



THE PERIA KARAMALAI TEA AND PRODUCE
COMPANY LIMITED

105th

ANNUAL REPORT

2017-2018





THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LIMITED

Registered Office : 7, Munshi Premchand Sarani, Hastings, Kolkata - 700 022

Phone : 91-33-22233394 Fax : 91-33-22231569 E-mail : periatea@lnbgroup.com Website : www.periatea.com

CIN: L01132WB1913PLC220832

CORPORATE INFORMATION

Board of Directors	:	Mr. Lakshmi Niwas Bangur – Chairman Mrs. Alka Devi Bangur – Managing Director Mr. Shreeyash Bangur – Deputy Managing Director Mr. H M Parekh – Independent Director Mr. P R Ramakrishnan – Independent Director Mr. N Swaminathan – Independent Director Mr. Ashok Kumar Bhargava – Independent Director (w.e.f 08.05.2018)								
Corporate Management Team	:	Mr. S K Singh – Chief Executive Officer Mr. K Ashokan – Chief Financial Officer Mr. Saurav Singhania – Company Secretary								
Committees of Board		<table><tr><td>AUDIT COMMITTEE</td><td>Mr. P R Ramakrishnan – Chairman Mr. Lakshmi Niwas Bangur – Member Mr. H M Parekh – Member Mr. N Swaminathan – Member Mr. Ashok Kumar Bhargava – Member</td></tr><tr><td>NOMINATION AND REMUNERATION COMMITTEE</td><td>Mr. P R Ramakrishnan – Chairman Mr. Lakshmi Niwas Bangur – Member Mr. H M Parekh – Member Mr. N Swaminathan – Member</td></tr><tr><td>STAKEHOLDERS RELATIONSHIP COMMITTEE</td><td>Mr. Lakshmi Niwas Bangur – Chairman Mr. P R Ramakrishnan – Member Mr. N Swaminathan – Member Mr. Ashok Kumar Bhargava – Member</td></tr><tr><td>CSR COMMITTEE</td><td>Mr. Lakshmi Niwas Bangur – Chairman Mr. P R Ramakrishnan – Member Mr. N Swaminathan – Member Mr. Shreeyash Bangur – Member</td></tr></table>	AUDIT COMMITTEE	Mr. P R Ramakrishnan – Chairman Mr. Lakshmi Niwas Bangur – Member Mr. H M Parekh – Member Mr. N Swaminathan – Member Mr. Ashok Kumar Bhargava – Member	NOMINATION AND REMUNERATION COMMITTEE	Mr. P R Ramakrishnan – Chairman Mr. Lakshmi Niwas Bangur – Member Mr. H M Parekh – Member Mr. N Swaminathan – Member	STAKEHOLDERS RELATIONSHIP COMMITTEE	Mr. Lakshmi Niwas Bangur – Chairman Mr. P R Ramakrishnan – Member Mr. N Swaminathan – Member Mr. Ashok Kumar Bhargava – Member	CSR COMMITTEE	Mr. Lakshmi Niwas Bangur – Chairman Mr. P R Ramakrishnan – Member Mr. N Swaminathan – Member Mr. Shreeyash Bangur – Member
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CSR COMMITTEE	Mr. Lakshmi Niwas Bangur – Chairman Mr. P R Ramakrishnan – Member Mr. N Swaminathan – Member Mr. Shreeyash Bangur – Member									
Statutory Auditors	:	M/s. Srikishen & Co., Chartered Accountant, Coimbatore								
Secretarial Auditors	:	M/s Vinod Kothari & Co., Practising Company Secretaries, Kolkata								
Internal Auditors	:	M/s K N Narayanan, Chartered Accountant, Coimbatore								
Bankers	:	Yes Bank Limited Union Bank of India HDFC Bank Ltd State Bank of India								
Stock Exchanges	:	NSE Limited, Mumbai The Calcutta Stock Exchange Limited, Kolkata								
Registrar & Share Transfer Agents	:	M/s. SKDC Consultants Ltd., Kanapathy Towers, 1391/A-1, III Floor, Sathy Road, Ganapathy, Coimbatore - 641 006 Tel No. +91 (422) 4958995, 2539835 2539836 Fax No. +91 (422) 2539837 Email: info@skdc-consultants.com								
Head Office	:	"PANCHRATN", 286, Race Course Road, Coimbatore - 641 018								
Corporate Office	:	3rd Floor, Uptown Banjara, Road No. 3, Banjara Hills, Hyderabad - 500 034								



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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 105th Annual General Meeting of the Members of the Company will be held at Far Pavillion, The Tollygunge Club Ltd., 120, Deshpriya Sasmal Road, Kolkata - 700033 on Friday, the 14th Day of September, 2018 at 10:30 A.M. to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - (a) the Annual Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018 including the Audited Balance Sheet as at March 31, 2018 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
 - (b) the Annual Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 including the Audited Balance Sheet as at March 31, 2018 and Statement of Profit & Loss for the year ended on that date and the Report of the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March 2018.
3. To appoint a director in place of Mrs. Alka Devi Bangur (holding DIN 00012894), who retires by rotation and being eligible offers herself for re-appointment.
4. To ratify the appointment of M/s. Srikishen & Co., Chartered Accountants (Firm Registration No.004009S) as Statutory Auditors of the Company for the financial year 2018-19 and to fix their remuneration and in this connection to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s Srikishen & Co., Chartered Accountants (Firm

Registration No.004009S) Statutory Auditors of the Company be and is hereby ratified as Statutory Auditors for the financial year 2018-19, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company based on recommendations of the Audit Committee.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Articles of Association of the Company, Mr. Ashok Kumar Bhargava (DIN 00640248), who was appointed as an Additional Director (Independent) pursuant to Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from 8th May, 2018 not liable to retire by rotation."

6. To consider and, if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors of the Company for borrowing from the Company's Bankers or any other bank, financial institutions, bodies corporate(s), persons etc. from time to time as the need be for the business of the Company, any sum or sums of money, on such terms and conditions and with or without security as the Board of Directors may think fit, which together



with the monies already borrowed by the Company (apart from cash credit arrangements, discounting of bills and temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the company, its free reserves for the time being, that is to say, reserves not set apart for any specific purpose and securities premium, provided that such total borrowings by the Board at any time shall not exceed the limit of Rs. 200 Crores (Rupees Two Hundred Crores Only)".

7. To consider and, if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT in supersession of all the earlier resolutions passed by the Company in this regard and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which expression shall also include a committee thereof) to create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such immovable and movable properties of the Company, wherever situated, both present and future, and in such manner as the Board may deem fit, with or without conferring power to enter upon and to take possession of such properties and the whole of the undertaking together with power to takeover of the substantial assets of the Company in certain events in favour of any lender or holder of security or their agent and trustee including financial institutions and commercial banks to secure the borrowings in the form of the rupee term loans, corporate loans, foreign currency loans, non-convertible debentures and/ or working capital limits and any other form of loan of whatever nature either at a time or from time to time for securing borrowings or securities or liabilities not exceeding Rs.200 Crores (Rupees Two Hundred Crores Only) or the aggregate of the paid-up share capital, free reserves and securities premium of the Company, at the relevant time, whichever is higher, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other monies and remuneration of Trustees, if any, payable by the Company in terms of the loan agreement/ Trust

Deed/other documents to be finalized and executed between the Company and the Agents and Trustees/ Lenders as above and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors and the Lenders/Agents and Trustees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise documents for creation of charge, mortgage and hypothecation and to do all such acts, deeds, matters and things and to execute all such documents or writings as may be required for giving effect to the resolution."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT in addition to the earlier resolutions passed by the members from time to time and pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") as amended from time to time and other applicable provisions, if any, applicable clauses of the Articles of Association of the Company, recommendation and/or approval of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded for the payment of annual remuneration (including any fees or compensation payable) to the Executive Directors of the Company being promoters or members of the promoter group in the following manner subject to the same being within the limits prescribed under Section 197 read with Schedule V of the Act:

- (a) For each of such directors, annual remuneration exceeding Rs.5.00 crore or 2.5 per cent of the net profits of the Company, whichever is higher; or
- (b) For all such directors, aggregate annual remuneration exceeding 5 per cent of the net profits of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give



such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any committee of directors or any director(s) or any other Key Managerial Personnel or any other officer(s) of the Company.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) [to be effective from 1st April, 2019 vide the SEBI LODR (Amendment) Regulations, 2018] and other applicable provisions, if any, recommendation and/or approval of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for continuation of the directorship of Mr. Harischandra Maneklal Parekh [DIN: 00026530] Non-Executive Independent Director of the Company, till the expiry of existing terms of his appointment.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any committee of directors or any director(s) or any other Key Managerial Personnel or any other officer(s) of the Company.”

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) [to be effective from 1st April, 2019 vide the SEBI LODR (Amendment) Regulations, 2018] and other applicable provisions, if any, recommendation and/or approval of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, consent of the Members of the Company

be and is hereby accorded for continuation of the directorship of Mr. Narasimhan Swaminathan [DIN: 02743671] Non-Executive Independent Director of the Company, till the expiry of existing terms of his appointment.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any committee of directors or any director(s) or any other Key Managerial Personnel or any other officer(s) of the Company.”

**By Order of the Board
For The Peria Karamalai Tea & Produce Co. Ltd.**

**Hyderabad
14th May, 2018.**

**SAURAV SINGHANIA
Company Secretary**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY’S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED WITH THIS NOTICE.**
2. a) A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.
- b) The proxy holder prove his identity at the time of attending the Meeting. When a member appoints a proxy and both the member and proxy attend the Meeting, the proxy stands automatically revoked. Requisition for inspection of proxies shall have to be made in writing by members



- entitled to vote on any resolution three days before the commencement of the meeting. Proxies shall be made available for inspection during twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.
3. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, setting out the material facts concerning each item of Special Business to be transacted at the meeting is annexed hereto and forms part of the Notice.
 4. Only registered members of the Company or any proxy appointed by such registered member may attend and vote at the meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she participate in the meeting but not vote.
 5. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
 6. Corporate members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorising their representative to attend and vote on their behalf at the meeting.
 7. Members/Proxies are requested to bring their attendance slip duly completed and signed, to be handed over at the entrance of the Meeting hall for admission into the meeting hall. Members are also requested to bring their copy of Annual Report at the Meeting.
 8. Pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 (SS2) on General Meetings, details of directors seeking appointment /reappointment at the Annual General Meeting are furnished in Annexure A which forms part of the notice.
 9. The Register of Contracts or Arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with rules thereunder will be available for inspection by the members at the Annual General Meeting.
 10. Members who require communication in physical form in addition to e-communication, may write to us at periatea@lnbgroup.com
 11. The Register of Members and Share Transfer Books of the Company will remain closed from 8th September, 2018 to 14th September, 2018 (both days inclusive) for determining the name of members eligible for dividend on equity shares, if declared at the meeting.
 12. Members may note that the notice of the meeting and the Annual Report of the Company for the year ended 31st March, 2018 is available on the Company's website www.periatea.com. The physical copies of the aforesaid documents will also be available at the Company's registered office on all working days except Saturdays, from 10:00 a.m. to 12:00 noon upto the date of ensuing Annual General Meeting.
 13. The Dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration to those members whose names stand registered on the Company's Register of Members -
 - a) as Beneficial Owners as at 7th September, 2018 as per the list to be furnished by National Securities Depository Services Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in electronic form; and
 - b) as members in the Register of Members of the Company after giving effect to all the valid share transfers in physical form which are lodged with the Company on or before 7th September, 2018.
 14. Members holding Shares of the Company in physical form through multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into one single folio, to the Registrar & Share Transfer Agent of the Company.
 15. In all correspondence with the Company/Registrar & Share Transfer Agent, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DPID and Client ID number.



16. National Electronic Clearing Service (NECS):

- a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided National Electronic Clearing Service (NECS) facility to the Members for remittance of dividend. NECS facility is available at locations identified by Reserve Bank of India from time to time. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFS Code), along with their Folio Number, to the Company's Registrar and Share Transfer Agent ('RTA'), M/s SKDC Consultants Limited. Members holding shares in electronic form are requested to provide the details to their respective Depository Participants.
- b) Members holding shares in electronic form may note that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agent, M/s SKDC Consultants Limited cannot act on request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members. Members holding shares in physical form and desirous of registering bank particulars against their respective folios for payment of dividend are requested to write to the Registrar and Share Transfer Agent of the Company.

17. Members holding shares in physical form are requested to intimate change in their registered address mentioning full address in block letters with pin code of the post office, mandate, bank particulars and Permanent Account Number(PAN) to the Company's Registrar and Share Transfer Agent ('RTA') and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.

18. Members holding shares in physical form, desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 and rules made thereunder are requested to submit the prescribed Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), as applicable for the purpose, to the RTA of the Company i.e., SKDC Consultants Limited .

Members holding shares in demat form may contact their respective Depository Participant for recording nomination in respect of their shares.

19. Members who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communications from the Company electronically.
20. As per the green initiative taken by the Ministry of Corporate Affairs, members are advised to register their email address with the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in demat form to enable the Company to serve documents in electronic form.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or to M/s. SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006.
22. The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the Members to dematerialize their shareholding in the Company for which they may contact the Depository Participant of either of the above Depositories. The Equity Shares of the Company are compulsorily required to be traded in dematerialized form by all Investors. Members, who have not dematerialised their shares as yet, are advised to have their shares dematerialised to avail the benefits of paperless trading as well as easy liquidity as the trading in shares of the Company is under compulsory dematerialised form.
23. Members desirous of receiving any information on the accounts of the Company are requested to forward their queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
24. Members wishing to claim dividend which remain unclaimed are requested to correspond with the Company or RTA of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's



unpaid dividend account will be transferred to the Investor Education and Protection Fund.

25. Electronic copy of the Annual Report, notice of the Annual General Meeting, along with attendance slip and proxy form are being sent to all the members whose e-mail addresses are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of annual report and notice for 2017-18 are being sent through the permitted mode.
26. In terms of the first proviso of section 139(1) of the Companies Act, 2013, companies are required to place the matter relating to ratification of appointment of Statutory Auditor of the Company for approval of shareholders at every Annual General Meeting ('AGM'). Further, in terms of the Companies (Amendment) Act, 2017, issued by the Ministry of Corporate Affairs vide its Notification dated 7th May, 2018, no further ratification of appointment of Auditors is required by the members at every AGM. Therefore, the requirement of ratification is not applicable on the Company. However, the Company has appointed M/s Srikishen & Co. as the Statutory Auditor of the Company, for a term of five years till the conclusion of the 108th AGM of the Company, subject to the ratification of such appointment by the shareholders at every AGM, hence, the Company is continuing to ratify their appointment in the AGM till the completion of their tenure.
27. Members are requested to note that the venue of the 105th Annual General Meeting at Far Pavillion, The Tollygunge Club Ltd., 120, Deshpriya Sasmal Road, Kolkata- 700033 and the route map containing the complete particulars of the venue is attached to this notice.

28. Voting through electronic means:

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 w.e.f 19th March, 2015, Clause 7.2 of Secretarial Standard on General Meeting (SS-2) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members the facility of voting by electronic means in respect of the business to be transacted at the meeting which includes the facility of casting the votes by the members using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') and the same will be provided by Central Depository Services (India) Limited (CDSL).
- b) The facility of voting through ballot or polling paper shall also be made available for the members at the meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the meeting but would not be permitted to cast their vote again at the meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
- c) The instructions for members for voting electronically are as under:
- i. The remote e-voting period begins on 11th September, 2018 at 10:00 A.M. and ends on 13th September, 2018 at 5:00 P.M. During this period, shareholders of the Company holding shares either in physical form or in dematerialised form as the cutoff date (record date) of 7th September, 2018 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. Shareholders who have already voted through remote e-voting prior to the meeting date would not be entitled to vote at the meeting venue.
 - iii. The Shareholders should log on to the e-voting website www.evotingindia.com
 - iv. Click on "Shareholders" tab.
 - v. Now enter your user ID
 - a) For CDSL: 16 digits beneficiary ID
 - b) For NSDL: 8 character DP ID followed by 8 digit client ID
 - c) Members holding shares in physical form should enter folio number registered with the Company.
 - vi. Next enter the Image Verification as displayed and click on login
 - vii. If you are holding shares in demat form and had logged on the www.evotingindia.com and voted on an earlier voting of any company, then our existing password is to be used.



viii. If you are a first time user, follow the steps given below:

For Members holding shares in Dematerialised Form and Physical Form	
PAN	<p>Enter your 10 digit alpha numeric PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number printed on the attendance slip enclosed indicated in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend bank details or Date of Birth (DOB)	<p>Enter the Dividend bank details or Date of Birth (in dd/mm/yyyy) format) as recorded in your demat account or in the Company's records in order to login.</p> <p>If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details filed as mentioned in instruction (v).</p>

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then reach directly company screen. However, members holding shares in demat form will now reach "password creation" menu wherein they are required to mandatorily enter their login password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended

not to share your password with any other person and take utmost care to keep your password confidential.

- xi. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- xii. Click on the relevant EVSN – "THE PERIA KARAMALAI TEA & PRODUCE COMPANY LIMITED" on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- xv. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting by you by clicking on "Click here to print" option on the voting page.
- xviii. If demat account holder has forgotten the changed password then enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. I Phone, Windows Phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx. Note for Non-Individual Shareholders and Custodians
- a) Non Individual Shareholders (other than individuals, HUF, NRI etc.) and custodians are



- required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) Scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any should be uploaded in PDF format in the system for the scrutiniser to verify the same
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- xxii. Any person who acquire share and become the member after despatch of Notice and hold shares as of the cut-off dates may obtain the sequence number for remote e-voting by sending a request to the Company's RTA.
- d) The voting shall be reckoned in proportion to a Member's share of voting rights on the paid up equity share capital of the Company as on the cut-off date of 7th September, 2018. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- e) The Board of Directors of the Company at their meeting held on 14th May, 2018 has appointed, M/s Vinod Kothari & Company, Practicing Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process/Ballot/Polling Paper in fair and transparent manner.
- f) The Chairman shall, at the Meeting, at the need of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot or polling paper for all those members who are present at the meeting but have not cast their votes by availing the remote e-voting facility.
- g) Scrutinizer shall, immediately after the conclusion of the Meeting will first count the votes cast at the Meeting and thereafter unblock the votes in the presence of at least two witnesses not in the employment of the Company and within a period not exceeding 48 hours from the conclusion of the meeting make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the Company or any other person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- h) The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.periatea.com and on the website of CDSL www.evotingindia.com and shall also be displayed on the Notice Board of the Company at its registered office. Further, immediately after the declaration of result by the Chairman or a person authorised by him in writing shall communicate to National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.



EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the businesses mentioned under Item Nos. 5 to 10 of the accompanying Notice dated May 14, 2018.

Item No. 5

The Board of Directors of the Company had pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, appointed Mr. Ashok Kumar Bhargava (DIN 00640248), as an Additional Director (Independent) of the Company w.e.f. 8th May, 2018. Mr. Ashok Kumar Bhargava holds office as an Additional Director (Independent) till the ensuing Annual General Meeting and is eligible for appointment.

Section 149 of the Companies Act, 2013, inter-alia, provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and their office will not be subject to retirement by rotation.

In order to keep adequate representation of Independent Directors on the Board with an objective to facilitate proper Board deliberations and also keeping in view of the potential size of business operations, the Board is of the opinion that Mr. Ashok Kumar Bhargava, be appointed as an Independent Director for a term up to five consecutive years.

Based on the declaration received from Mr. Ashok Kumar Bhargava, in terms of Section 149(7) of the Companies Act, 2013, the Board is of the opinion that Mr. Ashok Kumar Bhargava, fulfill the criteria of being appointed as an Independent Director as stipulated in Section 149(6) and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. The Board is also of the opinion that the proposed Director is independent of the management.

The Company has received the following from Mr. Ashok Kumar Bhargava (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013.

Consequently, the Board of Directors recommends for approval of the shareholders the appointment of Mr. Ashok Kumar Bhargava, as an Independent Director of the Company on such terms that he shall continue to hold office as non-rotational director for a term of 5 (five) consecutive years, with effect from 8th May, 2018.

Concerned Director and their relatives are interested in their respective resolution being related to his own appointment.

Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out in item no. 5 of the accompanying Notice.

The Board recommends the resolution set forth in item no. 5, for the approval of members as an Ordinary Resolution.

Item No. 6

Under Section 180(1)(c) of the Companies Act, 2013 ("Act"), the Board of Directors of a company cannot, except without the consent of the members by a special resolution, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital, free reserves and securities premium of the company.

In order to facilitate future business expansion and to provide resources to meet additional fund requirements for the growing operations of the Company the borrowing of the Company may exceed the aggregate of the paid-up capital, free reserves and securities premium of the company.

The consent of the members is therefore, sought in accordance with the provisions of Section 180(1)(c) of the Companies Act, 2013 to enable the Board of Directors to exercise powers in relation to borrowings over and above the limit referred in Section 180 of the Companies Act, 2013.

The proposed resolution being in the interest of business of the Company, the Board recommends the resolution to be passed as Special Resolution by the members.

None of the Directors of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed resolution.



Item No. 7

The members of the Company at the Annual General Meeting of the Company held on September 22, 2014 by way of an Special Resolution had authorised the Board of Directors of the Company to Mortgage or otherwise dispose of or to create charge, mortgage and/ or hypothecate the whole of or substantially the whole of the undertakings of the Company at such time and on such terms and conditions as the Board may deem fit, in the best interest of the Company.

Keeping in view the authorisation to the Board of Directors to borrow amount of Rs. 200 crores in excess of the aggregate of the paid-up capital, free reserves and securities premium of the company pursuant to section 180 (1) (c) as discussed in item no.6 herein above and in view recent amendments in Companies Act, 2013 it is requisite and necessary to modify the Special Resolutions passed earlier on 22nd September, 2014.

The consent of the members is therefore, sought in accordance with the provisions of Section 180(1)(a) of the Companies Act, 2013 to enable the Board of Directors to exercise powers in relation to creation of security over and above the limit referred in Section 180 of the Companies Act, 2013.

The proposed resolution being in the interest of business of the Company, the Board recommend the resolution to be passed as Special Resolution by the members.

None of the Directors of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed resolution.

Item No. 8

SEBI has recently come out with a Notification on 9th May, 2018 amending the existing Listing Regulations by issuing the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter referred to as "New Regulations"). The New Regulations shall be effective from 1st April, 2019 unless any other specific date is provided for a specific Regulation. Regulation 17 is one of the provisions in which the amendments have been made by inter alia inserting a new clause under sub- regulation (6) thereunder and the same shall be applicable with effect from 1st April, 2019. Pursuant to the aforesaid amendment, any payment of remuneration to the executive directors of the Company being promoters or members of the promoter group in excess of higher of Rupees 5 crore or 2.5 per cent of the net profits to one such director or 5% of net profits in aggregate to all such directors will require the approval

of the members of the Company by way of a special resolution.

The remuneration of the Executive Directors of the Company was approved/ revised, from time to time, by the Members of the Company in terms of the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereof within the limits prescribed under the said provisions. However, since the limits fixed by the Members vide their resolutions are in excess of the limits prescribed under the new Regulation. In view of the amended provisions of the Listing Regulations, such remuneration shall require to be approved by the shareholders through a special resolution.

Accordingly, Members of the Company are requested to approve the limits set out above for payment to the executive directors in the promoters or members of the promoter group category namely Mrs. Alka Devi Bangur [DIN: 00012894], Managing Director and Mr. Shreeyash Bangur [DIN:00012825], Deputy Managing Director of the Company.

The Board of Directors recommends the resolution set forth in item no. 8 for approval of the members as a Special Resolution.

Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out in item no. 8 of the accompanying Notice.

Item No. 9

The Members of the Company on 22nd September, 2014 approved the appointment of Mr. Harischandra Maneklal Parekh [DIN: 00026530] as a Non - Executive Independent Director of the Company for a period of five years from the said date. He will complete his present term on 21st September, 2019.

In terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required for continuation of a Non-Executive Director beyond the age of seventy five years. Since Mr. Parekh has already attained the specified age limit of 75 years, continuation of his directorship shall require approval of shareholders by way of special resolution.

The Nomination & Remuneration Committee, Audit Committee and the Board of Directors of the Company ('the Board') are of the view that in order to take advantage of Mr. Parekh counsel and advice, especially



in the industry in which the Company operates and that their continued association with the Company would be immense benefit to the Company, it is desirable to continue to avail services as Independent Director.

The Board recommends the resolutions set forth in item no. 9 for approval of the members as Special Resolution.

Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out in item no. 9 of the accompanying Notice.

Item No. 10

The Members of the Company on 22nd September, 2014 approved the appointment of Mr. Narasimhan Swaminathan [DIN: 02743671] as a Non -Executive Independent Director of the Company for a period of five years from the said date. He will complete his present term on 21st September, 2019.

In terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required for continuation of a Non-Executive Director beyond the age of seventy five years. Since Mr. Swaminathan has

already attained the specified age limit of 75 years, continuation of his directorship till the expiry of existing terms of his appointment shall require approval of shareholders by way of special resolution.

The Nomination & Remuneration Committee, Audit Committee and the Board of Directors of the Company ('the Board') are of the view that in order to take advantage of Mr. Swaminathan counsel and advice, especially in the industry in which the Company operates and that their continued association with the Company would be immense benefit to the Company, it is desirable to continue to avail services as Independent Director.

The Board recommends the resolutions set forth in item no. 10 for approval of the members as Special Resolution.

Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out in item no. 10 of the accompanying Notice.

**By Order of the Board
For The Peria Karamalai Tea & Produce Co. Ltd.**

**Hyderabad
14th May, 2018.**

**SAURAV SINGHANIA
Company Secretary**



Annexure A

Details of Directors seeking Appointment / reappointment at the ensuing Annual General Meeting

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 (SS- 2 on General Meetings)

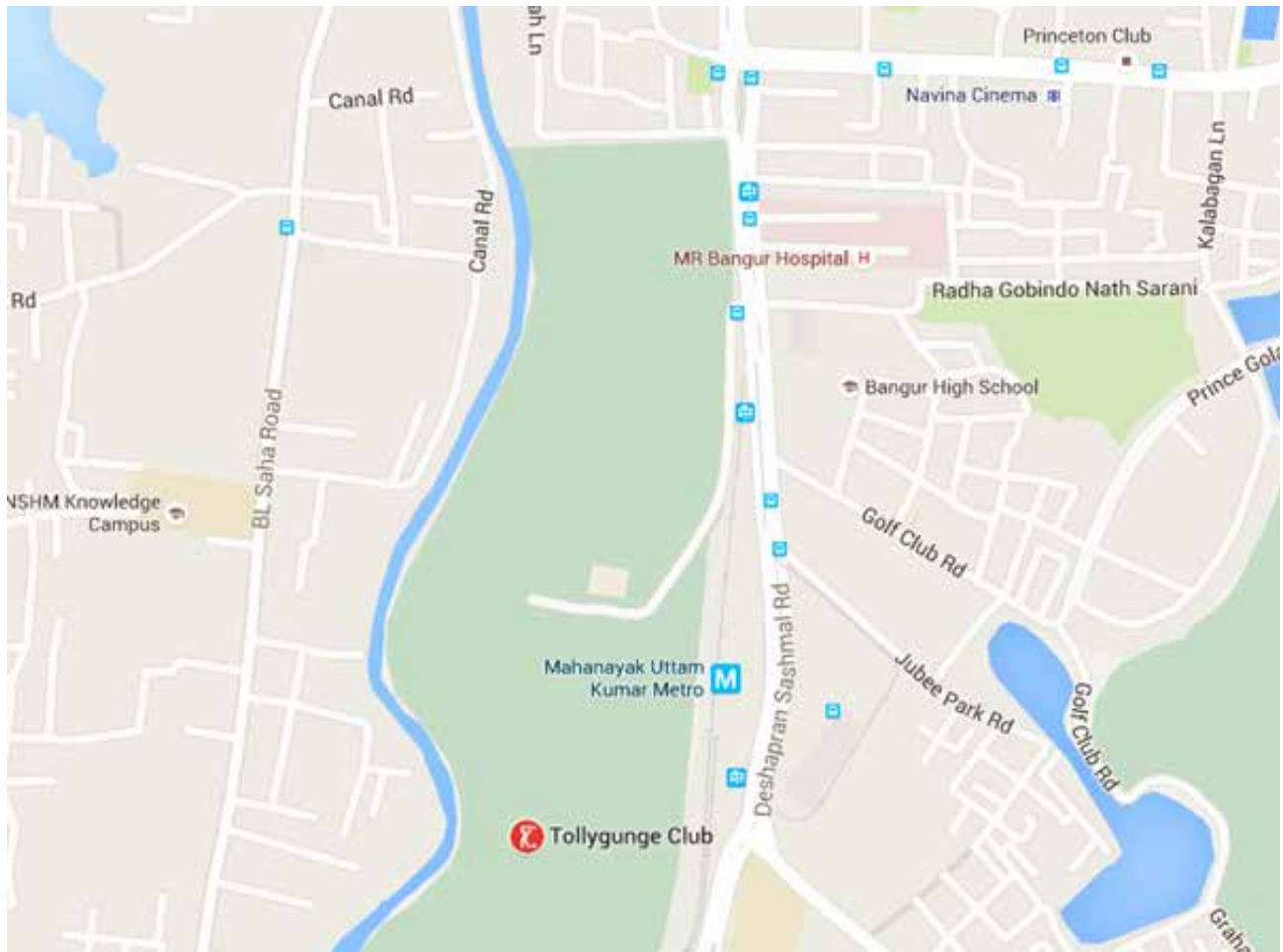
Name of Director	Mrs. Alka Devi Bangur	Mr. Ashok Kumar Bhargava
DIN	00012894	00640248
Age / Date of Birth	64 years / 28.11.1954	62 Years / 09.09.1956
Date of First Appointment on the Board	17.09.1993	08.05.2018
Expertise in Specific functional areas	Industrialist	Tea Industry
Qualification	MBA	Post Graduate and Senior Executive Programme from London Business School.
Terms and condition of appointment / re-appointment	Director liable to retire by rotation and eligible for reappointment	As per Point No.5 of explanatory statement
Remuneration last drawn by such person, if applicable	Rs 42.07 lakhs	NIL
List of outside directorship held excluding alternate directorship	1. Rupa & Company Ltd 2. Maharaja Shree Umaid Mills Limited 3. Apurva Export Pvt. Ltd 4. The Marwar Textiles (Agency) Private Limited 5. MugneeramRamcoowarBangur Charitable & Religious Company	NIL
Chairman/ Member of the Committees of the Board of Directors of the Company	NIL	Member of Audit Committee and Stakeholders Relationship Committee.
Chairman/ Member of the Committees of the Board of Directors of other companies in which he/she is a director	Chairman of Stakeholders Relationship Committee and Member of Audit Committee of Maharaja Shree Umaid Mills Limited.	NIL



Name of Director	Mrs. Alka Devi Bangur	Mr. Ashok Kumar Bhargava
No. of Equity shares held in the Company	37638	NIL
Number of Board Meetings attended during FY 2017-18	5 (Five)	Appointed w.e.f 8th May, 2018
Relationship with other Directors, Manager and other Key Managerial Persons of the Company	Wife of Mr. Lakshmi Niwas Bangur, Chairman and Mother of Mr. Shreeyash Bangur, Deputy Managing Director.	None



Venue of the 105th Annual General Meeting – Route Map





DIRECTORS' REPORT

Your Directors have pleasure in presenting the 105th Annual Report for the year ended 31st March 2018.

1. FINANCIAL RESULTS

₹ in lakhs

	2017-18	2016-17
Profit / (Loss) before interest, depreciation and tax	382.89	468.82
Less: Interest	70.59	70.14
Profit/(Loss) before depreciation	312.30	398.68
Less: Depreciation	252.80	225.84
Profit/(Loss) before Tax	59.50	172.84
Less: Tax expenses	25.46	74.73
Profit/(Loss) after tax	34.04	98.11
Balance brought forward from previous year	975.08	823.53
Transfer from OCI	—	81.39
Profit available for appropriation	1009.12	1003.03
Appropriations		
Proposed dividend including tax on dividend	(37.26)	(27.95)
Balance carried forward to the Balance Sheet	971.86	975.08

The financial statements for the year ended 31st March, 2018 have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

2. Operations

Production

During the financial year 2017-18, your Company produced 37,63,334 kg of made tea as against 37,34,930 kg of made tea produced in 2016-17.

Price & Sales

Your company's tea realized average price of Rs.113.56/- per kg as against Rs.112.78/-Per kg realized last year.

During the year, the Company has made a total sales realization of Rs. 4,230 lakhs compared to Rs. 4,371 lakhs last year.

Wind Turbines

During the year under review, the Wind Mills generated 39,21,537 units as against 37,25,778 units generated during the same period last year.

3. Material Changes and Commitments, if any, affecting the financial position of the Company

There are no material changes and commitments, affecting the financial position of the Company that have occurred between the end of the financial year 2017-18 and the date of the report.

However, the registered office of the Company has been shifted from "Panchartn", 286 Race Course Road, Coimbatore-641018 in the state of Tamilnadu to 7, Munshi Premchand Sarani, Hastings, Kolkata-700022 in the State of West Bengal with effect from 2nd May, 2017.

4. Dividend

The Board of Directors is pleased to recommend a dividend of Re. 0.75/- per share (last year Re.1/- per share) for the year ended 31st March 2018 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

5. Transfer to Reserves

No amount has been transferred to the Reserves during the financial year 2017-18.

6. Change in the nature of business

During the year under review, there was no change in the nature of the business of the Company.

However, the Company has Commenced commercial operation of 3 MW Solar Power project situated at Kudipatty Village, Peraiyur Taluk, Madurai District, Tamilnadu on 23rd February, 2018.

7. Share Capital

The paid up Equity Share Capital of the Company as at 31st March 2018 is Rs. 3,09,58,790/-. During the year under review, your company has neither issued and allotted any fresh equity shares (including ESOP) nor has granted any stock options and sweat equity



as on 31st March, 2018. None of the Directors of the Company hold instruments convertible into equity shares of the Company.

8. Transfer of unclaimed dividend to Investor Education and Protection Fund

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends of Rs. 5,22,320/- to IEPF Authority during the financial year 2017-18. Further 98,566 corresponding shares were transferred to IEPF Authority as per the requirement of the IEPF rules.

9. Extract of Annual Return

The extract of Annual Return as required under section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT-9, is annexed to this Report as **Annexure A**.

10. Number of Meetings of the Board of Directors

The Board meets at regular intervals to discuss and decide on Company's business Policy and strategy apart from other broad business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board Meeting.

The notice of Board Meeting is given well in advance to all the Directors. The Agenda of the Board/ Committee Meetings is circulated at least 7 (seven) days prior to the date of the meeting as per Section 173(3) of the Companies Act, 2013 read with Secretarial Standard on meeting of the Board of Directors (SS-1). The Agenda for the Board and Committee Meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The detailed information chart showing the date of the meeting of the Board and its various Committees as well as details of the Directors who attended the

meeting are given in the Corporate Governance Report forming part of this Annual Report.

11. Committees of the Board

During the financial year ended 31 March 2018, the Company has four committees as mentioned below:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee

Details of the Committees along with their charters, composition and meetings held during the year are given in the Corporate Governance Report forming a part of this Annual Report.

12. Public Deposits

During the financial year 2017-18, the Company has not accepted any deposits from the public under section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

13. Listing

Your Company's shares are listed on National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited. The Company has paid the Annual Listing Fees to all the Stock Exchanges for FY 2018-19.

14. Directors' Responsibility Statement

In terms of provision Section 134(5) of the Companies Act, 2013, your Director's state that:

- a. in the preparation of the annual accounts for the financial year ended 31st March 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;



- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. Fraud Reporting

There have been no instances of frauds identified or reported by the statutory auditors during the course of their audit pursuant to sub - section 12 of section 143 of the Companies Act, 2013 and as per Companies (Amendment) Act, 2015.

16. Declaration by Independent Directors

The Company has received declarations from all the independent directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

17. Company's Policy relating to Directors appointment, payment of remuneration and other matters provided under Section 178 (3) of the Companies Act, 2013

The Board on the recommendation of the Nomination and Remuneration Committee framed a policy for the selection, appointment, fixing and revising remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and employees of the Company. The Nomination and Remuneration Policy of the Company is annexed herewith as **Annexure B** and can also be accessed on the Company's website www.periatea.com.

18. Particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013

Details of loan given, investments made, guarantees given and securities provided pursuant to Section 186 of the Companies Act, 2013 have been given in the notes to the financial statements.

19. Particulars of contracts or arrangements with related parties

During the year under review, all transactions with related parties during the financial year 2017-18 were

in the ordinary course of business and on arm's length price. Hence, no transaction are reported in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

The policy on related party transactions as approved by the Board of Directors has been uploaded on the Company's website www.periatea.com.

20. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo, stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure C**.

21. Risk Management

The Company has in place mechanism to identify, assess, monitor and mitigate various risks that may impact key business objectives of your Company.

The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the company's risk management process and to ensure companywide implementation to ensure systematic and uniform assessment of risks and to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices and to assure business growth with financial stability.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory and Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

22. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidance Notes issued by SEBI in this regard, the Board



and Nomination and Remuneration Committee has formulated criteria for evaluation of the performance of the Board of Directors, its committees, Independent Directors, Non-Independent Directors, Chairman, CEO and the Managing Directors. Based on those criteria, performance evaluation has been done.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, ethics and compliances, financial reporting process and monitoring activities.

Performance parameters for the Board as a collective body, included parameters like qualification and diversity of Board members, method and criteria for selection of independent directors to ensure independence, availability, appropriateness, clarity of understanding on risk scenarios faced by the Company, existence, sufficiency and appropriateness of policy on dealing with potential conflicts of interest, involvement of Board members in long –term strategic planning etc. Based on these criteria, the performance of the Board, various Board Committees, Chairman, CEO, Managing Director and Individual Directors (including Independent Directors) was found to be satisfactory.

Independent Directors have reviewed the performance of Board, Non- Independent Director and Chairman in their separately held meeting without the participation of other Non-Independent Directors and members of management. Based on their review, the Independent Directors, hold an unanimous opinion that the Non-Independent Directors, including the Chairman to the Board are experts with sufficient knowledge in their respective field of activities.

23. Directors and other Key Managerial Personnel

a. Details of Directors retiring by rotation

Mrs. Alka Devi Bangur (DIN: 00012894), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Brief profile of Mrs. Alka Devi Bangur, who is to be re-appointed is furnished in the notice of the ensuing Annual General Meeting as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2. The Board of Directors of your Company recommends the re-appointment of

Mrs. Alka Devi Bangur at the ensuing Annual General Meeting.

b. Appointment/Resignation of Directors

During the under review, Mr. R.L. Gaggar, Independent Director has resigned from the Board of Directors with effect from 12th April, 2017 due to personal reasons. The Board placed on record its appreciation of the valuable contribution and guidance provided by Mr. Gaggar to the Company.

The Board of Directors has appointed Mr. Ashok Kumar Bhargava (DIN 00640248) as an Additional Director in Independent Category with effect from May 8, 2018. By virtue of the provisions of Articles of Association and Section 161 of the Companies Act, 2013, Mr. Ashok Kumar Bhargava will vacate office at the ensuing Annual General Meeting (AGM) of the Company. Your directors at its meeting held on May 14, 2018 have recommended for the approval of the members towards the appointment of Mr. Ashok Kumar Bhargava as an Independent Director of the Company, not liable to retire by rotation, with effect from 8th May, 2018. Mr. Ashok Kumar Bhargava is not disqualified from being appointed as a Director as specified in terms of section 164 of the Companies Act, 2013. A brief profile of Mr. Ashok Kumar Bhargava is appearing in the Notice convening the 105th Annual General Meeting of your Company.

c. Appointment/Resignation of Key Managerial Persons

Mr. A.Thiagarajan, Chief Financial Officer has resigned from the services of the Company with effect from 22nd June, 2017 and the Board has noted the same at its meeting held on 26th May 2017. The Board of Directors at its meeting held on 26th May 2017 approved the appointment of Mr. K.Ashokan as Chief Financial Officer with effect from 1st June 2017.

Mr. R V Sridharan retired as Company Secretary and Compliance Officer of the Company at the close of business hours on 15th July, 2017. The Board expressed their gratitude and thanks for the contribution and efforts made by him towards discharging his duties and responsibilities during his tenure.

The Board of Directors at its meeting held on 11th November, 2017 approved appointment of



Mr. Saurav Singhania as Company Secretary & Compliance Officer of the Company with immediate effect.

management's general and specific authorization. There are well laid manuals for such general or specific authorization.

24. Reports on the performance and financial position of each of the subsidiaries, Associates and Joint Venture Companies included in the Consolidated Financial Statements

The Company has two subsidiaries namely PKT Plantations Ltd and Shivphal Vinimay Private Limited.

There has been no change in the number of subsidiaries or in the nature of business of the subsidiaries, during the year under review. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ('the Act').

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company consolidating its subsidiary companies, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is also attached to the Consolidated Financial Statement and forms part of the Annual Report.

Further, pursuant to the provisions of Section 136 of the Act as amended by the Companies Amendment Act, 2017, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company or companies may write to the Company Secretary at the Company's registered office.

25. Details of significant and material orders passed by the Regulators or Courts or Tribunals

During the year under review, no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.

26. Adequacy of Internal Financial Controls with reference to the financial statements

The Company is having adequate internal financial control which is commensurate with the nature of its size and business. Your Board confirms the following:

1. Systems have been laid to ensure that all transactions are executed in accordance with

2. Systems and procedures exist to ensure that all transactions are recorded as is necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

Based on the above, your Board is of the view that adequate internal financial controls exist in the Company.

27. Statutory Auditors

M/s. Srikishen & Co. Chartered Accountants have been appointed as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the 103rd Annual General Meeting till the conclusion of the 108th Annual General Meeting. The consent have been received from the Statutory Auditors of the Company towards ratification of their appointment for the Financial Year 2018- 19.

The Board now recommends the appointment of M/s. Srikishen & Co. for ratification by the shareholders at the ensuing Annual General Meeting of the Company.

28. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s Vinod Kothari & Company, Company Secretaries to undertake the Secretarial Audit of the Company. The report



of the Secretarial Auditors in annexed herewith as **Annexure D** which is self-explanatory. The said Report does not contain any qualifications, reservations or adverse remark.

29. Internal Auditors

The Board of Directors at its meeting held on 14th May 2018 has appointed Shri K.N.Narayanan (having membership No.22965), Chartered Accountant, Chennai as Internal Auditor of the Company for the financial year 2018-19.

30. Auditors' Report

The notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualifications, reservations or adverse remarks.

31. Industrial Relations

The relation between management and labour was cordial during the year.

32. Particulars of employees

Disclosure pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as **Annexure E** which is annexed hereto and forms a part of the Board Report.

33. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place policy on Sexual Harassment of Women at workplace in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaint Committee has been set up to redress complaints received. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Committee has not received any complaint from any employee during the financial year 2017-18.

34. Whistle Blower Policy/Vigil Mechanism

The Board of Directors of the Company has established a Vigil Mechanism or Whistle Blower Policy for directors and employees in terms of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations,

2015 to report concerns about unethical behavior, wrongful conduct and violation of company's code of conduct or ethics. The details of which have been given in the Corporate Governance Report annexed to this Report and also posted on the Company's website www.periatea.com.

35. Corporate Social Responsibility (CSR)

The Board has constituted a Corporate Social Responsibility Committee in accordance with section 135 of the Companies Act, 2013. The Annual Report on CSR activities including the details about the development of CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year, as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in the **Annexure F** to this report. The Corporate Social Responsibility Policy has been posted on the website of the Company www.periatea.com.

36. Management Discussion and Analysis Report

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

37. Corporate Governance

Your Company is committed to observe good Corporate Governance practices. The report on Corporate Governance for the financial year ended March 31, 2018, as per Regulation 34(3) read with Schedule V of the Listing Regulations forms part of this Annual Report and annexed to this Report. The requisite certificate from Statutory Auditors, M/s. Srikishen & Co, Chartered Accountants confirming compliance with the conditions of corporate governance, is attached to this Report on Corporate Governance.

38. Certificate from CEO/CFO

The CEO/CFO certification pursuant to Regulation 17(8) read with Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year under review forms part of this Annual Report.

39. Code for prevention of Insider Trading

The Company has framed Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015.



This code is applicable to all Directors/Officers/ Designated Employees.

The Company has also formulated 'The Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information' (UPS) in compliance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

40. Secretarial Standard

The Company complies with all applicable Secretarial Standards.

41. Acknowledgements

The Board express their gratitude to the shareholders, customers, vendors, financial institutions and banks for the support extended by them. The Board also appreciation of the hard work and commitment of the employees of the Company at all levels during the year.

For and on behalf of the Board

Hyderabad
14th May, 2018.

L.N. Bangur
Chairman
(DIN 00012617)

**Annexure A****FORM NO. MGT-9**

**EXTRACT OF THE ANNUAL RETURN
as on the Financial year ended 31.03.2018**

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L01132WB1913PLC220832
ii)	Registration Date	5th July 1913
iii)	Name of the Company	The Peria Karamalai Tea & Produce Company Limited
iv)	Category / sub category of the Company	Public Company Limited by shares
v)	Address of the Registered office and contact details	7, Munshi Premchand Sarani, Hastings, Kolkata 700 022 Phone : +91 33 22233394 E-mail : periatea@lnbgroup.com Website : www.periatea.com
vi)	Whether listed company	Yes
vii)	Name Address and Contact details of Registrar and Transfer Agent if any	SKDC Consultants Limited Kanapathy Towers Ganapathy Coimbatore - 641 006 Phone: 91-422-2539835, 2539836 Fax: 91-422-2539837 E-mail ID: info@SKDC-Consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the Company
1	Tea Manufacturing	10791	95.03%
2	Wind Power Generation	35106	4.54%
3	Solar Power Generation	35105	0.43%

**III. PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES
(No. of Companies for which information is being filled)**

S. No	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Applicable Section
1	PKT Plantations Limited "Panchratn", 286, Race Course Road, Coimbatore - 641 018	U01132TZ2009PLC015537	Subsidiary	100%	Section 2(87)(ii)
2	Shivphal Vinimay Private Limited 7, Munshi Premchand Sarani, Hastings, Kolkata 700 022	U51909WB2011PTC168574	Subsidiary	100%	Section 2(87)(ii)



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1,05,678	19,901	1,25,579	4.056	1,05,678	19,901	1,25,579	4.056	—
b) Central Government	—	—	—	—	—	—	—	—	—
c) State Government(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corporate	13,70,811	—	13,70,811	44.279	13,70,811	—	13,70,811	44.279	—
e) Fis/Banks	—	—	—	—	—	—	—	—	—
f) Any others	—	—	—	—	—	—	—	—	—
Trust	—	—	—	—	—	—	—	—	—
Sub Total (A)(1)	14,76,489	19,901	14,96,390	48.335	14,76,489	19,901	14,96,390	48.335	—
2. Foreign									
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
b) Others - Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	—	—	—	—	—	—	—	—	—
d) Banks / FI	—	—	—	—	—	—	—	—	—
e) Any other...	—	—	—	—	—	—	—	—	—
Sub Total (A)(2)	—	—	—	—	—	—	—	—	—
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	14,76,489	19,901	14,96,390	48.335	14,76,489	19,901	14,96,390	48.335	—
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Fis/Banks	2,122	1,813	3,935	0.127	2,122	1,813	3,935	0.127	—
c) Central Government	9,238	18,477	27,715	0.895	9,238	18,477	27,715	0.895	—
d) State Government	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	3,60,138	—	3,60,138	11.633	3,60,138	—	3,60,138	11.633	—
g) FIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Investors	—	—	—	—	—	—	—	—	—
i) Any Other (specify)	—	—	—	—	—	—	—	—	—
Alternate Investment Funds	—	—	—	—	—	—	—	—	—
Foreign Portfolio Investors	—	—	—	—	2,733	—	2,733	0.088	0.088
Provident Funds / Pension Funds	—	—	—	—	—	—	—	—	—
Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	3,71,498	20,290	3,91,788	12.655	3,74,231	20,290	3,94,521	12.743	0.088



Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	—	—	—	—	—	—	—	—	—
i) Indian	83,825	16,819	1,00,644	3.251	82,677	12,121	94,798	3.062	-0.189
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4,88,078	3,65,833	8,53,911	27.582	5,40,450	2,64,737	8,05,187	26.008	-1.574
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2,04,489	—	2,04,489	6.605	1,41,654	—	1,41,654	4.576	-2.030
c) Others (specify)									
a) Directors & their relatives	1,425	150	1,575	0.051	1,425	150	1,575	0.051	-
b) Foreign Nationals	213	3,926	4,139	0.134	401	415	816	0.026	-0.107
c) Non Resident Indians	7,289	5,890	13,179	0.426	8,526	4,168	12,694	0.410	-0.016
d) Clearing Members	4,858	—	4,858	0.157	21,882	—	21,882	0.707	0.550
e) Hindu Undivided Family	24,906	—	24,906	0.804	27,796	—	27,796	0.898	0.093
f) IEPF Authority	—	—	—	—	98,566	—	98,566	3.184	3.184
g) Trusts	—	—	—	—	—	—	—	—	—
Foreign Bodies-D R	—	—	—	—	—	—	—	—	—
Sub-total(B)(2):-	8,15,083	3,92,618	12,07,701	39.010	9,23,377	2,81,591	12,04,968	38.922	-0.088
Total Public Shareholding (B)=(B)(1)+(B)(2)	11,86,581	4,12,908	15,99,489	51.665	12,97,608	3,01,881	15,99,489	51.665	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	26,63,070	4,32,809	30,95,879	100.000	27,74,097	3,21,782	30,95,879	100.000	—

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Placid Limited	6,63,454	21.430	0	6,63,454	21.430	0	0
2	Kiran Vyapar Limited	4,70,224	15.189	0	4,70,224	15.189	0	0
3	M B Commercial Co Ltd	1,21,275	3.917	0	1,21,275	3.917	0	0
4	Lakshmi Niwas Bangur (Huf) .	61,200	1.977	0	61,200	1.977	0	0



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
5	Shree Krishna Agency Ltd	53,446	1.726	0	53,446	1.726	0	0
6	Smt. Alka Devi Bangur	37,638	1.216	0	37,638	1.216	0	0
7	Mugneeram Ramcoowar Bangur Charitable & Religious Company	34,500	1.114	0	34,500	1.114	0	0
8	Sri Lakshmi Niwas Bangur	25,481	0.823	0	25,481	0.823	0	0
9	The General Investment Company Ltd	21,000	0.678	0	21,000	0.678	0	0
10	Navjyoti Commodity Management Services Ltd	6,912	0.223	0	6,912	0.223	0	0
11	Sheetal Bangur	1,260	0.041	0	1,260	0.041	0	0
	TOTAL	14,96,390	48.335	0	14,96,390	48.335	0	0

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	There has been no change in Share holding of the Promoters during the year			
2	Increase / Decrease in Promoters Shareholding during the year				
3	At the end of the year				

iv) Shareholding pattern of top ten shareholders (other than Directors Promoters and Holders of GDRs and ADR)

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	207712	6.7090	207712	6.7090
	Transfer of shares during the year	—	—	—	—
	At the end of the year	207712	6.7090	207712	6.7090
2	MAHENDRA GIRDHARILAL				
	At the beginning of the year	115373	3.727	115373	3.727
	Transfer of shares during the year	—	—	—	—
	At the end of the year	115373	3.727	115373	3.727



Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	THE ORIENTAL INSURANCE COMPANY LIMITED				
	At the beginning of the year	76354	2.466	76354	2.466
	Transfer of shares during the year	—	—	—	—
	At the end of the year	76354	2.466	76354	2.466
4	UNITED INDIA INSURANCE COMPANY LIMITED				
	At the beginning of the year	76072	2.457	76072	2.457
	Transfer of shares during the year	—	—	—	—
	At the end of the year	76072	2.457	76072	2.457
5	G SHANKAR *				
	At the beginning of the year	28133	0.909	28133	0.909
	Transfer of Shares on 7/4/2017	500	0.016	28633	0.925
	Transfer of Shares on 14/04/2017	952	0.031	29585	0.956
	Transfer of Shares on 21/04/2017	1000	0.032	30585	0.988
	Transfer of Shares on 28/04/2017	2000	0.065	32585	1.053
	Transfer of Shares on 5/5/2017	1601	0.052	34186	1.105
	Transfer of Shares on 19/05/2017	1595	0.052	35781	1.156
	Transfer of Shares on 26/05/2017	200	0.006	35981	1.162
	Transfer of Shares on 2/6/2017	1000	0.032	36981	1.195
	Transfer of Shares on 21/07/2017	312	0.010	37293	1.205
	Transfer of Shares on 11/8/2017	198	0.006	37491	1.211
	Transfer of Shares on 8/9/2017	353	0.011	37844	1.223
	Transfer of Shares on 22/09/2017	-777	-0.025	37067	1.198
	Transfer of Shares on 13/10/2017	-2000	-0.065	35067	1.133
	Transfer of Shares on 20/10/2017	-3	0.000	35064	1.133
	Transfer of Shares on 3/11/2017	-1500	-0.048	33564	1.084
	Transfer of Shares on 10/11/2017	-1500	-0.048	32064	1.036
	Transfer of Shares on 17/11/2017	-1447	-0.047	30617	0.989
	Transfer of Shares on 24/11/2017	-7285	-0.235	23332	0.754
Transfer of Shares on 1/12/2017	-21842	-0.706	1490	0.048	
Transfer of Shares on 8/12/2017	-1490	-0.048	—	—	
At the end of the year	—	—	—	—	



Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	THE PROPERTY COMPANY PRIVATE LTD *				
	At the beginning of the year	19989	0.646	19989	0.646
	Transfer of Shares on 22/09/2017	-2831	-0.091	17158	0.554
	Transfer of Shares on 6/10/2017	-1	0.000	17157	0.554
	Transfer of Shares on 13/10/2017	-3967	-0.128	13190	0.426
	Transfer of Shares on 20/10/2017	-783	-0.025	12407	0.401
	Transfer of Shares on 27/10/2017	-1000	-0.032	11407	0.368
	Transfer of Shares on 31/10/2017	-520	-0.017	10887	0.352
	Transfer of Shares on 17/11/2017	-4000	-0.129	6887	0.222
	Transfer of Shares on 24/11/2017	-2000	-0.065	4887	0.158
	Transfer of Shares on 1/12/2017	-3000	-0.097	1887	0.061
	Transfer of Shares on 8/12/2017	-1619	-0.052	268	0.009
	Transfer of Shares on 15/12/2017	-268	-0.009	—	—
At the end of the year	—	—	—	—	
7	MARUTI BUSINESS SERVICES LTD				
	At the beginning of the year	19650	0.635	19650	0.635
	Transfer of shares during the year	—	—	—	—
	At the end of the year	19650	0.635	19650	0.635
8	SUNIL KUMAR GUPTA *				
	At the beginning of the year	19500	0.630	19500	0.630
	Transfer of Shares on 7/4/2017	-500	-0.016	19000	0.614
	Transfer of Shares on 26/05/2017	-1	0.000	18999	0.614
	Transfer of Shares on 21/07/2017	1	0.000	19000	0.614
	Transfer of Shares on 24/11/2017	-8000	-0.258	11000	0.355
	Transfer of Shares on 5/1/2018	-1000	-0.032	10000	0.323
	Transfer of Shares on 12/1/2018	-500	-0.016	9500	0.307
	Transfer of Shares on 19/01/2018	-2000	-0.065	7500	0.242
	Transfer of Shares on 26/01/2018	-500	-0.016	7000	0.226
	Transfer of Shares on 2/2/2018	-2000	-0.065	5000	0.162
	Transfer of Shares on 9/2/2018	-3268	-0.106	1732	0.056
	Transfer of Shares on 16/02/2018	-732	-0.024	1000	0.032
	Transfer of Shares on 9/3/2018	-500	-0.016	500	0.016
At the end of the year	500	0.016	500	0.016	
9	ANJALI S GHORPADE *				
	At the beginning of the year	19000	0.614	19000	0.614
	Transfer of shares on 12/01/2018	-19000	-0.614	—	—
	Transfer of shares on 23/03/2018	10000	0.323	10000	0.323
	At the end of the year	10000	0.323	10000	0.323
10	GOVERNOR OF KERALA				
	At the beginning of the year	27715	0.895	27715	0.895
	Transfer of shares during the year	—	—	—	—
	At the end of the year	27715	0.895	27715	0.895



Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	INVESTOR EDUCATION AND PROTECTION FUND #				
	At the beginning of the year	—	—	—	—
	Transfer of shares on 22/12/2017	98566	3.184	98566	3.184
	At the end of the year	98566	3.184	98566	3.184
12	THE INDIAN COTTON PURCHASERS LIMITED #				
	At the beginning of the year	17850	0.577	17850	0.577
	Transfer of shares during the year	—	—	—	—
	At the end of the year	17850	0.577	17850	0.577
13	PRAVIN KUMAR AGRAWAL #				
	At the beginning of the year	15000	0.485	15000	0.485
	Transfer of shares during the year	—	—	—	—
	At the end of the year	15000	0.485	15000	0.485
14	CHETAN RASIKLAL SHAH #				
	At the beginning of the year	11281	0.364	11281	0.364
	Transfer of shares during the year	—	—	—	—
	At the end of the year	11281	0.364	11281	0.364

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

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

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SHRI LAKSHMI NIWAS BANGUR				
	At the beginning of the year	25481	0.823	25481	0.823
	Transfer of shares during the year	—	—	—	—
	At the end of the year	25481	0.823	25481	0.823
2	SMT ALKA DEVI BANGUR				
	At the beginning of the year	37638	1.216	37638	1.216
	Transfer of shares during the year	—	—	—	—
	At the end of the year	37638	1.216	37638	1.216
3	SHRI P.R. RAMAKRISHNAN				
	At the beginning of the year	300	0.010	300	0.010
	Transfer of shares during the year	—	—	—	—
	At the end of the year	300	0.010	300	0.010
4	SHRI N. SWAMINATHAN				
	At the beginning of the year	150	0.005	150	0.005
	Transfer of shares during the year	—	—	—	—
	At the end of the year	150	0.005	150	0.005



Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	SHRI SHREEYASH BANGUR				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
6	SHRI H.M. PAREKH				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
7	SHRI S.K. SINGH				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
8	SHRI K. ASHOKAN				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
9	SHRI SAURAV SINGHANIA				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—

V. INDEBTEDNESS

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	7,36,76,148	—	—	7,36,76,148
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i + ii + iii)	7,36,76,148	—	—	7,36,76,148
Change in Indebtedness during the financial year				
i) Addition	15,28,87,296		—	15,28,87,296
ii) Reduction	52,45,529		—	52,45,529
Net Change	14,76,41,767		—	14,76,41,767
Indebtedness at the end of the financial year				
i) Principal amount	22,13,17,915	—	—	22,13,17,915
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	22,13,17,915	—	—	22,13,17,915



VI. Remuneration of Directors and Key Managerial Personnel

(A) Remuneration to Managing Director, Whole time Director and / or Manager

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Mrs. Alka Devi Bangur	Mr. Shreyash Bangur	
1	Gross salary			
	a) Salary u/s 17(1) of the Income Tax Act 1961	36,00,000	12,00,000	48,00,000
	(b) Value of perquisites u/s Section 17(2) of the Income Tax Act 1961	1,87,500	12,30,000	14,17,500
	(c) Profits in lieu of salary u/s 17 (3) of the Income Tax Act 1961)	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission - as % of profit - others specify	—	—	—
5	Others (Contribution to Provident & Superannuation Fund)	4,20,000	2,94,000	7,14,000
	Total (A)	42,07,500	27,24,000	69,31,500
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013 and as per Schedule V of the Companies Act, 2013		

(B) Remuneration to other directors

(Amount in ₹)

Sl. No.	Particulars of remuneration	Name of Directors					Total Amount
		Mr. L.N. Bangur	Mr. R.L. Gaggar*	Mr.H.M. Parekh	Mr. P.R. Ramakrishnan	Mr. N. Swaminathan	
1	Independent Directors						
	(a) Fee for attending Board / Committee Meetings	—	—	20,000	35,000	40,000	95,000
	Commission	—	—	—	—	—	—
	Others please specify	—	—	—	—	—	—
	Total (1)	—	—	20,000	35,000	40,000	95,000
2	Other Non-Executive Directors						
	(a) Fee for attending Board Committee Meetings	30,000	—	—	—	—	30,000
	(b) Commission	—	—	—	—	—	—
	(c) Others please specify	—	—	—	—	—	—
	Total (2)	30,000	—	—	—	—	30,000
	Total (B)=(1+2)	30,000	—	20,000	35,000	40,000	1,25,000
	Total Managerial Remuneration	—	—	—	—	—	70,56,500
	Overall Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013 and as per Schedule V of the Companies Act, 2013					

* Shri R.L. Gaggar resigned w.e.f. 12.04.2017



c) Remuneration to Key Managerial Personnel other than MD / WTD/ Manager

(Amount in Rupees)

Sl. No.	Particulars of Remuneration	CS	CS	CFO	CFO	CEO	Total
		R.V. Sridharan *	Saurav Singhania *	A. Thiagarajan #	K. Ashokan #	S.K. Singh	
1	Gross salary						
	a) Salary u/s 17(1) of the Income Tax Act 1961	3,50,000	2,41,360	2,87,502	13,50,000	45,22,536	67,51,398
	(b) Value of perquisites u/s Section 17(2) of the Income Tax Act 1961	1,08,923	—	2,03,178	3,14,410	18,79,432	25,05,943
	(c) Profits in lieu of salary under section 17(3) Income-tax Act 1961	—	—	—	—	—	—
2	Stock Option	—	—	—	—	—	—
3	Sweat Equity	—	—	—	—	—	—
4	Commission	—	—	—	—	—	—
	- as % of profit	—	—	—	—	—	—
	others specify...	—	—	—	—	—	—
5	Others (Contribution to Provident & Superannuation Fund)	—	15,811	34,500	1,32,000	6,18,000	8,00,311
	Total	4,58,923	2,57,171	5,25,180	17,96,410	70,19,968	1,00,57,652

* Mr. R.V. Sridharan retired from the Company w.e.f. 15.07.2017 and Mr. Saurav Singhania was appointed w.e.f. 11.11.2017

Mr. A Thiagarajan resigned from the Company w.e.f. 22.06.2017 and Mr. K Ashokan was appointed w.e.f. 01.06.2017

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made if any (give Details)
A. COMPANY					
Penalty			Nil		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			Nil		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment					
Compounding					



Annexure - B

NOMINATION AND REMUNERATION POLICY

1. Preamble

Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Section 178 of the Companies Act, 2013 has been made effective from April 1, 2014 by the Central Government by notification no. S.O. 902(E) issued on March 26, 2014. Therefore this Nomination and Remuneration Policy ("the Policy") has been framed in compliance with the provisions of the Act and Rules made under the Act.

The Policy provides a framework for remuneration to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives").

The expression "senior management" means employees of Company who are members of its core management team excluding directors comprising all members of management one level below the executive directors, including the functional heads.

The Members of the Nomination and Remuneration Committee ("the Committee or NRC") shall be appointed by the Board and shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors. Any fraction in the one half shall be rounded off to one. This Policy will be called "PK Tea Nomination & Remuneration Policy" and referred to as "the Policy". The Policy will be reviewed at such intervals as the Nomination and Remuneration Committee will deem fit.

2. Objectives

The objectives of the Policy are as follows:

- a) To set criteria for determining qualifications, positive attributes and independence of a director, and remuneration of the Executives.
- b) To enable the Company to attract, retain and motivate highly qualified members for the Board and other executive level to run the Company successfully.
- c) To enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.

- d) To ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
- e) To ensure that remuneration to directors, KMP and senior management employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. Principles of remuneration

Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, and supports and reinforces the achievement of the Company's vision and strategy.

Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

Internal equity: The Company shall remunerate the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.

External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.

Flexibility: Remuneration and reward shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other laws.

Performance-Driven Remuneration: The Company shall establish a culture of performance-driven remuneration through the implementation of the Performance Incentive System.

Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

4. Terms of Reference and Role of the Committee

The Terms of Reference and Role of the Committee as set by the Board of Directors are as under:



1. To formulate criteria for:
 - a. determining qualifications positive attributes and independence of a director;
 - b. evaluation of independent directors and the Board.
2. To devise the following policies on:
 - a. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the board of the Company;
 - b. board diversity laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the Company.
3. To identify persons who are qualified to:
 - a. become directors in accordance with the criteria laid down and recommend to the Board the appointment and removal of directors;
 - b. be appointed in senior management cadre in accordance with the policies of the Company and recommend their appointment;
4. To discuss, approve the appointment and reappointment of executive directors, managing directors and also to fix their remuneration packages and designations;
5. To carry out evaluation of the performance of every director of the Company;
6. To express opinion to the Board that a director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of professional nature.
7. To carry out such other business as may be required by applicable law or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.

The Committee shall:

- review the ongoing appropriateness and relevance of the Policy;
- ensure that all provisions regarding disclosure of remuneration, including pensions, leave encashment, gratuity, etc. are fulfilled;
- obtain reliable, up-to-date information about remuneration in other companies;
- ensure that no director or executive is involved in any decisions as to their own remuneration.
- Without prejudice to the generality of the terms of reference as set out above, the Committee shall:
 - operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to the Executives including individual limit and make amendments to the terms of such schemes, as the case may be;
 - liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors.
 - review the terms of Executives service contracts from time to time.

5. Procedure for selection and appointment of the Board Members

Board membership criteria:

The Committee, along with the Board, shall review on an annual basis, appropriate skills, characteristics and experience required of a Board Member. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

In evaluating the suitability of individual Board members, the Committee shall take into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company. Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

The Committee shall evaluate each Director with the objective of having a group that best enables the success of the Company's business.

6. Selection of Board Members/ extending invitation to a potential director to join the Board:

One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential



candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member. The Board then shall make an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director may be appointed by the Board.

7. Procedure for selection and nomination of KMP and SMPs

The Chairman and the Managing Director (MD) along with the Chief Executive Officer identify and appoint suitable candidates for appointing them as KMPs (excluding Executive Directors) or SMPs of the Company on the basis of their academic, professional qualifications, relevant work experience, skill and other capabilities suitable to the position of concerning KMP or SMP.

Further, in case of KMP (excluding Executive Director) appointment, approval of the Board of Directors / concerned Committee shall be taken in accordance with provisions of relevant Act, statutes, regulations etc. existing as on that date. The appointment and/or removal of KMPs shall be placed before the NRC and / or Board of Directors at regular intervals.

Further, in case of appointment of SMPs (excluding KMPs), the appointment as approved by the MD and Chief Executive Officer shall be placed before the NRC at regular intervals.

8. Compensation Structure

Remuneration to Non-Executive Directors:

The Non-executive Directors of the Company will be paid remuneration by way of fees only for attending the meetings of the Board of Directors and its Committees. The fees paid to the Non-executive Directors for attending meetings of Board of Directors shall be such as may be determined by the Board within the limit prescribed under the Companies Act, 2013 which is currently Rs. 100,000/- per meeting i.e. Board or Committee. Beside the sitting fees, they are also entitled to reimbursement of expenses and payment of commission on net profits.

The fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees thereof may be modified from time to time only with the

approval of the Board in due compliance of the provisions of Companies Act, 2013 and amended from time to time.

An Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the Applicable law.

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

Remuneration to Executive Directors Key Managerial Personnel(s) (KMPs) & Senior Management Personnel(s) (SMPs)

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/ WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs shall be approved by the Board of Directors at a meeting which shall be subject to the approval of members at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V of the Companies Act, 2013. As a policy, the Executive Directors are not paid any fees for attending the Board and/or Committee meetings.

If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

A Director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company may receive any remuneration or commission from any holding or subsidiary company of the Company, subject to its disclosure by the Company in the Board's report.

The remuneration (including revision) of KMPs (excluding Executive Directors) and SMPs shall be determined by Chairman along with the MD and Chief Executive Officer after taking into consideration the academic, professional qualifications, work experience, skill, other capabilities and industry standards.



Further, the remuneration (including revision) of KMPs (excluding Executive Directors) shall also be subject to approval of the Board of Directors/concerned Committees, if stipulated by any Act, statute, regulations etc.

9. Powers of the Committee and Meetings of the Committee

The Committee shall have inter-alia the following powers:

- Conduct studies or authorise studies of issues within the scope of the Committee with full access to all books, records, facilities and personnel of the Company;
- Retain or seek advice of consultants and experts for performance of their role under this Policy and the costs relating thereto shall be borne by the Company;
- Delegate its powers to any Member of the Committee or any KMP of the Company or form sub-committees to perform any of its functions or role under this Policy.
- The Committee shall meet as per the requirements of law or at such larger frequency as may be required.

10. Approval and publication

This Policy as framed by the Committee shall be recommended to the Board of Directors for its approval.

The Policy shall form part of Director's Report as required under Section 178(4) of the Companies Act, 2013.

11. Supplementary provisions

This Policy shall formally be implemented from the date on which it is adopted by the Board of Directors.

Any matters not provided for in this Policy shall be handled in accordance with relevant laws and regulations, the Company's Articles of Association.

The right to interpret this Policy vests in the Board of Directors of the Company.

Annexure - C

Conservation of Energy, Technology absorption & Foreign Exchange Earnings and Outgo

A. Conservation of Energy

Steps taken for conservation of energy

Focus is on the need to reduce the cost of energy. In this regard the company has taken host of initiatives.

- a) Putting Energy Efficient Motors in place of mechanical motors is in process and this will be done in a phased manner.
- b) Old heaters installed during 1996-97 were replaced by addition of two new heaters which have positive impact in fire wood consumption.

Steps taken by the Company for utilising alternate source of energy

The existing Wind Turbine Generators have outlived in its economic life, the company has already installed and commissioning solar power project on 23rd February 2018 (Alternative green energy).

Capital investment on energy conservation equipments

Rs. 16.34 Crores.

B. Technology Absorption

i) Efforts made towards technology absorption

The company had been continuously adopting suggestions / recommendation of UPASI scientist apart from the company owned efforts in the process of quality of leaf improvement as well as more efficient agricultural practice to reduce cost.

ii) Benefits derived

Cost reduction improvement in yield Quality up-gradation of the field and on the field.

iii) Import of technology - Nil

iv) Expenditure incurred on Research & Development - Nil

C. Foreign Exchange Earnings & outgo

	31.03.2018	31.03.2017
i) Earnings in Foreign Exchange	Nil	Nil
ii) Expenditure in Foreign Currency – Travelling	13,04,640	15,85,679
iii) CIF Value of Imports:		
a) Raw Materials	Nil	Nil
b) Consumable stores and spares	Nil	Nil
c) Capital Goods	7,77,46,914	Nil
iv) All Store items consumed indigenously	100%	100%



Annexure - D

Form No. MR-3

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,
The Peria Karamalai Tea And Produce Company Limited
7, Munshi Premchand Sarani,
Hastings,
Kolkata - 700 022

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Peria Karamalai Tea And Produce Company 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company (as per in Annexure-A1, hereinafter referred to as "Books and Papers") 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 period covered by our audit, that is to say, from April 01, 2017 to March 31, 2018 (hereinafter referred to as "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 and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 (the "Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the

extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

5. 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;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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 (Listing Obligation and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "Listing Regulations, 2015");
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - i. The Securities and Exchange Board of India (Share Based Employee Benefits Scheme) Regulations, 2014
6. Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India;

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

1. Tea Act, 1953;
2. Plantation Labour Act, 1951 and Rules made thereunder;
3. Tea Marketing Control Order, 2003;
4. Food Safety and Standards Act, 2006;



Management Responsibility:

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 the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation 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 procedure 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.

We **report that** during the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that adequate notice was 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. Majority decisions of the Board were taken with the requisite majority and recorded as part of the minutes.

We further report that based on the information provided by the Company during the Audit Period and also on the review of quarterly compliance reports by the Company Secretary taken on record by the Board of Directors of the Company, in our opinion, adequate systems and

processes and control mechanisms exist in the Company to monitor and ensure compliance with applicable general laws.

We further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **M/s. Vinod Kothari & Company**
Company Secretaries in Practice

Arun Kumar Maitra

Partner

Place : Kolkata

Membership No. : A3010

Date : 28th April 2018

C P No.: 14490

Annexure - A1

LIST OF DOCUMENTS

1. Corporate Matters
 - 1.1 Minutes books of the following meetings were provided:
 - 1.1.1 Board Meeting;
 - 1.1.2 Audit Committee;
 - 1.1.3 Nomination and Remuneration Committee;
 - 1.1.4 Stakeholders Relationship Committee;
 - 1.1.5 Corporate Social Responsibility Committee;
 - 1.1.6 General Meeting;
 - 1.2 Agenda papers for Board & Committee Meeting along with Notices;
 - 1.3 Annual Report for the Financial year 2016-17;
 - 1.4 Memorandum and Articles of Association;
 - 1.5 Disclosures under the Act;
 - 1.6 Policies framed under the Act ;
 - 1.7 Register maintained under the Act;
 - 1.8 Forms and returns filed with the Registrar of Companies;



Annexure - E

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

1. Particulars pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I. Name of the Top Ten employees in terms of remuneration drawn:

Sl No	Name of Employee	Designation	Remuneration received	Nature of Employment, Whether contractual or otherwise	Qualification of employee	Experience	Date of commencement of employment	Age of the employee	The last employment held by such employee before joining the Company	Percentage of equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1	Mrs. Alka Devi Bangur	Managing Director	4,207,500	Permanent	MBA	27 Yrs	17/09/1993	64	-	1.22%	Mr. L N Bangur, Chairman & Mr. Shreeyash Bangur, Dy. Managing Director
2	Mr. Shreeyash Bangur	Dy. Managing Director	2,724,000	Permanent	M.SC (Engineering)	11 Yrs	16/11/2011	38	International Paper APPM Ltd.	NIL	Mr. L N Bangur, Chairman & Mrs. Alka Bangur, Managing Director
3	Mr. S.K.Singh	CEO	7,019,968	Permanent	MBA	20 Yrs	21/07/2012	46	Helbriya Estates	Nil	Nil
4	Mr. Rohan Jhawar	PEO	4,537,143	Permanent	BE	12 Yrs	23/05/2012	35	Videocon Industries Ltd	Nil	Nil
5	Mr.K.Ashokan	CFO	1,796,410	Permanent	CA & ICWA	30 Yrs	01/06/2017	55	Ticel bio Park Ltd	Nil	Nil
6	Mr.Ashwini Kumar	Head - Solar Operations	1,599,996	Permanent	Post Graduate in Physics	22 Yrs	15/04/2013	49	Videocon Industries Ltd	Nil	Nil
7	Mr.Sandeep Singla	Manager - Electrical (Solar)	1,379,995	Permanent	B. Tech	12 Yrs	20/06/2013	36	Videocon Industries Ltd	Nil	Nil
8	Mr.Sumit Kumar Mallawat	Sr.Manager	1,793,192	Permanent	CA	11 Yrs	01/04/2011	34	KK Poddar & Associates	Nil	Nil
9	Mr.Gururaghunathan	Sr.Manager Packet Tea	258,507	Permanent	B.E & MBA	12 Yrs	18/01/2018	36	Videocon Industries Ltd	Nil	Nil
10	Mr. D.K.T.Vijayan	Acting Group Manager	864,074	Permanent	M.Sc(Bot)	24 Yrs	26/09/2012	52	Helbriya Estates	Nil	Nil

II. Employed throughout the year and was in receipt of remuneration not less than Rupees One crore and two lakhs per annum

There were no employees who were in receipt of remuneration exceeding Rupees one crore and two lakhs per annum.

III. Employed for the part of the year and was in the receipt of remuneration not less than Rupees Eight lakhs fifty thousand per month

There were no employees who were in receipt of remuneration exceeding Rupees Eight lakhs Fifty thousand per month.

IV. Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

NIL



2. Particulars pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year is given below:**

Name	Ratio
Executive Directors	
Mrs. Alka Devi Bangur (Managing Director)	54.32 : 1
Mr. Shreeyash Bangur (Deputy Managing Director)	35.17 : 1
Non Executive Directors	
Mr. L.N. Bangur (Director)	0.38 : 1
Mr. R.L. Gaggar (Director)*	NIL
Mr. H.M. Parekh (Director)	0.25 : 1
Mr. P.R. Ramakrishnan (Director)	0.45 : 1
Mr. N.Swaminathan (Director)	0.51 : 1

*Mr. R L Gaggar resigned from the Board w.e.f 12.04.2017

- b) The percentage increase in remuneration of Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager:**

Name	Category	Percentage
Mrs. Alka Devi Bangur	Managing Director	NIL
Mr. Shreeyash Bangur	Deputy Managing Director	NIL
Mr. S.K.Singh	Chief Executive Officer	46.15%
Mr. A. Thiagarajan*	Chief Financial Officer	N.A.
Mr. R V Sridharan*	Company Secretary	N.A.
Mr. K Ashokan**	Chief Financial Officer	N.A.
Mr. Saurav Singhania**	Company Secretary	N.A.

* Mr. A Thiagarajan resigned from the Company w.e.f 22.06.2017 and Mr. R V Sridharan retired from the Company w.e.f 15.07.2017. Hence, figure are not comparable.

** Mr. K Ashokan appointed w.e.f 01.06.2017 and Mr. Saurav Singhania appointed w.e.f 11.11.2017. Hence, figure are not comparable.

- c) Percentage increase in the median remuneration of employees in the financial year:**

7.52%

- d) Number of permanent employees on the rolls of the Company: 1,782.**

- e) Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:**

The Average increase in remuneration of employee excluding key managerial personnel was 7.44% while the average percentile increase in the key managerial personnel was NIL.

- f) Affirmation that remuneration paid is as per the Remuneration Policy of the Company**

It is affirmed that the remuneration is paid as per the Remuneration Policy of the Company.



Annexure F

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1) A Brief outline of the Company's CSR policy:

The Company's CSR Policy and Programmes are directed towards education, basic sanitation facilities, promote gender equality, women empowerment, environmental sustainability, protection of National Heritage, culture, music, drama, sports, fine arts and rural development projects. The detailed policy on the Corporate Social Responsibility has been posted on the website of the Company www.periatea.com.

2) Composition of CSR Committee:

CSR Committee has been constituted with Mr. L.N. Bangur as Chairman, Mr. P.R. Ramakrishnan and Mr. N.Swaminathan as Members.

3) Average Net Profit of the Company for the last three financial years, 2014-15 to 2016-17:

Rs. (174.30) Lacs.

4) Prescribed CSR Expenditure (2% of the Average Net Profit):

NIL

5) Details of CSR spent during the financial year:

a) Total amount to be spent for the financial year : The Company was not required to spend any amount on CSR activities.

b) Amount unspent if any : Nil

c) Manner in which the amount spent during the financial year:

As the Company was not required to spend any amount on CSR activities the disclosure with regard to the manner in which the amount was spent during the financial year does not arise.

d) Reason for not spending the amount:

The Company was not required to spend on CSR activities as the average net profit of the immediately preceding three financial years of the company was in the negative.

6) Responsibility Statement by the CSR Committee

The CSR Committee confirms that the implementation and governance of CSR Programs have been elaborated in the Company's CSR policy. The CSR Committee further confirms that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and policy of the Company.

Place : Hyderabad
Date : 14th May 2018

SHREEYASH BANGUR
Deputy Managing Director
(DIN : 00012825)

L.N. BANGUR
Chairman CSR Committee
(DIN : 00012617)



MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

India produced 1321.76 million kg in 2017 compared to 1267.36 million kg in 2016. South Indian Tea industry produced 234.60 million kg in 2017 compared to 212.80 million kg in 2016. North India produced 1087.11 million kg in 2017 compared to 1054.51 million kg in 2016.

All India auction average sale price stood at Rs.134.81 per kg in 2017 compared to Rs.135.93 per kg in 2016. North India average sale price was Rs. 144.23 per kg in 2017 compared to Rs.144.25 per kg in 2016. South Indian Tea average sale price was Rs. 99.19 per kg compared to Rs.106.48 per kg in 2016.

Export of Tea from India was Rs. 251.91 million kg in 2017 compared to Rs. 222.45 million Kg in 2016.

Performance

The price of orthodox tea is attractive and stable. Our company has also proposed to produce and sell good quality of orthodox tea from the financial year 2018-19 onwards as a major diversification.

Tea business accounted for 96.27% of the total revenue of the Company.

Future Prospects

As the global tea requirement as well as domestic tea consumption has been on the increasing trend, we have been introducing the branded Packet Tea under the brand name "PERIA GOLD".

Opportunities

Mechanization of all tea operations in the light of labour shortage is imperative for future growth of tea industry. Sharing the social cost by the State Governments will reduce the cost of production and thereby increase the competitive strength of Indian tea.

Challenges

High cost of labour, raising high inflation / input price cost, acute shortage of labour, erratic weather conditions and increase in social cost particularly Bonus payments and maternity benefits.

Climate change & erratic weather conditions pose big challenge to the tea industry resulting in lower crops as well as higher incidence of pests and diseases. Declining

soil fertility and slower pace of re-plantation of old bushes affect the productivity.

Risk Management

Risk management is an integral part of the business process. With the help of experts the company mapped the risks at the business processes and enterprise levels and evolved a risk management framework. Risk mitigating measures have been identified and these would be periodically reviewed by the Board of Directors.

Internal Control

The Company has adequate internal control system to monitor internal business process financial reporting and compliance with applicable laws. The internal control system ensures that all assets are protected against loss from unauthorized use and all transactions are recorded and reported correctly. The Company periodically reviews the adequacy and effectiveness of the control systems. The Audit Committee of the Board assures the existence of effective internal control environment.

Human Resource

Relationship with employees at all level remains cordial. Training and development of employees continue to be an area of prime importance. The devotion and commitment of employees has enabled the Company to fulfil its targets and deadlines in time. The total number of employees on the rolls of the Company as on 31st March 2018 was 1782.

Discussion on financial performance with respect to operational performance

This section is covered in the Board's Report under the section of financial results and operation.

Forward looking statements

Certain statements included above may be forward looking and would involve number of risks uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements whether as a result of new information / future events or otherwise.



REPORT ON CORPORATE GOVERNANCE

Compliance Report on Corporate Governance as required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is furnished below:

1. Company's philosophy on code of Corporate Governance

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance with focus on fiduciary and trusteeship role of directors to align and direct the actions of the organization brings lasting shareholder value and enhances interest of all other stakeholders.

2. Board of Directors

a. Composition of Board and the number of other board of directors or committees in which a directors is a member or chairperson

The Board consists of 6 (six) Directors, out of which four are non-executive directors and two are executive directors. Mrs. Alka Devi Bangur and Mr. Shreeyash Bangur are Executive Directors and all other are Non-Executive Directors.

Name of the Director	Category	Other Directorships #	Membership of other Board Committees ^	
			Member	Chairman
Mr. Lakshmi Niwas Bangur	Non-Executive Chairman - Promoter Director	9	6	2
Mrs. Alka Devi Bangur	Managing Director - Promoter Director	2	2	1
Mr. Shreeyash Bangur	Deputy Managing Director - Promoter Director	8	1	0
Mr. Ratan Lal Gaggar *	Non-Executive - Independent Director	8	9	-
Mr. Harischandra Maneklal Parekh	Non-Executive-Independent Director	7	10	5
Mr. Pudugramam Ramachandran Ramakrishnan	Non-Executive-Independent Director	1	2	1
Mr. Narasimhan Swaminathan	Non-Executive-Independent Director	1	2	0

* Shri R.L. Gaggar resigned from the Board with effect from 12.04.2017.

excludes directorship in private companies, foreign companies and section 8 companies.

^ Only Audit Committee and Stakeholders Relationship Committee are considered.

As per disclosures received from the Directors, none of the Directors serve as member of neither more than 10 Committees nor Chairman/Chairperson of more than 5 committees as per the requirement of Regulation 26 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

b. Attendance of Directors at Board Meetings and Annual General Meeting

The attendance of directors at the meetings of Board of Directors held during the financial year 2017-18 and at the last Annual General Meeting held on 9th August, 2017 is as under:



Name of the Director	Board Meeting		Annual General Meeting
	Held during the year	Attended	
Mr. Lakshmi Niwas Bangur	6	6	Yes
Mrs. Alka Devi Bangur	6	5	Yes
Mr. Shreeyash Bangur	6	5	Yes
Mr. Ratan Lal Gaggar *	6	0	N.A.
Mr. Harischandra Maneklal Parekh	6	4	Yes
Mr. Pudugramam Ramachandran Ramakrishnan	6	2	No
Mr. Narasimhan Swaminathan	6	3	Yes

* Shri R.L. Gaggar resigned from the Board with effect from 12.04.2017.

c. Meetings of the Board of Directors

During the financial year 2017-18, 6 (six) meetings of the Board of Directors were held on 25th April, 2017, 26th May, 2017, 9th August, 2017, 11th November, 2017, 14th February, 2018 and 15th March, 2018.

The Members of the Board have also passed a circular resolution as per section 175 of the Companies Act, 2013 on 5th September, 2017.

d. Disclosure of relationship between directors inter-se:

None of the Directors are related to each other except Mr. Lakshmi Niwas Bangur, Mrs. Alka Devi Bangur and Mr. Shreeyash Bangur.

Name of the Directors	Relationship between directors
Mr. Lakshmi Niwas Bangur	Husband of Mrs. Alka Devi Bangur and Father of Mr. Shreeyash Bangur
Mrs. Alka Devi Bangur	Wife of Mr. Lakshmi Niwas Bangur and Mother of Mr. Shreeyash Bangur
Mr. Shreeyash Bangur	Son of Mr. Lakshmi Niwas Bangur and Mrs. Alka Devi Bangur

e. Number of shares and convertible instruments held by non-executive directors

The details of Shares of the Company held by non-executive directors are as follows:

Name	No. of Shares
Mr. Lakshmi Niwas Bangur	25481
Mr. Harischandra Maneklal Parekh	NIL
Mr. Pudugramam Ramachandran Ramakrishnan	300
Mr. Narasimhan Swaminathan	150

The non-executive directors of the Company do not hold any convertible securities in the Company.

f. Familiarization Program for Independent Directors

The Independent Directors were regularly provided with documents, reports and other internal policies of the Company to familiarise them with the Company's policies, procedures and practices. Periodic presentations are made at the Board/ Committee Meetings on the Company's operations, expansion, developments and various statutory compliances. A visit to the factories was arranged for the directors to have first hand information about the manufacturing operations.

Field visits were arranged for the directors. They were apprised about the plucking operations, cultural practices like fertiliser application, spraying of chemicals to control pests and diseases, functioning of drip irrigation etc. They



were taken around nurseries, replanted areas, check dam, areas where minor produces are grown etc. Further, they were apprised about the productivity, labour related matters, overall power consumption, cost savings and environmental protection activities undertaken by the factories.

The details of the Familiarization Programme has been disclosed on the website of the Company at <http://www.periatea.com/pdf.php>.

g. Separate meeting of the Independent Directors

The Independent Directors' meeting was held on 12th February 2018 without the attendance of Non-Independent Directors and members of Management. The independent directors reviewed the performance of Non-Independent Directors and to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

3. Committees of the Board

At present, the Board has 4 Committees:

- a. Audit Committee.
- b. Nomination and Remuneration Committee.
- c. Stakeholders Relationship Committee.
- d. Corporate Social Responsibility Committee.

The Board constitutes the committees and defines their terms of reference. The members of the committees are co-opted by the Board.

a. Audit Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The primary objective of the Committee is to monitor and provide effective supervision of the financial reporting process to ensure reliability and timeliness of disclosures while ensuring integrity and quality of the reports.

Brief description of terms of reference of Audit Committee as per the Charter approved by the Board:

- i. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- ii. Review and monitor the auditors independence and performance, and effectiveness of audit process.
- iii. Examination of the financial statements and auditors' report thereon.
- iv. Approval or any subsequent modification of transactions of the Company with related parties
- v. Scrutiny of inter-corporate loans and investments
- vi. Valuation of undertakings or assets of the Company wherever necessary.
- vii. Evaluation of internal financial controls and risk management systems.
- viii. Monitoring the end use of funds raised through public offers and related matters.
- ix. Any other terms as per the provisions specified in Section 177 of the Companies Act, 2013 and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amendment from time to time.

Composition

The members of the Audit Committee as on 31st March 2018 comprised of:

Name of the Director	Designation	Category
Mr. Pudugramam Ramachandran Ramakrishnan	Chairman	Independent Non Executive
Mr. Lakshmi Niwas Bangur	Member	Promoter Non Executive
Mr. Harischandra Maneklal Parekh	Member	Independent Non Executive
Mr. Narasimhan Swaminathan	Member	Independent Non Executive



All the above members are independent non-executive directors except Mr. Lakshmi Niwas Bangur. Mr. Pudugramam Ramachandran Ramakrishnan, Mr. Narasimhan Swaminathan and Mr. Harischandra Maneklal Parekh possess expert knowledge in finance and accounts. Mr. Saurav Singhania, Company Secretary is the Secretary of the Committee.

Meetings

During the year under review, the Audit Committee met 4 (four) times on 22nd May, 2017, 7th August, 2017, 7th November, 2017 and 12th February, 2018.

Attendance of each member is given below:

Name of the Director	No. of meeting held	No. of Meetings attended
Mr. Pudugramam Ramachandran Ramakrishnan	4	4
Mr. Lakshmi Niwas Bangur	4	0
Mr. Harischandra Maneklal Parekh	4	0
Mr. Narasimhan Swaminathan	4	4

b. Nomination & Remuneration Committee

The committee reviews and determines the Company's policy on managerial remuneration and recommends to the Board on the specific remunerations of Executive Directors and Key Managerial Persons, so as to ensure that they are fairly rewarded for their individual contributions to the Company's overall performance and their remuneration is in line with the industry standards.

Brief description of terms of reference of Nomination & Remuneration Committee as per the Charter approved by the Board:

- i. To formulate criteria for:
 - a. determining qualifications, positive attributes and independence of a director;
 - b. evaluation of independent directors and the Board.
- ii. To devise the following policies on:
 - a. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the board of the Company;
 - b. board diversity laying out an optimum mix of executive, independent and non independent directors keeping in mind the needs of the Company.
- iii. To identify persons who are qualified to:
 - a. become directors in accordance with the criteria laid down, and recommend to the Board the appointment and removal of directors;
 - b. be appointed in senior management cadre in accordance with the policies of the Company and recommend their appointment:
 - i. For listed companies – to the board, as the revised Clause 49 requires the NRC to recommend the appointment to the Board.
- iv. To discuss, approve the appointment and reappointment of executive directors, managing directors and also to fix their remuneration packages and designations;
- v. To carry out evaluation of the performance of every director of the Company;
- vi. To express opinion to the Board that a director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of professional nature.
- vii. To carry out such other business as may be required by applicable law or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.

The Nomination and Remuneration policy of the Company is annexed to the Board's Report and can also be accessed on the Company's website www.periatea.com.



Composition

The members of the Nomination & Remuneration Committee as on 31st March 2018 comprised of:

Name of the Director	Designation	Category
Mr. Pudugramam Ramachandran Ramakrishnan	Chairman	Independent Non Executive
Mr. Lakshmi Niwas Bangur	Member	Promoter Non Executive
Mr. Harischandra Maneklal Parekh	Member	Independent Non Executive
Mr. Narasimhan Swaminathan	Member	Independent Non Executive

Meetings

During the year 2017-18, Nomination and Remuneration Committee met on 26th May, 2017 and 11th November, 2017.

Attendance of each member is given below:

Name of the Director	No. of meeting held	No. of Meetings attended
Mr. Pudugramam Ramachandran Ramakrishnan	2	0
Mr. Lakshmi Niwas Bangur	2	2
Mr. Harischandra Maneklal Parekh	2	2
Mr. Narasimhan Swaminathan	2	1

Performance evaluation criteria for Independent Directors

On the advice of the Board of Directors and the Nomination and Remuneration Committee and in consonance with Guidance Note on Board Evaluation issued by SEBI through circular number SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017, the Company formulated criteria for evaluation of the performance of the Board of Directors, its committees, Independent Directors, Non-Independent Directors. Based on those criteria, performance evaluation has been done.

Details of the performance evaluation of Board of Directors of the Company including Independent Directors is provided in the Directors' Report forming part of the Annual Report of the Company.

c. Stakeholders Relationship Committee

The Committee is responsible for the satisfactory redressal of investors' complaints pertaining to the transfer/transmission of shares, non-receipt of Annual Reports, dividend payments, issue of duplicate share certificates and other miscellaneous complaints. In addition to above the Committee also looks into other issues including status of dematerialization/re-materialization of shares as well as system and procedures followed to track investor complaints and suggest matter for improvement from time to time.

Composition

The members of the Committee as on 31st March, 2018 comprised of:

Name of the Director	Designation
Mr. Lakshmi Niwas Bangur	Chairman
Mr. Pudugramam Ramachandran Ramakrishnan	Member
Mr. Narasimhan Swaminathan	Member

The Board has designated Mr. Saurav Singhania, Company Secretary as Compliance Officer.

Meetings

During the year, the Stakeholders Relationship Committee met 5 (five) times on 25th April 2017, 22nd May 2017, 7th August 2017, 7th November 2017 and 12th February, 2018.



Attendance of each member is given below:

Name of the Director	No. of meeting held	No. of Meetings attended
Mr. Lakshmi Niwas Bangur	5	1
Mr. Pudugramam Ramachandran Ramakrishnan	5	5
Mr. Narasimhan Swaminathan	5	5

The status of complaints received from the investors during the financial year 2017-18 is furnished below:

Complaints pending as on 1 st April 2017	Nil
Complaints received during the year	Nil
Complaints resolved during the year	Nil
Complaints pending as on 31 st March 2018	Nil

Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half yearly basis confirming due compliance of share transfer formalities by the Company from the Practicing Company Secretary has been submitted to the Stock Exchanges within the stipulated time.

d. Corporate Social Responsibility Committee

The terms of reference of the Committee encompasses:

- To formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the activities referred to Clause A.
- To monitor CSR Policy of the Company from time to time.
- Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or Rules made thereunder or any other statutory laws of India.

The Company's CSR Policy is uploaded on the website of the Company www.periatea.com

The members of the Committee as on 31st March, 2018 comprised of:

Name of the Director	Designation
Mr. Lakshmi Niwas Bangur	Chairman
Mr. Pudugramam Ramachandran Ramakrishnan	Member
Mr. Narasimhan Swaminathan	Member

During the year under review, the Committee met on 26th May 2017.

Attendance of each member is given below:

Name of the Director	No. of meeting held	No. of Meetings attended
Mr. Lakshmi Niwas Bangur	1	1
Mr. Pudugramam Ramachandran Ramakrishnan	1	0
Mr. Narasimhan Swaminathan	1	1

4. Remuneration of Directors

a) Remuneration to Executive Directors

The details of remuneration paid to Mrs. Alka Devi Bangur, Managing Director and Mr. Shreeyash Bangur, Deputy Managing Director during the financial year 2017-18 are given below:



Name	Designation	Total Remuneration (In Rs Lakhs)	Period of Appointment
Mrs. Alka Devi Bangur	Managing Director	42.07	3 years with effect from 17.09.2017
Mr. Shreeyash Bangur	Deputy Managing Director	27.24	5 years with effect from 05.11.2015

b) Remuneration to Non-Executive Directors

Name	Business relationship with the company	Sitting Fees	Commission	Total
Mr. Lakshmi Niwas Bangur	Promotor	30000	-	30000
Mr Ratan.Lal Gaggar	Independent Director	-	-	-
Mr. Harischandra Maneklal Parekh	Independent Director	20000	-	20000
Mr. Pudugramam Ramachandran Ramakrishnan	Independent Director	35000	-	35000
Mr. Narasimhan Swaminathan	Independent Director	40000	-	40000

The Company does not pay any performance incentive or severance fees. Apart from the above mentioned remuneration, the Company had no pecuniary relationship or transactions with the Non-Executive Directors during the financial year 2017-18.

In compliance with the requirements of Companies Act, 2013 and Rules made thereunder and pursuant to Regulation 19 of the SEBI (LODR) Regulations, 2015 read with Schedule II Part D to the said Regulations, the Board of Directors has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and other employees of the Company.

None of the Directors hold any stock option in the Company.

5. General Body Meetings

The location and time of the last three Annual General Meetings held are given as under:

Year	Date	Time	Venue
2014-15	28.09.2015	11.00 A.M.	The Indian Chamber of Commerce & Industry Coimbatore – 641 018
2015-16	12.08.2016	10.15 A.M.	The Indian Chamber of Commerce & Industry Coimbatore – 641 018
2016-17	09.08.2017	10.30 A.M.	Sitaram Sekhsariya auditorium, Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata 700017

Special Resolution passed in the previous three Annual General Meetings

Date	Description of Special Resolution passed
28.09.2015	NIL
12.08.2016	NIL
09.08.2017	Re-appointment of Mrs. Alka Devi Bangur as Managing Director of the Company for a further term of 3 years.

No Extra-Ordinary General Meeting was held during the year under review.

No Special resolution was passed through postal ballot during the financial year ended March 31, 2018.

At present no special resolution is proposed to be conducted through postal ballot.



6. Means of Communication

The quarterly, half yearly and Annual Financial Results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are also published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered in English newspaper circulation the whole or substantially the whole of India and in one vernacular newspaper of the State where the registered office of the Company is situated [i.e. in Business standard(All India edition) and kalantar/Ekdin(Bengali)].

These results are simultaneously posted on the website of the Company at www.periatea.com and also uploaded on the website of the Stock Exchanges where the Shares of the Company are listed i.e National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.

7. General Shareholder Information

Date, time and venue of the Annual General Meeting

Particulars	Date & Time	Venue
105 th Annual General Meeting	14.09.2018 10.30 A.M.	Far Pavillion, The Tollygunge Club Ltd., 120, Deshparan Sasmal Road, Kolkata- 700033

Financial Year : 2017-18

Financial Calendar (tentative and subject to change)

Particulars of meeting	On or before
Unaudited Financial Results for the quarter ending 30 th June 2018	14 th August 2018
Unaudited Financial Results for the quarter ending 30 th September 2018	14 th November 2018
Unaudited Financial Results for the quarter ending 31 st December 2018	14 th February 2019
Audited Financial Results for the year ending 31 st March 2019	30 th May 2019

Date of book closure for payment of dividend : 8th September 2018 to 14th September 2018
(both days inclusive)

Date of payment of equity dividend : Dividend shall be paid to all the eligible shareholders within 30 days from the date of Annual General Meeting.

Listing on Stock Exchanges

The Company's Shares are listed in the following Stock Exchanges:

1. National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla Complex
Bandra East
Mumbai – 400 051
2. The Calcutta Stock Exchange Limited
7, Lyons Range,
Kolkata – 700 001

The Company has paid the annual listing fees for the year 2018-19 to the National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.

Stock Code

National Stock Exchange of India Limited	PKTEA
The Calcutta Stock Exchange Limited	10026140
ISIN (for Demat)	INE 43 1F01018



Details of monthly high and low quotations of the equity shares of the company traded on National Stock Exchange of India Limited during the financial year 2017-18

Month	PKTEA NSE (Rs.)			NSE NIFTY (Rs.)		
	High	Low	Month Close	High	Low	Month Close
April 2017	167.90	144.75	154.55	9,367.15	9,075.15	9,304.05
May 2017	170.00	144.60	154.35	9,649.60	9,269.90	9,621.25
June 2017	159.50	141.00	146.30	9,709.30	9,448.75	9,520.90
July 2017	167.50	143.05	150.40	10,114.85	9,543.55	10,077.10
August 2017	178.40	140.00	144.00	10,137.85	9,685.55	9,917.90
September 2017	171.00	141.55	146.00	10,178.95	9,687.55	9,788.60
October 2017	179.95	146.00	167.95	10,384.50	9,831.05	10,335.30
November 2017	345.70	152.00	296.10	10,490.45	10,094.00	10,226.55
December 2017	438.50	275.50	398.10	10,552.40	10,033.35	10,530.70
January 2018	680.00	355.10	561.30	11,171.55	10,404.65	11,027.70
February 2018	576.90	327.75	330.25	11,117.35	10,276.30	10,492.85
March 2018	399.00	271.45	296.55	10,525.50	9,951.90	10,113.70

There was no trading in the equity shares of the Company in The Calcutta Stock Exchange Limited during the year.

Registrar and Share Transfer Agents

SKDC Consultants Limited
 Kanapathy Towers, 3rd Floor
 1391/A-1, Sathy Road, Ganapathy
 Coimbatore – 641 006
 Tel No +91(422)6549995, 5239835, 2539836
 Fax No +91 (422) 2539837
 Email: info@skdc-consultants.com

Share Transfer System

Shares in physical form are processed by the Registrar and Share Transfer Agents, SKDC Consultants Limited and approved by the Stakeholders Relationship Committee of the Company. Share Transfers are processed within a period of 15 days from the date of receipt of documents by the Registrar & Share Transfer Agents, if the documents are complete in all respects. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL within 15 days.

Distribution of Equity Shareholding as on 31st March 2018

Slab of shareholdings	Shareholders		Shares	
	Number of shareholders	%	Number of shares	%
1 – 500	4217	91.16	450724	14.56
501 – 1000	246	5.32	171623	5.54
1001 – 2000	104	2.25	140984	4.55
2001 – 3000	16	0.35	41089	1.33
3001 – 4000	9	0.19	30483	0.98
4001 – 5000	1	0.02	4534	0.15
5001 – 10000	14	0.30	111889	3.61
10001 and above	19	0.41	2144553	69.28
Total	4626	100.00	3095879	100.00

**Category of Shareholders as on 31st March 2018**

S.No.	Category	Number of shares	%
A	Indian Promoters & Promoters Group	1496390	48.335
B	Public Shareholding		
	1. Institutions		
	a) Financial Institutions / banks	3935	0.127
	b) Insurance Companies	360138	11.633
	c) Central / State Governments	27715	0.895
	d) Foreign Portfolio Investors	2733	0.088
	2. Non Institutions		
	a) Bodies Corporate	94798	3.062
	b) Individuals	1110170	35.860
	Total Public Shareholding (1 + 2)	1599489	51.665
	Total (A + B)	3095879	100.000

Dematerialisation of shares as on 31st March 2018

	Name of the Depository	Number of shares dematerialised	% on Equity Share Capital
A	National Securities Depository Limited	20,20,014	65.248
	Central Depository Services (India) Limited	7,54,083	24.358
	Total	27,74,097	89.606
B	Physical	3,21,782	10.394
	Total	30,95,879	100.00

No GDRs' ADRs' or Warrants have been issued by the Company during the year.

Commodity price risk or foreign exchange risk and hedging activities

During the financial year ended 31st March 2018, the Company did not engage in commodity or hedging activities.

Estate Location

1. Karamalai Estate
Karamalai Bazaar Post
Valparai - 642 130
2. Akkamalai Estate
Akkamalai Branch P.O.
Valparai - 642 127
3. Vellamalai Estate
Karamalai Bazaar Post
Valparai - 642 130
4. Nadumalai Estate
Valparai - 642 127

Wind Mill Location

Aralvaimozhi
Muppandal
Kanyakumari District
Tamil Nadu

Solar Power Project

Kudipatty Village
Peraiyur Taluk
Madurai District
Tamil Nadu



Address for Correspondence

Head Office:

The Chief Executive Officer
The Peria Karamalai Tea & Produce Company Limited
No. 286, Race Course Road,
Coimbatore - 641 018

Registered Office:

The Company Secretary
The Peria Karamalai Tea & Produce Company Limited
7, Munshi Premchand Sarani, Hastings
Kolkata - 700 022

Email ID for Investor Grievance Redressal: periatea@lnbgroup.com

8. Other Disclosures

Disclosure on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

All related party transactions are entered on arm's length basis in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with the Promoter Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. The details of transactions with related parties are provided in the Company's financial statements in accordance with the Accounting Standards.

The Related Party Transaction Policy as approved by the Board of Directors is uploaded on the Company's website at <http://www.periatea.com/investors.php>

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

There were no penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Whistle Blower Policy

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior actual or suspected fraud or violation of the Company's code of conduct. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy has been posted on the website of the Company www.periatea.com.

Your Company hereby affirms that no complaints were received during the year under review.

Material Subsidiaries

The Company does not have any material subsidiary.

Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements

There have no instances of non-compliance of any requirement of Corporate Governance Report.

The Company has complied with all mandatory requirements specified in regulation 17 to 27 and clauses of (b) to (i) of Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



The Company has also adopted the following non-mandatory requirements of (1) of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

- i. Non -Executive Chairman Office: Chairman office is separate from that of the Managing Director
- ii. Shareholders Rights: The quarterly, half yearly and annual financial results of the Company are published in the newspapers on an all India basis and are also posted on the Company's website. Further significant events are informed to the Stock Exchanges from time to time and then the same is also posted on the website of the Company. The complete Annual Report is sent to every shareholder of the Company.
- iii. Audit Qualification: The Company's financial statement for the year 2017-18 does not contain any audit qualification.
- iv. Separate posts of Chairman and CEO: The Company has appointed separate persons to the post of Chairman and Managing Director or Chief Executive Officer.
- v. Reporting to Internal Auditor: The Internal Auditor reports to the Audit Committee.

9. Code of conduct for Directors and Senior Management Personnel

The Company has adopted a Code of Business Conduct and Ethics for its Directors and Senior Management Personnel. The same has been posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code of conduct for the year under review.

The CEO has given a declaration that all the Directors and concerned Senior Management Personnel have affirmed compliance with the Code of Conduct.

10. Disclosure with respect to demat suspense account/unclaimed suspense account

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: NIL
- b) Number of shareholders who approached listed entity for transfer of shares from Suspence account during the year : NIL
- c) Number of shareholders to whom shares were transferred from suspense account during the year: NIL
- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year : NIL
- e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL

Declaration by the CEO under Regulation 26 (3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Compliance with Code of Conduct

To

The Members of
The Peria Karamalai Tea And Produce Co. Ltd.

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended on March 31, 2018.

For The Peria Karamalai Tea And Produce Co. Ltd.

Place : Hyderabad
Date : 14.05.2018

S K Singh
CEO



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
The Peria Karamalai Tea & Produce Co. Ltd.

1. We have examined the compliance of conditions of Corporate Governance by The Peria Karamalai Tea & Produce Co. Ltd. ("the Company"), for the year ended on March 31, 2018, as stipulated in the relevant provisions Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing obligation and disclosure Requirements) Regulation, 2015.
4. On the basis of representation received from the Registrar and Share Transfer Agents of the Company and on the basis of the records maintained by the Stake holders Relationship Committee of the Company, We state that no investor grievance is pending for a period exceeding one month.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Coimbatore
14th May 2018

For SRIKISHEN & CO
Chartered Accountants
Registration No: 004009S
K. Murali Mohan
Proprietor, Auditors

Membership No. 014328



**CERTIFICATE FURNISHED BY THE CHIEF EXECUTIVE OFFICER AND THE CHIEF FINANCIAL OFFICER
PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS)
REGULATIONS 2015**

To

The Board of Directors
The Peria Karamalai Tea & Produce Co. Ltd

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the quarter which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
- (i) there was no significant changes in internal control over financial reporting during the year;
 - (ii) there was no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements: and
 - (iii) there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date : 14.05.2018

K Ashokan
Chief Financial Officer

S K Singh
Chief Executive Officer



INDEPENDENT AUDITORS' REPORT

To the Members of **The Peria Karamalai Tea and Produce Company Limited**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of The Peria Karamalai Tea & Produce Company Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules and issued thereunder.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, 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 of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at 31st March 2018, its Profit, total comprehensive income, the changes in equity and its cash flows 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 the paragraph 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 it appears from our examination of those books;
 - (c) The Balance sheet, the statement of Profit and loss including other Comprehensive Income, Statement of changes in Equity and the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
 - (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March

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, a separate report has been given in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except unpaid dividend of Rs. 1,953/- relating to the year 2009-10 which is kept on hold for court case.

Coimbatore
14th May 2018

For SRIKISHEN & CO
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328



Annexure - A referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements

According to the information and explanations sought by us and given by the Company and the books and records examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties of the company shown under the Fixed Assets schedule are held in the name of the company.
- (ii) The physical verification of inventory has been conducted by the management at reasonable intervals. The Company has maintained proper record of inventory and no material discrepancies were noticed on the physical verification of inventories as compared to the book records.
- (iii) The Company has not granted any loans, secured or unsecured to, firms limited liability partnerships or other parties covered in the register maintained under section 189. The Company has granted unsecured loan to two Companies covered in the Register maintained under section 189 of the Act.
- In respect of the above loan given, in our opinion,
- a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- b) No schedule of repayment of principal and payment of interest has been stipulated.
- c) No amount is overdue warranting taking steps for recovery of principal and interest.
- (iv) The Company has not advanced any loans to its directors or any other person in whom the directors are interested or given any guarantee or provided any security in connection with any loan taken by the directors or such other person as contemplated under section 185 of the Act.
- The investment made in the capital of the subsidiary companies is within the overall limit prescribed under section 186 of the Act.
- (v) The Company has not accepted any deposits and therefore paragraph 3(v) of the CARO is not applicable to the Company.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, in respect of manufacture of tea as well as generation and transmission of electricity by the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues has been regularly deposited during the year by the company with the appropriate authorities.
- There are, no undisputed arrears of statutory dues which were outstanding as at 31 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, there are no disputed statutory dues which have not been deposited by the Company .



- (viii) The Company has not borrowed from any financial institution and has not issued any debentures till date. The Company has not defaulted in repayment of loans and borrowings to banks.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans raised during the year were applied for the purpose for which it is availed.
- (x) No fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion the managerial remuneration has been paid in accordance with the requisite approval mandated by the provisions of section 197, read with schedule V of the Act.
- (xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion the transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made preferential allotment or private placement of shares or issued any debentures during the year.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SRIKISHEN & CO
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328

Coimbatore
14th May 2018



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Peria Karamalai Tea and Produce Co. Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial

reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, to the best of our information and according to the explanation given to us, 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SRIKISHEN & CO
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328

Coimbatore
14th May 2018

**BALANCE SHEET AS AT 31ST MARCH 2018**

(Amount in Rupees)

	Note	31.03.2018	31.03.2017	01.04.2016	
ASSETS					
1 Non-current Assets					
a	Property, Plant and Equipment	1	38,08,34,180	18,69,98,436	17,39,75,551
b	Capital Work In Progress	1	1,67,89,442	1,87,28,251	2,79,719
c	Intangible assets	1	21,603	21,603	47,177
d	Financial Assets:				
i)	Investments	2	95,86,26,776	89,94,22,094	82,91,19,284
ii)	Other Financial Assets	3	2,09,92,068	1,90,55,485	1,60,58,250
e	Deferred Tax Asset (Net)	4	6,31,75,788	6,35,81,158	6,27,44,115
f	Other Non-Current Assets	5	1,29,71,115	2,26,67,695	1,06,65,702
			<u>1,45,34,10,972</u>	<u>1,21,04,74,722</u>	<u>1,09,28,89,798</u>
2 Current Assets					
a	Inventories	6	4,61,66,153	3,50,72,155	5,66,54,987
b	Financial Assets:				
i)	Investments	7	—	24,94,006	4,21,60,468
ii)	Trade receivables	8	3,17,45,181	3,21,44,010	2,37,88,763
iii)	Cash and cash equivalents	9a	1,83,93,058	1,08,22,746	1,87,57,670
iv)	Bank Deposits other than (iii) above	9b	94,16,342	29,35,625	7,30,66,717
v)	Loans	10	6,95,00,000	10,40,00,000	3,40,00,000
vi)	Other Financial Assets	11	85,18,207	1,19,65,929	2,07,40,558
c	Current Tax Assets (Net)	12	25,20,749	—	70,87,526
d	Other current assets	13	13,85,634	67,30,512	1,37,99,410
			<u>18,76,45,324</u>	<u>20,61,64,983</u>	<u>29,00,56,099</u>
T O T A L			<u>1,64,10,56,296</u>	<u>1,41,66,39,705</u>	<u>1,38,29,45,897</u>
EQUITY AND LIABILITIES					
1 Equity					
a	Equity Share capital	14	3,09,58,790	3,09,58,790	3,09,58,790
b	Other Equity	15	1,30,76,04,476	1,25,45,16,507	1,15,96,58,204
			<u>1,33,85,63,266</u>	<u>1,28,54,75,297</u>	<u>1,19,06,16,994</u>
2 Non-current Liabilities					
a	Financial Liabilities				
i)	Borrowings	16	14,20,25,620	1,74,48,707	12,92,743
b	Provisions		—	—	—
			<u>14,20,25,620</u>	<u>1,74,48,707</u>	<u>12,92,743</u>
3 Current Liabilities					
a	Financial Liabilities				
i)	Borrowings	17	6,81,95,690	5,03,27,532	13,40,56,637
ii)	Trade payables	18	6,93,83,052	5,31,47,810	5,03,22,261
iii)	Other financial liabilities	19	1,34,24,473	85,76,783	62,42,451
b	Other Current Liabilities	20	3,89,417	4,36,839	4,14,811
c	Current Tax Liabilities (Net)	21	—	12,26,737	—
d	Provisions	22	90,74,778	—	—
			<u>16,04,67,410</u>	<u>11,37,15,701</u>	<u>19,10,36,160</u>
T O T A L			<u>1,64,10,56,296</u>	<u>1,41,66,39,705</u>	<u>1,38,29,45,897</u>
See accompanying notes to the financial statements		29			

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor, Auditor M.No. 014328
Coimbatore, 14th May 2018

K. Ashokan
Chief Financial Officer

For and on behalf of the Board of Directors
Alka Devi Bangur
Managing Director
DIN : 00012894

Saurav Singhania
Company Secretary

L.N. Bangur
Chairman
DIN : 00012617

Shreyash Bangur
Dy. Managing Director, DIN : 00012825
Hyderabad, 14th May 2018

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018**

(Amount in Rupees)

	31.3.2018	31.3.2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items	59,50,628	1,72,84,543
Adjustments for:		
Depreciation	2,52,79,998	2,25,83,799
Loss / (Profit) on sale of Property, Plant & Equipment's (net)	(2,50,343)	2,98,267
Fair Value of Debt Funds recognised in P&L	—	(45,949)
Gratuity Provision debited to OCI	(57,94,311)	(19,42,433)
Profit on sale of Debt Instruments	(1,85,840)	(31,84,121)
Interest received	(1,32,62,717)	(1,18,86,807)
Dividend received	(13,632)	(7,952)
Interest payments	70,58,571	70,14,110
Operating Profit before working capital changes	1,87,82,355	3,01,13,456
Adjustments for:		
Trade receivables and other financial assets	1,69,51,426	(1,15,27,044)
Inventories	(1,10,93,998)	2,15,82,832
Trade payables and other financial liabilities borrowings current	3,01,10,288	51,81,909
	1,78,68,158	(8,37,29,105)
Cash generated from operations	7,26,18,228	(3,83,77,952)
Exceptional item	—	—
	7,26,18,228	(3,83,77,952)
Direct Taxes paid (net)	(58,88,943)	3,972
Net Cash from operating activities	6,67,29,285	(3,83,73,980)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipments	(21,84,50,119)	(5,52,64,153)
Sale of Property, Plant & Equipment's	15,23,527	9,36,244
Purchase of investments	—	(7,35,00,000)
Sale of investments	26,79,846	13,58,77,759
Interest received	1,32,62,717	1,59,02,903
Intercompany loans (given)/ received	3,45,00,000	(7,00,00,000)
Borrowing- Non Current	12,45,76,913	1,61,55,964
(Increase)/Decrease in Bank Balances other than cash and cash equivalents	(64,80,717)	7,01,31,092
Dividend received	13,632	7,952
Net Cash used in investing activities	(4,83,74,202)	4,02,47,761
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(70,58,571)	(70,14,110)
Dividend paid including dividend distribution tax	(37,26,200)	(27,94,596)
Net Cash used in financing activities	(1,07,84,771)	(98,08,706)
Net increase / decrease in Cash and Cash Equivalents	75,70,312	(79,34,924)
Opening cash and cash equivalents	1,08,22,746	1,87,57,670
Closing cash and cash equivalents	1,83,93,058	1,08,22,746

In terms of our Report attached

For Srikanth & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor, Auditor M.No. 014328
Coimbatore, 14th May 2018

K. Ashokan
Chief Financial Officer

For and on behalf of the Board of Directors
Alka Devi Bangur
Managing Director
DIN : 00012894

Saurav Singhania
Company Secretary

L.N. Bangur
Chairman
DIN : 00012617
Shreyash Bangur
Dy. Managing Director, DIN : 00012825
Hyderabad, 14th May 2018



STATEMENT OF CHANGES IN EQUITY

EQUITY SHARE CAPITAL

	Face value	Amount in Rs.
As at 1.4.2016	10	3,09,58,790
Changes in Equity Capital		—
As at 31.3.2017	10	3,09,58,790
Changes in Equity Capital		—
As at 31.3.2018	10	3,09,58,790

OTHER EQUITY

	Reserves and Surplus				FVOCI Equity Instruments		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurements of Post-employment benefits obligations	
Balance as at 01.04.2016	2,79,73,700	41,69,108	83,02,10,161	8,23,52,492	20,98,48,309	51,04,434	1,15,96,58,204
Transfer on account of depreciation on Property, Plant and Equipment	—	—	—	—	—	—	—
Profit for the year	—	—	—	98,11,295	—	—	98,11,295
Dividend paid	—	—	—	(23,21,909)	—	—	(23,21,909)
Dividend tax paid	—	—	—	(4,72,687)	—	—	(4,72,687)
Transfer from OCI	—	—	—	81,38,727	(81,38,727)	—	—
Other Comprehensive Income	—	—	—	—	8,97,84,037	(19,42,433)	8,78,41,604
Balance as at 31.03.2017	2,79,73,700	41,69,108	83,02,10,161	9,75,07,917	29,14,93,619	31,62,001	1,25,45,16,507
Transfer on account of depreciation on Property, Plant and Equipment	—	—	—	—	—	—	—
Profit for the year	—	—	—	34,03,801	—	—	34,03,801
Dividend paid	—	—	—	(30,95,879)	—	—	(30,95,879)
Dividend tax paid	—	—	—	(6,30,321)	—	—	(6,30,321)
Other Comprehensive Income	—	—	—	—	5,92,04,680	(57,94,311)	5,34,10,369
Balance as at 31.03.2018	2,79,73,700	41,69,108	83,02,10,161	9,71,85,518	35,06,98,299	(26,32,310)	1,30,76,04,476

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor, Auditor M.No. 014328
Coimbatore, 14th May 2018

K. Ashokan
Chief Financial Officer

For and on behalf of the Board of Directors

Alka Devi Bangur
Managing Director
DIN : 00012894

Saurav Singhania
Company Secretary

L.N. Bangur
Chairman
DIN : 00012617

Shreyash Bangur
Dy. Managing Director, DIN : 00012825
Hyderabad, 14th May 2018



NOTES TO FINANCIAL STATEMENTS

1. PROPERTY, PLANT AND EQUIPMENT

	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01.04.2017	Additions during the year	Deletions during the year	As at 31.03.2018	As at 01.04.2017	Deprecia- tion during the year	Deletions during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
FREE HOLD LAND & DEVELOPMENT	3,37,46,449	1,52,95,412	—	4,90,41,861	—	—	—	—	4,90,41,861	3,37,46,449
BUILDINGS	8,81,13,963	—	—	8,81,13,963	5,40,31,484	18,43,249	—	5,58,74,733	3,22,39,230	3,40,82,479
PLANT, MACHINERY & EQUIPMENTS	26,42,07,687	4,70,88,585	1,08,52,276	30,04,43,996	19,37,54,827	1,27,04,834	96,32,615	19,68,27,045	10,36,16,951	7,04,52,860
SOLAR PLANT	—	14,51,14,875	—	14,51,14,875	—	7,55,393	—	7,55,393	14,43,59,483	—
FURNITURES & FIXTURES	2,31,06,772	11,91,976	1,60,178	2,41,38,570	1,29,14,322	20,82,138	1,35,405	1,48,61,055	92,77,516	1,01,92,450
VEHICLES	7,36,16,859	94,13,094	5,75,000	8,24,54,953	4,37,89,887	74,89,800	5,46,250	5,07,33,437	3,17,21,516	2,98,26,972
BEARER PLANTS	83,92,210	19,98,948	—	1,03,91,158	1,73,580	2,07,823	—	3,81,403	1,00,09,755	82,18,630
COMPUTERS	74,10,819	2,86,036	—	76,96,855	69,32,223	1,96,763	—	71,28,986	5,67,869	4,78,596
	49,85,94,759	22,03,88,926	1,15,87,454	70,73,96,231	31,15,96,323	2,52,79,998	1,03,14,270	32,65,62,051	38,08,34,180	18,69,98,436
SOFTWARE	4,32,050	—	—	4,32,050	4,10,447	—	—	4,10,447	21,603	21,603
CAPITAL WORK IN PROGRESS	1,87,28,251	1,67,89,442	1,87,28,251	1,67,89,442	—	—	—	—	1,67,89,442	1,87,28,251
	51,77,55,060	23,71,78,368	3,03,15,705	72,46,17,723	31,20,06,770	2,52,79,998	1,03,14,270	32,69,72,498	39,76,45,225	20,57,48,290

	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01.04.2016	Additions during the year	Deletions during the year	As at 31.03.2017	As at 01.04.2016	Deprecia- tion during the year	Deletions during the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
FREE HOLD LAND & DEVELOPMENT	2,84,96,934	52,49,515	—	3,37,46,449	—	—	—	—	3,37,46,449	2,84,96,934
BUILDINGS	8,51,37,356	29,76,607	—	8,81,13,963	5,22,12,531	18,18,955	—	5,40,31,486	3,40,82,477	3,29,24,825
PLANT, MACHINERY & EQUIPMENTS	24,79,48,627	1,62,59,058	—	26,42,07,685	18,37,64,579	99,90,245	—	19,37,54,824	7,04,52,861	6,41,84,048
SOLAR PLANT	—	—	—	—	—	—	—	—	—	—
FURNITURES & FIXTURES	2,23,26,452	8,69,261	72,000	2,31,23,713	1,09,70,932	19,52,623	9,235	1,29,14,320	1,02,09,393	1,13,55,520
VEHICLES	6,81,12,168	83,11,324	28,06,633	7,36,16,859	3,72,10,886	82,13,889	16,34,887	4,37,89,888	2,98,26,971	3,09,01,282
BEARER PLANTS	52,42,354	31,49,856	—	83,92,210	68,733	1,04,847	—	1,73,580	82,18,630	51,73,621
COMPUTERS	73,93,878	—	—	73,93,878	64,54,557	4,77,667	—	69,32,224	4,61,654	9,39,321
	46,46,57,769	3,68,15,621	28,78,633	49,85,94,757	29,06,82,218	2,25,58,226	16,44,122	31,15,96,322	18,69,98,435	17,39,75,551
SOFTWARE	4,32,050	—	—	4,32,050	3,84,873	25,574	—	4,10,447	21,603	47,177
CAPITAL WORK IN PROGRESS	2,79,719	1,87,28,251	2,79,719	1,87,28,251	—	—	—	—	1,87,28,251	2,79,719
	46,53,69,538	5,55,43,872	31,58,352	51,77,55,058	29,10,67,091	2,25,83,800	16,44,122	31,20,06,769	20,57,48,289	17,43,02,447



NOTES TO FINANCIAL STATEMENTS

2. INVESTMENTS - NON CURRENT

	Face Value	31.03.2018		31.03.2017		01.04.2016	
		Numbers	Amount (Rs.)	Numbers	Amount (Rs.)	Numbers	Amount (Rs.)
Trade							
Unquoted :							
Carried at cost							
i) In Associate Companies:							
Placid Limited	100	93,590	4,50,64,617	93,590	4,50,64,617	93,590	4,50,64,617
Navjyoti Commodity Management Services Ltd	10	2,50,000	87,50,000	2,50,000	87,50,000	2,50,000	87,50,000
ii) In Subsidiary Companies :							
PKT Plantations Ltd	10	2,50,000	25,00,000	2,50,000	25,00,000	2,50,000	25,00,000
Shivphal Vinimay Private Ltd	10	50,000	5,00,000	50,000	5,00,000	50,000	5,00,000
Non-Trade :							
a) In fully paid Equity Shares at FVOCI :							
Quoted :							
MOIL Limited	10	1,136	2,38,219	1,136	3,56,420	1,136	2,47,307
DPSC Limited	1	—	—	—	—	6,50,000	1,13,42,500
b) In Bonds : Quoted							
Tax Free Bonds:							
Power finance Corporation of India - 8.20% 10 yrs	1,000	28,479	2,84,79,000	28,479	2,84,79,000	28,479	2,84,79,000
Indian Railway Finance Corporation - 8.00% 10 yrs	1,000	15,225	1,52,25,000	15,225	1,52,25,000	15,225	1,52,25,000
c) In Mutual Funds at FVOCI :							
Quoted :							
HDFC Medium Term Opportunity Fund	10	3,97,45,277	76,75,17,068	3,97,45,277	71,96,87,602	3,97,45,277	65,52,84,355
HDFC Capital builder Fund Growth	100	3,17,559	9,03,52,872	3,17,559	7,88,59,455	3,17,559	6,17,26,505
			95,86,26,776		89,94,22,094		82,91,19,284
Aggregate carrying amount of quoted Investment			90,18,12,159		84,26,07,477		77,23,04,667
Aggregate market value of quoted Investment			90,18,12,159		84,26,07,477		77,23,04,667
Aggregate amount of unquoted Investments			5,68,14,617		5,68,14,617		5,68,14,617



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

		31.03.2018	31.03.2017	01.04.2016			
3 OTHER FINANCIAL ASSETS							
Non Current							
a) Security Deposits		1,72,18,458	1,39,76,385	1,11,89,150			
b) Other Advance		37,73,610	50,79,100	48,69,100			
		<u>2,09,92,068</u>	<u>1,90,55,485</u>	<u>1,60,58,250</u>			
4 DEFERRED TAX ASSET (NET)							
i) Mat credit entitlement		6,73,10,967	6,73,10,967	6,73,10,967			
ii) Opening Deferred Tax Liability		(37,29,809)	(45,66,852)	(52,93,890)			
Add provided / (reversed) during the year		(4,05,370)	8,37,043	7,27,038			
		<u>(41,35,179)</u>	<u>(37,29,809)</u>	<u>(45,66,852)</u>			
iii) Closing Deferred Tax asset		<u>6,31,75,788</u>	<u>6,35,81,158</u>	<u>6,27,44,115</u>			
5 OTHER - NON CURRENT ASSETS							
a) Agriculture Income tax (NET)		77,06,215	77,06,215	77,06,215			
b) Capital Advances		52,64,900	1,49,61,480	29,59,487			
		<u>1,29,71,115</u>	<u>2,26,67,695</u>	<u>1,06,65,702</u>			
6 INVENTORIES							
a) Finished goods:							
Tea - Valued at Cost (Previous Year - valued at Cost)		2,97,49,390	2,27,50,440	3,85,34,400			
b) Stores and Spares Valued at Average cost		1,00,50,450	1,16,29,771	1,47,25,964			
c) Loose Tools Valued at Average Cost		8,01,754	13,500	3,62,100			
d) Nursery Stock Valued at Average cost		55,64,559	6,78,444	30,32,523			
		<u>4,61,66,153</u>	<u>3,50,72,155</u>	<u>5,66,54,987</u>			
7 INVESTMENTS - CURRENT							
	Face Value	31.03.2018		31.03.2017		01.04.2016	
		Numbers	Amount (Rs.)	Numbers	Amount (Rs.)	Numbers	Amount (Rs.)
Non - Trade : Quoted							
In Mutual Funds - Debt at FVTPL :							
IDFC Ultra Short term fund	10	—	—	—	—	17,81,072	4,21,60,468
IDFC Money Manager Fund-Growth	10	—	—	97,780	24,94,006	—	—
			—	97,780	24,94,006	17,81,072	4,21,60,468
Aggregate carrying amount of quoted Investment		—	—		24,94,006		4,21,60,468
Aggregate market value of quoted Investment		—	—		24,94,006		4,21,60,468
Aggregate amount of unquoted Investments		—	—		—		—



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016
FINANCIAL ASSETS - CURRENT			
8 TRADE RECEIVABLES			
a) Secured - Considered Good	—	—	—
b) Unsecured - Considered Good	3,17,45,181	3,21,44,010	2,37,88,763
c) Doubtful	—	—	—
Less: Allowance for doubtful debts	—	—	—
	<u>3,17,45,181</u>	<u>3,21,44,010</u>	<u>2,37,88,763</u>
9 A) CASH AND CASH EQUIVALENTS			
i) Balance with Banks in current account	1,30,36,868	1,01,46,995	1,81,38,848
ii) In Deposit Account (with less than 3 months maturity)	—	—	—
iii) Cash on hand	53,56,190	6,75,751	6,18,822
	<u>1,83,93,058</u>	<u>1,08,22,746</u>	<u>1,87,57,670</u>
B) BANK DEPOSITS OTHER THAN ABOVE			
With more than 3 months but less than 12 months maturity	5,19,474	—	7,00,00,000
i) Unpaid dividend Account (Refer Note)	23,27,868	26,76,874	28,07,966
ii) Balance with banks to the extent held as margin money or security against borrowings, guarantees, other commitments	65,69,000	2,58,751	2,58,751
	<u>94,16,342</u>	<u>29,35,625</u>	<u>7,30,66,717</u>
10 LOANS			
Current Unsecured and Considered Good :			
a) Loans and advances to :-			
Related Parties	3,55,00,000	7,00,00,000	—
Others	3,40,00,000	3,40,00,000	3,40,00,000
	<u>6,95,00,000</u>	<u>10,40,00,000</u>	<u>3,40,00,000</u>
11 OTHER FINANCIAL ASSETS			
a) Advances recoverable in cash or in kind or for value to be recovered	34,29,807	73,78,575	1,21,37,108
b) Interest accrued on Loans and Advances			
Related Parties	6,92,013	7,65,901	—
Others	43,96,387	38,21,453	86,03,450
	<u>85,18,207</u>	<u>1,19,65,929</u>	<u>2,07,40,558</u>



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

15 OTHER EQUITY

Particulars	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 01.04.2016	2,79,73,700	41,69,108	83,02,10,161	8,23,52,492	94,47,05,461
Profit for the year	—	—	—	98,11,295	98,11,295
Dividend paid	—	—	—	(23,21,909)	(23,21,909)
Dividend tax paid	—	—	—	(4,72,687)	(4,72,687)
Transfer from Other Comprehensive Income	—	—	—	81,38,727	81,38,727
Balance as at 31.03.2017	2,79,73,700	41,69,108	83,02,10,161	9,75,07,917	95,98,60,886
Profit for the year	—	—	—	34,03,801	34,03,801
Dividend paid	—	—	—	(30,95,879)	(30,95,879)
Dividend tax paid	—	—	—	(6,30,321)	(6,30,321)
Balance as at 31.03.2018	2,79,73,700	41,69,108	83,02,10,161	9,71,85,518	95,95,38,487

Other Comprehensive Income Reserve

Particulars	Other Comprehensive Income
Balance as at 01.04.2016	21,49,52,743
Changes in fair value of equity instruments designated at FVOCI	8,97,84,037
Remeasurements for Employee benefit Obligation	(19,42,433)
Transfer to Retained Earnings	(81,38,727)
Balance as at 31.03.2017	29,46,55,620
Changes in fair value of equity instruments designated at FVOCI	5,92,04,680
Remeasurements for Employee benefit Obligation	(57,94,311)
Balance as at 31.03.2018	34,80,65,989



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016
16 BORROWINGS			
Secured : From Banks			
1) Term Loan from Union Bank Of India, Coimbatore (Secured by Hypothecation of Plant and machinery purchased out of the loan and collaterally secured by 988.15 acres of land & factory building at Nadumalai estate in Annamalai Hills Valparai Municipality). (Repayable in 60 monthly instalments of Rs. 50,000/- commencing from 1.10.2017 at Effective Interest rate of 9.4%)	2,01,34,666	1,44,92,586	—
2) Term Loan from HDFC Bank Limited (Secured by charge on all the movable fixed assets of Company funded out of term loan and on land measuring 15.3225 acres at Kudipatty Madurai district.) Repayable in 108 monthly instalments of Rs. 9,90,092- commencing from 04.01.2019) at Effective Interest rate of 8.75%)	11,47,80,803	—	—
3) Union Bank Of India - Vehicle loan (Secured by the vehicle, Repayable in 30 instalments of Rs. 93,184 Interest rate 9.95%) Period and amount of continuing default Rs. Nil)	20,30,347	15,99,580	—
4) HDFC Bank Limited - Vehicle Loan (Secured by the vehicle , Repayable in 36 instalments of Rs. 25,778 Interest rate 10.50%) Period and amount of continuing default Rs. Nil)	—	—	44,246
From Others:			
1) Kotak Mahindra Prime Limited - Vehicle Loan (3 & 1) (Secured by the vehicle, Repayable in 60 instalments of Rs. 1,20,025/- l) Period and amount of continuing default Rs. Nil at effective interest rate of 7.8%)	42,91,788	—	12,48,497
2) Kotak Mahindra Prime Limited - Vehicle Loan (2) (Secured by the vehicle, Repayable in 36 instalments of Rs. 69,100/-) Period and amount of continuing default Rs. Nil at effective interest rate of 8.8%)	7,88,016	13,56,541	—
	14,20,25,620	1,74,48,707	12,92,743



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016
FINANCIAL LIABILITIES - CURRENT			
17 BORROWINGS			
Secured - Loan repayable on demand			
a) From Bank - Cash Credit from YES Bank Limited (Secured by Exclusive charge on all current assets and movable fixed assets of the Company) Limit - Rs. 7,00,00,000/-interest rate @ 9.25% per annum Period & amount of default - Nil	—	5,03,27,532	6,40,56,637
b) From Bank - Working Capital Demand Loan from Yes Bank Limited Loan against Lien on Fixed Deposit. Interest rate @ 6.8% per annum. Period & amount of default - Rs. NIL	—	—	7,00,00,000
c) From Bank - Working Capital Cash Credit from HDFC Bank Limited (Secured by charge on all the movable fixed assets of Company both present and future except those financed by UBI and on land measuring 15.3225 acres at Kudipatty Madurai district. Secured by charge on all the current assets of the Company both present and future) Limit - Rs. 10,00,00,000 @ 9.25%	6,81,95,690	—	—
	<u>6,81,95,690</u>	<u>5,03,27,532</u>	<u>13,40,56,637</u>
18 TRADE PAYABLES			
Total outstanding dues of Micro & Small Enterprises	—	—	—
Due to Others	6,93,83,052	5,31,47,810	5,03,22,261
	<u>6,93,83,052</u>	<u>5,31,47,810</u>	<u>5,03,22,261</u>
19 OTHER FINANCIAL LIABILITIES			
a) Current maturities of long term debt	1,10,96,605	58,99,909	34,34,485
b) Unpaid dividends *	23,27,868	26,76,874	28,07,966
* (No amount is overdue to be credited to investors education and protection Fund - Refer Note)			
	<u>1,34,24,473</u>	<u>85,76,783</u>	<u>62,42,451</u>
20 OTHER CURRENT LIABILITIES			
a) Other Payables :			
Customer credit balance	3,89,417	4,36,839	4,14,811
	<u>3,89,417</u>	<u>4,36,839</u>	<u>4,14,811</u>



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016
21 CURRENT TAX LIABILITY (NET)			
Provision for Taxation (Net)	—	12,26,737	—
	<u>—</u>	<u>12,26,737</u>	<u>—</u>
22 PROVISIONS			
a) Provision for employees benefit :			
Provision for Gratuity.(net)	90,74,778	—	—
	<u>90,74,778</u>	<u>—</u>	<u>—</u>

Continued Page 77

**NOTES TO FINANCIAL STATEMENTS***(Amount in Rupees)*

	31.03.2018	31.03.2017
23 REVENUE FROM OPERATIONS		
Sale of Products :		
Tea	42,29,64,663	43,70,82,283
Green leaf	—	—
Minor Produce	600	6,55,000
Other Operating Revenues :		
Sale of Electricity to TNEB	37,22,319	20,19,254
Dividend Income	13,632	7,952
interest on loans and advances	88,96,446	58,04,368
interest on Tax free Bonds	35,53,278	35,32,094
Profit on Sale of Investments	1,85,840	31,84,121
	<u>43,93,36,778</u>	<u>45,22,85,072</u>
24 OTHER INCOME		
Interest Income on		
Bank deposit	2,96,390	17,47,529
TNEB Deposit and IT refund	5,16,603	8,02,816
Other Non Operating Income :		
Profit on Sale of Assets	9,20,000	29,930
Scrap sales	7,98,961	8,61,543
Rent Receipts	1,62,000	1,50,000
Sale of Trees	—	—
Sundry Receipts	6,40,688	7,73,152
Fair Value of Debt Funds recognised in P&L	—	45,949
	<u>33,34,642</u>	<u>44,10,919</u>
25 CHANGES IN INVENTORIES OF FINISHED GOODS		
Work in Progress and Stock in Trade		
Opening stock of Finished Goods :		
Tea	2,27,50,440	3,85,34,400
Minor produce	—	—
	<u>2,27,50,440</u>	<u>3,85,34,400</u>
Less: Closing stock of Finished Goods		
Tea	2,97,49,390	2,27,50,440
Minor produce	—	—
	<u>(69,98,950)</u>	<u>1,57,83,960</u>
Net changes in inventories		



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017
26 EMPLOYEE BENEFITS EXPENSES :		
Salaries, Wages and Bonus	21,59,58,674	19,46,88,688
Contribution to Provident, Gratuity and Pension Fund	2,79,12,389	2,87,07,714
Employees welfare Expenses	1,20,61,319	1,27,36,825
	<u>25,59,32,383</u>	<u>23,61,33,227</u>
27 FINANCE COST		
Interest Expenses		
Term loan	16,69,485	—
Cash Credit and others	53,89,086	70,14,110
	<u>70,58,571</u>	<u>70,14,110</u>
28 OTHER EXPENSES :		
Power and Fuel	3,80,59,623	4,03,81,469
Rent	67,45,322	30,68,327
Repairs to Buildings	1,77,31,539	1,54,56,812
Repairs to Machinery	1,17,93,509	1,19,99,545
Insurance	20,46,097	18,34,022
Rates and Taxes	6,84,684	11,47,685
Transport	56,92,619	49,89,680
General Charges - Estate	65,79,947	58,56,044
Commission and Brokerage	29,44,305	36,46,625
Warehousing Charges	53,70,490	66,37,744
Payment to Auditors		
Statutory Audit fee	1,25,000	1,25,000
For Certification	77,500	32,500
For Taxation	1,00,000	3,10,000
For service tax	—	80,976
Travelling Expenses	1,06,83,498	1,00,30,990
Tea Selling Expenses	34,39,988	22,14,373
Postage, Telephone & Telegram	20,40,138	21,15,565
Professional Charges	33,58,476	32,99,135
Miscellaneous Expenses	35,33,298	44,17,541
	<u>12,10,06,032</u>	<u>11,76,44,034</u>



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

29. Notes forming part of the Standalone Financial statements for the year ended 31.03.2018

I Statement of Significant Accounting Policies

A. Corporate Information

The Peria Karamalai Tea and Produce Company Limited is a Public Limited Company domiciled in India and incorporated under The Companies Act, 1956. The registered office of the company is at Kolkata, West Bengal, India. The company's equity shares are listed on NSE & The Calcutta Stock Exchange Limited. It is mainly engaged in the production and distribution of Tea. The financial statements for the year ended March 31, 2018 are approved for issue by Company's Board of Directors on May 14, 2018.

B. Significant Accounting Policies

1. Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and guidelines issued by SEBI.

The Financial Statements up to year ended 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. These are Company's first Ind AS based financial statements. The date of transition to Ind AS is 1st April, 2016. Company has opted certain exemptions while first-time adoption of Ind AS based financial statement (refer transition note in Financial Statement)

2. Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1 (unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date); Level 2 (inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly) Level 3 (unobservable inputs for the asset or liability). Fair value in respect of equity financial instruments is the quoted prices of those instruments in the stock exchanges at the measurement date.

The principal accounting policies are set out below:

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Ind AS 1 – Presentation of financial statements and Schedule III to the Companies Act 2013. Based on the nature of the products and the time between acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of classification of assets and liabilities as current or non-current.



NOTES TO FINANCIAL STATEMENTS (Contd..)

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

4. Property, Plant and Equipment

Property, Plant and Equipment including bearer plants are stated at cost of acquisition or construction less accumulated depreciation. The cost includes expenditure that is directly attributable to the acquisition of the asset. On transition to Ind As, the Company has elected to continue with the carrying value of all its property, plant and equipment as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Biological Assets

The Company recognises Tea bushes as bearer plant. Expenditure on development and new planting are capitalized under Bearer Plants and depreciated from the date when they are ready for commercial harvest.

Depreciation

Depreciation is calculated using the straight-line method on a prorata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives. Company has ascertained and adopted the useful life of the asset as mentioned in the schedule II of Companies Act, 2013. Useful life of bearer plants-tea has been considered on the basis of technical evaluation at 50 years and are depreciated from the date when they are ready for commercial harvest.

5. Intangible Assets

Intangible assets with finite useful life that are acquired separately are carried out at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on straight-line basis over their estimated useful life.

6. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

7. Financial 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 instruments (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 recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.



NOTES TO FINANCIAL STATEMENTS (Contd..)

Financial Assets

The Company classifies its financial assets in the following categories:

- i) **Financial assets at amortised cost**- Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently, if maturing after 12 months period, using the effective interest method, less any impairment loss. Debt instruments which do not meet the criteria of amortised cost are measured at fair value and classified as fair value through profit and loss or through other comprehensive income, as applicable. Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances.
- ii) **Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)** - All equity investments are measured at fair values. Investments which are not held for trading purposes and where the Company has exercised the option to classify the investment as Fair Value through other comprehensive income ('FVTOCI'), all fair value changes on the investment are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.
- iii) **Financial assets at Fair Value through Profit and Loss (FVTPL)** – Financial assets which are not classified in any of the categories above are fair valued through profit or loss (FVTPL).
- iv) **Impairment of financial assets** - The Company assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs. Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments.

Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

8. Inventories

Inventories are valued at the lower of cost and net realizable value. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.



NOTES TO FINANCIAL STATEMENTS (Contd..)

9. Translation of Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

10. Revenue Recognition

The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria in relation to significant risk. Revenue from sale transaction is recognized as and when significant risks and rewards attached to the ownership in the goods is transferred to the buyer. Revenue is measured at the fair value of the consideration received or receivable and net of returns, trade allowances and rebates.

Revenue from other sources and expenses are recognized on accrual basis. Sale value of trees cut on contract basis is accounted on realization.

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

Dividend income is recognised when the right to receive payment is established. Income from investments is accounted on an accrual basis.

11. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

12. Earning Per Share

Basic earnings per share have been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

13. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders of the Company. Interim Dividend are recorded as a liability on the date of declaration by the Company's Board of Directors.

14. Employee benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans. Short-term employee benefits are recognised on an undiscounted basis whereas long-term employee benefits are recognised on a discounted basis.

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.



NOTES TO FINANCIAL STATEMENTS (Contd..)

Post Retirement

Post-Retirement benefits comprise of Provident Fund, Superannuation Fund and Gratuity which are accounted as follows:

A. Provident Fund

This is a defined contribution plan. Contributions made to the Fund are charged to revenue. The Company has no further obligations for future provident fund benefits other than annual and recognizes such contributions as expense in the year incurred.

B. Superannuation Fund

This is a defined contribution plan. The company contributes a sum equivalent to defined contribution plan for eligible employees' salary towards superannuation fund administered by the Trustees and managed by Life Insurance Corporation of India. The Company has no further obligations for future superannuation benefits other than its annual contributions and recognizes such contributions as expense in the year incurred.

C. Gratuity Fund

This is a defined contribution plan. Liabilities with regard to the gratuity are determined by actuarial valuation at each balance sheet date using projected unit credit method. The Company makes annual contributions to The Gratuity Fund of The Peria Karamalai Tea & Produce Company (The Trust). Trustees administer contributions made to the trust and contributions are invested in schemes managed by Life Insurance Corporation of India.

Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

Long Term

Leave Encashment

This is a defined contribution plan. The Company makes annual contribution to the Fund administered by Life Insurance Corporation of India. The Company has no further obligations for future leave encashment other than its annual contribution and recognizes such contributions as expense in the year incurred.

15. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The income tax expenses or credit is based on taxable profit for the year. Taxable profit 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. The Company's current tax is calculated using tax rates that have been enacted.

Deferred tax

Deferred tax is provided in full, using the balance sheet approach, 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 profits.



NOTES TO FINANCIAL STATEMENTS (Contd..)

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 asset to be recovered.

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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

16. Provisions and contingencies

Provisions: Provisions are recognised when there is a present obligation or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

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

17. Cash and cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flow, comprises of cash at bank, in hand, bank overdrafts and short term highly liquid investments/bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

18. Segment Reporting

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

**NOTES TO FINANCIAL STATEMENTS (Contd..)****19. Leases**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

II Other Notes to Financial Statements**1. Contingent Liability and commitments to the extent not provided for:****a. Claims against the Company not acknowledged as debts**

The Company has obtained a stay of proceedings from the Hon'ble High Court of Madras on 24th March 2006 against a proposition notice from the Commercial Tax Department for levy of sales tax on export sales effected through auction centres. The matter is pending and in common with the other tea planting companies.

b. Bank & Other guarantees

Banks guarantee of Rs.65,89,000 /-has been given towards the customs duty payable on controls panels imported.

2. The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:

Principal amount due and remaining unpaid	Nil
Interest due on above and the unpaid interest	Nil
Interest paid	Nil
Payment made beyond the appointed day during the year	Nil
Interest due and payable for the period of delay	Nil
Interest accrued and remaining unpaid	Nil
Amount of further interest remaining due and payable in succeeding years	Nil

3. Income tax relating to continuing Operation**Income tax recognised in profit and loss account**

Particulars	31.03.2018	31.03.2017
Current tax		
Current tax on profits for the year	11,00,000	66,00,000
Adjustment of current tax of prior year	10,41,457	17,10,291
Total current tax expense	21,41,457	83,10,291
Deferred tax		
Increase / (decrease) of deferred tax liability	1,08,39,284	(7,01,083)
(Increase) / decrease of deferred tax Asset	(1,04,33,914)	(1,35,960)
Total deferred tax expense	4,05,370	(8,37,043)
Total income tax expense recognised for the year	25,46,827	74,73,248



NOTES TO FINANCIAL STATEMENTS (Contd..)

Reconciliation of income tax expense to the accounting profit for the year

Particulars	31.03.2018	31.03.2017
Profit before tax after exceptional item	59,50,628	1,72,84,543
Enacted tax rate in India	26%	33.99%
Computed expected tax expense at enacted tax rate	15,47,163	58,75,016
Tax effect on account of exempt income	(18,82,949)	(22,11,370)
Tax effect on account of tax deduction	—	—
Tax effect on account of non deductible expenses	3,35,786	29,36,355
Tax effect on account of mat applicability	11,00,000	—
Total income tax expense recognised for the year	11,00,000	66,00,000

Total income tax recognised in other comprehensive income

Particulars	31.03.2018	31.03.2017
Arising on income and expenses recognised on other comprehensive income :		
Net Fair Value gain on Investments	—	—
Remeasurement of defined benefit obligation	6,72,554	3,05,649
Total	6,72,554	3,05,649
Bifurcation of income tax recognised in other comprehensive income into		
Items that will not be reclassified to profit or loss	6,72,554	3,05,649
Items that may be reclassified to profit or loss	—	—
	6,72,554	3,05,649

The movement of Deferred Income Tax Asset & Liabilities charged to Statement of Profit & Loss is as follows:

Particulars	Opening as on 01.04.2017	Provided for the year	Reversed for the year	Closing as on 31.03.2018
Deferred Liability on account of Depreciation	52,25,369	1,08,39,284	—	1,60,64,653
Deferred Tax asset				
On account of 43B Disallowances	(14,95,560)	(16,71,777)	14,95,560	(16,71,777)
On account of Carry Forward Losses	—	(88,34,082)	—	(88,34,082)
On account of MAT Credit	—	(14,23,615)	—	(14,23,615)
	(14,95,560)	(1,19,29,474)	14,95,560	(1,19,29,474)
Deferred tax Liability (NET)	37,29,809	(10,90,190)	14,95,560	41,35,179



NOTES TO FINANCIAL STATEMENTS (Contd..)

4. Earnings per Share:

Particulars	31.03.2018	31.03.2017
Profit /(Loss) after tax Rs.	34,03,801	98,11,295
Weighted average No. of shares outstanding	30,95,879	30,95,879
Basic earnings per share (Nominal value of equity shares Rs. 10/- per share)	1.10	3.17

5. Details of Dividend proposed and paid

Final Dividend for the year ended 31.03.2017 paid Re. 1/- per share : Rs. 30,95,879

Dividend Distribution tax paid thereon @20.36 % : Rs. 6,30,321

In respect of current year the Directors proposed Dividend of Rs.0.75 per share on equity shares on 14.05.2018.

6. Employee Benefits:

a. Defined Contribution Plan:

The Company makes contribution towards employees' provident fund and superannuation fund. Under the rules of these schemes, the company is required to contribute a specified percentage of payroll costs. The company during the year recognized Rs.1,81,05,115/- (Previous year Rs.1,54,04,978/-) as expense towards contribution to the Provident Fund.

Out of the total contribution made towards employees' provident fund, Rs.12,86,593/- (Previous year Rs.12,50,978/-) is made to the PL Planting Provident Fund while the remaining contribution is made to Provident Fund Plan operated by the Regional Provident Fund Commissioner.

The liability towards superannuation fund for the year ended 31st March 2018 amounting to Rs.16,12,021/- (Previous year Rs.19,30,689/-) has been charged to Statement of Profit and Loss.

There was no liability towards leave encashment for the year ended 31st March 2018 as it was adequately funded and no amount (previous year Rs. Nil) has been charged to Statement of Profit and Loss.

b. Defined Benefit Plan

GRATUITY:

		31.03.2018	31.03.2017	31.03.2016
1	Changes in defined Benefit Obligation			
	Present value of defined Benefit obligation as at the beginning of the year	10,69,55,618	10,13,17,609	10,48,48,987
	Interest cost	85,56,449	81,05,409	83,87,919
	Benefits paid	(66,17,513)	(1,11,04,309)	(1,27,42,825)
	Current service cost	71,94,991	63,88,823	67,28,704
	Actuarial (gain)/loss	64,66,865	22,48,086	(59,05,176)
	Present value of obligation as at year end	12,25,56,410	10,69,55,618	10,13,17,609



NOTES TO FINANCIAL STATEMENTS (Contd..)

		31.03.2018	31.03.2017	31.03.2016
2	Changes in fair value of assets			
	Fair value of plan assets as at the beginning of the year	11,22,93,514	11,35,65,061	11,03,14,934
	Expected return on plan assets	78,05,631	88,00,001	95,54,987
	Contribution by the employer	—	10,32,760	64,37,965
	Benefits paid	(66,17,513)	(1,11,04,309)	(1,27,42,825)
	Actuarial (gain)/loss	Nil	Nil	Nil
	Fair value of plan assets as at the end of the year	11,34,81,632	11,22,93,513	11,35,65,061
3	Reconciliation of fair value of assets and obligations			
	Fair value of plan assets	11,34,81,632	11,22,93,513	11,35,65,061
	Present value of obligations	12,25,56,410	10,69,55,618	10,13,17,609
	Amount recognized in the Balance sheet(Excess of actual)	(90,74,778)	53,37,895	1,22,47,452
4	Expenses recognized in the statement of Profit and loss			
	Current Service Cost	71,94,991	63,88,823	67,28,704
	Interest Cost	85,56,449	81,05,409	83,87,919
	Expected return on Plan Asset	78,05,631	(88,00,001)	(95,54,987)
	Net Actuarial (Gain) / Loss recognised in the year	64,66,865	22,48,086	(59,05,176)
	Expenses recognised in Statement of Profit & Loss	1,44,12,674	79,42,317	(3,43,540)
5	Expenses recognized in the Other Comprehensive Income			
	Actuarial (gain)/loss on Defined Benefit Obligations	64,66,865	22,48,086	(59,05,176)
	Actuarial (gain)/loss on Assets	Nil	Nil	Nil
	Amortisation of actuarial (gain)/loss	Nil	Nil	Nil
	Total recognised in Other Comprehensive Income	64,66,865	22,48,086	(59,05,176)
6	Principal Actuarial Assumptions			
	Rate of discounting	7.5%	8%	8%
	Expected return on plan assets	6.95%	7.5%	8%
	Rate of increase in salaries	7.5%	8.20%	7.20%
	Mortality Table (LIC)	1994-95	1994-95	1994-95

The details with respect to the composition of investments in the plan assets managed by LIC have not been disclosed in the absence of the above information

**NOTES TO FINANCIAL STATEMENTS (Contd..)****Leasing Arrangements:**

The Company has taken office buildings on lease and the lease rent amounts to Rs.67,45,322/- net of reimbursements (previous year Rs. 30,68,327/-) has been charged to Profit & Loss Account. Assets are taken on lease over a period of three years. Future minimum lease payments are as under:

	31.03.2018	31.03.2017
Not Less than one year	81,20,849	33,69,004
Later than one year but not later than five years	1,37,86,373	51,00,456
More than five years	3,06,739	Nil

7. Related Party Disclosures

Name of Related Parties and nature of relationship where control exists are as under:

Key Management Personnel	Mrs. Alka Devi Bangur, Managing Director Mr. Shreeyash Bangur, Deputy Managing Director
Associate Concerns	1. M.B. Commercial Company Ltd. 2. Amalgamated Development Ltd. 3. Maharaja Shree Umaid Mills Ltd. 4. Placid Limited 5. The Marwar Textiles (Agency) Pvt.Ltd. 6. Navjyoti Commodity Management Services Ltd. 7. Samay Industries Limited 8. The General Investment Co.Ltd 9. Kiran Vyapar Limited 10. Soul Beauty & Wellness Centre 11. Mugneeram Ramcoovar Bangur Charitable & Religious Co. 12. Shree Rama Vaikunth Trust 13. Shree Krishna Agency Ltd. 14. The gratuity fund of the Peria Karamalai Tea And Produce Company Limited
Wholly owned Subsidiary Companies	PKT Plantations Limited Shivphal Vinimay (P) Ltd.
Relatives of Key Management Personnel	Mr. L.N. Bangur Ms. Sheetal Bangur Mr. Yogesh Bangur



NOTES TO FINANCIAL STATEMENTS (Contd..)

	Nature of transaction	Group Company	Subsidiary company	Key Managerial Personnel	Relatives of Key Managerial person
1	Interest Payments				
	Kiran Vyapar Limited	Nil			
		(Nil)			
	Shree Krishna Agency Ltd.	4,99,830			
		(Nil)			
	Placid Limited	13,178			
		(7,048)			
2	Interest Receipts				
	Maharaja Shree Umaid Mills Ltd.	35,57,603			
		(9,46,629)			
	Placid Limited	16,61,096			
		(9,27,739)			
3	Rent receipts				
	PKT Plantations Limited		1,50,000		
			(1,50,000)		
4	Rent Payments				
	a) M.B. Commercial Co. Ltd.	Nil			
		(28,800)			
	b) The Marwar Textiles (Agency) Pvt. Ltd.	Nil			
		(52,800)			
	c) Shree Rama Vaikunth Trust	3,60,000			
		(3,30,000)			
5	Inter corporate loan received from				
	Shree Krishna Agency Ltd.	3,55,00,000			
		(Nil)			
	Placid Limited	5,20,00,000			
		(Nil)			



NOTES TO FINANCIAL STATEMENTS (Contd..)

	Nature of transaction	Group Company	Subsidiary company	Key Managerial Personnel	Relatives of Key Managerial person
6	Inter corporate loan given to				
	Maharaja Shree Umaid Mills Ltd.	Nil			
		(3,50,00,000)			
	Placid Limited	Nil			
		(3,50,00,000)			
7	Inter corporate loan repaid				
	Shree Krishna Agency Ltd.	3,55,00,000			
		(Nil)			
	Placid Limited	8,40,00,000			
		(35,00,000)			
	Maharaja Shree Umaid Mills Ltd.	25,00,000			
		(Nil)			
8	Printing				
	Samay Industries Limited				Nil
					(99,234)
9	Remuneration				
	Mrs. Alka Devi Bangur			42,07,500	
				(42,07,500)	
	Mr. Shreeyash Bangur			27,24,000	
				(27,24,000)	
10	Outstandings				
	Receivables	3,92,66,044	Nil	Nil	Nil
		(7,07,65,901)	(Nil)	(Nil)	(Nil)
	Payables	Nil	Nil	Nil	Nil
		(Nil)	(Nil)	(Nil)	(Nil)

Note: Figures in bracket represents previous year's amount



NOTES TO FINANCIAL STATEMENTS (Contd..)

8. Financial Instruments

Particulars	31st March 2018			31st March 2017			31st March 2016		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets									
a) Investment									
Quoted Equity Instruments		85,81,08,159			79,89,03,477			72,86,00,667	
Un-Quoted Equity Instruments		5,68,14,617			5,68,14,617			5,68,14,617	
Quoted Debt Instruments		—		24,94,006			4,21,60,468		
Tax Free Bonds			4,37,04,000			4,37,04,000			4,37,04,000
b) Trade Receivables			3,17,45,181			3,21,44,010			2,37,88,763
c) Cash & Bank Balances			2,78,09,400			1,37,58,371			9,18,24,387
d) Loans									
Non – Current			—			—			—
Current			6,95,00,000			10,40,00,000			3,40,00,000
e) Other Financial Assets									
Non - Current			2,09,92,068			1,90,55,485			1,60,58,250
Current			85,18,207			1,19,65,929			2,07,40,558
Total	-	91,49,22,776	20,22,68,856	24,94,006	85,57,18,094	22,46,27,795	4,21,60,468	78,54,15,284	23,01,15,958
Financial Liabilities									
a) Borrowings									
Non - Current			14,20,25,620			1,74,48,707			12,92,743
Current			6,81,95,690			5,03,27,532			13,40,56,637
b) Trade Payables			6,93,83,052			5,31,47,810			5,03,22,261
c) Other Financial Liabilities									
Non - Current									
Current			1,34,24,473			85,76,783			62,42,451
Total	—	—	29,30,28,834	—	—	12,95,00,832	—	—	19,19,14,092
Financial Assets			1,11,71,91,632			1,08,28,39,895			1,05,76,91,710
Financial Liabilities			29,30,28,834			12,95,00,832			19,19,14,092

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk



NOTES TO FINANCIAL STATEMENTS (Contd..)

Risk management framework

The company's senior management oversees the management of these risks. It is supported by the Risk Management Committee. The Risk Management Committee of the Board is entrusted with the responsibility to assist the Board in overseeing and approving the Company's risk management framework. The Company has a comprehensive risk management policy relating to the risks that the Company faces under various categories like strategic, operational, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated. The Risk Management Committee reviews the key risks and the mitigation measures periodically. The Audit Committee has additional oversight in the area of financial risks and control.

Credit risk

Credit risk is the risk that counter-party will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from its operating (primarily trade receivables) and financing activities including deposits placed with banks. Credit risk encompasses the direct risk of default and risk of deterioration of creditworthiness as well as concentration risk. Financial Instruments that are subject to concentration of credit risk primarily consists of Trade receivables and Loans and advances. None of the Financial Instruments of the company result in material concentration of credit risk. Customer Credit risk is managed by the company subject to the company's established policies, procedures, and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. Credit risks from Balance with banks and Loans and advances are managed by the Company's treasury department. The objective is to minimize the concentration of risks and therefore mitigate financial loss.

Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time. The company utilizes the surplus funds by making fixed deposits in bank and by way of Inter corporate loans which carry no/low mark to market risks.

Market risk

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as interest rates risk, price risk and commodity risk. Further, the company is not exposed to any foreign currency exchange rate risk which has an impact on the Income statement and Equity as it does not have transaction references with other currencies.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company generally utilizes fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

b) Price Risk

The price risk is the risk arising from investments held by the Company and classified in the balance sheet either at fair value through Other Comprehensive Income or at fair value through profit or loss. The Company's investments which comprise of mainly Mutual funds. They are strategic in nature and are generally held on a long-term basis which are not exposed to significant price risk.



NOTES TO FINANCIAL STATEMENTS (Contd..)

c) **Commodity Risk**

The Company is exposed to the fluctuations in commodity prices mainly for tea. Mismatch in demand and supply, adverse weather conditions, market expectations etc., can lead to price fluctuations. The Company manages these price fluctuations by actively managing the sourcing of tea, and alternate blending strategies without impacting the quality of the blend.

Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds

9. First-time adoption of Ind AS

Overall principle

The company has prepared the opening balance sheet as per IND AS as of 1st April 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by IND AS, not recognising items of assets or liabilities which are not permitted by IND AS, by reclassifying items from previous GAAP to IND AS as required under IND AS, and applying IND AS in measurement of recognised assets and liabilities. However this principle is subject to the certain exception and certain optional exemptions availed by the company as detailed below.

Determining whether an arrangement contains a lease

The company has applied Appendix C of IND AS 17 Determining whether an Arrangement contains a lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Equity Investments at FVTOCI

The company has designated investment in all equity shares and equity oriented mutual funds as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

Exemptions availed on First time Adoption

(a) Investments in subsidiaries, joint ventures and associates

The Company has elected to adopt the carrying value of investment in subsidiary under previous GAAP as on the date of transition i.e. April 1, 2016 in its separate financial statements.

(b) Property, Plant and Equipment/Investment Property/Intangibles

The Company has elected to adopt the carrying value under previous GAAP as deemed costs as on the date of transition i.e. April 1, 2016 in its separate financial statements.

**NOTES TO FINANCIAL STATEMENTS (Contd..)****Reconciliation of Total Equity as at 31st March 2017 and 1st April 2016**

	31st March 2017	1st April 2016
Total Equity (Shareholders Funds) as per previous GAAP	98,03,45,237	96,44,53,494
Effect of change in fair value of investments	29,84,77,477	20,98,48,309
Effect of recognition of depreciation on bearer plants	(1,73,580)	(68,733)
Effect of Fair Value of Debt Funds recognised in P&L	45,949	13,41,876
Remeasurements of post employment defined benefit plan	67,80,214	1,22,47,452
Dividend not recognized as liability until declared under IND AS	—	27,94,596
	1,28,54,75,297	1,19,06,16,994

Reconciliation of Total Comprehensive Income for the year ended 31st March 2017

	Statement of P&L	OCI	Total
Net Profit as reported under previous GAAP	1,58,91,743	—	1,58,91,743
Effect due to Employee Benefit plan assets taken to Expense	(35,24,806)	—	(35,24,806)
Effect of depreciation charged on bearer plants	(1,04,846)	—	(1,04,846)
Changes in Fair Value of Debt Instruments	45,949	—	45,949
Profit on realisation of Equity Instruments	(24,96,745)	—	(24,96,745)
Changes in fair value of FVOCI Equity Instruments	—	8,97,84,040	8,97,84,040
Remeasurements of post-employment defined benefit obligations	—	(22,48,086)	(22,48,086)
Income tax relating to these items	—	3,05,650	3,05,650
Total Comprehensive Income as per Ind AS	98,11,295	8,78,41,604	9,76,52,899

Notes to reconciliation:**A) Reversal of Proposed Dividend**

Under the previous GAAP, dividends proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the General Meeting. This has resulted in an increase in equity by Rs.27,94,596 as at March 31, 2016.

B) Fair value of investments through Other Comprehensive Income and Profit and Loss

Under previous GAAP, current investments were measured at lower of cost or fair value and long-term investments were measured at cost less diminution in the value which is other than temporary. Under Ind AS,



NOTES TO FINANCIAL STATEMENTS (Contd..)

these investments are required to be measured at fair value. The resulting fair value changes of these investments were recognised in equity.

C) Depreciation on Bearer Plants

Under previous GAAP, no depreciation was provided on Bearer plants. Under Ind AS, depreciation has been charged on Bearer Plants over its useful life. This has resulted in decrease in profit of Rs. 68,733 and Rs. 1,73,580 as on 31.03.2016 and 31.03.2017 respectively.

D) Re-measurement of defined benefit plans

Under the previous GAAP, the contribution to the gratuity fund was charged to the Profit & Loss account in the year in which it is paid. The excess of Fair value of plan assets if any over the fair value of the obligations is not recognised as an asset. Under Ind AS, the excess of fair value of plan assets if any over the fair value of the obligations is recognised as an asset. This has resulted in increase in profit of Rs. 1,22,47,452 and Rs.67,80,214 for the year ended 31.03.2016 and 31.03.2017 respectively.

Under Ind AS, re-measurements of defined benefit plans 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 the statement of profit and loss. Under the previous GAAP, these re-measurements were accounted in the statement of profit and loss for the year. This has resulted in increase of profit of Rs.19,42,433 (net of taxes) for the year ended 31.03.2017.

10. Previous Years figures have been reclassified to comply with IND AS to make them comparable with current period. Further, previous year's figures have been regrouped / reclassified, whenever necessary, to confirm with the current period presentation.

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor
M.No. 014328

Coimbatore
14th May 2018

For and on behalf of the Board of Directors

Alka Devi Bangur
Managing Director
DIN : 00012894

L.N. Bangur
Chairman
DIN : 00012617

K. Ashokan
Chief Financial Officer

Saurav Singhania
Company Secretary

Shreyash Bangur
Dy. Managing Director
DIN : 00012825

Hyderabad
14th May 2018



CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To

To The Members of The Peria Karamalai Tea and Produce Company Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated financial Ind AS statements of The Peria Karamalai Tea and Produce Company Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statements of Cash Flow and the Consolidated Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other Comprehensive Income, Consolidated Cash Flow and Consolidated changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial Ind AS statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner as prescribed give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated financial position of the group as at 31st March 2018 and its consolidated financial performance including other comprehensive income, its consolidated Cash Flows and the consolidated changes in Equity for the year than ended.



Other Matters

- (a) We did not audit the financial statements of Subsidiary M/s PKT Plantations Limited whose Ind AS financial statements reflect total assets of Rs. 37,43,121/- as at 31st March 2018, total revenues of Rs. 5,76,823/- and net Cash flows amounting to Rs. 27,878/- for the year ended on that date, as considered in the consolidated Ind AS financial statements.
- (b) We did not audit the financial statements of subsidiary M/s. Shivphal Vinimay Private Limited whose Ind AS financial statements reflect total assets of Rs. 3,63,136/- as at 31st March, 2018, total revenues of Rs. 23,134/- and net cash outflows amounting to Rs 50,703/- for the year ended on that date, as considered in the consolidated Ind AS financial statements.
- (c) Both the above Ind As financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.
- (d) Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and other Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements / financial informations certified by the management.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flow and Consolidated Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated 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 of the holding company as on 31st March, 2018 taken on record by the Board of Directors of the holding company and report of the Statutory auditors of its Subsidiary Companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director of that company in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, referred to our separate report in "Annexure A" and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations which would impact the consolidated financial position of the group.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group except unpaid dividend of Rs. 1,953/- relating to the year 2009-10 which is kept on hold for Court case by the holding company.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act we report to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been

For SRIKISHEN & CO
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328

Coimbatore
14th May 2018



ANNEXURE A TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of The Peria Karamalai Tea and Produce Company Limited ("the Holding Company") and its subsidiary companies, as of 31st March 2018, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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") issued by ICAI and the Standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**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.

Coimbatore
14th May 2018

Opinion

In our opinion, the Holding Company and its subsidiary 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SRIKISHEN & CO
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328

**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2018**

(Amount in Rupees)

	Note	31.03.2018	31.03.2017	01.04.2016	
ASSETS					
1 Non-current Assets					
a	Property, Plant and Equipment	1	38,08,34,180	18,69,98,436	17,39,75,551
b	Capital Work In Progress	1	1,67,89,442	1,87,28,251	2,79,719
c	Intangible assets	1	21,603	21,603	47,177
d	Financial Assets:				
i)	Investments	2	95,56,26,776	89,64,22,094	82,61,19,284
ii)	Other Financial Assets	3	2,09,92,068	1,90,55,485	1,60,58,250
e	Deferred Tax Asset (Net)	4	6,31,75,788	6,35,81,158	6,27,44,115
f	Other Non-Current Assets	5	1,29,71,115	2,26,67,695	1,06,65,702
			<u>1,45,04,10,972</u>	<u>1,20,74,74,722</u>	<u>1,08,98,89,798</u>
2 Current Assets					
a	Inventories	6	4,61,66,153	3,50,72,155	5,66,54,987
b	Financial Assets:				
i)	Investments	7	—	24,94,006	4,21,60,468
ii)	Trade receivables	8	3,17,45,181	3,21,44,010	2,37,88,763
iii)	Cash and cash equivalents	9.a	2,21,50,820	1,46,59,087	1,94,66,418
iv)	Bank Deposits other than (iii) above	9.b	97,58,378	32,56,956	7,63,41,717
v)	Loans	10	6,95,00,000	10,40,00,000	3,40,00,000
vi)	Other Financial Assets	11	85,22,362	1,19,70,059	2,08,42,216
c	Current Tax Assets	12	25,10,824	—	69,01,075
d	Other current assets	13	13,85,634	67,30,512	1,37,99,410
			<u>19,17,39,352</u>	<u>21,03,26,785</u>	<u>29,39,55,054</u>
T O T A L			<u>1,64,21,50,324</u>	<u>1,41,78,01,507</u>	<u>1,38,38,44,852</u>
EQUITY AND LIABILITIES					
1 Equity					
a	Equity Share capital	14	3,09,58,790	3,09,58,790	3,09,58,790
b	Other Equity	15	1,30,86,40,954	1,25,55,47,552	1,16,05,19,410
			<u>1,33,95,99,744</u>	<u>1,28,65,06,342</u>	<u>1,19,14,78,200</u>
2 Non-current Liabilities					
Financial Liabilities					
a	Borrowings	16	14,20,25,620	1,74,48,707	12,92,743
b	Provisions		—	—	—
			<u>14,20,25,620</u>	<u>1,74,48,707</u>	<u>12,92,743</u>
3 Current Liabilities					
Financial Liabilities					
i)	Borrowings	17	6,81,95,690	5,03,27,532	13,40,56,637
ii)	Trade payables	18	6,94,40,602	5,31,81,560	5,03,60,011
iii)	Other financial liabilities	19	1,34,24,473	85,76,783	62,42,451
b	Other Current Liabilities	20	3,89,417	4,36,838	4,14,810
c	Current Tax Liability (Net)	21	—	13,23,745	—
d	Provisions	22	90,74,778	—	—
			<u>16,05,24,960</u>	<u>11,38,46,458</u>	<u>19,10,73,909</u>
T O T A L			<u>1,64,21,50,324</u>	<u>1,41,78,01,507</u>	<u>1,38,38,44,852</u>
See accompanying notes to the financial statements		29			

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor, Auditor M.No. 014328
Coimbatore, 14th May 2018

K. Ashokan
Chief Financial Officer

For and on behalf of the Board of Directors
Alka Devi Bangur
Managing Director
DIN : 00012894

Saurav Singhania
Company Secretary

L.N. Bangur
Chairman
DIN : 00012617
Shreyash Bangur
Dy. Managing Director, DIN : 00012825
Hyderabad, 14th May 2018

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018**

(Amount in Rupees)

	Note No.	31.3.2018	31.3.2017
I Income:			
Revenue from operations	23	43,93,36,778	45,22,85,072
Other income	24	37,84,599	48,70,511
Total Revenue		44,31,21,377	45,71,55,583
II. Expenses:			
Cost of materials consumed		3,24,75,739	3,99,72,599
Purchase of stock in trade		19,67,018	—
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(69,98,950)	1,57,83,960
Employee benefits expense	26	25,59,32,383	23,61,33,227
Finance costs	27	70,58,571	70,14,110
Depreciation and amortization expense	1	2,52,79,998	2,25,83,799
Other expenses	28	12,14,38,556	11,80,80,254
Total expenses		43,71,53,316	43,95,67,949
Profit / (Loss) before tax		59,68,061	1,75,87,634
Tax expense:			
1. Current Tax Expense - Current year		11,12,000	67,12,868
Prior year		10,41,457	17,30,675
2. Deferred Tax Liability Provided / (Reversed)		4,05,370	(8,37,043)
Profit / (Loss) after tax		34,09,234	99,81,134
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
i) Changes in fair value of FVOCI Equity Instruments		5,92,04,680	8,16,45,310
ii) Profit on realisation of Equity Instruments		—	81,38,727
iii) Remeasurements of post employment defined benefit plans		(64,66,865)	(22,48,082)
iv) Income tax relating to these items		6,72,554	3,05,649
Other Comprehensive Income for the year net of tax		5,34,10,369	8,78,41,604
Total Comprehensive Income for The Year		5,68,19,603	9,78,22,738
Earnings per equity share:			
(1) Basic		1.10	3.22
(2) Diluted		1.10	3.22
See accompanying notes to the financial statements	29		

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S**K. Murali Mohan**
Proprietor, Auditor M.No. 014328
Coimbatore, 14th May 2018**K. Ashokan**
Chief Financial OfficerFor and on behalf of the Board of Directors
Alka Devi Bangur
Managing Director
DIN : 00012894**Saurav Singhania**
Company Secretary**L.N. Bangur**
Chairman
DIN : 00012617
Shreyash Bangur
Dy. Managing Director, DIN : 00012825
Hyderabad, 14th May 2018



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Amount in Rupees)

	31.3.2018	31.3.2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items	59,68,061	1,75,87,634
Adjustments for:		
Depreciation	2,52,79,998	2,25,83,799
Loss / (Profit) on sale of Property, Plant & Equipment's (net)	(2,50,343)	2,98,267
Fair Value of Debt Funds recognised in P&L	—	(45,949)
Gratuity Provision debited to OCI	(57,94,311)	(19,42,433)
Profit on sale of Debt Instruments	(1,85,840)	(31,84,121)
Interest received	(1,32,85,851)	(1,20,63,844)
Dividend received	(13,632)	(7,952)
Interest payments	<u>70,58,571</u>	<u>70,14,110</u>
Operating Profit before working capital changes	1,87,76,654	3,02,39,510
Adjustments for:		
Trade and other financial assets	1,35,03,704	(1,15,27,044)
Inventories	(1,10,93,998)	2,15,82,832
Trade payables and Other financial Liabilities	3,01,34,090	51,77,908
Borrowings Current	<u>1,78,68,158</u>	<u>(8,37,29,105)</u>
Cash generated from operations	6,91,88,607	(3,82,55,899)
Exceptional Item	—	—
	6,91,88,607	(3,82,55,899)
Direct Taxes paid (Net)	<u>(59,88,026)</u>	<u>(2,18,723)</u>
Net Cash from operating activities	6,32,00,581	(3,84,74,622)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment's	(21,84,50,117)	(5,52,64,153)
Sale of Property, Plant & Equipment's	15,23,527	9,36,244
Purchase of investments	-	(7,35,00,000)
Sale of investments	26,79,846	13,58,77,759
Interest received	1,67,33,548	1,61,77,468
(Increase)/ Decrease in Bank Balances other than cash and cash equivalents	(65,01,422)	7,30,84,761
Intercompany loans (given)/ received	3,45,00,000	(7,00,00,000)
Long term borrowing	12,45,76,910	1,61,55,965
Dividend received	<u>13,632</u>	<u>7,952</u>
Net Cash used in investing activities	(4,49,24,077)	4,34,75,996
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(70,58,571)	(70,14,110)
Dividend paid including dividend distribution tax	<u>(37,26,200)</u>	<u>(27,94,596)</u>
Net Cash used in financing activities	(1,07,84,771)	(98,08,706)
Net increase / (decrease) in Cash and Cash Equivalents	<u>74,91,733</u>	<u>(48,07,331)</u>
Opening Cash and Cash Equivalents	1,46,59,087	1,94,66,418
Closing Cash and Cash Equivalents	2,21,50,820	1,46,59,087

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor, Auditor M.No. 014328
Coimbatore, 14th May 2018

K. Ashokan
Chief Financial Officer

For and on behalf of the Board of Directors
Alka Devi Bangur
Managing Director
DIN : 00012894

Saurav Singhania
Company Secretary

L.N. Bangur
Chairman
DIN : 00012617
Shreyash Bangur
Dy. Managing Director, DIN : 00012825
Hyderabad, 14th May 2018

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****EQUITY SHARE CAPITAL**

	Face value	Amount in Rs.
As at 1.4.2016	10	3,09,58,790
Changes in Equity Capital		—
As at 31.3.2017	10	3,09,58,790
Changes in Equity Capital		—
As at 31.3.2018	10	3,09,58,790

OTHER EQUITY

(Amount in Rupees)

	Reserves and Surplus				FVOCI Equity Instruments		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurements of Post-employment benefits obligations	
Balance as at 01.04.2016	2,79,73,700	41,69,108	83,02,10,161	8,32,13,698	20,98,48,309	51,04,434	1,16,05,19,410
Transfer on account of depreciation on Property, Plant and Equipment	—	—	—	—	—	—	—
Profit for the year	—	—	—	99,81,134	—	—	99,81,134
Dividend Paid	—	—	—	(23,21,909)	—	—	(23,21,909)
Dividend Tax Paid	—	—	—	(4,72,687)	—	—	(4,72,687)
Transfer from OCI	—	—	—	81,38,727	(81,38,727)	—	—
Other Comprehensive Income	—	—	—	—	8,97,84,037	(19,42,433)	8,78,41,604
Balance as at 31.03.2017	2,79,73,700	41,69,108	83,02,10,161	9,85,38,963	29,14,93,619	31,62,001	1,25,55,47,552
Transfer on account of depreciation on Property, Plant and Equipment	—	—	—	—	—	—	—
Profit for the year	—	—	—	34,09,234	—	—	34,09,234
Dividend Paid	—	—	—	(30,95,879)	—	—	(30,95,879)
Dividend Tax Paid	—	—	—	(6,30,321)	—	—	(6,30,321)
Other Comprehensive Income	—	—	—	—	5,92,04,680	(57,94,311)	5,34,10,369
Balance as at 31.03.2018	2,79,73,700	41,69,108	83,02,10,161	9,82,21,996	35,06,98,299	(26,32,310)	1,30,86,40,954

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor, Auditor
M.No. 014328

Coimbatore
14th May 2018

For and on behalf of the Board of Directors

Alka Devi Bangur
Managing Director
DIN : 00012894

L.N. Bangur
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K. Ashokan
Chief Financial Officer

Saurav Singhania
Company Secretary

Shreyash Bangur
Dy. Managing Director
DIN : 00012825

Hyderabad
14th May 2018



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

1. PROPERTY, PLANT AND EQUIPMENT

	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01.04.2017	Additions during the year	Deletions during the year	As at 31.03.2018	As at 01.04.2017	Deprecia- tion during the year	Deletions during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
FREE HOLD LAND & DEVELOPMENT	3,37,46,449	1,52,95,412	—	4,90,41,861	—	—	—	—	4,90,41,861	3,37,46,449
BUILDINGS	8,81,13,963	—	—	8,81,13,963	5,40,31,484	18,43,249	—	5,58,74,733	3,22,39,230	3,40,82,479
PLANT, MACHINERY & EQUIPMENTS	26,42,07,687	4,70,88,585	1,08,52,276	30,04,43,996	19,37,54,827	1,27,04,834	96,32,615	19,68,27,045	10,36,16,951	7,04,52,860
SOLAR PLANT	—	14,51,14,875	—	14,51,14,875	—	7,55,393	—	7,55,393	14,43,59,483	—
FURNITURES & FIXTURES	2,31,06,772	11,91,976	1,60,178	2,41,38,570	1,29,14,322	20,82,138	1,35,405	1,48,61,055	92,77,516	1,01,92,450
VEHICLES	7,36,16,859	94,13,094	5,75,000	8,24,54,953	4,37,89,887	74,89,800	5,46,250	5,07,33,437	3,17,21,516	2,98,26,972
BEARER PLANTS	83,92,210	19,98,948	—	1,03,91,158	1,73,580	2,07,823	—	3,81,403	1,00,09,755	82,18,630
COMPUTERS	74,10,819	2,86,036	—	76,96,855	69,32,223	1,96,763	—	71,28,986	5,67,869	4,78,596
	49,85,94,759	22,03,88,926	1,15,87,454	70,73,96,231	31,15,96,323	2,52,79,998	1,03,14,270	32,65,62,051	38,08,34,180	18,69,98,436
SOFTWARE	4,32,050	—	—	4,32,050	4,10,447	—	—	4,10,447	21,603	21,603
CAPITAL WORK IN PROGRESS	1,87,28,251	1,67,89,442	1,87,28,251	1,67,89,442	—	—	—	—	1,67,89,442	1,87,28,251
	51,77,55,060	23,71,78,368	3,03,15,705	72,46,17,723	31,20,06,770	2,52,79,998	1,03,14,270	32,69,72,498	39,76,45,225	20,57,48,290

	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01.04.2016	Additions during the year	Deletions during the year	As at 31.03.2017	As at 01.04.2016	Deprecia- tion during the year	Deletions during the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
FREE HOLD LAND & DEVELOPMENT	2,84,96,934	52,49,515	—	3,37,46,449	—	—	—	—	3,37,46,449	2,84,96,934
BUILDINGS	8,51,37,356	29,76,607	—	8,81,13,963	5,22,12,531	18,18,955	—	5,40,31,486	3,40,82,477	3,29,24,825
PLANT, MACHINERY & EQUIPMENTS	24,79,48,627	1,62,59,058	—	26,42,07,685	18,37,64,579	99,90,245	—	19,37,54,824	7,04,52,861	6,41,84,048
SOLAR PLANT	—	—	—	—	—	—	—	—	—	—
FURNITURES & FIXTURES	2,23,26,452	8,69,261	72,000	2,31,23,713	1,09,70,932	19,52,623	9,235	1,29,14,320	1,02,09,393	1,13,55,520
VEHICLES	6,81,12,168	83,11,324	28,06,633	7,36,16,859	3,72,10,886	82,13,889	16,34,887	4,37,89,888	2,98,26,971	3,09,01,282
BEARER PLANTS	52,42,354	31,49,856	—	83,92,210	68,733	1,04,847	—	1,73,580	82,18,630	51,73,621
COMPUTERS	73,93,878	—	—	73,93,878	64,54,557	4,77,667	—	69,32,224	4,61,654	9,39,321
	46,46,57,769	3,68,15,621	28,78,633	49,85,94,757	29,06,82,218	2,25,58,226	16,44,122	31,15,96,322	18,69,98,435	17,39,75,551
SOFTWARE	4,32,050	—	—	4,32,050	3,84,873	25,574	—	4,10,447	21,603	47,177
CAPITAL WORK IN PROGRESS	2,79,719	1,87,28,251	2,79,719	1,87,28,251	—	—	—	—	1,87,28,251	2,79,719
	46,53,69,538	5,55,43,872	31,58,352	51,77,55,058	29,10,67,091	2,25,83,800	16,44,122	31,20,06,769	20,57,48,289	17,43,02,447



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

2. INVESTMENTS - NON CURRENT

	Face Value	31.03.2018		31.03.2017		01.04.2016	
		Numbers	Amount (Rs.)	Numbers	Amount (Rs.)	Numbers	Amount (Rs.)
Trade							
Unquoted :							
Carried at cost							
i) In Associate Companies:							
Placid Limited	100	93,590	4,50,64,617	93,590	4,50,64,617	93,590	4,50,64,617
Navjyoti Commodity Management Services Ltd	10	2,50,000	87,50,000	2,50,000	87,50,000	2,50,000	87,50,000
Non-Trade :							
a) In fully paid Equity Shares at FVOCI :							
Quoted :							
MOIL Limited	10	1,136	2,38,219	1,136	3,56,420	1,136	2,47,307
DPSC Limited	1	-	-	-	-	6,50,000	1,13,42,500
b) In Bonds : Quoted							
Tax Free Bonds:							
Power finance Corporation of India - 8.20% 10 yrs	1,000	28,479	2,84,79,000	28,479	2,84,79,000	28,479	2,84,79,000
Indian Railway Finance Corporation - 8.00% 10 yrs	1,000	15,225	1,52,25,000	15,225	1,52,25,000	15,225	1,52,25,000
c) In Mutual Funds at FVOCI :							
Quoted :							
HDFC Medium Term Opportunity Fund	10	3,97,45,277	76,75,17,068	3,97,45,277	71,96,87,602	3,97,45,277	65,52,84,355
HDFC Capital builder Fund Growth	100	3,17,559	9,03,52,872	3,17,559	7,88,59,455	3,17,559	6,17,26,505
			95,56,26,776		89,64,22,094		82,61,19,284
Aggregate carrying amount of quoted Investment			90,18,12,159		84,26,07,477		77,23,04,667
Aggregate market value of quoted Investment			90,18,12,159		84,26,07,477		77,23,04,667
Aggregate amount of unquoted Investment			5,38,14,617		5,38,14,617		5,38,14,617



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016				
3 OTHER FINANCIAL ASSETS							
Non Current							
a) Security Deposits	1,72,18,458	1,39,76,385	1,11,89,150				
b) Other Advance	37,73,610	50,79,100	48,69,100				
	<u>2,09,92,068</u>	<u>1,90,55,485</u>	<u>1,60,58,250</u>				
4 DEFERRED TAX ASSET (NET)							
i) Mat credit entitlement	6,73,10,967	6,73,10,967	6,73,10,967				
ii) Opening Deferred Tax Liability	(37,29,809)	(45,66,852)	(52,93,890)				
Add provided / (reversed) during the year	(4,05,370)	8,37,043	7,27,038				
	<u>(41,35,179)</u>	<u>(37,29,809)</u>	<u>(45,66,852)</u>				
iii) Closing Deferred Tax asset	<u>6,31,75,788</u>	<u>6,35,81,158</u>	<u>6,27,44,115</u>				
5 OTHER - NON CURRENT ASSETS							
a) Agriculture Income tax (NET)	77,06,215	77,06,215	77,06,215				
b) Capital Advances	52,64,900	1,49,61,480	29,59,487				
	<u>1,29,71,115</u>	<u>2,26,67,695</u>	<u>1,06,65,702</u>				
6 INVENTORIES							
a) Finished goods:							
Tea - Valued at Cost (Previous Year - valued at Cost)	2,97,49,390	2,27,50,440	3,85,34,400				
b) Stores and Spares Valued at Average cost	1,00,50,450	1,16,29,771	1,47,25,964				
c) Loose Tools Valued at Average Cost	8,01,754	13,500	3,62,100				
d) Nursery Stock Valued at Average cost	55,64,559	6,78,444	30,32,523				
	<u>4,61,66,153</u>	<u>3,50,72,155</u>	<u>5,66,54,987</u>				
7 INVESTMENTS - CURRENT							
	Face Value	31.03.2018		31.03.2017		01.04.2016	
		Numbers	Amount (Rs.)	Numbers	Amount (Rs.)	Numbers	Amount (Rs.)
Non - Trade : Quoted							
In Mutual Funds - Debt at FVTPL :							
IDFC Ultra Short term fund	10	—	—	—	—	17,81,072	4,21,60,468
IDFC Money Manager Fund-Growth	10	—	—	97,780	24,94,006	—	—
			—	97,780	24,94,006	17,81,072	4,21,60,468
Aggregate carrying amount of quoted Investment			—		24,94,006		4,21,60,480
Aggregate market value of quoted Investment			—		24,94,006		4,21,60,480
Aggregate amount of unquoted Investment			—		—		—



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016
8 TRADE RECEIVABLES			
a) Secured - Considered Good	—	—	—
b) Unsecured - Considered Good	3,17,45,181	3,21,44,010	2,37,88,763
c) Doubtful	—	—	—
Less: Allowance for doubtful debts	—	—	—
	<u>3,17,45,181</u>	<u>3,21,44,010</u>	<u>2,37,88,763</u>
9 A) CASH AND CASH EQUIVALENTS			
i) Balance with Banks in current account	1,67,91,757	1,39,83,263	1,87,89,123
ii) In Deposit Account (with less than 3 months maturity)	—	—	—
iii) Cash on hand	53,59,063	6,75,824	6,77,295
	<u>2,21,50,820</u>	<u>1,46,59,087</u>	<u>1,94,66,418</u>
B) BANK DEPOSITS OTHER THAN ABOVE			
With more than 3 months but less than 12 months maturity	8,61,510	3,21,331	7,32,65,282
i) Unpaid dividend Account (Refer Note)	23,27,868	26,76,874	28,07,966
ii) Balance with banks to the extent held as margin money or security against borrowings, guarantees, other commitments	65,69,000	2,58,751	2,68,469
	<u>97,58,378</u>	<u>32,56,956</u>	<u>7,63,41,717</u>
10 LOANS			
Current Unsecured and Considered Good :			
a) Loans and advances to :-			
Related Parties	3,55,00,000	7,00,00,000	—
Others	3,40,00,000	3,40,00,000	3,40,00,000
	<u>6,95,00,000</u>	<u>10,40,00,000</u>	<u>3,40,00,000</u>
11 OTHER FINANCIAL ASSETS			
a) Advances recoverable in cash or in kind or for value to be recovered	34,29,807	73,78,575	1,21,37,108
b) Interest accrued on Loans and Advances			
Related Parties	6,92,013	7,65,901	—
Others	44,00,542	38,25,583	87,05,108
	<u>85,22,362</u>	<u>1,19,70,059</u>	<u>2,08,42,216</u>



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016
12 CURRENT TAX ASSETS (NET)			
Advance payment of Tax (Net of Provision)	25,10,824	—	69,01,075
	<u>25,10,824</u>	<u>—</u>	<u>69,01,075</u>
13 OTHER CURRENT ASSETS			
a) Others :			
Balance with Central Excise Authorities	1,50,940	1,79,214	2,19,215
b) Fair value of Plan Assets of Gratuity Fund (net)	—	53,37,895	1,22,47,452
c) Prepaid Expenses	12,34,694	12,13,403	13,32,743
	<u>13,85,634</u>	<u>67,30,512</u>	<u>1,37,99,410</u>
14 EQUITY SHARE CAPITAL			
Authorised			
7,500,000 Equity Shares of Rs. 10/- each (Seventy five lakh shares of Rupees ten each)	7,50,00,000	7,50,00,000	7,50,00,000
Issued and Subscribed			
3095879 Equity Shares of Rs. 10/- each fully Paid	3,09,58,790	3,09,58,790	3,09,58,790
	<u>3,09,58,790</u>	<u>3,09,58,790</u>	<u>3,09,58,790</u>
		Number of Shares	
At the Commencement of the year	30,95,879	30,95,879	30,95,879
Changes During The year	—	—	—
At the close of the Year	<u>30,95,879</u>	<u>30,95,879</u>	<u>30,95,879</u>
Equity shareholders holding more than 5% shares:			
Placid Ltd	6,63,454	6,63,454	6,63,454
Kiran Vyapar Ltd	4,70,224	4,70,224	4,70,224
Life Insurance Corporation Of India Ltd	2,07,712	2,07,712	2,07,712



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

15 OTHER EQUITY

Particulars	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 01.04.2016	2,79,73,700	41,69,108	83,02,10,161	8,32,13,698	94,55,66,667
Profit for the year	—	—	—	99,81,134	99,81,134
Dividend paid	—	—	—	(23,21,909)	(23,21,909)
Dividend tax paid	—	—	—	(4,72,687)	(4,72,687)
Transfer from Other Comprehensive Income	—	—	—	81,38,727	81,38,727
Balance as at 31.03.2017	2,79,73,700	41,69,108	83,02,10,161	9,85,38,963	96,08,91,932
Profit for the year	—	—	—	34,09,234	34,09,234
Dividend paid	—	—	—	(30,95,879)	(30,95,879)
Dividend tax paid	—	—	—	(6,30,321)	(6,30,321)
Balance as at 31.03.2018	2,79,73,700	41,69,108	83,02,10,161	9,82,21,996	96,05,74,965

Other Comprehensive Income Reserve

Particulars	Other Comprehensive Income
Balance as at 01.04.2016	21,49,52,743
Changes in fair value of equity instruments designated at FVOCI	8,97,84,037
Remeasurements for Employee benefit Obligation	(19,42,433)
Transfer to Retained Earnings	(81,38,727)
Balance as at 31.03.2017	29,46,55,620
Changes in fair value of equity instruments designated at FVOCI	5,92,04,680
Remeasurements for Employee benefit Obligation	(57,94,311)
Balance as at 31.03.2018	34,80,65,989



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016
16 LONG TERM BORROWINGS			
Secured : From Banks			
From Banks			
a) Term Loan from Union Bank Of India, Coimbatore	2,01,34,666	1,44,92,586	—
(Secured by Hypothecation of Plant and machinery purchased out of the loan and collaterally secured by 988.15 acres of land & factory building at Nadumalai estate in Annamalai Hills Valparai Municipality). (Repayable in 60 monthly instalments of Rs. 50,000/- commencing from 1.10.2017)			
b) Term Loan from HDFC Bank Limited	11,47,80,803	—	—
(Secured by charge on all the movable fixed assets of Company funded out of term loan and on land measuring 15.3225 acres at Kudipatty Madurai district.) Repayable in 108 monthly instalments of Rs.9,90,092/- commencing from 04.01.2019)			
c) Union Bank Of India - Vehicle loan	20,30,347	15,99,580	—
(Secured by the vehicle, Repayable in 30 instalments of Rs. 93,184 Interest rate 9.95%) Period and amount of continuing default Rs. Nil)			
d) HDFC Bank Limited - Vehicle Loan	—	—	44,246
(Secured by the vehicle , Repayable in 36 instalments of Rs. 25,778 Interest rate 10.50%) Period and amount of continuing default Rs. Nil)			
From Others:			
a) Kotak Mahindra Prime Limited - Vehicle Loan (3 & 1)	42,91,788	—	12,48,497
(Secured by the vehicle, Repayable in 60 instalments of Rs. 1,20,025/- l) Period and amount of continuing default Rs. Nil)			
b) Kotak Mahindra Prime Limited - Vehicle Loan (2)	7,88,016	13,56,541	—
(Secured by the vehicle, Repayable in 36 instalments of Rs. 69,100/-) Period and amount of continuing default Rs. Nil)			
	14,20,25,620	1,74,48,707	12,92,743



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017	01.04.2016
17 SHORT TERM BORROWINGS			
Secured - Loan repayable on demand			
a) From Bank - Cash Credit from YES Bank Limited (Secured by Exclusive charge on all current assets and movable fixed assets of the Company) Limit - Rs. 7,00,00,000/-interest rate @ 9.25% per annum Period & amount of default - Nil	—	5,03,27,532	6,40,56,637
b) From Bank - Working Capital Demand Loan from Yes Bank Limited Loan against Lien on Fixed Deposit. Interest rate @ 6.8% per annum. Period & amount of default - Rs. NIL	—	—	7,00,00,000
c) From Bank - Working Capital Cash Credit Loan from HDFC Bank Limited (Secured by charge on all the movable fixed assets of Company both present and future except those financed by UBI and on land measuring 15.3225 acres at Kudipatty Madurai district. Secured by charge on all the current assets of the Company both present and future) Limit - Rs. 10,00,00,000	6,81,95,690	—	—
	<u>6,81,95,690</u>	<u>5,03,27,532</u>	<u>13,40,56,637</u>
18 TRADE PAYABLES			
Total outstanding dues of Micro & Small Enterprises	—	—	—
Due to Others	6,94,40,602	5,31,81,560	5,03,60,011
	<u>6,94,40,602</u>	<u>5,31,81,560</u>	<u>5,03,60,011</u>
19 OTHER FINANCIAL LIABILITIES			
a) Current maturities of long term debt	1,10,96,605	58,99,909	34,34,485
b) Unpaid dividends *	23,27,868	26,76,874	28,07,966
* (No amount is overdue to be credited to investors education and protection Fund - Refer Note)			
	<u>1,34,24,473</u>	<u>85,76,783</u>	<u>62,42,451</u>
20 OTHER CURRENT LIABILITIES			
a) Other Payables :			
Customer credit balance	3,89,417	4,36,838	4,14,810
	<u>3,89,417</u>	<u>4,36,838</u>	<u>4,14,810</u>
21 CURRENT TAX LIABILITY (NET)			
Provision for Taxation (Net)	—	13,23,745	—
	<u>—</u>	<u>13,23,745</u>	<u>—</u>
22 PROVISIONS			
a) Provision for employees benefit :			
Provision for Gratuity (net)	90,74,778	—	—
	<u>90,74,778</u>	<u>—</u>	<u>—</u>



NOTES TO FINANCIAL STATEMENTS

(Amount in Rupees)

	31.03.2018	31.03.2017
23 REVENUE FROM OPERATIONS		
Sale of Products :		
Tea	42,29,64,663	43,70,82,283
Green leaf	—	—
Minor Produce	600	6,55,000
Other Operating Revenues :		
Sale of Electricity to TNEB	37,22,319	20,19,254
Dividend Income	13,632	7,952
Interest on loans and advances	88,96,446	58,04,368
Interest on Tax free Bonds	35,53,278	35,32,094
Profit on Sale of Investments	1,85,840	31,84,121
	<u>43,93,36,778</u>	<u>45,22,85,072</u>
24 OTHER INCOME		
Interest Income on		
Bank deposit	3,19,524	19,24,566
TNEB Deposit and IT refund	5,16,603	8,02,816
Other Non Operating Income :		
Profit on Sale of Assets	9,20,000	29,930
Scrap sales	7,98,961	8,61,543
Rent Receipts	12,000	—
Sale of Trees	—	—
Sundry Receipts	12,17,511	12,05,707
Fair Value of Debt Funds recognised in P&L	—	45,949
	<u>37,84,599</u>	<u>48,70,511</u>
25 CHANGES IN INVENTORIES OF FINISHED GOODS		
Work in Progress and Stock in Trade		
Opening stock of Finished Goods :		
Tea	2,27,50,440	3,85,34,400
Minor produce	—	—
	<u>2,27,50,440</u>	<u>3,85,34,400</u>
Less: Closing stock of Finished Goods		
Tea	2,97,49,390	2,27,50,440
Minor produce	—	—
Net changes in inventories	<u>(69,98,950)</u>	<u>1,57,83,960</u>

**NOTES TO FINANCIAL STATEMENTS***(Amount in Rupees)*

	31.03.2018	31.03.2017
26 EMPLOYEE BENEFITS EXPENSES :		
Salaries, Wages and Bonus	21,59,58,674	19,46,88,688
Contribution to Provident, Gratuity and Pension Fund	2,79,12,389	2,87,07,714
Employees welfare Expenses	1,20,61,319	1,27,36,825
	<u>25,59,32,383</u>	<u>23,61,33,227</u>
27 FINANCE COST		
Interest Expenses		
Term loan	16,69,485	—
Cash Credit and others	53,89,086	70,14,110
	<u>70,58,571</u>	<u>70,14,110</u>
28 OTHER EXPENSES :		
Power and Fuel	3,80,59,623	4,03,81,469
Rent	67,54,550	30,68,327
Repairs to Buildings	1,77,31,539	1,54,56,812
Repairs to Machinery	1,17,93,509	1,14,31,370
Insurance	20,46,097	18,34,022
Rates and Taxes	6,96,184	11,54,900
Transport	56,92,619	49,89,680
General Charges - Estate	65,79,947	58,56,044
Commission and Brokerage	29,44,305	36,46,625
Warehousing Charges	53,70,490	66,37,744
Payment to Auditors		
Statutory Audit fee	1,35,000	1,50,000
For Certification	95,200	32,500
For Taxation	1,00,000	3,17,500
For service tax	—	85,977
Travelling Expenses	1,06,83,498	1,05,99,165
Tea Selling Expenses	34,39,988	22,14,373
Professional Charges	34,02,476	32,99,135
Postage Telegrams & Telephones	20,40,138	21,15,565
Miscellaneous Expenses	38,73,394	48,09,045
	<u>12,14,38,556</u>	<u>11,80,80,254</u>



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

29. Notes forming part of the Consolidated Financial statements for the year ended 31.03.2018

I Statement of Significant Accounting Policies

A. Corporate Information

The Peria Karamalai Tea and Produce Company Limited is a Public Limited Company domiciled in India and incorporated under The Companies Act, 1956. The registered office of the company is at Kolkata, West Bengal, India. The company's equity shares are listed on NSE & The Calcutta stock Exchange Limited. It is mainly engaged in the production and distribution of Tea. The financial statements for the year ended March 31, 2018 are approved for issue by the group's Board of Directors on May 14, 2018.

B. Significant Accounting Policies

1. Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and guidelines issued by SEBI.

The Financial Statements up to year ended 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the group under Ind AS. The date of transition to Ind AS is 1st April, 2016. The group has opted certain exemptions while first-time adoption of Ind AS based Financial statement (refer transition note in Financial Statement)

2. Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1 (unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date); Level 2 (inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly); Level 3 (unobservable inputs for the asset or liability). Fair value in respect of equity financial instruments is the quoted prices of those instruments in the stock exchanges at the measurement date.

The principal accounting policies are set out below:

All assets and liabilities have been classified as current and non current as per the group's normal operating cycle and other criteria set out in Ind AS 1 – Presentation of financial statements and Schedule III to the Companies Act 2013. Based on the nature of the products and the time between acquisition of assets for processing and their realisation in cash or cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of classification of assets and liabilities as current or non-current.



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Scope of Consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Fully consolidated means recognition of like items of assets, liabilities, equity, income and expense. Thereafter, the portion of net profit and equity is segregated between the Group's share and share of non-controlling stake holders. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

4. Property, Plant and Equipment

Property, Plant and Equipment including bearer plants are stated at cost of acquisition or construction less accumulated depreciation. The cost includes expenditure that is directly attributable to the acquisition of the asset. On transition to Ind As, the Group has elected to continue with the carrying value of all its property, plant and equipment as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Biological Assets

The Group recognises Tea bushes as bearer plant. Expenditure on development and new planting are capitalized under Bearer Plants and depreciated from the date when they are ready for commercial harvest.

Depreciation

Depreciation is calculated using the straight-line method on a prorata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives. Company has ascertained and adopted the useful life of the asset as mentioned in the schedule II of Companies Act, 2013. Useful life of bearer plants-tea has been considered on the basis of technical evaluation at 50 years and are depreciated from the date when they are ready for commercial harvest .

5. Intangible Assets

Intangible assets with finite useful life that are acquired separately are carried out at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on straight-line basis over their estimated useful life.

6. Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

7. Financial 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 instruments (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 recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Financial Assets

The Group classifies its financial assets in the following categories:

- i) **Financial assets at amortised cost**- Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently, if maturing after 12 months period, using the effective interest method, less any impairment loss. Debt instruments which do not meet the criteria of amortised cost are measured at fair value and classified as fair value through profit and loss or through other comprehensive income, as applicable. Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances.
- ii) **Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)** - - All equity investments are measured at fair values. Investments which are not held for trading purposes and where the Group has exercised the option to classify the investment as Fair Value through other comprehensive income ('FVTOCI'), all fair value changes on the investment are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.
- iii) **Financial assets at Fair Value through Profit and Loss (FVTPL)** –Financial assets which are not classified in any of the categories above are fair valued through profit or loss (FVTPL).
- iv) **Impairment of financial assets** - - The Group assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs. Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments.



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

8. Inventories

Inventories are valued at the lower of cost and net realizable value. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

9. Translation of Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

10. Revenue Recognition

The Group recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria in relation to significant risk. Revenue from sale transaction is recognized as and when significant risks and rewards attached to the ownership in the goods is transferred to the buyer. Revenue is measured at the fair value of the consideration received or receivable and net of returns, trade allowances and rebates.

Revenue from other sources and expenses are recognized on accrual basis. Sale value of trees cut on contract basis is accounted on realization.

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

Dividend income is recognised when the right to receive payment is established. Income from investments is accounted on an accrual basis.

11. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

12. Earning Per Share

Basic earnings per share have been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

13. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders of the Group. Interim Dividend is recorded as a liability on the date of declaration by the Group's Board of Directors.

14. Employee benefits

The Group operates various post-employment schemes, including both defined benefit and defined contribution plans. Short-term employee benefits are recognised on an undiscounted basis whereas long-term employee benefits are recognised on a discounted basis.

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post Retirement

Post Retirement benefits comprise of Provident Fund, Superannuation Fund and Gratuity which are accounted as follows:

A. Provident Fund

This is a defined contribution plan. Contributions made to the Fund are charged to revenue. The Group has no further obligations for future superannuation benefits other than its annual contributions and recognizes such contributions as expense in the year incurred.

B. Superannuation Fund

This is a defined contribution plan. The group contributes a sum equivalent to defined contribution plan for eligible employees' salary towards superannuation fund administered by the Trustees and managed by Life Insurance Corporation of India. The Group has no further obligations for future superannuation benefits other than its annual contributions and recognizes such contributions as expense in the year incurred.

C. Gratuity Fund

This is a defined contribution plan. Liabilities with regard to the gratuity are determined by actuarial valuation at each balance sheet date using projected unit credit method. The Group makes annual contributions to The Gratuity Fund of The Peria Karamalai Tea & Produce Company (The Trust). Trustees administer contributions made to the trust and contributions are invested in schemes managed by Life Insurance Corporation of India.

Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan

Long Term

Leave Encashment

This is a defined contribution plan. The Group makes annual contribution to the Fund administered by Life Insurance Corporation of India. The Group has no further obligations for future leave encashment other than its annual contribution and recognizes such contributions as expense in the year incurred.



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

15. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The income tax expenses or credit is based on taxable profit for the year. Taxable profit 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. The Group's current tax is calculated using tax rates that have been enacted.

Deferred tax

Deferred tax is provided in full, using the balance sheet approach, 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 profits.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 asset to be recovered.

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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

16. Provisions and contingencies

Provisions: Provisions are recognised when there is a present obligation or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

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



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

17. Cash and cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flow, comprises of cash at bank, in hand, bank overdrafts and short term highly liquid investments/bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

18. Segment Reporting

Segments are identified based on the manner in which the Group's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

19. Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

II Other Notes to Financial Statements

1. Contingent Liability and commitments to the extent not provided for:

a. Claims against the Group not acknowledged as debts

The Group has obtained a stay of proceedings from the Hon'ble High Court of Madras on 24th March 2006 against a proposition notice from the Commercial Tax Department for levy of sales tax on export sales effected through auction centres. The matter is pending and in common with the other tea planting companies,

b. Bank & Other guarantees

Banks guarantee of Rs.65,89,000 /-has been given towards the customs duty payable on controls panels imported

2. The details of amounts outstanding to Micro and Small Enterprises based on available information with the Group is as under:

Principal amount due and remaining unpaid	Nil
Interest due on above and the unpaid interest	Nil
Interest paid	Nil
Payment made beyond the appointed day during the year	Nil
Interest due and payable for the period of delay	Nil
Interest accrued and remaining unpaid	Nil
Amount of further interest remaining due and payable in succeeding years	Nil

**ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS****3. Income tax relating to continuing Operation****Income tax recognised in profit and loss account**

Particulars	31.03.2018	31.03.2017
Current tax		
Current tax on profits for the year	1,112,000	6,712,868
Adjustment of current tax of prior year	1,041,457	1,730,675
Total current tax expense	2,153,457	8,443,543
Deffered tax		
Increase / (decrease) of deffered tax liability	10,839,284	(701,083)
(Increase) / decrease of deffered tax Asset	(10,433,914)	(135,960)
Total deffered tax expense	405,370	(837,043)
Total incometax expense recognised for the year	2,558,827	7,606,500

Reconciliation of income tax expense to the accounting profit for the year

Particulars	31.03.2018	31.03.2017
Profit before tax after exceptional item	5,968,061	17,587,634
Enacted tax rate in India	26%	33.99%
Computed expected tax expense at enacted tax rate	1,551,696	5,978,037
Tax effect on account of exempt income	(1,882,949)	(2,211,370)
Tax effect on account of tax deduction	—	—
Tax effect on account of non deductible expenses	331,253	2,946,202
Tax effect on account of mat applicability	1,112,000	—
Total income tax expense recognised for the year	1,112,000	6,712,868

Total income tax recognised in other comprehensive income

Particulars	31.03.2018	31.03.2017
Arising on income and expenses recognised ion other comprehensive income :		
Net Fair Value gain on Investments	—	—
Remeasurement of defined benefit obligation	6,72,554	3,05,649
Total	6,72,554	3,05,649
Bifurcation of income tax recognised in other comprehensive income into		
Items that will not be reclassified to profit or loss	6,72,554	3,05,649
Items that may be reclassified to profit or loss	—	—
	<u>6,72,554</u>	<u>3,05,649</u>



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

The movement of Deferred Income Tax Asset & Liabilities charged to Statement of Profit & Loss is as follows:

Particulars	Opening as on 01.04.2017	Provided for the year	Reversed for the year	Closing as on 31.03.2018
Deferred Liability on account of Depreciation	52,25,369	1,08,39,284	—	1,60,64,653
Deferred Tax asset				
On account of 43B Disallowances	(14,95,560)	(16,71,777)	14,95,560	(16,71,777)
On account of Carry Forward Losses	—	(88,34,082)	—	(88,34,082)
On account of MAT Credit	—	(14,23,615)	—	(14,23,615)
	(14,95,560)	(1,19,29,474)	14,95,560	(1,19,29,474)
Deferred tax Liability (NET)	37,29,809	(10,90,190)	14,95,560	41,35,179

4. Subsidiary companies considered in the consolidated Financial statements

Name of the Company	Country of incorporation	Reporting Date	% of Ownership Interest
As on 31.03.2017			
PKT Plantations Limited	India	31.03.2017	100%
Shivpal Vinimay (P) Limited	India	31.03.2017	100%
As on 31.03.2018			
PKT Plantations Limited	India	31.03.2018	100%
Shivpal Vinimay (P) Limited	India	31.03.2018	100%

Additional Information

Name of the entity in the group	Net Assets		Share in profit & Loss	
	(Total Assets minus total Liabilities)			
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
1	2	3	4	5
Parent				
The Peria Karamalai Tea & Produce Company Limited	99.70%	1,33,55,63,266	99.84%	34,03,801
Subsidiaries				
Indian				
1. PKT Plantations Limited	0.28%	36,91,043	0.91%	30,892
2. Shivpal Vinimay (P) Limited	0.03%	3,45,436	-0.75%	(25,459)



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Name of the entity in the group	Net Assets		Share in profit & Loss	
	(Total Assets minus total Liabilities)			
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
Foreign				
Minority Interest	—	—	—	—
Associates				
Indian	—	—	—	—
Foreign	—	—	—	—
Joint Venture				
Indian	—	—	—	—
Foreign	—	—	—	—
Total	100%	1,33,95,99,744	100%	34,09,234

5. Earnings per Share:

Particulars	31.03.2018	31.03.2017
Profit /(Loss) after tax Rs.	34,09,234	99,81,134
Weighted average No. of shares outstanding	30,95,879	30,95,879
Basic earnings per share (Nominal value of equity shares Rs. 10/- per share)	1.10	3.22

6. Details of Dividend proposed and paid

Final Dividend for the year ended 31.03.2017 paid Re. 1/- per share : Rs. 30,95,879

Dividend Distribution tax paid thereon @20.36 % : Rs. 6,30,321

In respect of current year the Directors proposed Dividend of Rs.0.75 per share on equity shares on 14.05.2018.

7. Employee Benefits:

a. Defined Contribution Plan:

The Group makes contribution towards employees' provident fund and superannuation fund. Under the rules of these schemes, the group is required to contribute a specified percentage of payroll costs. The group during the year recognized Rs.1,81,05,115/- (Previous year Rs.1,54,04,978/-) as expense towards contribution to the Provident Fund.

Out of the total contribution made towards employees' provident fund, Rs.12,86,593/- (Previous year Rs.12,50,978/-) is made to the PL Planting Provident Fund while the remaining contribution is made to Provident Fund Plan operated by the Regional Provident Fund Commissioner.

The liability towards superannuation fund for the year ended 31st March 2018 amounting to Rs.16,12,021/- (Previous year Rs.19,30,689/-) has been charged to Statement of Profit and Loss.



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

There was no liability towards leave encashment for the year ended 31st March 2018 as it was adequately funded and no amount (previous year Rs. Nil) has been charged to Statement of Profit and Loss.

b. Defined Benefit Plan

GRATUITY:

		31.03.2018	31.03.2017	31.03.2016
1	Changes in defined Benefit Obligation			
	Present value of defined Benefit obligation as at the beginning of the year	10,69,55,618	10,13,17,609	10,48,48,987
	Interest cost	85,56,449	81,05,409	83,87,919
	Benefits paid	(66,17,513)	(1,11,04,309)	(1,27,42,825)
	Current service cost	71,94,991	63,88,823	67,28,704
	Actuarial (gain)/loss	64,66,865	22,48,086	(59,05,176)
	Present value of obligation as at year end	12,25,56,410	10,69,55,618	10,13,17,609
2	Changes in fair value of assets			
	Fair value of plan assets as at the beginning of the year	11,22,93,514	11,35,65,061	11,03,14,934
	Expected return on plan assets	78,05,631	88,00,001	95,54,987
	Contribution by the employer	—	10,32,760	64,37,965
	Benefits paid	(66,17,513)	(1,11,04,309)	(1,27,42,825)
	Actuarial (gain)/loss	Nil	Nil	Nil
	Fair value of plan assets as at the end of the year	11,34,81,632	11,22,93,513	11,35,65,061
3	Reconciliation of fair value of assets and obligations			
	Fair value of plan assets	11,34,81,632	11,22,93,513	11,35,65,061
	Present value of obligations	12,25,56,410	10,69,55,618	10,13,17,609
	Amount recognized in the Balance sheet (Excess of actual)	(90,74,778)	53,37,895	1,22,47,452
4	Expenses recognized in the statement of Profit and loss			
	Current Service Cost	71,94,991	63,88,823	67,28,704
	Interest Cost	85,56,449	81,05,409	83,87,919
	Expected return on Plant Asset	78,05,631	(88,00,001)	(95,54,987)
	Net Actuarial (Gain) / Loss recognised in the year	64,66,865	22,48,086	(59,05,176)
	Expenses recognised in Statement of Profit & Loss	1,44,12,674	79,42,317	(3,43,540)



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

		31.03.2018	31.03.2017	31.03.2016
5	Expenses recognized in the Other Comprehensive Income			
	Actuarial (gain)/loss on Defined Benefit Obligations	64,66,865	22,48,086	(59,05,176)
	Actuarial (gain)/loss on Assets	Nil	Nil	Nil
	Amortisation of actuarial (gain)/loss	Nil	Nil	Nil
	Total recognised in Other Comprehensive Income	64,66,865	22,48,086	(59,05,176)
6	Principal Actuarial Assumptions			
	Rate of discounting	7.5%	8%	8%
	Expected return on plan assets	6.95%	7.5%	8%
	Rate of increase in salaries	7.5%	8.20%	7.20%
	Mortality Table (LIC)	1994-95	1994-95	1994-95

The details with respect to the composition of investments in the plan assets managed by LIC have not been disclosed in the absence of the above information

8. Leasing Arrangements:

The Group has taken office buildings on lease and the lease rent amounts to Rs.67,45,322/- net of reimbursements (previous year Rs. Rs.30,68,327/-) has been charged to Profit & Loss Account. Assets are taken on lease over a period of three years. Future minimum lease payments are as under:

	31.03.2018	31.03.2017
Not Less than one year	81,20,849	33,69,004
Later than one year but not later than five years	1,37,86,373	51,00,456
More than five years	3,06,739	Nil

9. Related Party Disclosures

Name of Related Parties and nature of relationship where control exists are as under:

Key Management Personnel	Mrs. Alka Devi Bangur, Managing Director Mr. Shreeyash Bangur, Deputy Managing Director
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ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Associate Concerns	<ol style="list-style-type: none"> 1. M.B. Commercial Company Ltd. 2. Amalgamated Development Ltd. 3. Maharaja Shree Umaid Mills Ltd. 4. Placid Limited 5. The Marwar Textiles (Agency) Pvt.Ltd. 6. Navjoti Commodity Management Services Ltd. 7. Samay Industries Limited 8. The General Investment Co.Ltd 9. KiranVyapar Limited 10. Soul Beauty & Wellness Centre 11. Mugneeram Ramcoowar Bangur Charitable & Religious Co. 12. Shree Rama Vaikunth Trust 13. Shree Krishna Agency Ltd. 14. The gratuity fund of the Peria Karamalai Tea And Produce Company Limited
Relatives of Key Management Personnel	<p>Mr. L.N. Bangur Ms. Sheetal Bangur Mr. Yogesh Bangur</p>

	Nature of transaction	Group Company	Key Managerial Personnel	Relatives of Key Managerial person
1	Interest Payments			
	Kiran Vyapar Limited	Nil (Nil)		
	Shree Krishna Agency Ltd.	4,99,830 (Nil)		
	Placid Limited	13,178 (7,048)		
2	Interest Receipts			
	Maharaja Shree Umaid Mills Ltd.	35,57,603 (9,46,629)		
	Placid Limited	16,61,096 (9,27,739)		



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

	Nature of transaction	Group Company	Key Managerial Personnel	Relatives of Key Managerial person
3	Rent Payments			
	a) M.B. Commercial Co. Ltd.	Nil (28,800)		
	b) The Marwar Textiles (Agency) Pvt. Ltd.	Nil (52,800)		
	c) Shree Rama Vaikunth Trust	3,60,000 (3,30,000)		
4	Inter corporate loan received from			
	Shree Krishna Agency Ltd.	3,55,00,000 (Nil)		
	Placid Limited	5,20,00,000 (Nil)		
5	Inter corporate loan given to			
	Maharaja Shree Umaid Mills Ltd.	Nil (3,50,00,000)		
	Placid Limited	Nil (3,50,00,000)		
6	Inter corporate loan repaid			
	Shree Krishna Agency Ltd.	3,55,00,000 (Nil)		
	Placid Limited	8,40,00,000 (35,00,000)		
	Maharaja Shree Umaid Mills Ltd.	25,00,000 (Nil)		
7	Printing			
	Samay Industries Limited			Nil (99,234)
8	Remuneration			
	Mrs. Alka Devi Bangur		42,07,500 (42,07,500)	
	Mr. Shreeyash Bangur		27,24,000 (27,24,000)	
9	Outstandings			
	Receivables	3,92,66,044 (7,07,65,901)	Nil (Nil)	Nil (Nil)
	Payables	Nil (Nil)	Nil (Nil)	Nil (Nil)

Note: Figures in bracket represents previous year's amount



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

10. Segment Information

General Information

For management purposes, the Group has organised its businesses into Tea Investment and Power. The Chief Operating Decision Maker (“CODM”) evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators of the operating segments. The CODM reviews revenue and operating profits as the performance indicator for all of the operating segments and also reviews the total assets and liabilities of an operating segment. The segment wise revenue, results, assets and liabilities figures relate to the respective amounts directly identifiable to each of the segments. Un-allocable items include expenses incurred on common services at the corporate level, other income and exceptional items

Segment wise revenues, results and other information

Particulars	31.03.2018				31.03.2017			
	Tea	Investment	Power	Total	Tea	Investment	Power	Total
Revenue								
External Sales	42,29,65,263	1,26,49,195	37,22,319	43,93,36,778	43,77,37,283	1,25,28,535	20,19,254	45,22,85,072
Inter Segment Revenue				—				—
Total	42,29,65,263	1,26,49,195	37,22,319	43,93,36,778	43,77,37,283	1,25,28,535	20,19,254	45,22,85,072
Inter Segment Revenue			—	—			—	—
Total	42,29,65,263	1,26,49,195	37,22,319	43,93,36,778	43,77,37,283	1,25,28,535	20,19,254	45,22,85,072
Results								
Operating Profit (Loss)	(35,23,062)	1,05,95,407	21,69,687	92,42,033	90,47,327	99,28,535	7,55,370	1,97,31,232
Less Interest				70,58,571				70,14,110
Total				21,83,462				1,27,17,123
Add Other income				37,84,599				48,70,511
Profit / (Loss) before tax				59,68,061				1,75,87,634
Provision for taxation				25,58,827				76,06,500
Profit / (Loss) after tax				34,09,234				99,81,134
Other Information								
Segment Assets	79,30,19,436	67,55,33,017	17,35,97,871	1,64,21,50,324	68,58,56,111	71,19,80,028	1,99,65,368	1,41,78,01,507
Unallocated Assets								
Enterprise Assets	79,30,19,436	67,55,33,017	17,35,97,871	1,64,21,50,324	68,58,56,111	71,19,80,028	1,99,65,368	1,41,78,01,507
Segment Liabilities	18,47,99,500	—	11,77,51,079	30,25,50,579	13,12,95,165			13,12,95,165
Unallocated Liabilities				1,33,95,99,744				1,28,65,06,342
Enterprise Liabilities	1,52,43,99,244	—	11,77,51,079	1,64,21,50,324				1,41,78,01,507
Capital Expenditure	7,67,68,081	—	16,04,10,287	23,71,78,368	4,74,26,707		81,17,165	5,55,43,872
Depreciation	2,44,87,768		7,92,231	2,52,79,998	2,25,46,961		36,838	2,25,83,799



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

11. Financial Instruments

Particulars	31st March 2018			31st March 2017			31st March 2016		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets									
a) Investment									
Quoted Equity Instruments		85,81,08,159			79,89,03,477			72,86,00,667	
Un-Quoted Equity Instruments		5,38,14,617			5,38,14,617			5,38,14,617	
Quoted Debt Instruments		-		24,94,006			4,21,60,468		
Tax Free Bonds			4,37,04,000			4,37,04,000			4,37,04,000
b) Trade Receivables			3,17,45,181			3,21,44,010			2,37,88,763
c) Cash & Bank Balances			3,19,09,198			1,79,16,043			9,58,08,135
d) Loans									
Non - Current			-			-			-
Current			6,95,00,000			10,40,00,000			3,40,00,000
e) Other Financial Assets									
Non - Current			2,09,92,068			1,90,55,485			1,60,58,250
Current			85,18,207			1,19,70,059			2,08,42,216
Total	-	91,19,22,776	20,63,72,809	24,94,006	85,27,18,094	22,87,89,597	4,21,60,468	78,24,15,284	23,42,01,364
Financial Liabilities									
a) Borrowings									
Non - Current			14,20,25,620			1,74,48,707			12,92,743
Current			6,81,95,690			5,03,27,532			13,40,56,637
b) Trade Payables			6,94,40,602			5,31,81,560			5,03,60,011
c) Other Financial Liabilities									
Non - Current									
Current			1,34,24,473			85,76,783			62,42,451
Total	—	—	29,30,86,384	—	—	12,95,34,582	—	—	19,19,51,842
Financial Assets			1,11,82,95,585			1,08,40,01,697			
Financial Liabilities			29,30,86,384			12,95,34,582			19,19,51,842



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

Risk management framework

The group's senior management oversees the management of these risks. It is supported by the Risk Management Committee. The Risk Management Committee of the Board is entrusted with the responsibility to assist the Board in overseeing and approving the Group's risk management framework. The Group has a comprehensive risk management policy relating to the risks that the Group faces under various categories like strategic, operational, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated. The Risk Management Committee reviews the key risks and the mitigation measures periodically. The Audit Committee has additional oversight in the area of financial risks and control.

Credit risk

Credit risk is the risk that counter-party will not meet its obligations leading to a financial loss. The Group is exposed to credit risk arising from its operating (primarily trade receivables) and financing activities including deposits placed with banks. Credit risk encompasses both the direct risk of default and risk of deterioration of creditworthiness as well as concentration risk. Financial Instruments that are subject to concentration of credit risk primarily consists of Trade receivables and Loans and advances. None of the Financial Instruments of the group result in material concentration of credit risk. Customer Credit risk is managed by the group subject to the group's established policies, procedures, and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. Credit risks from Balance with banks and Loans and advances are managed by the group's treasury department. The objective is to minimize the concentration of risks and therefore mitigate financial loss.

Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Group's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time. The group utilizes the surplus funds by making fixed deposits in bank and by way of Inter corporate loans which carry no/low mark to market risks.

Market risk

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as interest rates risk, price risk and commodity risk. Further, the group is not exposed to any foreign currency exchange rate risk which have an impact on the Income statement and Equity as it does not have transaction references with other currencies.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Group generally utilizes fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Group is not exposed to significant interest rate risk as at the respective reporting dates.



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

b) Price Risk

The price risk is the risk arising from investments held by the Group and classified in the balance sheet either at fair value through Other Comprehensive Income or at fair value through profit or loss. The Group's investments comprise of mainly Mutual funds. They are strategic in nature and are generally held on a long-term basis which is not exposed to significant price risk.

c) Commodity Risk

The Group is exposed to the fluctuations in commodity prices mainly for tea. Mismatch in demand and supply, adverse weather conditions, market expectations etc., can lead to price fluctuations. The Group manages these price fluctuations by actively managing the sourcing of tea, and alternate blending strategies without impacting the quality of the blend.

Capital Management

The Group's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Group. The Group determines the capital management requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds.

12. First-time adoption of Ind AS

Overall principle

The group has prepared the opening balance sheet as per IND AS as of 1st April 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by IND AS, not recognising items of assets or liabilities which are not permitted by IND AS, by reclassifying items from previous GAAP to IND AS as required under IND AS, and applying IND AS in measurement of recognised assets and liabilities. However this principle is subject to the certain exception and certain optional exemptions availed by the group as detailed below.

Determining whether an arrangement contains a lease

The group has applied Appendix C of IND AS 17 Determining whether an Arrangement contains a lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Equity Investments at FVTOCI

The group has designated investment in all equity shares and equity oriented mutual funds as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

Exemptions availed on First time Adoption

(a) Investments in subsidiaries, joint ventures and associates

The group has elected to adopt the carrying value of investment in subsidiary under previous GAAP as on the date of transition i.e. April 1, 2016 in its separate financial statements.

(b) Property, Plant and Equipment/Investment Property/Intangibles

The group has elected to adopt the carrying value under previous GAAP as deemed costs as on the date of transition i.e. April 1, 2016 in its separate financial statements.



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Reconciliation of Total Equity as at 31st March 2017 and 1st April 2016

	31st March 2017	1st April 2016
Total Equity (Shareholders Funds) as per previous GAAP	98,13,76,283	96,53,14,700
Effect of change in fair value of investments	29,84,77,477	20,98,48,309
Effect of recognition of depreciation on bearer plants	(1,73,580)	(68,733)
Effect of Fair Value of Debt Funds recognised in P&L	45,949	13,41,876
Remeasurements of post employment defined benefit plan	67,80,214	1,22,47,452
Dividend & Dividend Tax Provision Reclassified of 31.03.2016	—	27,94,596
	1,28,65,06,342	1,19,14,78,200

Reconciliation of Total Comprehensive Income for the year ended 31st March 2017

	Statement of P&L	OCI	Total
Net Profit as reported under previous GAAP	1,60,61,583	—	1,60,61,583
Effect due to Employee Benefit plan assets taken to Expense	(35,24,807)	—	(35,24,807)
Effect of depreciation charged on bearer plants	(1,04,846)	—	(1,04,846)
Changes in Fair Value of Debt Instruments	45,949	—	45,949
Profit on realisation of Equity Instruments	(24,96,745)	—	(24,96,745)
Changes in fair value of FVOCI Equity Instruments	—	8,97,84,040	8,97,84,040
Remeasurements of post employment defined benefit obligations	—	(22,48,086)	(22,48,086)
Income tax relating to these items	—	3,05,650	3,05,650
Total Comprehensive Income as per Ind AS	99,81,134	8,78,41,604	9,78,22,738

Notes to reconciliation:

A) Reversal of Proposed Dividend

Under the previous GAAP, dividends proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the General Meeting. This has resulted in an increase in equity by Rs.27,94,596 as at March 31, 2016.

B) Fair value of investments through Other Comprehensive Income and Profit and Loss

Under previous GAAP, current investments were measured at lower of cost or fair value and long-term investments were measured at cost less diminution in the value which is other than temporary. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments were recognised in equity.

**ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS****C) Depreciation on Bearer Plants**

Under previous GAAP, no depreciation was provided on Bearer plants. Under Ind AS, depreciation has been charged on Bearer Plants over its useful life. This has resulted in decrease in profit of Rs. 68,733 and Rs. 1,73,580 as on 31.03.2016 and 31.03.2017 respectively.

D) Re-measurement of defined benefit plans

Under the previous GAAP, the contribution to the gratuity fund was charged to the Profit & Loss account in the year in which it is paid. The excess of Fair value of plan assets if any over the fair value of the obligations is not recognised as an asset. Under Ind AS, the excess of fair value of plan assets if any over the fair value of the obligations is recognised as an asset. This has resulted in increase in profit of Rs. 1,22,47,452 and Rs.67,80,214 for the year ended 31.03.2016 and 31.03.2017 respectively.

Under Ind AS, re-measurements of defined benefit plans 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 the statement of profit and loss. Under the previous GAAP, these re-measurements were accounted in the statement of profit and loss for the year. This has resulted in increase of profit of Rs.19,42,433 (net of taxes) for the year ended 31.03.2017.

- 13.** Previous Years figures have been reclassified to comply with IND AS to make them comparable with current period. Further, previous year's figures have been regrouped / reclassified, whenever necessary, to confirm with the current period presentation.

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor, Auditor
M.No. 014328

Coimbatore
14th May 2018

For and on behalf of the Board of Directors

Alka Devi Bangur
Managing Director
DIN : 00012894

L.N. Bangur
Chairman
DIN : 00012617

K. Ashokan
Chief Financial Officer

Saurav Singhania
Company Secretary

Shreyash Bangur
Dy. Managing Director
DIN : 00012825

Hyderabad
14th May 2018



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Form No. AOC - 1 Part A : Subsidiaries

Pursuant to Section 129 (3) of the Companies Act 2013 read with Rule 5 of Companies (Accounts) Rules 2014

Statement containing salient features of the Financial Statement of Subsidiaries.

Name of the Subsidiary	PKT Plantations Limited	Shivphal Vinimay Private Limited
Reporting Currency	INR	INR
Financial Year of the Subsidiary ended on	31st March 2018	31st March 2018
Exchange Rate	—	—
Share Capital	25,00,000	5,00,000
Reserves & Surplus	11,91,043	1,54,564
Total Liabilities	37,43,121	3,63,136
Total Assets (excluding investments)	37,43,121	3,63,136
Investments (other than investments in subsidiaries)	—	—
Turnover	9,24,335	25,134
Profit before tax	42,892	(25,459)
Provision for taxation	12,000	—
Profit after tax	30,892	(25,459)
Proposed dividend	—	—
% of Shareholding	100	100

Part B : Associates and Joint ventures

Statement pursuant to section 129(3) of the Companies act 2013 related to Associate Companies and Joint venture

Name of associates / Joint venture

- 1 Latest Audited Balance Sheet date
- 2 Shares of Associates/Joint Ventures held by the Company at the year end
Amount of investment in Associates / Joint Venture
- 3 Description how there is significant influence
- 4 Reason why the Associate / Joint Venture is not consolidated
- 5 Networth attributable to shareholding as per latest audited Balance Sheet
- 6 Profit / (Loss) for the year
 - i) considered in consolidation
 - ii) not considered in consolidation
- 7 Name of Associates or Joint Ventured which are yet to commence operations
- 8 Name of Associates or Joint Ventures which have been liquidated or sold during the year

NOT APPLICABLE

In terms of our Report attached

For Srikishen & Co
Chartered Accountants
Reg. No. 004009S

K. Murali Mohan
Proprietor, Auditor M.No. 014328
Coimbatore, 14th May 2018

K. Ashokan
Chief Financial Officer

Saurav Singhania
Company Secretary

For and on behalf of the Board of Directors
Alka Devi Bangur
Managing Director
DIN : 00012894

L.N. Bangur
Chairman
DIN : 00012617

Shreeyash Bangur
Dy. Managing Director, DIN : 00012825
Hyderabad, 14th May 2018

THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LIMITED

CIN: L01132WB1913PLC220832

Registered Office: 7, Munshi Premchand Sarani, Hastings, Kolkata - 700 022

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