total shares of the Company	No. of Shares	of total shares of the Company	No. of Shares	of total shares of the Company
1	Anirudha Jalan	409019	12.03					1064197	31.28
2	Indra Jalan	26880	0.79	0	0			26880	0.79
3	Sriprakash Jalan	32800	0.96	0	0	0		32800	0.96

## vi) INDEBTEDNESS

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year 01.04.2017</b>				
i) Principal Amount	9128530	0	0	9128530
ii) Interest due but not paid	19572	0	0	19572
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>9148102</b>	<b>0</b>	<b>0</b>	<b>9148102</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	48010956	0	0	48010956
Reduction	53532480	0	0	53532480
Net Change	5521524	0	0	5521524
<b>Indebtedness at the end of the financial year 31.03.2018</b>				
i) Principal Amount	3607006	0	0	3607006
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (I + ii + iii)</b>	<b>3607006</b>	<b>0</b>	<b>0</b>	<b>3607006</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.	ParticularsofRemuneration	Name of the MD/WTD/Manager			Total Amount	
1	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	NIL	NIL	NIL	0	0
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961	NIL	NIL	NIL	0	0
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL	0	0
2	Stock option	NIL	NIL	NIL	0	0
3	Sweat Equity	NIL	NIL	NIL	0	0
4	Commission as of profit others (specify)	NIL	NIL	NIL	0	0
5	Others, please specify	NIL	NIL	NIL	0	0
	<b>Total (A)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>0</b>	<b>0</b>
	Ceiling as per the Act	NIL	NIL	NIL	0	0

**B. Remuneration to other Director :**

Sl.	Particulars of Remuneration	Name of the Director			Total Amount Rs 33000
		Mr. S. Issat Rs 11000	Mr. S. Kejriwal Rs 11000	Mr. Umed Mal Banthia Rs 11000	
1	Independent Directors				
(a)	Fee for attending board committee meetings				
b)	Commission	NIL	NIL	NIL	0
(c)	Others, please specify	NIL	NIL	NIL	0
	<b>Total (1)</b>				
2	Other Non Executive Directors				
(a)	Fee for attending board committee meetings	Mrs. Indra Jalan Rs 4000	Mr. Anirudha Jalan Rs NIL		
(b)	Commission	NIL	NIL	NIL	0
(c)	Others, please specify.	NIL	NIL	NIL	0
	<b>Total (2)</b>				<b>Rs 4000</b>
	<b>Total (B)=(1+2)</b>				<b>Rs 37000</b>
	<b>Total Managerial Remuneration</b>				<b>Rs 37000</b>
	Overall Ceiling as per the Act.				Yes

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

Sl.	Particulars of Remuneration	Key Managerial Personnel		
		S.P. Jalan CEO	K.C. Mishra Company Secretary & CFO	Total
1	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1322800	747824	2070624
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	215728	17000	232728
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
5	As of profit	0	0	0
6	Others, specify	0	0	0
7	Others, please specify	0	0	0
	<b>TOTAL</b>	<b>1538528</b>	<b>764824</b>	<b>2303352</b>

**VIII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. Directors</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. Other Officers in Default</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**ANNEXURE IV****DETAILS OF DIRECTORS/COMMITTEE OF DIRECTORS MEETING****1. DIRECTORS**

Name	No. of meetings	No. of meetings attended
Mr. S. Issar, Independent Director	5	5
Ms Indra Jalan, Non-Independent Non-Executive Director	5	4
Mr. Anirudha Jalan, Non-Independent Non-Executive Director	5	0
Mr. Sanjay Kejrwal, Independent Director	5	5
Mr. Ummed Mal Banthia, Independent Director	5	5

**A) AUDIT COMMITTEE**

Name	No. of meetings	No. of meetings attended
Mr. S. Issar, Independent Director	4	4
Mr. Anirudha Jalan, Non-Independent Non-Executive Director	4	0
Mr. Sanjay Kejrwal, Independent Director	4	4
Mr. Ummed Mal Banthia, Independent Director	4	4

**B) NOMINATION AND REMUNERATION COMMITTEE**

Name	No. of meetings	No. of meetings attended
Mr. Sanjay Kejrwal, Independent Director	2	2
Mr. S. Issar, Independent Director	2	2
Mr. Ummed Mal Banthia, Independent Director	2	2

**C) STAKEHOLDERS RELATIONSHIP COMMITTEE**

Name	No. of meetings	No. of meetings attended
Mr. Sanjay Kejrwal, Independent Director	2	2
Mr. S. Issar, Independent Director	2	2
Mr. Ummed Mal Banthia, Independent Director	2	2

**ANNEXURE – V**  
**FORM NO. AOC - 2**

**Disclosure of particular of Contracts / arrangements entered into by the Management with related party referred to in Sub section 1 of Section 188 of Companies Act, 2013 including certain arm's length transaction under third proviso thereto.**

(Pursuant to Clause h of subsection 3 of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of Contract or arrangements or transaction not at arm's length basis

During the financial year ended 31st March 2018, there was no contract or arrangement or transaction entered into by the Company not at arm's length basis.

2. Details of Material Contract or arrangements or transaction at arm's lengths basis.

Name of the related party and nature of relationship	Nature of Contracts / arrangements/ transaction	Duration of the Contract/ arrangements/ transaction	Salient Terms of Contract or arrangements or transaction including the value, if any	Date of Approval by the Board, if any	Amounts paid as advance, if any
Mr. S. P. Jalan Father of Mr. Anirudha Jalan and son of Mrs. Indra Jalan, Directors of Company	Appointed as CEO of the Company	Contract will end on 31-03-2021, subject to renewal	Total Salary for the year 2017-18 Rs.1538528/-	Before Commencement of The Companies Act, 2013	Nil

**ANNEXURE – VI**  
**ANALYSIS OF REMUNERATION**

Pursuant to section 197(12) of the Companies Act, 2013, read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014 for the year ended 31-03-18.

- 1) No director has been paid any remuneration except sitting fees. The ratio of the remuneration of the Directors to the median remuneration of the employees of the Company for the financial year is negligible, hence not reported.

- 2) Percentage of increase in remuneration of each director and KMP

Sl. No.	Name	Designation	% increase	
			2017-18	2016-17
1.	Mr. S. P. Jalan	CEO	11.05	9.7
2.	Mr. K. C. Mishra	Company Secretary & CFO	8	8

- 3) Number of permanent employees on the roll of the Company as on 31st March, 2018 was 1595 nos. and as on 31st March, 2017 was 1535 nos.

- 4) A) Performance of the Company

Description	Rs. in Lakhs	
	2017-18	2016-17
Profit before tax	1.16	26.68

- B) Remuneration to the employees of the Company as per the remuneration policy of the Company as per comparative market scenario and sustainability in the medium to long-term.

- 5) There is no direct relationship between average increase in remuneration of employee and KMP with year to year financial performance of the Company.

- 6) Variation in market capitalization of the Company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotation of the shares of the Company in comparison to rate at which the Company came out with the last public offer

- i) Variation in Market capitalization during financial year 2017-18 of the Company.

Increase in (Rs.in Lacs)	% of Increase
221.13	12.68%

- ii) Price earning ration

Description	As on 31-03-2018	As on 31-03-2017
Price Earning Ratio	(0.69)	(0.16)

- iii) Percentage increase in market quotation in the shares of the Company in comparison to rate at which the company came out with last public issue (in the year 1995 at a premium of Rs.30) i.e. 30.74%.

- 7) No employee of the Company was in receipt of such remuneration more than the limit as prescribed under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.



**ANNEXURE-VII**  
**REMUNERATION POLICY**

**(1) Introduction**

Section 178 of the Companies Act, 2013 requires every Listed company and certain other class of companies to adopt the policy relating to the remuneration of the Directors, Key Managerial Persons and other Employees. The Nomination and Remuneration Committee set up, pursuant to above Section is to formulate the criteria for determining qualification and positive attributes and independentness of a Director and recommend to the Board the policy for adoption.

The policy shall act as guidelines on matter relating to the remuneration, appointment, removal and evaluation of performance of Directors, Key Managerial Personnel and Senior Management. The company is also required to disclose the remuneration policy in its Annual Report.

**(2) Policy Objectives**

The aim and objective of the policy is as follows:-

- (a) To attract, retain and motivate appropriately qualified persons/members of the Board and Executive level.
- (b) To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation.
- (c) To recommend the Board on remuneration payable to the Directors, Key Managerial Persons and Senior Management.
- (d) To develop a succession plan for the Board and to regularly review the plan.
- (e) To determine remuneration based on company's financial position, trends and practices on remuneration prevailing in the Industry.
- (f) To consider any other matter as may be requested by the Board.

**(3) Remuneration for Directors in whole-time employment**

None of the Directors is in full time employment of the company for the period under review.

**(4) Remuneration of Non-Executive Directors**

Sitting Fee:

The Non-Executive Directors shall be paid for attending Board Meetings as may be approved by the Board based on the recommendation of the Nomination and Remuneration Committee.

**(5) Remuneration of Key Managerial Personnel and other Executives**

The company shall pay the remuneration as per the compensation and benefit policy of the company as revised through the Annual Salary Review process from time to time while deciding on the remuneration structure of the Key Managerial Personnel who are not Directors and for other Executives of the company.

**(6) Role of Nomination and Remuneration Committee**

The role and responsibility of the Nomination and Remuneration Committee shall be as prescribed in Section 178 of the Companies Act, 2013 and the Listing Regulation.

**(7) Selection of Board Members**

- (a) Nomination of suitable person as a Director is a major responsibility of the Nomination and Remuneration Committee. The Committee is to identify the candidate in the event of vacancy being created on the Board on account of retirement, resignation or demise of an existing Board Member. Based on the recommendation, the Board, after due consideration decided to select the right candidate for appointment.
- (b) While appointing Committee will consider candidate not only from the fields in which the company operate but also from other fields to maintain Board diversity. The Committee shall also consider the qualification, business skill, requisite knowledge that will benefit the company and its business operations.
- (c) While considering candidate for appointment as Independent Director, the Nomination and Remuneration Committee shall consider the criteria for determining independentness of the person as provided in Section 149(6) of the Companies Act, 2013 and the Rules made thereunder as also in the Listing Regulation.

**(8) Approval and Publication**

The remuneration policy has been adopted by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee. The particulars of the policy shall be published in the Board Report in terms of the Companies Act, 2013.

**(9) Amendments to the Policy**

The Board of Directors on its own and/or as per the recommendations of the Nomination and Remuneration Committee can amend the policy as deemed fit from time to time.

**(10) Other Provision**

Any matter not provided for in this policy shall be dealt with in accordance with the Provisions in the Articles of Association of the company, relevant state laws and other applicable law and regulation.

**ANNEXURE – VIII**

To,  
The Members,  
M/s. TYROON TEA CO LIMITED  
3, NETAJI SUBHAS ROAD,  
KOLKATA- 700001

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurances about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where-ever required, we have obtained the Management representation about the Compliance of Laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **D. C. Sahoo & Co.**  
*Company Secretaries*

**D. C. Sahoo**  
*Proprietor*  
M. No.: ACS No: 14008  
C P No.: 5508

Place: Kolkata  
Date: 14.08.2018

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st March, 2018**

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

To,  
The Members,  
M/s. TYROON TEA CO LIMITED  
3, NETAJI SUBHAS ROAD,  
KOLKATA- 700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. TYROON TEA CO LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of M/s. TYROON TEA CO LIMITED's books, papers, minute books, forms and returns filed, registers 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, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other registers and records maintained by M/s. TYROON TEA CO LIMITED ("the Company") for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, Export and Imports;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading ) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ( not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (vi) The management has identified and confirmed the following laws as specifically applicable to the Company:
1. The Assam Tea Plantation Act, 1951.
  2. The Assam Tea Plantation Provident Fund Scheme Act, 1955.
  3. The Tea Act, 1953 along with other allied acts pertaining to the Union of Tea Industry and regulated by 'The Tea Board, India'.
  4. The Food safety and Standard Act, 2006.
  5. The Legal Metrology Act, 2009 and Rules made there under;
  6. The Hazardous Wastes (Management and Handling) Rules,1989 in compliance to the Environment (protection) Act, 1986;

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and The Calcutta Stock Exchange Association Ltd and SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that :-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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 Committees of the Board as the case may be.

We further report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Register of Charges are not updated and a long pending issue pertaining to one satisfaction of Charge is still pending. The management of the Company is discussing the issue with the concerned banker and the matter is under progress.

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

We further report that during the audit period the company has not entered in to or taken any major decisions which have influential financial impact on the entire affairs of the Company.

For **D. C. Sahoo & Co.**  
*Company Secretaries*

**D. C. Sahoo**  
*Proprietor*

M. No.: ACS No: 14008  
C P No.: 5508

Place: Kolkata  
Date: 14.08.2018

(Note: This report is to be read with the letter of even date issued by the Secretarial Auditor(s) and forms an integral part of this report.)

## INDEPENDENT AUDITORS' REPORT

### To the Members of TYROON TEA COMPANY LIMITED

#### Report on the Ind As Financial Statements

We have audited the accompanying Ind As financial statements of TYROON TEA COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other notes for the year on that date.

#### Management's Responsibility for the Ind As Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these Ind As financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the 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 of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these Ind As 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 Ind As financial statements are free from material misstatement.

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind As financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state

of affairs of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. 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 paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the changes in Equity dealt with by this Report are in agreement with the books of account ;
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act.
  - f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. Pending litigations having material impact on the financial position of the Company have been disclosed in the Ind As financial statement as required in terms of the accounting standards and provisions of the Companies Act, 2013 - Refer Note 34.1 and 34.1.1 of the Financial Statements;
    - ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata  
Date: 30th May 2018

For **K.N.GUTGUTIA & Co.**  
*Chartered Accountants*  
Firm Registration No.:304153E  
**K C SHARMA**  
*Partner*  
Membership No: 50819



**“ANNEXURE A” TO THE AUDITOR’S REPORT OF EVEN DATE:**

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets/Property plant and Equipment.
- b. The Fixed assets/ Property plant and Equipment of the company were physically verified by the Management according to phased program of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. Discrepancies noticed on such verifications were not material and have been properly dealt with in the books of accounts.
- 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 are held in the name of the Company.
- ii) As explained to us, the inventories of the Company except materials lying with the third parties have been physically verified by the management at reasonable intervals during the year / at the year-end. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) The Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3 (iii) of the Companies (Auditors Report) Order, 2016 is 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 and investments made.
- v) The Company has not accepted any deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- vi) According to the information and explanations given to us, the maintenance of cost records under Section 148(1) of the Act has not been prescribed and as such, paragraph 3(vi) of the Order is not applicable to the Company.
- vii) a. According to the information and explanations given to us, during the year, the Company has generally been regular in depositing to the appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, goods and service tax, service tax, duty of Customs, duty of excise, value added tax, cess and other statutory dues as applicable to it. However, according to the information and explanations given to us, there is no undisputed amounts payable in respect of these which were in arrears as on 31st March 2018 for a period of more than six months from the date they became payable
- b. According to the information and explanations given to us, the details of sales tax, goods and service tax, income tax, customs duty, wealth tax, excise duty, service tax, and cess not deposited on account of any dispute are as follows:

Name of the Statute	Nature of the Dues	Relating to the Year	Amount in Rupees	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2012-2013	17,80,010	Commissioner of Income Tax (Appeals)-2

- viii) In our opinion and on the basis of information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks. The company has not issued any debentures.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). As per the information and explanation given to us, the Company has not availed fresh term loan during the year.
- x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company and no material fraud on the company by its officers or employees has been noticed or reported during the course of audit.
- xi) The managerial remuneration has been paid or provided by the company in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the companies Act 2013.
- xii) The company is not a Nidhi company and hence reporting under clause (xii) of the Companies (Auditors Report) Order, 2016 is not applicable.
- 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 Companies Act 2013 where applicable and details of such transactions have been disclosed in the Ind As financial statements as required by the applicable accounting standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and so clause 3(xiv) of the Companies (Auditor's Report) Order 2016 is not applicable.
- xv) The Company has not entered into non-cash transactions with directors or persons connected with him, during the year. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order 2016 is not applicable.
- xvi) The company is not a non-banking financial company and hence the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kolkata  
Date: 30th May 2018

For **K.N.GUTGUTIA & Co.**  
*Chartered Accountants*  
Firm Registration No.:304153E  
**K C SHARMA**  
*Partner*  
Membership No: 50819

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE IND AS  
FINANCIAL STATEMENTS OF TYROON TEA COMPANY LIMITED**

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

We have audited the internal financial controls over financial reporting of TYROON TEA COMPANY LIMITED (“the Company”) as at March 31, 2018 in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls 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 Ind As financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind As financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable

assurance that transactions are recorded as necessary to permit preparation of Ind As financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind As financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

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

Place: Kolkata  
Date: 30th May 2018

For **K.N.GUTGUTIA & Co.**  
*Chartered Accountants*  
Firm Registration No.:304153E  
**K C SHARMA**  
*Partner*  
Membership No. 50819

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**Financial Statements for the year  
2017-2018**

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**Balance Sheet as at 31st March, 2018**

(Amount in Rs.)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>ASSETS</b>				
<b>1) Non-current Assets</b>				
a) Property, Plant and Equipment	5	77,555,885	80,792,562	80,944,116
b) Capital Work-in-progress		11,556,779	6,631,831	4,688,702
c) Financial Assets				
i) Investments	6	9,663,816	22,816,737	21,616,621
ii) Loans	7	2,779,815	3,457,391	4,058,705
iii) Other Financial Assets	8	10,914,153	10,240,995	6,298,375
d) Current Tax Assets (Net)	17	2,775,784	3,105,947	1,701,297
e) Deferred tax assets (Net)	9	5,928,037	6,608,359	7,843,452
f) Other Non current assets	10	47,467,441	27,688,840	9,571,520
<b>Total Non Current Assets</b>		<b>168,641,710</b>	<b>161,342,662</b>	<b>136,722,788</b>
<b>2) Current Assets</b>				
a) Inventories	11	19,816,125	17,049,350	19,678,859
b) Biological Assets other than bearer plants	12	2,507,152	1,587,086	1,642,140
c) Financial Assets				
i) Investments	13	82,753,525	90,512,354	103,426,745
ii) Trade receivables	14	5,652,394	5,070,460	2,593,410
iii) Cash and cash equivalents	15	2,388,098	2,563,185	5,842,136
iv) Other Bank Balances	16	1,669,822	1,670,202	1,109,987
v) Loans	7	20,100,000	19,400,000	26,200,000
vi) Other Financial Assets	8	5,650,842	4,794,279	3,237,096
(d) Other current assets	10	6,322,151	4,203,227	7,677,715
<b>Total Current Assets</b>		<b>146,860,109</b>	<b>146,850,143</b>	<b>171,408,088</b>
<b>Total Assets</b>		<b>315,501,819</b>	<b>308,192,805</b>	<b>308,130,876</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a) Equity Share Capital	18	35,120,208	35,120,208	35,120,208
b) Other Equity	19	174,021,231	173,936,658	175,876,465
<b>Total Equity</b>		<b>209,141,439</b>	<b>209,056,866</b>	<b>210,996,673</b>
<b>Liabilities</b>				
<b>1) Non Current liabilities</b>				
a) Financial Liabilities				
i) Borrowings	20	1,317,360	—	—
b) Provisions	21	52,968,609	43,259,584	37,567,704
<b>Total Non Current Liabilities</b>		<b>54,285,969</b>	<b>43,259,584</b>	<b>37,567,704</b>
<b>2) Current liabilities</b>				
a) Financial Liabilities				
i) Borrowings	20	2,289,646	9,148,102	9,531,866
ii) Trade Payables	22	37,598,239	33,298,058	37,351,004
iii) Other Financial Liabilities	23	1,069,822	1,070,202	1,131,128
b) Other current liabilities	24	2,743,019	2,833,978	3,016,995
c) Provisions	21	8,373,685	9,526,015	8,535,506
<b>Total Current Liabilities</b>		<b>52,074,411</b>	<b>55,876,355</b>	<b>59,566,499</b>
<b>Total Liabilities</b>		<b>106,360,380</b>	<b>99,135,939</b>	<b>97,134,203</b>
<b>Total Equity and Liabilities</b>		<b>315,501,819</b>	<b>308,192,805</b>	<b>308,130,876</b>

Summary of significant accounting policies

Notes on Financial Statements

1 - 4

These notes are an integral part of the

Financial Statements.

5 to 41

As per our report of even date

For K.N. Gutgutia & Co.  
Chartered Accountants  
Firm Registration No. 304153EPlace : Kolkata  
Date : 30th May, 2018**K. C. Sharma**  
Partner  
Membership No. 50819**K. C. Mishra**  
Company Secretary  
& CFO

For and on behalf of the Board

**Shridhar Issar**  
**Sanjay Kumar Kejriwal**

Directors

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

(Amount in Rs)

**(i) Equity Share Capital**

Particulars	Notes	Total
<b>Balance as at April 01, 2016</b>		<b>35,120,208</b>
Changes in equity share capital during the year		—
<b>Balance as at March 31, 2017</b>		<b>35,120,208</b>
Changes in equity share capital during the year		—
<b>Balance as at March 31, 2018</b>		<b>35,120,208</b>

**(ii) Other Equity**

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Total
	Securities Premium Reserve	Retained Earning	General Reserve	Equity Instruments through other Comprehensive Income	Total	
<b>Balance as at April 01, 2016</b>	<b>38,657,000</b>	<b>(4,377,651)</b>	<b>141,597,116</b>	—	<b>175,876,465</b>	
Profit / (Loss) for the year	—	(542,430)	—	—	(542,430)	
Other Comprehensive Income for the year	—	(1,671,006)	—	273,631	(1,397,375)	
<b>Balance as at March 31, 2017</b>	<b>38,657,000</b>	<b>(6,591,087)</b>	<b>141,597,116</b>	<b>273,631</b>	<b>173,936,660</b>	
Profit / (Loss) for the year	—	(2,352,939)	—	—	(2,352,939)	
Other Comprehensive Income for the year	—	(3,394,002)	—	5,831,512	2,437,510	
<b>Balance as at March 31, 2018</b>	<b>38,657,000</b>	<b>(12,338,028)</b>	<b>141,597,116</b>	<b>6,105,143</b>	<b>174,021,231</b>	

**Refer Note 19 for nature and purpose of reserves**

Significant Accounting policies 1 - 4'

Notes on Financial Statements 5 to 41

These notes are an integral part of the Financial Statements.

As per our report of even date

Place : Kolkata  
Date : 30th May, 2018

For K.N. Gutgutia & Co.  
Chartered Accountants  
Firm Registration No. 304153E  
**K. C. Sharma**  
Partner  
Membership No. 50819

For and on behalf of the Board  
**K. C. Mishra**  
Company Secretary  
& CFO

**Shridhar Issar**  
**Sanjay Kumar Kejriwal**  
Directors

**Statement of Profit and loss for the year ended 31st March 2018**

Particulars	Note No.	Current Year 2017-18 (Rs.)	For the Year 2016-17 (Rs.)
Revenue from Operations	25	251,523,632	243,897,799
Other Income	26	13,512,782	16,607,048
<b>Total Income</b>		<b>265,036,414</b>	<b>260,504,847</b>
<b>Expenses</b>			
Cost of Materials Consumed		30,568,150	20,308,958
Changes in Inventories of finished goods, Stock-in-Trade and work-in progress	27	(1,584,940)	2,928,178
Employee Benefit Expenses	28	115,676,391	112,081,368
Finance Cost	29	3,106,004	167,571
Depreciation and Amortisation Expenses	5	5,662,065	5,732,241
Other Expenses	30	111,492,420	116,618,250
<b>Total Expenses</b>		<b>264,920,090</b>	<b>257,836,566</b>
<b>Profit before tax</b>		<b>116,324</b>	<b>2,668,281</b>
Tax expense:	31		
(1) Current tax		610,946	1,230,000
(2) Deferred tax		1,858,317	1,980,711
<b>Loss for the year</b>		<b>(2,352,939)</b>	<b>(542,430)</b>
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/ (losses) on defined benefit plans	31.2	(4,571,046)	(2,418,243)
(ii) Gains/(loss) on fair value of investment in Equity Instruments	31.4	5,830,562	275,249
B. Income tax relating to items that will not be reclassified to profit or loss			
(i) Re-measurement gains/ (losses) on defined benefit plans	31.3	1,177,044	747,237
(ii) Gains/(loss) on fair value of investment in Equity Instruments		950	(1,618)
<b>Other comprehensive income for the year (net of tax)</b>		<b>2,437,510</b>	<b>(1,397,375)</b>
Total Comprehensive Income for the period (Comprising Profit/ (Loss) and Other Comprehensive Income for the period)		<b>84,571</b>	<b>(1,939,805)</b>
Earnings per Equity Share :	32		
(1) Basic		(0.69)	(0.16)
(2) Diluted		(0.69)	(0.16)

Summary of significant accounting policies

1 - 4

Notes on Financial Statements

5 to 41

These notes are an integral part of the Financial Statements.

As per our report of even date

For K.N. Gutgutia &amp; Co.

Chartered Accountants

Firm Registration No. 304153E **K. C. Mishra**

For and on behalf of the Board

Place : Kolkata

**K. C. Sharma****Company Secretary & CFO****Shridhar Issar**  
**Sanjay Kumar Kejriwal**

Directors

Date : 30th May, 2018

**Partner**

Membership No. 50819



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

(Amount in Rs)

Particulars	Note No.	2017-18	2016-17
<b>A Cash Flow from Operating Activities :</b>			
Net Profit before Tax		116,324	2,668,281
Adjustments for :			
Depreciation		5,662,065	5,732,241
Interest Paid		3,106,004	167,571
Interest / Dividend received		(2,242,172)	(2,374,321)
Profit on Sale of Fixed Assets		(19,068)	—
Sundry Credit Balance written back		(235,441)	(143,007)
Provision / Liability no longer required written back		(94,215)	(1,531,145)
Operating Profit before working capital changes		6,293,497	4,519,620
Adjustments for :			
(Increase) / Decrease in Trade and Other receivables		(1,870,203)	6,123,782
(Increase) / Decrease in Inventories		(3,686,841)	2,684,563
Increase / (Decrease) in Payables		8,524,527	1,702,335
Cash generated from operations		9,260,980	15,030,300
Direct Taxes paid		(280,783)	(2,634,650)
Net Cash flow from operating activities		8,980,197	12,395,650
<b>B. Cash Flow from Investing Activities :</b>			
Purchase of fixed assets		(29,065,681)	(27,523,816)
Sale of fixed assets		72,038	—
Investments - Purchase of Investments		26,742,311	11,989,524
Interest received		1,741,786	1,024,402
Dividend received		1,362	7,765
(Increase)/Decrease in other Bank Balance		380	(5,60,215)
Net cash (used in) / from Investing activities		(507,804)	(15,062,340)
<b>C. Cash Flow from Financing Activities :</b>			
Proceeds from Long Term Borrowing (net)		(5,541,096)	(383,764)
Interest Paid		(3,106,004)	(188,712)
Dividend Paid		(380)	(39,785)
Net cash (used in) / from financing activities		(8,647,480)	(612,261)
Net (Decrease) / Increase in cash and cash equivalents		(175,087)	(3,278,951)
Cash and Cash Equivalents as at beginning of the Year (Refer Note 11)		2,563,185	5,842,136
Cash and Cash Equivalents as at end of the Year (Refer Note 11)		2,388,098	2,563,185

**Note:-**

1. The above Cash Flow Statement has been compiled/prepared based on the audited accounts of the Company under the "Indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

Significant Accounting policies 1 - 4

Notes on Financial Statements 5 to 41

These notes are an integral part of the Financial Statements.

As per our report of even date

For K.N. Gutgutia & Co.  
Chartered Accountants  
Firm Registration No. 304153E  
Place : Kolkata  
Date : 30th May, 2018

**K. C. Sharma**  
Partner  
Membership No. 50819

**K. C. Mishra**  
Company Secretary  
& CFO

For and on behalf of the Board

**Shridhar Issar**  
**Sanjay Kumar Kejriwal** | Directors

**SIGNIFICANT ACCOUNTING POLICIES****1. CORPORATE INFORMATION**

Tyroon Tea Company Limited is a public limited company domiciled and incorporated in India having its registered office at 3, Netaji Subhas Road, Kolkata – 700001. The company's shares are listed and publicly traded on the BSE Limited. The Company is engaged in cultivation, manufacturing and sale of Tea.

**2. STATEMENT OF COMPLIANCE AND RECENT PRONOUNCEMENTS****1. Statement of Compliance**

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

These are the Company's first Ind AS Financial Statements and the date of transition to Ind AS as required has been considered to be 1st April 2016.

The financial statement upto the year ended 31st March 2017, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable (Previous GAAP) to the Company. Previous period figures in the Financial Statements have been recasted/restated in compliance to Ind AS to make it comparable with current year's figure..

In accordance with Ind AS 101- "First Time adoption of Indian Accounting Standards" (Ind AS 101), the Company has presented within Note 40 a reconciliation of Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS as at 31st March 2017, and 1st April 2016 and also the Net Profit as per Previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended 31st March 2017. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note 40 of the financial statement.

**2. Recent Pronouncements****Standards issued but not yet effective:**

The Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards/ Ind AS) Amendment Rules, 2018 on March 28, 2018, whereby Ind AS-115 relating to "Revenue from Contracts with Customers" and Appendix B to Ind AS 21 relating to "Foreign Currency Transactions and advance considerations" has been made applicable from financial year 2018-19 (i.e. April 1, 2018 onwards).

**Ind AS-115 - Revenue from Contracts with Customers**

The Standard replaces the existing AS 18 "Revenue" and AS 11 "Construction Contracts". AS 115 establishes the principles that an entity shall apply to recognize revenue to depict the transfer of promised goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services and to disclose useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

**Ind AS 21 – Appendix B - Foreign currency transactions and advance consideration**

This Appendix applies to a foreign currency transaction (or part of it) when an entity recognises a

non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or income (or part of it).

The Company is evaluating the requirements of the above standards and its effect on the Financial Statements.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest rupee except otherwise stated.

#### **2. Fair Value Measurement**

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

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurements which are described as follows :

- a) Level 1: Inputs are quoted prices (unadjusted) in active market for identical assets or liabilities.
- b) Level 2: Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- c) Level 3: Inputs are unobservable inputs for assets or liability reflecting significant magnifications to observable related market data or company's assumptions about pricing by market participants.

#### **3. PROPERTY PLANT AND EQUIPMENTS**

##### **TANGIBLE ASSETS (Other than Bearer Plants)**

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. Interest on Borrowings used to finance the construction of qualifying assets are capitalised as part of cost of the asset until such time that the asset is ready for its intended use.

Parts of an item of Property, Plant and Equipment having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

Property, Plant and Equipment includes spare, stand by equipments and servicing equipments

which are expected to be used for a period more than twelve months and meets the recognition criteria of Plant, Property and Equipment. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss when incurred.

Capital work in progress includes purchase price, import duty and any directly attributable cost of bringing the assets to their working condition, trial run expenses and interest attributable up to the date of installation. Such items are classified to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use.

#### **Depreciation**

Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets less its residual value, over their useful lives on a straight line basis. Estimated useful lives of the assets in year, are as follows-

Office Equipment	3-6
Building	5-60
Plant and equipment	15
Vehicle	8-10
Water Supply System	15
Irrigation Equipments	15
Furniture & Fixture	10

The above estimated useful lives are also as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for on a prospective basis.

#### **DERECOGNITION OF TANGIBLE AND INTANGIBLE ASSETS**

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

#### **IMPAIRMENT OF TANGIBLE ASSETS**

Tangible and Intangible assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

**BEARER PLANTS**

Bearer plants comprising of mature tea bushes and shade trees are stated at cost less accumulated depreciation and accumulated impairment losses.

Immature bearer plants, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants. Depreciation of bearer plants commence on maturity.

Costs incurred for infilling including block infilling are generally recognized in the Statement of Profit and Loss unless there is a significant increase in the yield of the sections, in which case such costs are capitalized and depreciated over the remaining useful life of the respective sections.

Depreciation on bearer plants is recognised so as to write off its cost over useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Estimated useful lives of the bearer plants has been determined to be 70 years.

**4. FINANCIAL INSTRUMENTS**

Financial Assets and Financial Liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial Liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

**i) Cash and Cash Equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

**ii) Financial Assets and Financial Liabilities measured at amortised cost**

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

The above Financial Assets and Financial Liabilities subsequent to initial recognition are

measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

- iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

**v) Financial Assets or Liabilities at Fair value through profit or loss**

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

**vi) Impairment of financial assets**

A financial asset is assessed for impairment at each Balance Sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

**vii) Derecognition of financial instruments**

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract

expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

## **5. LEASES**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Any initial direct costs of the lessee are added to the amount recognised as an asset. Each lease payments are apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognised as expenses on a straight-line basis over the term of the lease unless the lease arrangements are structured to increase in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

## **6. BIOLOGICAL ASSETS AND AGRICULTURAL PRODUCE**

### **(i) Biological Assets**

Biological assets of the Company comprises of unharvested green tea leaves that are classified as current biological assets and livestock for breeding purpose, classified as non-current biological assets.

The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in statement of profit and loss for the period in which it arises.

### **(ii) Agricultural Produce**

The Company recognizes agricultural produce when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Agricultural produce harvested from the Company's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less costs to sell shall be included in Statement of profit and loss for the period in which it arises.

The Company's agricultural produce comprises of green leaves plucked from its tea estates.

## **7. INVENTORIES**

Inventories are valued at cost or net realisable value whichever is lower. Cost in respect of finished product is determined on average cost basis and represents works cost and appropriate portion of overheads.

Cost in respect of Stores and Spares and Foodstuff is computed on FIFO basis.

Tea Cess/ Education Cess if any leviable/ payable on closing stock of Tea is provided and

included in valuation of closing stock.

Provision is made for obsolete, slow moving and defective inventories, whenever necessary.

#### **8. GOVERNMENT GRANTS**

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grant will be received.

Government grants that are receivable as a compensation for expenses or losses incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in the profit / loss in the period in which they become receivable.

#### **9. EQUITY SHARE CAPITAL**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

#### **10. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

#### **11. REVENUE RECOGNITION**

(i) Sales is recognised in the accounts on passing of title of goods i.e. delivery as per terms of sale or on completion of auction in case of auction sale.

(ii) This represents the net invoice value of goods supplied after deducting discounts, rebates and taxes and duties collected on behalf of third parties and is inclusive of excise and other duties which the company pays as principal.

#### **12. EMPLOYEE BENEFITS**

Short term Employee benefits are accrued in the year services are rendered by the employees. Provident and Family Pension Fund: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme the Central Government/ Trust at a determined rate. The Company's contribution is charged off to the Statement of Profit and Loss.

Gratuity: Employee benefits under defined benefit plans are determined at the close of each year



at the present value of the amount payable by actuarial valuation techniques using the projected unit credit method. Contributions under the scheme for defined benefit under the Payment of Gratuity Act, 1972, is determined on the basis of actuarial valuation and are recognized as year's expenditure. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Remeasurements are not classified to the statement of Profit and Loss in subsequent periods. Other costs are recognized in the Statement of Profit or Loss. Bifurcation of liabilities into Current and Non current are done based on actuarial valuation report.

Leave Encashment Benefits: Leave encashment benefits are payable to employees while in service, retirement and on death while in service or on termination of employment. With respect to accumulated leaves outstanding at the year-end , liability for leave are accounted for on the basis of actuarial valuation at the balance sheet date. The present value of such obligation is determined by the projected unit credit method as at the Balance Sheet date through which the obligations are settled. The resultant actuarial gains or losses on change in present value of defined benefit obligation or change in return of the plan assets is recognized as an income or expense in the Statement of Profit and Loss. Bifurcation of liabilities into Current and Non-current are done based on actuarial valuation report.

### **13. FOREIGN EXCHANGE TRANSACTION**

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate as at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

### **14. SUBSIDY**

Tea Replantation subsidy and other subsidies is accounted for on acceptance/receipt by/from the concerned authorities.

### **15. BORROWING COST**

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

### **16. TAXES ON INCOME**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

#### **17. SEGMENT REPORTING**

Operating segments are identified and reported taking into account the different risk and return, organisation structure and internal reporting system.

#### **4. Critical accounting judgments, assumptions and key sources of estimation and uncertainty**

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

#### **A. Depreciation and Impairment on Property, Plant and Equipment.**

Property, Plant and Equipment and Intangible assets are depreciated/ amortized on Straight Line Basis/Written Down Value Basis over the estimated useful lives (or lease term, if shorter ) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation assets recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of

disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

**B. Impairment allowances on trade receivables Impairment of property, plant and equipment**

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

**C. Income taxes**

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

**D. Defined benefit obligation (DBO)**

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**E. Provisions and Contingencies**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

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

## 5) Property, Plant and Equipment

Particulars	Building & Godown (Rs.)	Plant & Equipment (Rs.)	Furniture & Fixtures (Rs.)	Vehicles (Rs.)	Office Equipment (Rs.)	Bearer Plants (Rs.)	Water Supply (Rs.)	Irrigation Equipment	Total
<b>(A) Gross Carrying Value/ Deemed Cost</b>									
As at April 1, 2016	32,688,680	21,750,710	1,344,398	4,156,553	1,371,155	12,071,671	10,250	7,550,699	80,944,116
Addition	2,571,793	157,628	387,706	2,053,456	410,104	—	—	—	5,580,687
Disposal/Adjustments	—	—	—	—	—	—	—	—	—
As at March 31, 2017	35,260,473	21,908,338	1,732,104	6,210,009	1,781,259	12,071,671	10,250	7,550,699	86,524,803
Addition	113,765	66,992	95,400	2,106,500	95,701	—	—	—	2,478,358
Disposal/Adjustments	—	—	—	896,386	25,089	—	—	—	921,475
As at March 31, 2018	35,374,238	21,975,330	1,827,504	7,420,123	1,851,871	12,071,671	10,250	7,550,699	88,081,686
<b>(B) Accumulated Depreciation</b>									
As at April 1, 2016	—	—	—	—	—	—	—	—	—
Charge for the period	770,443	2,234,099	158,326	1,024,622	390,511	375,207	—	779,033	5,732,241
Disposals/Adjustments	—	—	—	—	—	—	—	—	—
As at March 31, 2017	770,443	2,234,099	158,326	1,024,622	390,511	375,207	—	779,033	5,732,241
Charge for the period	817,800	2,089,108	198,697	1,049,888	367,742	359,797	—	779,033	5,662,065
Disposals/Adjustments	—	—	—	851,620	16,885	—	—	—	868,505
As at March 31, 2018	1,588,243	4,323,207	357,023	1,222,890	741,368	735,004	—	1,558,066	10,525,801
<b>(C) Net Book Value (A-B)</b>									
As at April 1, 2016	32,688,680	21,750,710	1,344,398	4,156,553	1,371,155	12,071,671	10,250	7,550,699	80,944,116
As at March 31, 2017	34,490,030	19,674,239	1,573,778	5,185,387	1,390,748	11,696,464	10,250	6,771,666	80,792,562
As at March 31, 2018	33,785,995	17,652,123	1,470,481	6,197,233	1,110,503	11,336,667	10,250	5,992,633	77,555,885

**Note**

- 5.1 The Gross block as on the transition date i.e. April 1, 2016 given herein above represents previous GAAP written down value of Property, plant and Equipment considered as "Deemed Costs" as per the provision of Ind AS 101 "First Time Adoption of Indian Accounting Standards"
- 5.2 Refer Note no 20.1 to Financial Statements in respect of charges created on Property Plant and Equipment against borrowings.
- 5.3 In respect of 4995.07 bighas of land acquired by Assam Government under the Land Ceiling Act, the Company received an ad-hoc payment of Rs.15,200 as compensation. Pending ascertainment of the overall compensation to be received as well as cost of such undeveloped Land acquired out of total 11,829 bighas of land included under Bearer Plant, the said compensation remains included in liabilities and necessary adjustment in respect of cost of land and profit/loss on such acquisition, if any has not been considered.

**Notes to the Financial Statements for the year ended 31st March 2018****6 Non - Current Investments**

(Fully paid up except otherwise stated)

Particulars	Note No.	As at Mar. 31, 2018		As at Mar. 31, 2017		As at April 1, 2016	
		Holding	Value	Holding	Value	Holding	Value
Investments in Equity Instruments							
Investments designated at Fair value through Other Comprehensive Income							
Quoted							
- Coffee Day Enterprises Limited (Face Value of Rs. 10/- each)		-	-	60,975	14,182,785	60,975	13,902,300
Unquoted							
- Assam Bengal Cereals Limited (Face Value of Rs. 10/- each)		-	-	50	500	50	500
- Assam Co-operative Sugar Mills Limited (Face Value of Rs. 20/- each)		-	-	174	3,480	174	3,480
- Rajabhat Tea Company Limited (Face Value of Rs. 10/- each)		-	-	100	1,000	100	1,000
- Essar Steel India Limited		-	-	200	276	200	5,512
		-	-	<b>61,499</b>	<b>14,188,041</b>	<b>61,499</b>	<b>13,912,792</b>
Investments in Preference Shares							
Investments designated at Fair value through Profit and Loss							
Quoted							
- JSW Steel Limited (Face Value of Rs. 10/- each) (0.01% Cumulative Redeemable Preference Shares)		2,000	17,820	2,000	16,200	2,000	14,100
Unquoted							
- Hasimara Industries Limited (Face Value of Rs. 100/- each) (9% Non- Cumulative redeemable Preference Shares)	6.2	50,000	4,464,286	50,000	3,985,969	50,000	3,558,902
- Hasimara Industries Limited (Face Value of Rs. 100/- each) (9% Non- Cumulative redeemable Preference Shares)	6.2	25,000	1,130,873	25,000	1,009,708	25,000	901,525
- Creative Services Private Limited (Face Value of Rs. 100/- each) (9% Non- Cumulative redeemable Preference Shares)	6.2	65,000	4,050,837	65,000	3,616,819	65,000	3,229,302
		142,000	9,663,816	142,000	8,628,696	142,000	7,703,829
<b>Total Non- Current Investments</b>		142,000	9,663,816	203,499	22,816,737	203,499	21,616,621
Aggregate amount of Quoted Investments		2,000	17,820	62,975	14,198,985	62,975	13,916,400
Aggregate amount of Market Value of Quoted Investments		2,000	17,820	62,975	14,198,985	62,975	13,916,400
Aggregate Carrying Value of Unquoted Investments		140,000	9,645,996	140,524	8,617,752	140,524	7,700,221
Aggregate amount of Impairment in value of Impairments		-	-	-	-	-	-

6.1 The Company has made an irrevocable decision to consider equity instrument not held for trading to be recognised at FVTOCI.

6.2 Particulars of Investments as required in terms of Section 186(4) of the Companies Act, 2013 have been disclosed under Note 6 and 13.

**Notes to the Financial Statements for the year ended 31st March 2018****7 Loans**

(Amount in Rs)

Particulars	Note No.	As at Mar. 31, 2018		As at Mar. 31, 2017		As at April 1, 2016	
		Current	Non Current	Current	Non Current	Current	Non Current
<b>At Amortised Cost</b>							
<b>Unsecured, Considered good</b>							
Loans and Advances to Related Party		17,500,000	-	17,500,000	-	25,000,000	-
Others	7.1 and 7.2	2,600,000	2,779,815	1,900,000	3,457,391	1,200,000	4,058,705
<b>Total</b>		<b>20,100,000</b>	<b>2,779,815</b>	<b>19,400,000</b>	<b>3,457,391</b>	<b>26,200,000</b>	<b>4,058,705</b>

7.1 Represents loan granted for their business purpose.

7.2 Information about these Loans are set out in note 39. These Financial Assets are carried at amortised cost.

7.3 Rs. 39,00,000 included under loans at unamortised cost others (Non Current) as above and Rs.26,00,000 shown under loans and advances (Current) are being repaid in terms of the Order received from The Hon'ble High Court at Calcutta. Further, in terms of the said order interest of Rs.96,96,000 accrued in earlier years on the above loan and shown under other non current financial assets (Note No. 8) is recoverable as per the settlement to be arrived at with the borrower. In view of the above, the amount outstanding in respect of Loans and Interest thereon have been considered good and recoverable by the Management.

**8 Other Financial Assets**

(Amount in Rs)

Particulars	Note No.	As at Mar. 31, 2018		As at Mar. 31, 2017		As at April 1, 2016	
		Current	Non Current	Current	Non Current	Current	Non Current
<b>At Amortised Cost</b>							
a) Deposits		14,000	4,919,092	14,000	4,888,262	18,376	1,519,150
b) Interest Receivable		2,486,652	5,995,061	2,629,956	5,352,733	1,861,310	4,779,225
c) Advances		15,000	-	137,000	-	82,000	-
d) Loans & Advances to Employees		345,500	-	566,000	-	399,350	-
e) Replantation subsidy receivable		2,789,690	-	1,447,323	-	876,060	-
<b>Total</b>		<b>5,650,842</b>	<b>10,914,153</b>	<b>4,794,279</b>	<b>10,240,995</b>	<b>3,237,096</b>	<b>6,298,375</b>

**9 Deferred Tax Assets**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deferred Tax Assets		15,621,042	16,448,675	14,036,373
Deferred Tax Liabilities		(9,693,006)	(9,840,316)	(6,192,921)
Deferred Tax Assets (Net)		5,928,037	6,608,359	7,843,452

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

(Amount in Rs)

Particulars	As at April 1, 2016	Charge/ (Credit) recognised in P/L	Charge/ (Credit) recognised in other comprehensive income	As at March 31, 2017
<b>As at 31st March 2017</b>				
<b>Deferred Tax Asset</b>				
Expenses allowable on payment basis	14,036,373	(1,317,621)	–	15,353,994
Remeasurement of defined benefit obligations	–	–	(747,237)	747,237
MAT Credit Entitlement	–	(347,444)	–	347,444
Deferred Tax Liability				
Fair Value Movement of Investments	8,20,493	2,462,973	1,618	3,285,085
Depreciation Difference	5,372,428	1,182,803	–	6,555,231
<b>Net Deferred Tax Asset as at March 31, 2017</b>	<b>7,843,452</b>	<b>1,980,711</b>	<b>(745,619)</b>	<b>6,608,359</b>

Particulars	As at April 1, 2017	Charge/ (Credit) recognised in P/L	Charge/ (Credit) recognised in other comprehensive income	As at March 31, 2018
<b>As at 31st March 2018</b>				
<b>Deferred Tax Asset</b>				
Expenses allowable on payment basis	15,353,994	1,657,233	–	13,696,761
Remeasurement of defined benefit obligations	747,237	–	(1,177,044)	1,924,281
MAT Credit Entitlement	347,444	347,444	–	–
Deferred Tax Liability				
Fair Value Movement of Investment	3,285,085	(515,104)	(950)	2,769,031
Depreciation Difference	6,555,231	368,744	–	6,923,975
<b>Net Deferred Tax Asset as at March 31, 2018</b>	<b>6,608,360</b>	<b>1,858,317</b>	<b>(1,177,994)</b>	<b>5,928,037</b>

**10 Other Assets**

(Amount in Rs)

Particulars	Note No.	As at Mar. 31, 2018		As at Mar. 31, 2017		As at April 1, 2016	
		Current	Non Current	Current	Non Current	Current	Non Current
Other Receivable							
Capital Advances		–	41,662,375	–	20,000,000	–	–
Balances with Government Authorities		–	8,881	–	8,881	–	7,787
Advances against goods and services		3,689,803	–	1,566,890	–	4,552,810	–
Prepaid Expense		748,574	–	752,563	–	1,241,131	–
Deferred Loss in fair valuation of Financial Instruments		1,883,774	5,796,185	1,883,774	7,679,959	1,883,774	9,563,733
<b>Total</b>		<b>6,322,151</b>	<b>47,467,441</b>	<b>4,203,227</b>	<b>27,688,840</b>	<b>7,677,715</b>	<b>9,571,520</b>

**Notes to the Financial Statements for the year ended 31st March 2018****11 Inventories (Valued at lower of cost or Net Realisable value)**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Stores and Spare Parts		12,089,765	11,078,197	10,910,681
Less: Provision for Obsolete Stock		(239,837)	(239,837)	(145,413)
		11,849,928	10,838,360	10,765,268
Stock of Foodstuff		797,425	627,158	401,581
Stock of Raw Material (Green Leaves)		498,758	162,106	331,900
Stock of Tea		6,670,014	5,421,726	8,180,110
<b>Total</b>		<b>19,816,125</b>	<b>17,049,350</b>	<b>19,678,859</b>

11.1 Cost of inventory recognised as expense during the year amounted to Rs. 22,96,21,696 (March 31,2017- Rs.22,25,01,042)

**11.2 Movement of Impairment allowances for inventories**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Balance as at the beginning of the year		239,837	145,413
Recognised/Reversed during the year		–	94,424
<b>Balance at the end of the year</b>		<b>239,837</b>	<b>239,837</b>

11.3 Refer Note no 20.1 to Financial Statements in respect of charges created on Inventory against borrowings.

**12 Biological Asset other than Bearer Plant**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
As at Opening Date		1,587,086	1,642,140
Increases due to purchases / physical changes		–	–
Decreases due to harvest / physical changes		–	–
Decreases due to sale / write off		–	–
Net Change in fair value less estimated costs to sell		920,066	(55,054)
<b>As at Closing Date</b>		<b>2,507,152</b>	<b>1,587,086</b>

12.1 Unharvested tea leaves on bushes as on 31st March 2018 was 1,01,022 Kgs (31st March 2017 - 66,537 Kgs , 1st April 2016 - 69,632 Kgs)



**Notes to the Financial Statements for the year ended 31st March 2018****13 Current Investments**

(Fully paid up except otherwise stated)

Particulars	As at Mar. 31, 2018		As at Mar. 31, 2017		As at April 1, 2016	
	Holding	Value	Holding	Value	Holding	Value
Investments measured at fair value through Profit and Loss						
Investments in Mutual Funds						
Quoted						
- Franklin India Ultra Short Bond Fund Super Institutional Plan Growth	1,761.24	42,363	1,761.23	39,213	1,761.24	35,801
- Reliance Capital Builder Fund - Series A Dividend - DP	-	-	938,100.00	14,386,326	938,100.00	10,539,929
- HDFC Liquid Fund Growth	-	-	-	-	1,614.24	4,817,768
- ICICI Prudential Flexible Income Regular Plan Growth	-	-	-	-	17,160.28	4,911,637
- Kotak Treasury Advantage Fund Regular Plan Growth	527,670.27	14,665,909	527,670.27	13,741,220	1,147,786.85	27,716,412
- UTI Liquid Cash Plan Institutional Growth Option	-	-	-	-	1,155.82	2,862,562
- Kotak FMP Series 187 1146 Days Regular Plan Growth	2,000,000.00	24,112,222	2,000,000.00	22,302,422	2,000,000.00	20,247,000
- Kotak Floater Short Term Regular Plan Growth	1,402.32	3,989,000	1,402.32	3,735,500	12,607.11	31,295,636
- Birla Sun Life Medium Term Plan Growth	1,362,473.38	29,944,031	1,362,473.38	27,807,673	-	-
- Zodius Technology Opportunities Fund	1,000,000.00	10,000,000	850,000.00	8,500,000	100,000.00	1,000,000
<b>Total Current Investments</b>	4,893,307.21	82,753,525	5,681,407.20	90,512,354	4,220,185.54	103,426,745
Aggregate amount of Quoted Investments	4,893,307.21	82,753,525	5,681,407.20	90,512,354	4,220,185.54	103,426,745
Aggregate amount of Market Value of Quoted Investments	4,893,307.21	82,753,525	5,681,407.20	90,512,354	4,220,185.54	103,426,745
Aggregate amount of Impairment in value of Impairments	-	-	-	-	-	-

**14 Trade Receivable**

(Amount in Rs)

Particulars	Note No.	As at	As at	As at
		31 March 2018	31 March 2017	1 April 2016
Unsecured				
Considered Good		5,652,394	5,070,460	2,593,410
<b>Total</b>		5,652,394	5,070,460	2,593,410

14.1 Trade receivables are non-interest bearing and are generally on credit terms of 30 days. The ageing of receivables are as follows:

Particulars	As at	As at	As at
	31 March 2018	31 March 2017	1 April 2016
Within Credit Period	1,385,504	567,422	730,924
1-180 days past due	4,251,648	4,469,562	1,781,326
More than 180 days past due	15,242	33,476	81,160
<b>Total</b>	5,652,394	5,070,460	2,593,410

14.2 Refer Note no 20.1 to Financial Statements in respect of charges created on Trade Receivables against borrowings.

**Notes to the Financial Statements for the year ended 31st March 2018****15 Cash and Cash Equivalents**

(as certified by the management)

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balances with Bank		1,456,267	1,907,660	2,798,787
Cash in Hand		931,831	655,525	3,043,349
		<u>2,388,098</u>	<u>2,563,185</u>	<u>5,842,136</u>

**16 Other Bank Balances**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other Balance with Bank In dividend account	16.1	1,669,822	1,670,202	1,109,987
		<u>1,669,822</u>	<u>1,670,202</u>	<u>1,109,987</u>

16.1 Balance with banks on unpaid dividend account represents monies that can be utilised only to pay dividend to equity shareholders against dividend warrants issued to them

**17 Current Tax Assets/(Liabilities)**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current Tax Assets				
Advance Payment Of Tax		8,456,782	12,771,742	10,373,692
Tax deduction at Source		999,914	1,312,386	1,075,786
<b>Total</b>		<u>9,456,696</u>	<u>14,084,128</u>	<u>11,449,478</u>
Current Tax Liabilities				
Income Tax Payable		6,680,912	10,978,181	9,748,181
<b>Total</b>		<u>6,680,912</u>	<u>10,978,181</u>	<u>9,748,181</u>
Current Tax Assets/(Liabilities)		<u>2,775,784</u>	<u>3,105,947</u>	<u>1,701,297</u>

**Notes to the Financial Statements for the year ended 31st March 2018****18 Equity Share Capital**

Particulars	Note No.	As at Mar. 31, 2018		As at Mar. 31, 2017		As at April 1, 2016	
		Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
Authorised Share Capital : 40,00,000 Equity Shares of Rs. 10/- each		4,000,000	40,000,000	4,000,000	40,000,000	4,000,000	40,000,000
Issued & Subscribed Share Capital 3,402,100 Equity Shares of Rs. 10/- each fully paid up		3,402,100	35,120,208	3,402,100	35,120,208	3,402,100	35,120,208
Paid-up Share Capital 3,402,100 Equity Shares of Rs. 10/- each fully paid up		3,402,100	34,021,000	3,402,100	34,021,000	3,402,100	34,021,000
Add: 2,32,400 Equity Shares forfeited		232,400	1,099,208	232,400	1,099,208	232,400	1,099,208
			35,120,208		35,120,208		35,120,208
			35,120,208		35,120,208		35,120,208

18.1 The Company has only one class of issued shares i.e. Equity Shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

18.2 The Company does not have any Holding Company/ultimate Holding Company.

18.3 There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.

18.4 Details of Shareholders holding more than 5% equity shares:

Name of shareholders	% of holding	No. of Shares held as on March 31, 2018	No. of Shares held as on March 31, 2017	No. of Shares held as on April 1, 2016
Srikrishna Arjun Trading and Investment Company Private Limited	28.08	955,442	955,442	955,442
Arun Kumar Jalan	Nil	Nil	654,778	654,778
Anirudha Jalan	31.28	1,064,197	409,419	409,419

**19 Other Equity**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
General Reserve		141,597,116	141,597,116	141,597,116
Securities Premium Reserve		38,657,000	38,657,000	38,657,000
Retained Earnings		(12,338,028)	(6,591,089)	(4,377,651)
Other Comprehensive Income		6,105,143	273,631	–
<b>Total</b>		<b>174,021,231</b>	<b>173,936,658</b>	<b>175,876,465</b>

19.1 Refer Statement of Changes in Equity for movement in balances of reserve.

19.2 Nature and Purpose of Reserves :

- a) "General Reserve :“The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and it will not be reclassified subsequently to Statement of Profit and Loss."

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

- b) "Securities Premium Reserve :“Securities Premium Reserve represents the amount received in excess of par value of securities. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.
- c) "Retained Earnings :“ Retained earnings generally represent the undistributed profit/amount of accumulated earnings of the company and includes remeasurement gain/losses on defined benefit obligations. "
- d) "Other Comprehensive Income:“Other Comprehensive Income (OCI) represent the balance in equity for items to be accounted under OCI and comprises of the following: "i) Items that will not be reclassified to profit and loss :“The company has elected to recognise changes in the fair value of investments in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value. "

**20 Borrowing**

(Amount in Rs)

Particulars	Note No.	As at Mar. 31, 2018		As at Mar. 31, 2017		As at April 1, 2016	
		Current	Non Current	Current	Non Current	Current	Non Current
Secured							
From Banks							
Vehicle Loan	20.2	289,015	1,317,360	–	–	–	–
Repayable on Demand							
Working Capital	20.1	2,000,631	–	9,148,102	–	9,531,866	–
<b>Total</b>		<b>2,289,646</b>	<b>1,317,360</b>	<b>9,148,102</b>	<b>–</b>	<b>9,531,866</b>	<b>–</b>

20.1 The Working Capital is secured by hypothecation of crops, entire stocks, book debts and other current assets and Plant and Machineries, both present and future and equitable mortgage of Leasehold Land at Garden by deposit of Title Deeds and guaranteed by Srikrishna Arjun Trading and Investment Company Private Limited and personal guarantee of Mr. Sriprakash Jalan, CEO of the Company.

20.2 Vehicle Loans are secured by hypothecation of vehicles acquired under Car Loan scheme. Rate of interest being 9.1 % and is repayable at unamortised cost as follows:

Financial Year	Amount
2018-19	289,015
2019-20	316,679
2020-21	346,992
2021-22	380,207
2022-23	273,482
<b>Total</b>	<b>1,606,375</b>

**21 Provisions**

(Amount in Rs)

Particulars	Note No.	As at Mar. 31, 2018		As at Mar. 31, 2017		As at April 1, 2016	
		Current	Non Current	Current	Non Current	Current	Non Current
Provision for Employee Benefits							
For Gratuity	37	8,167,384	51,475,294	9,177,835	41,928,594	8,340,223	36,428,469
For Leave Encashment	37	206,301	815,260	348,180	652,935	195,283	461,180
Provision for Others							
For Tax on Dividend payable		–	678,055	–	678,055	–	678,055
<b>Total</b>		<b>8,373,685</b>	<b>52,968,609</b>	<b>9,526,015</b>	<b>43,259,584</b>	<b>8,535,506</b>	<b>37,567,704</b>

**Notes to the Financial Statements for the year ended 31st March 2018****22 Trade Payable - Current**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>For goods and services</b>				
Dues to Micro and Small Enterprises	22.1	–	–	–
Others		37,598,239	33,298,058	37,351,004
<b>Total</b>		<b>37,598,239</b>	<b>33,298,058</b>	<b>37,351,004</b>

22.1 To the extent identified, the Company has no information from the suppliers under the Micro, Small and Medium Enterprise Development Act, 2006 and accordingly the disclosure as acquired in Section 22 of the said Act is not applicable.

22.2 Payment towards trade payables is made as per the terms and conditions of the contract of purchase orders. The average credit period on purchases is 60 to 90 days.

**23 Other Financial Liabilities**

Particulars	Note No.	As at 31 March 2018 Current	As at 31 March 2017 Current	As at 1 April 2016 Current
Unclaimed Dividend	23.1	1,069,822	1,070,202	1,109,987
Interest Payable		–	–	21,141
<b>Total</b>		<b>1,069,822</b>	<b>1,070,202</b>	<b>1,131,128</b>

23.1 There is no due for payment to Investor Education and Protection Fund

**24 Other Liabilities**

Particulars	Note No.	As at 31 March 2018 Current	As at 31 March 2017 Current	As at 1 April 2016 Current
Statutory dues ( includes Goods and Services Tax, PF, ESI, Sales Tax/ VAT, CST Etc.)		2,743,019	2,833,978	3,016,995
<b>Total</b>		<b>2,743,019</b>	<b>2,833,978</b>	<b>3,016,995</b>

**25 Revenue from Operations**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Sale of Tea			
Other operating Revenue		251,523,632	243,897,799
<b>Total</b>		<b>251,523,632</b>	<b>243,897,799</b>

25.1 Goods and Service Tax ("GST") has been implemented with effect from 1st July, 2017 and therefore, revenue from operations for the period July 1, 2017 to 31st March 2018 are net of GST. Revenue from Operations and expenses for the year ended 31st March 2017 being inclusive of Excise Duty are not comparable with corresponding figures of year ended 31st March 2018.

**Notes to the Financial Statements for the year ended 31st March 2018****26 Other Income**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
<b>Interest Income</b>			
On Bank Deposits and Others		2,240,810	2,366,556
On Financial assets measured at amortised costs		2,209,017	2,104,575
Dividend from current investments		1,362	7,765
Profit on sale of Property, Plant and Equipment		19,068	–
Profit on sale of Investment		1,994,118	1,609,729
Provision/Liabilities no longer required written back		94,215	1,531,145
Sundry Credit Balance written back		235,441	143,007
Insurance Claim		5,620	65,064
Changes in Fair Value of Biological Assets		920,067	(55,054)
Net gain/(loss) on fair valuation of Investments through profit and loss (net)		5,129,118	7,978,198
Miscellaneous Receipts		663,946	856,063
<b>Total</b>		<b>13,512,782</b>	<b>16,607,048</b>

**27 Changes in Inventories of Finished Goods, Stock-in-Trade and Work in Progress**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Opening Stock			
Agriculture Produce		162,106	331,900
Tea		5,421,726	8,180,110
<b>Total</b>		<b>5,583,832</b>	<b>8,512,010</b>
Closing Stock			
Agriculture Produce		498,758	162,106
Tea		6,670,014	5,421,726
<b>Total</b>		<b>7,168,772</b>	<b>5,583,832</b>
(Increase)/ Decrease in Inventories of Finished goods, Agriculture Produce		(1,584,940)	2,928,178

**28 Employee Benefit Expenses**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Salaries and Wages		63,742,981	60,396,721
Contribution to Provident and other Funds	37	8,886,674	8,530,030
Staff Welfare expense		43,046,736	43,154,617
<b>Total</b>		<b>115,676,391</b>	<b>112,081,368</b>

**Notes to the Financial Statements for the year ended 31st March 2018****29 Finance Costs**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
<b>Interest Expense</b>		3,106,004	167,571
<b>Total</b>		3,106,004	167,571

**30 Other Expenses**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Consumption of Stores, Spare Parts and Packing Materials		11,537,002	12,903,421
Power and fuel		24,854,306	23,206,099
Rent		509,616	569,976
Repairs and maintenance:			
Buildings		5,579,068	7,725,040
Plant and machinery		5,442,453	4,667,238
Others		3,606,169	2,717,795
Insurance		1,911,883	2,234,565
Rates and taxes		888,879	1,329,948
Cultivation Expense		25,444,133	28,510,405
Travelling and conveyance		3,109,627	2,010,293
Transport Expenses		3,960,249	3,520,885
Legal and professional charges		795,800	1,118,945
Payment to auditors	30.1	115,000	250,000
Directors' fees		37,000	21,000
Brokerage and Selling commission		2,595,673	3,199,687
Despatching and Selling Expenses		6,274,532	7,518,675
Subscription		1,096,262	906,605
Cess on Green Leaves		1,850,229	2,112,749
Amortisation of deferred portion of Financial instruments		1,883,774	1,883,774
Miscellaneous expenses		10,000,765	10,211,150
<b>Total</b>		111,492,420	116,618,250

**30.1 Payment to auditors :**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Audit Fees		100,000	100,000
Tax Audit Fees		15,000	15,000
Certification and other expenses		–	135,000
<b>Total</b>		115,000	250,000

**Notes to the Financial Statements for the year ended 31st March 2018****31 Tax Expenses - Current Tax**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Current tax		610,946	1,230,000
Agricultural Income tax relating to earlier years		–	–
<b>Total</b>		<b>610,946</b>	<b>1,230,000</b>

**31.1 Components of Tax Expense**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Current Tax		229,566	1,230,000
In respect of Earlier Year		381,380	-
Deferred Tax		1,858,317	1,980,711
Total Tax expense recognised in the current year in the Statement of Profit and Loss		<b>2,469,263</b>	<b>3,210,711</b>

31.2 Reconciliation of Income tax expense for the year with accounting profit is as follows :

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows :

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Profit before tax		116,324	2,668,281
Income tax expense calculated at 25.75% (30.9%)		29,954	824,499
Add: Effect of Expenses that are not deductible in determining taxable profit			
Effect of Other Income Chargeable to tax		577,011	–
Effect of Expenses allowable on payment basis		1,657,233	(1,317,620)
Effect of Depreciation Difference		368,744	1,182,803
Effect of other adjustment		1,147,092	58,057
Income Tax of earlier year		381,380	–
Less : Effect of Expense/income that are deductible/not taxable in determining taxable profit			
Effect of Remeasurement losses on Defined Benefit Plan allowable (to the extent of tax liability)		1,177,044	–
Effect of Fair Value Movement of Investment		515,105	(2,462,973)
Income tax expense recognised in the statement of profit and loss		<b>2,469,263</b>	<b>3,210,711</b>

The base tax rate used for reconciliations above is 25% (30%) as applicable for corporate entities on taxable profits under the Indian tax laws.



**Notes to the Financial Statements for the year ended 31st March 2018****31.3 Income tax recognized in Other Comprehensive income**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Deferred tax charge on Remeasurement gains of defined benefit obligation		1,177,044	747,237
Gains/(loss) on fair value of investment in Equity Instruments		950	(1,618)
<b>Income tax recognized in Other Comprehensive income</b>		<b>1,177,994</b>	<b>745,619</b>
Bifurcation of the income tax recognized in Other comprehensive income into :			
Items that will be reclassified to profit or loss			
Items that will not be reclassified to profit or loss		1,177,994	745,619

**31.4 Components of Other Comprehensive Income**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Items that will not be reclassified to statement of profit or loss			
Remeasurement of defined benefit obligation (net of tax)		(3,394,002)	(1,671,006)
Gains/(loss) on fair value of investment in Equity Instruments (net of tax)		5,831,512	273,631
<b>Total</b>		<b>2,437,510</b>	<b>(1,397,375)</b>

- a) Current income tax has been computed considering that the benefits available under section 80I E of Income Tax Act, 1961 on substantial expansion is available on the entire profit and provision for tax has been made accordingly.
- b) Current tax includes Rs.Nil (Previous Year Rs. Nil) of agricultural income tax payable under the Assam Agricultural Income Tax, 1939.

**32 Earnings per Share**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Profit /(Loss) after Tax		(2,352,939)	(542,430)
Net Profit/(Loss) for calculation of Basic and Diluted EPS (a)		(2,352,939)	(542,430)
Weighted Average number of Equity shares in calculating Basic and Diluted EPS (b)		3,402,100	3,402,100
Basic and Diluted EPS (a/b)		(0.69)	(0.16)

**Notes to the Financial Statements for the year ended 31st March 2018****33 Segment Information**

"Consequent to the adoption of Ind AS, the Company has identified one operating segment viz, "Tea" "which is consistent with the internal reporting provided to the chief executive officer, who is the chief operating decision maker."

The Company deals in only one product i.e., Tea. The products and their applications are homogenous in nature.

- 33.1 Revenue in respect of tea include sale to three companies and one individual (March 31,2017 two companies) pertaining to the manufacture and selling of tea which account for more than 10% in each case and Rs. 20,85,90,489 (March 31,2017-Rs. 9,69,43,936) in aggregate of the total revenue of the company.

**34 Contingent Liabilities, Contingent Assets and Commitments (to the extent not provided for)****34.1 Contingent Liabilities and Contingent Assets**

(Amount in Rs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Income Tax matters under Appeal		1,780,010	1,779,910	2,439,380

- 34.1.1 The Company's pending litigation comprises of claim against the Company and proceeding pending tax/statutory/Government authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its Financial Statements. The Company does not expects the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of above are dependent upon the outcome of judgments / decisions.

- 34.1.2 A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

**34.2 Capital And Other Commitments**

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Estimated amount of contract remaining to be executed on capital account and not provided for;Net of advance of Rs 1,50,000 (31st March, 2017 - 2,01,50,000 and 1st April 2016 - Rs 1,50,000)		179,550	21,841,925	179,550

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

35 Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows :

(A) Names of related parties and nature of relationship

a) Associate : Srikrishna Arjun Trading and Investment Company Private Limited

b) Key Managerial Personnel and their relatives  
 Mr. S. P. Jalan ( Relative of Director)  
 Mr. Anirudha Jalan ( Director)  
 Mrs. Indra Jalan (Director)

c) Enterprises over which any person described in  
 (b) above is able to exercise significant influence  
 and with whom the Company has transaction  
 during the year. Creative Services (P) Ltd  
 Hasimara Industries Ltd

(B) Aggregate amount of transactions with related parties:

I) Nature of Transaction	For the year ended 31.03.2018	For the year ended 31.03.2017
Director's Fees	4,000	6,000
Remuneration paid to S. P. Jalan	1,538,528	1,385,426
Rent Paid		
Srikrishna Arjun Trading and Investment Company Private Limited	204,300	180,000
Maintenance Charges and Other charges		
Srikrishna Arjun Trading and Investment Company Private Limited	152,964	171,664
Loans given / (repaid)		
Srikrishna Arjun Trading and Investment Company Private Limited	-	7,500,000
Interest received : Hasimara Industries Ltd.	2,100,000	2,100,000
Srikrishna Arjun Trading and Investment Company Private Limited	-	152,877

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

Balances of Related parties is as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>II) Balance outstanding –</b>			
i) Loans given			
Hasimara Industries Limited	17,500,000	17,500,000	17,500,000
Srikrishna Arjun Trading and Investment Company Private Limited	–	–	7,500,000
ii) Investments			
Hasimara Industries Limited	5,595,159	4,995,677	4,460,427
Creative Services Private Limited	4,050,837	3,616,819	3,229,302
iii) Others			
Hasimara Industries Limited	1,890,000	1,890,000	469,918
Creative Services Private Limited	500,000	500,000	500,000
Srikrishna Arjun Trading and Investment Company Private Limited	–	137,589	810,000

**Note:**

- i) The above related party information is as identified by the management and relied upon by the auditor.
- ii) The Company has provided certain short term loans to its Related parties for working capital purposes. These loans are unsecured.

Details of compensation paid to KMP during the year are as follows :

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Short Term Employee Benefits	1,538,528	1,385,426
Post–employment benefits*		
Other long–term benefits*		

\* Post–employment benefits and other long–term benefits have been disclosed based on actual payment made on retirement/resignation of services, but does not include provision made on actuarial basis as the same is available for all the employees together.

- 36 In the opinion of the Board, the assets other than fixed and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

**37 Post Retirement Employee Benefits**

The disclosures required under Indian Accounting Standard 19 on "Employee Benefits" (Ind AS - 19) are given below:

- (a) Defined Contribution Scheme

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Contribution to Defined Contribution Plan recognised for the year are as under:		
Employer's Contribution to Provident Fund	7,604,150	6,640,939
Employer's Contribution to Pension Fund	284,164	283,599

**Notes to the Financial Statements for the year ended 31st March 2018****(b) Defined Benefit Plan**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. This is an unfunded plan.

The Company also has certain Defined Contribution plans. Contributions are made to provident fund in India at the rate of 12% of salary of the employees covered as per the regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**Gratuity (Unfunded)**

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
<b>A. Change in fair value of Defined Benefit Obligation :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	51,106,429	44,768,692
Current Service Cost	3,203,613	2,986,929
Interest Cost	3,841,405	3,595,317
Benefit Paid	(3,079,815)	(2,662,752)
Remeasurements- Due to Financial Assumptions	(997,787)	2,112,409
Remeasurements- Due to Experience Adjustments	5,568,833	305,834
<b>Liability at the end of the year</b>	<u>59,642,678</u>	<u>51,106,429</u>
<b>B. Change in Fair Value of plan Assets :</b>		
Fair value of Plan Assets at the beginning of the year		
Employer Direct Benefit payment	3,079,815	2,662,752
Benefit payment From Employer	(3,079,815)	(2,662,752)
<b>Fair value of plan Assets at the end of the year</b>	<u>—</u>	<u>—</u>
<b>C Amount Recognized in Balance Sheet:</b>		
Present Value of Defined Benefit Obligations as at the end of the year	59,642,678	51,106,429
Fair value of Plan Assets at the end of the year	—	—
<b>Total</b>	<u>59,642,678</u>	<u>51,106,429</u>
<b>D Components of Defined Benefit Cost</b>		
Current Service Cost	3,203,613	2,986,929
Interest Cost	3,841,405	3,595,317
<b>Total Defined Benefit Cost recognized in the Statement of Profit and Loss</b>	<u>7,045,018</u>	<u>6,582,246</u>

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

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
<b>E Remeasurements Recognized in Other Comprehensive Income</b>		
Remeasurements- Due to Financial Assumptions	(997,787)	2,112,409
Remeasurements- Due to Experience Adjustments	5,568,833	305,834
<b>Remeasurements Recognized in Other Comprehensive Income</b>	<u>4,571,046</u>	<u>2,418,243</u>
<b>F. Balance Sheet Reconciliation</b>		
Opening Net Liability	51,106,429	44,768,692
Defined Benefit Cost included in Profit and Loss	7,045,018	6,582,246
Remeasurements Recognized in Other Comprehensive Income	4,571,046	2,418,243
Employer Direct Benefit Payments	(3,079,815)	(2,662,752)
Employers Contribution	—	—
<b>Amount Recognised in Balance Sheet</b>	<u>59,642,678</u>	<u>51,106,429</u>

**G. Percentage allocation of plan assets in respect of fund managed by insurer/trust is as follows:**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Equity	N.A.	N.A.	N.A.
Bonds	N.A.	N.A.	N.A.
Other Current Assets	N.A.	N.A.	N.A.
Insurance policies	N.A.	N.A.	N.A.

**H. The Principal Actuarial Assumptions as at Balance Sheet date are set out as below:**

<b>Summary of Financial Assumption</b>		
Discount Rate	7.75%	7.50%
Salary Escalation- First Five Years	6.00%	6.00%
Salary Escalation- After Five Years	6.00%	6.00%
Expected Return on Plan Assets	N/A	N/A

<b>Summary of Demographic Assumptions</b>		
Mortality Rate	IALM (2006-08) Table	
Disability Rate(a % of above mortality rate)	5.00%	5.00%
Withdrawal Rate	1% to 8%	1% to 8%
Retirement Age	60 Years	58 Years
Average future service	21.37	20.04

**Notes to the Financial Statements for the year ended 31st March 2018****Sensitivity Analysis :**

Particulars	Change in Assumptions	As at 31 March 2018	As at March 31, 2017
Salary Escalation	1%	64,435,353	55,803,128
Salary Escalation	-1%	55,396,730	46,956,437
Withdrawl Rates	1%	60,203,352	51,668,600
Withdrawl Rates	-1%	59,011,947	50,646,471
Discount Rate	1%	55,571,734	47,022,571
Discount Rate	-1%	64,314,587	55,804,486

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as and when calculating the defined benefit obligation recognised within the Balance Sheet.

**J. Estimate of expected benefit payments (In absolute terms i.e. undiscounted)**

Particulars	Gratuity
01 Apr 2017 to 31 Mar 2018	9,986,873
01 Apr 2018 to 31 Mar 2019	3,062,853
01 Apr 2019 to 31 Mar 2020	11,537,596
01 Apr 2020 to 31 Mar 2021	5,924,850
01 Apr 2021 to 31 Mar 2022	6,523,935
01 Apr 2022 Onwards	28,969,061

**Other Long Term Employee Benefit  
Compensated absences( Unfunded)**

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
<b>A. Change in fair value of Defined Benefit Obligation :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	1,001,115	656,463
Current Service Cost	275,278	258,744
Interest Cost	72,023	62,159
Benefit Payments From Employer	(143,562)	(144,097)
Actuarial (Gain) / Losses	-	-
Remeasurements- Due to Financial Assumptions	(13,661)	21,708
Remeasurements- Due to Experience Adjustments	(169,632)	146,138
<b>Liability at the end of the year</b>	<b>1,021,561</b>	<b>1,001,115</b>

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

<b>Particulars</b>	<b>For the year ended 31.03.2018</b>	For the year ended 31.03.2017
<b>B Change in Fair Value of plan Assets :</b>		
Fair value of Plan Assets at the beginning of the year	-	-
Interest Income		
Employer Direct Benefit Payments	143,562	144,097
Contributions by the Employers		
Benefit paid		
Benefit Payments From Employer	(143,562)	(144,097)
Remeasurements- Return on Assets (excluding Interest Income)		
Fair value of plan Assets at the end of the year	<u>-</u>	<u>-</u>
<b>C Amount Recognized in Balance Sheet:</b>		
Present Value of Defined Benefit Obligations as at the end of the year	1,021,561	1,001,115
Fair value of Plan Assets at the end of the year	<u>-</u>	<u>-</u>
<b>Total</b>	<u>1,021,561</u>	<u>1,001,115</u>
<b>D Components of Defined Benefit Cost</b>		
Current Service Cost	275,278	258,744
Interest Cost	72,023	62,159
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss on remeasurement recognized in OCI	-	-
<b>Total Defined Benefit Cost recognized in the Statement of Profit and Loss</b>	<u>347,301</u>	<u>320,903</u>
<b>E Remeasurements Recognized in Other Comprehensive Income</b>		
Remeasurements- Due to Financial Assumptions	(13,661)	21,708
Remeasurements- Due to Experience Adjustments	(169,632)	146,138
Remeasurements- Return on Assets (excluding Interest Income)	-	-
Remeasurements Recognized in Other Comprehensive Income	<u>(183,293)</u>	<u>167,846</u>
<b>F Balance Sheet Reconciliation</b>		
Opening Net Liability	1,001,115	656,463
Defined Benefit Cost included in Profit and Loss	347,301	320,903
Remeasurements Recognized in Other Comprehensive Income	(183,293)	167,846
Employers Contribution	(143,562)	(144,097)
Amount Recognised in Balance Sheet	<u>1,021,561</u>	<u>1,001,115</u>



**Notes to the Financial Statements for the year ended 31st March 2018****G. Percentage allocation of plan assets in respect of fund managed by insurer/trust is as follows**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Equity	N.A.	N.A.	N.A.
Bonds	N.A.	N.A.	N.A.
Other Current Assets	N.A.	N.A.	N.A.
Insurance policies	N.A.	N.A.	N.A.

**H The Principal Actuarial Assumptions as at Balance Sheet date are set out as below:**

## Summary of Financial Assumption

Discount Rate	7.75%	7.50%	N.A.
Salary Escalation- First Five Years	6.00%	6.00%	N.A.
Salary Escalation- After Five Years	6.00%	6.00%	N.A.
Expected Return on Plan Assets	N.A.	N.A.	N.A.

**Summary of Demographic Assumptions**

Mortality Rate	IALM (2006-08) Table		
	Disability Rate(a % of above mortality rate)	5.00%	5.00%
Withdrawal Rate	1% to 8%	1% to 8%	N.A.
Retirement Age	60 Years	58 Years	N.A.
Average future service	11.24	8.72	N.A.

**I. Sensitivity analysis**

Particulars	Change in Assumptions	As at 31 March 2018	As at March 31, 2017
Salary Escalation	1%	1,083,219	1,048,146
Salary Escalation	-1%	965,354	957,777
Withdrawal Rates	1%	1,026,963	1,012,127
Withdrawal Rates	-1%	1,015,736	992,105
Discount Rate	1%	967,894	958,737
Discount Rate	-1%	1,081,075	1,047,915

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as and when calculating the defined benefit obligation recognised within the Balance Sheet.

**Notes to the Financial Statements for the year ended 31st March 2018****J Estimate of expected benefit payments (In absolute terms i.e. undiscounted)**

Particulars	Leave
01 Apr 2017 to 31 Mar 2018	384,728
01 Apr 2018 to 31 Mar 2019	43,165
01 Apr 2019 to 31 Mar 2020	321,269
01 Apr 2020 to 31 Mar 2021	113,485
01 Apr 2021 to 31 Mar 2022	94,909
01 Apr 2022 Onwards	522,846

**38 Financial Instruments****38.1 Capital Management**

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company.

**38.1.1 Gearing Ratio**

The gearing ratio are as follows :

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Borrowings	3,607,006	9,148,102	9,531,866
Less: Cash and Cash Equivalents	2,388,098	2,563,185	5,842,136
Net Debt	1,218,908	6,584,917	3,689,730
Equity	209,141,439	209,056,866	210,996,673
Equity and Net Debt	210,360,347	215,641,783	214,686,403
Gearing Ratio	0.01	0.03	0.02

**38.2 Categories of Financial Instruments**

Details with respect to financial assets and financial liabilities are as follows:-

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Assets			
Break up of financial assets carried at amortised cost :			
Trade receivable	5,652,394	5,070,460	2,593,410
Cash and Cash Equivalents	2,388,098	2,563,185	5,842,136
Other Bank Balances	1,669,822	1,670,202	1,109,987
Loans	22,879,815	22,857,391	30,258,705
Others	16,564,995	15,035,274	9,535,470
<b>Total financial assets carried at amortised cost</b>	<b>49,155,124</b>	<b>47,196,512</b>	<b>49,339,708</b>

**Notes to the Financial Statements for the year ended 31st March 2018****Break up of financial assets at fair value through profit or loss**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investments			
- Non-current	9,663,816	22,816,737	21,616,621
- Current	82,753,525	90,512,354	103,426,745
<b>Total financial assets carried at fair value through profit or loss</b>	<b>92,417,341</b>	<b>113,329,091</b>	<b>125,043,366</b>
<b>Break up of financial assets at fair value through Other comprehensive income reserve</b>			
Investments			
- Non-current	–	14,188,041	13,912,792
<b>Total financial assets carried at fair value through profit or loss</b>	<b>–</b>	<b>14,188,041</b>	<b>13,912,792</b>
<b>Financial Liabilities</b>			
<b>Break up of financial liabilities carried at amortised cost</b>			
Borrowings	3,317,991	9,148,102	9,531,866
Trade payable	37,598,239	33,298,058	37,351,004
<b>Total financial liabilities carried at fair value at amortised cost</b>	<b>40,916,230</b>	<b>42,446,160</b>	<b>46,882,870</b>

**Fair Valuation Techniques**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, other bank balances, current trade receivables and payables, other current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

Fair value of Investment in unquoted Non Cumulative Redeemable Preference Share and security deposit have been determined based on Effective Interest Rate method(EIR) and differential thereof has been recognised as deferred loss/gain and to be recognised to profit and loss over the tenure of the instrument.

Investments traded in active market are determined by reference to the quotes from the Stock exchanges as at the reporting date. Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.

**Notes to the Financial Statements for the year ended 31st March 2018****38.3 Fair Value hierarchy**

Particulars	As at 31st March,	Fair Value measurements at reporting date using		
		Level 1	Level 2	Level 3
Financial Asset				
Investment in Equity Instruments	13,912,792 (14,188,041) –	13,902,300 (14,182,785) –	– – –	10,492 (5,256) –
Investment in Preference Shares	7,703,829 (8,628,696) [966,3816]	14,100 (16,200) [17,820]	7,689,729 (8,612,496) [9,645,996]	– – –
Investment in Mutual Funds	103,426,745 (90,512,354) [82,753,525]	103,426,745 (90,512,354) [82,753,525]	– – –	– – –

(\*) Figures in round brackets ( ) indicate figures as at March 31, 2017 and in brackets [ ] indicate figures as at March 31, 2018.

During the year ended March 31, 2018 and March 31, 2017, there were no transfers between Level 1, Level 2 and Level 3

The Inputs used in fair valuation measurement are as follows

"Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the borrowing rate of the company."

"Unquoted investments in shares have been valued based on the amount available to shareholder's as per the latest audited financial statements. There were no external unobservable inputs or assumption used in such valuation."

**38.4 Financial risk factors**

The Company's financial liabilities comprise mainly of borrowings, trade and other payables. The Company's financial assets comprise mainly of cash and cash equivalents, other balances with banks including trade receivables and other receivables, Deposits and Investments. The Company is exposed to Market risk, Credit risk and Liquidity risk. The Company's senior management oversees the management of these risks. The Board of Director reviews and agrees policies for managing each of these risks, which are summarised below:

**38.5 Market risk**

The Company's business is primarily agricultural in nature, exposes it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse weather conditions and lack of future markets. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk.

**38.6 Interest rate risk management**

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

The Company is exposed to interest rate volatilities primarily with respect to its short terms borrowings from banks as well as Financial Institutions. Such volatilities primarily arise due to changes in money supply within the economy and/or liquidity in banking system due to asset/liability mismatch, poor

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

quality assets etc. of banks. The Company manages such risk by operating with banks having superior credit rating in the market as well as Financial Institutions.

**38.7 Price risks**

The Company invests its surplus funds primarily in Equity Instruments, Preference Shares and mutual funds measured at fair value through profit or loss and other comprehensive income reserve. Aggregate value of such investments as at 31st March, 2018 is Rs.9,24,17,341 (2017 - Rs.11,33,29,091; 2016 - Rs. 12,50,43,366).

Accordingly, other price risk of the financial instrument to which the company is exposed is not expected to be material.

**38.8 Credit risks**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and other financial assets including deposits with Bank. Exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable.

The Company's exposure of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. The credit risk of the Company is low as the Company largely sells its teas through the auction system which is on cash and carry basis.

**38.9 Liquidity risk management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund based working capital loans from banks. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

The following tables detail the Company's contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as at balance sheet date:

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

## Maturity Analysis of unamortised Financial Liabilities

**As of March 31, 2018**

Particulars	Carrying Value	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Trade Payables	37,598,239	–	37,598,239	–	–	37,598,239
Borrowings	3,607,006	2,000,631	141,206	147,809	1,317,360	3,607,006
Other Financial Liabilities	1,069,822	1,069,822	–	–	–	1,069,822
<b>Total</b>	<b>42,275,067</b>	<b>3,070,453</b>	<b>37,739,445</b>	<b>147,809</b>	<b>1,317,360</b>	<b>42,275,067</b>

**As of March 31, 2017**

Particulars	Carrying Value	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Trade Payables	33,298,058	–	33,298,058	–	–	33,298,058
Borrowings	9,148,102	9,148,102	–	–	–	9,148,102
Other Financial Liabilities	1,070,202	1,070,202	–	–	–	1,070,202
<b>Total</b>	<b>43,516,362</b>	<b>10,218,304</b>	<b>33,298,058</b>	<b>–</b>	<b>–</b>	<b>43,516,362</b>

**As of April 1, 2016**

Particulars	Carrying Value	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Trade Payables	37,351,004	–	37,351,004	–	–	37,351,004
Borrowings	9,531,866	9,531,866	–	–	–	9,531,866
Other Financial Liabilities	1,131,128	1,109,987	21,141	–	–	1,131,128
<b>Total</b>	<b>48,013,998</b>	<b>10,641,853</b>	<b>37,372,145</b>	<b>–</b>	<b>–</b>	<b>48,013,998</b>

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

**39. Fair value measurements for biological assets other than bearer plants**

The following table gives the information about how the fair value of the biological assets are determined:

Biological Asset	Fair Value as at (Rs.)			Fair Value Hierarchy	Valuation techniques and Key inputs
	31st March, 2018	31st March, 2017	1st April, 2016		
Unharvested Tea Leaves	2,507,152	1,587,086	1,642,140	Level 2	Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various fields.

**Notes to the Financial Statements for the year ended 31st March 2018****40. FIRST TIME ADOPTION OF Ind AS – Disclosures, Reconciliation etc.**

- a) Reconciliation in terms of Ind AS 101 "First time adoption of Indian Accounting Standards"  
i) Reconciliation of Equity as at March 31, 2017 and April 1, 2016

Particulars	Notes No.	As at April 1, 2016			As at March 31, 2017 (End of last period presented under Previous GAAP)		
		As per previous GAAP	Effect of transition to Ind AS	As per Ind AS	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS
<b>ASSETS</b>							
<b>1) Non-current Assets</b>							
a) Property, Plant And Equipment		85,107,194	(4,163,078)	80,944,116	84,955,640	(4,163,078)	80,792,562
b) Capital Work-in-progress		525,624	4,163,078	4,688,702	2,468,753	4,163,078	6,631,831
c) Financial Assets							
i) Investments		34,043,043	(12,426,422)	21,616,621	34,043,043	(11,226,306)	22,816,737
ii) Loans		6,300,000	(2,241,295)	4,058,705	5,100,000	(1,642,609)	3,457,391
iii) Other Financial Assets		11,635,045	(5,336,670)	6,298,375	14,994,545	(4,753,550)	10,240,995
d) Current Tax Assets (Net)		1,701,297	-	1,701,297	2,953,721	152,226	3,105,947
e) Deferred tax assets (Net)		8,663,945	(820,493)	7,843,452	9,893,444	(3,285,084)	6,608,359
f) Other Non current assets		7,787	9,563,733	9,571,520	20,008,882	7,679,958	27,688,840
<b>Total Non Current Assets</b>		<b>147,983,935</b>	<b>(11,261,147)</b>	<b>136,722,788</b>	<b>174,418,028</b>	<b>(13,075,365)</b>	<b>161,342,662</b>
<b>2) Current Assets</b>							
a) Inventories		18,976,595	702,264	19,678,859	16,856,834	192,516	17,049,350
b) Biological Assets other than bearer plants		-	1,642,140	1,642,140	-	1,587,086	1,587,086
c) Financial Assets							
i) Investments		100,771,427	2,655,318	103,426,745	79,880,937	10,631,417	90,512,354
ii) Trade receivables		2,593,410	-	2,593,410	5,070,460	-	5,070,460
iii) Cash and cash equivalents		5,842,136	-	5,842,136	2,563,185	-	2,563,185
iv) Other Bank Balances		1,109,987	-	1,109,987	1,670,202	-	1,670,202
v) Loans		26,200,000	-	26,200,000	19,400,000	-	19,400,000
vi) Other Financial Assets		3,232,720	4,376	3,237,096	4,794,279	-	4,794,279
(d) Other current assets		5,798,317	1,879,398	7,677,715	2,319,450	1,883,777	4,203,227
<b>Total Current Assets</b>		<b>164,524,592</b>	<b>6,883,496</b>	<b>171,408,088</b>	<b>132,555,347</b>	<b>14,294,795</b>	<b>146,850,143</b>
<b>Total Assets</b>		<b>312,508,527</b>	<b>(4,377,651)</b>	<b>308,130,876</b>	<b>306,973,375</b>	<b>1,219,430</b>	<b>308,192,805</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
a) Equity Share Capital		35,120,208	-	35,120,208	35,120,208	-	35,120,208
b) Other Equity		180,254,116	(4,377,651)	175,876,465	172,869,453	1,067,205	173,936,658
<b>Total Equity</b>		<b>215,374,324</b>	<b>(4,377,651)</b>	<b>210,996,673</b>	<b>207,989,661</b>	<b>1,067,205</b>	<b>209,056,866</b>
<b>Liabilities</b>							
<b>1) Non Current liabilities</b>							
<b>a) Financial Liabilities</b>							
<b>i) Borrowings</b>							
b) Provisions		37,567,704	-	37,567,704	43,259,584	-	43,259,584
<b>Total Non Current Liabilities</b>		<b>37,567,704</b>	<b>-</b>	<b>37,567,704</b>	<b>43,259,584</b>	<b>-</b>	<b>43,259,584</b>
<b>2) Current liabilities</b>							
<b>a) Financial Liabilities</b>							
<b>i) Borrowings</b>							
i) Borrowings		9,531,866	-	9,531,866	9,148,102	-	9,148,102
ii) Trade Payables		37,351,004	-	37,351,004	33,134,373	163,685	33,298,058
iii) Other Financial Liabilities		1,131,128	-	1,131,128	1,070,202	-	1,070,202
(b) Other current liabilities		3,016,995	-	3,016,995	2,845,438	(11,460)	2,833,978
(c) Provisions		8,535,506	-	8,535,506	9,526,015	-	9,526,015
<b>Total Current Liabilities</b>		<b>59,566,499</b>	<b>-</b>	<b>59,566,499</b>	<b>55,724,130</b>	<b>152,225</b>	<b>55,876,355</b>
<b>Total Liabilities</b>		<b>97,134,203</b>	<b>-</b>	<b>97,134,203</b>	<b>98,983,714</b>	<b>152,225</b>	<b>99,135,939</b>
<b>Total Equity and Liabilities</b>		<b>312,508,527</b>	<b>(4,377,651)</b>	<b>308,130,876</b>	<b>306,973,375</b>	<b>1,219,430</b>	<b>308,192,805</b>

Previous GAAP figures have been reclassified to conform with IND AS presentation requirement for the purpose of these notes.

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

## ii) Reconciliation of Total Equity as given above

Particulars	As at 31st March, 2017
Total Equity (including Shareholder's Fund) under previous GAAP	207,989,661
Ind AS Adjustment	–
Impact of measuring inventory of made tea on the basis of Ind AS and Ind AS 41	192,517
Impact of recognising biological assets at fair value under Ind AS 41	1,587,086
Effect of fair valuation of Equity instrument measured at fair value through other comprehensive income	(5,835,002)
Effect of fair valuation of Equity instrument measured at fair value through Profit and Loss	10,627,619
Effect of Deferred Tax Liability	(3,285,085)
Effect of amortisation of deferred income on financial assets as per EIR method	4,176,230
Effect of Finance Cost as per Effective Interest Rate Method and amortisation of Financial Assets	(6,396,161)
<b>Total Adjustment to Equity</b>	<b>1,067,204</b>
<b>Total Equity under Ind AS</b>	<b>209,056,866</b>



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

## iii) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(Amount in Rs.)

Particulars	Note No.	Previous GAAP Statement of Profit or Loss for the year ended 31st March 2017	Effect of transition to INDAS	INDAS Statement of Profit or Loss for the year ended 31st March 2017
Revenue from Operations		243,897,799	–	243,897,799
Other Income		6,579,329	10,027,719	16,607,048
<b>Total Income</b>		<b>250,477,128</b>	<b>10,027,719</b>	<b>260,504,847</b>
<b>Expenses</b>				
Cost of Materials Consumed		20,308,958	–	20,308,958
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		2,418,431	509,747	2,928,178
Employee Benefit Expenses		114,499,611	(2,418,243)	112,081,368
Finance Cost		167,571	–	167,571
Depreciation and Amortisation Expenses		5,732,241	–	5,732,241
Other Expenses		114,734,478	1,883,772	116,618,250
<b>Total Expenses</b>		<b>257,861,290</b>	<b>(24,724)</b>	<b>257,836,566</b>
Profit/(loss) before tax		(7,384,162)	10,052,442	2,668,279
VIII. Tax expense:				
1) Current tax		882,556	347,444	1,230,000
2) Deferred tax		(882,055)	2,862,766	1,980,711
VIII. Tax expense		501	3,210,210	3,210,711
IX. Profit/(Loss) for the year	(VII-VIII)	(7,384,663)	6,842,232	(542,432)
X. Other Comprehensive Income				
A. Items that will not be reclassified to profit or loss				
i) Re-measurement gains/ (losses) on defined benefit plans		–	(2,418,243)	(2,418,243)
ii) Gains/(loss) on fair value of investment in Equity Instruments		–	275,249	275,249
iii) Income tax relating to items that will not be reclassified to profit or loss		–	745,619	745,619
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		–	(1,397,373)	(1,397,375)
Other comprehensive income for the year (net of tax)		–	(1,397,373)	(1,397,375)
XI. Total Comprehensive Income for the period (IX+X)(Comprising Profit/ (Loss) and Other Comprehensive Income for the period)		(7,384,663)	5,444,858	(1,939,805)

Previous GAAP figures have been reclassified to conform with IND AS presentation requirements for the purpose of these notes.

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

## iv) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017 :

Particulars	Amount in Rs.
Net profit/(Loss) as reported under previous GAAP	(7,384,663)
Add/Less:	
Effect of measuring inventory of finished goods	(339,953)
Effect of recognising Biological assets at fair values	(55,054)
Effect of Changes in fair value of harvested leaves	(169,794)
Adjustment for amount recognised in Other Comprehensive Income	2,418,243
Effect of Changes in fair value of financial instruments	7,978,198
Effect on Other income due to unwinding of discounting on financial assets	2,104,575
Effect of Deferred Tax liability	(3,210,211)
Effect of amortisation of deferred income on financial assets as per EIR method	(1,883,772)
Net profit/(Loss) for the period under IND AS	(542,430)
Other Comprehensive Income	
Effect of Changes in fair value of Equity Instruments	275,249
Re-measurement gain/(loss) on defined benefit plans	(2,418,243)
Deferred Tax on above	745,619
<b>Total Comprehensive Income as per IND AS</b>	<b>(1,939,805)</b>

## v) Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2017 :

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

## b) FIRST-TIME ADOPTION – Mandatory Exceptions and optional Exemptions

These financial statements are covered by Ind AS 101, "First Time Adoption of Indian Accounting Standards", as they are the Company's first Ind AS financial statements for the year ended March 31, 2018.

## i) Overall principle:

a) The Company has prepared the opening balance sheet as per Ind AS as at April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. The accounting policies that the Company used in its opening Ind-AS Balance Sheet may have differed from those that it used for its previous GAAP. The resulting adjustments arising from events and transactions occurring before the date of transition to Ind-AS has been recognized directly in Equity as on the date of transition(i.e, April 1, 2016).

b) However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below:

## ii) Deemed cost for Property, Plant and Equipment

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognized as of transition date measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

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

## iii) Impairment of financial assets

Ind AS 109 "Financial Instruments" requires the impairment to be carried out retrospectively; however, as permitted by Ind AS 101, the Company, has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

## iv) Fair Valuation of Investments

The Company has designated investments held at April 1, 2016 at fair valuation through Profit and Loss and fair valuation through Other Income.

## v) Derecognition of Financial Assets and Financial Liabilities

The Company has applied the derecognition requirement of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 ( the transition date)

## vi) Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 for determining whether an arrangement contains a lease at the transition date on the basis of facts and circumstances existing at that date.

## c) Explanatory Notes to reconciliation between Previous GAAP and Ind AS

## 1. Fair Valuation of Financial Assets and Liabilities

Under previous GAAP, receivables and payables were measured at transaction cost less allowances for recoverability, if any. Under Ind AS, financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less allowances for impairment, if any. The resulting changes are recognised either under finance income or expenses in the Statement of profit and loss. On transition, the company has fair valued certain financial assets including Loans and Security deposits . This has resulted in decrease in total equity by Rs.75,77,966 and Rs. 63,96,159 as on April 1, 2016 and March 31, 2017 respectively.

## 2. Fair Valuation of Current Investments

Under previous GAAP, Current investments were measured at lower of cost or market price. Under Ind AS, these investments are measured at fair value through profit or loss and accordingly, difference between the fair value and carrying value is recognised in Statement of profit or loss. On transition, the Company has recognised a gain of Rs. 26,55,318 as on April 1, 2016 and Rs. 1,06,31,417 as on 31st March, 2017 in respect of mutual funds with corresponding increase in total equity.

## 3. Preference Shares at amortised costs

The Company has subscribed to Non Cumulative Redeemable Preference Share of various Companies. The preference shares have been fair valued as on the transition date and the difference between the fair value and the carrying value has been taken to retained earnings amounting to Rs.63,13,171 . The Company recognises interest on the said financial asset which has been taken to the Statement of Profit and Loss Account.

## 4. Investment in Equity Instruments

Under previous GAAP, Non-current Investments were stated at cost less provision, if any, for diminution in value other than temporary. Under Ind AS, the Company has made an irrevocable decision to consider equity instruments other than Investment in Subsidiaries, "Associates and Joint Ventures not held for trading to be recognized at FVTOCI." On transition, the Company has recognized a loss of Rs. 61,10,250 as on April 1, 2016 and subsequent change of profit of

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

Rs. 2,75,249 March 31, 2017 in OCI with the corresponding decrease and increase in the carrying value of such investments respectively.

5. Fair Valuation of Harvested leaves and Biological Asset
- 5.1. Raw Materials : Under previous GAAP, no valuation was done for period end harvested tea-leaf. Under Ind AS, harvested leaf is measured at its fair value less cost to sell and is classified as Raw Materials. "Consequent to this change, inventory of raw materials has increased by Rs 3,31,900 and Rs 1,62,106 as at 1st April 2016 and 31st March 2017 respectively with corresponding increase in equity."
- 5.2. Under previous GAAP, biological assets i.e. unplucked leaf on tea bushes has neither been valued nor recognised in the accounts. Under Ind AS, unplucked leaf on tea bushes has been measured at its fair value less cost to sell. Consequent to this change, inventory of biological assets has increased by Rs. 16,42,140 and 15,87,086 as at 1st April 2016 and 31st March 2017 with corresponding increase in equity.
6. Finished Goods : Under previous GAAP, tea stock has been valued at the lower of cost and net realizable value. Cost of inventories comprise all costs of purchase/production of green leaf, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.  
Under Ind AS, cost of inventories comprise cost of purchase of green leaf, fair value of green leaf at the time of harvest less cost to sell, conversion cost and other cost incurred in bringing the inventories to their present location and condition. Consequent to this change, inventory of finished goods as on has increased by Rs 3,70,364 and Rs 30,410 as at 1st April 2016 and 31st March 2017 respectively with corresponding increase in equity.
7. Remeasurement of defined benefit plan  
Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As result of this change, the profit for the year ended 31 March, 2017 has decreased by Rs. 24,18,243.
8. Taxation
  - a) In terms of Ind AS 12 "Income Taxes" deferred tax includes Minimum Alternate Tax (MAT) and accordingly the carrying value of Minimum Alternate Tax credit entitlement amounting to Rs. Nil (Rs. 3,47,444 as on March 31,2017 ) as per Previous GAAP shown under Long Term Loans and Advances as on 31st March 2017 have been increased in Deferred Tax Assets under Ind AS.
  - b) Deferred Tax has been recognised in respect of accounting differences between previous GAAP and Ind AS. These adjustments have resulted decrease in deferred tax assets by Rs. 8,20,493 and subsequent changes for the year ended March 31, 2017 amounting to Rs. 28,62,766 shown under Deferred Tax Charges has been recognised in the Statement of Profit and Loss.
9. Previous year figures have been regrouped/ reclassified to conform with current year presentation, wherever considered necessary.
41. These financial statements have been approved by the Board of Directors of the Company on 30th May,2018 for issue to the shareholders for their adoption.

As per our report of even date

For K.N. Gutgutia & Co.  
Chartered Accountants  
Firm Registration No. 304153E  
Place : Kolkata  
Date : 30th May, 2018

**K. C. Sharma**  
Partner  
Membership No. 50819

**K. C. Mishra**  
Company Secretary  
& CFO

For and on behalf of the Board

**Shridhar Issar**  
**Sanjay Kumar Kejriwal** | Directors



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TYROON TEA COMPANY LIMITED

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**ANNUAL REPORT AND  
ACCOUNTS 2017 - 2018**

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**Tyroon Tea Company Limited**

McLeod House

3, Netaji Subhas Road

Kolkata-700 001

## Tyroon Tea Company Limited

(AN ISO 9001-2006, ISO 22000 2005 AND HACCP CERTIFIED COMPANY)

CIN . L15421WB1890PLC000612

Registered Office: "McLeod House", 3, Netaji Subhas Road, Kolkata – 700 001, India

Phone Nos. : 2248-3236/6072/9931, Fax : (91-33) 2248-6938

E-mail : info@tyroon tea.com, Website : www.tyroon tea.com

**ATTENDANCE SLIP** (To be presented at the entrance)

**ANNUAL GENERAL MEETING ON FRIDAY, 28TH SEPTEMBER 2018 AT 3.00 PM**

AT BHARATIYA BHASHA PARISHAD 36A, SHAKESPEARE SARANI, KOLKATA – 700 017

Folio No. / DP ID /Client ID	No. of Share(s) :
Name and Address of the Member / Proxy holder	

\_\_\_\_\_  
Member's Signature

\_\_\_\_\_  
Proxy holder's Signature

1. Only member / proxy holder can attend the Meeting.
2. Member/proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

### PROXY FORM (Form No. MGT – 11)

(Pursuant to the section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration), 2014)

Name of Member / Proxy	
Registered Address	
Registered Folio No. / DP ID No. /Client ID No.	Email ID
I/We, being the member(s) of	Shares of Tyroon Tea Company Limited, hereby appoint

1. Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him
3. Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him
3. Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him

As my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 28th September 2018 at 3.00 PM at Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata – 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution Proposed	Proxy tick (✓)	
		For	Against
<b>Ordinary Business</b>			
1.	Adoption of Audited Statement of Profit & Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended 31st March 2018		
2.	Re-appointment of Mr Anirudha Jalan, who retires by rotation		

\_\_\_\_\_  
Member's Signature

\_\_\_\_\_  
Proxy holder's Signature

Affix Revenue Stamp
---------------------------

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2018

**Notes :** This Proxy Form, in order to be effective, should be duly completed and deposited at the Registered Office of the Company at McLeod House, 2, Netaji Subhas Road, Kolkata-700 001 not less than 48 hours before the commencement of the Meeting.