# The Cochin Malabar Estates and Industries Limited

ANNUAL REPORT
2018

## BOARD OF DIRECTORS

**Mr. Hemant Bangur**
Non-Executive Director

**Mr. P.J. Bhide**
Non-Executive Director

**Mr. B.L. Surana**
Independent Director

**Mrs. Tara Purohit**
Independent Director

**Mr. C.P. Sharma**
Non-Executive Director

**Mr. R.K. Gupta**
Wholetime Director

## BANKER

Yes Bank

## AUDITORS

Singhi & Co., Kolkata

## REGISTRARS & SHARE TRANSFER AGENTS

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor
Kolkata - 700 001

## REGISTERED OFFICE

21, Strand Road
Kolkata - 700 001

## Contents

**TO THE MEMBERS**

Your Directors present the 88th Annual Report together with Audited Financial Statements of the Company for the financial year ended 31st March, 2018.

**FINANCIAL PERFORMANCE:**

(Amount in ₹)

| | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Profit /(Loss) for the year before Depreciation | **(2,882,245)** | (4,913,467) |
| Deduct : Depreciation | **30,268** | 32,472 |
| Profit /(Loss) before Tax | **(2,912,513)** | (4,945,939) |
| Deduct : Provision for Corporate Taxation | **-** | - |
| Net Profit /(Loss) | **(2,912,513)** | (4,945,939) |
| Add : Balance of Profit /(Loss) brought forward from previous year | **(21,970,404)** | (17,024,465) |
| Balance Carried to Balance Sheet | **(24,882,917)** | (21,970,404) |

**DIVIDEND:**

In view of accumulated losses, your Directors regret their inability to propose any dividend for the year ended 31st March, 2018.

**OPERATIONAL REVIEW:**

The Rubberwood Factory has not been in operation for nearly 20 years pursuant to notice received from the Deputy Conservator of Forests (Protection), Trivandrum. The Company is contemplating some plans based on the availability of fixed assets of the Company and based on which going concern status of the Company is maintained.

**PUBLIC DEPOSITS**

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

**LOANS, GUARANTEES AND INVESTMENTS**

The Company has not granted loans or given guarantees or made investments during the year under review.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Shri R.K. Gupta, Wholetime Director, will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment to the members of the Company in the ensuing Annual General Meeting.

During the year Shri R.K. Gupta, Wholetime Director and Shri A.K. Ruia, Chief Financial Officer continued to be the Key Managerial Personnel of the Company.

Shri Hemant Bangur was appointed as an Additional Director of the Company during the year, who holds office upto the conclusion of the ensuing Annual General Meeting and being eligible offers himself for appointment as a Non-Executive Promoter Director of the Company as per the provisions of Section 161 and other applicable provisions of the Companies Act, 2013. The Company has received requisite notice in writing from a member proposing Shri Hemant Bangur for appointment as Non-Executive Promoter Director of the Company.

Shri P.J. Bhide's term as an Independent Director on the Board of the Company expired at the last Annual General Meeting of the Company. However, he continues to be a Non-Executive Director of the Company.

During the financial year ended 31st March, 2018, four Board Meetings were held on 3rd May, 2017, 28th August, 2017, 1st December, 2017 & 9th February, 2018. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

Independent Directors have submitted their disclosures to the Board that they meet the criteria as stipulated in Section 149(6) of the Companies Act, 2013 and in accordance with Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. None of the Independent Directors are liable to retire by rotation.

As stipulated by the Code of Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 9th February, 2018 to review the performance of Non-Independent Directors and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

## COMMITTEES OF THE BOARD

### Audit Committee

The Audit Committee comprises of two Independent Non-Executive Directors and one Non-Executive Director namely Shri B.L. Surana, Smt. Tara Purohit & Shri P.J. Bhide respectively as on 31st March, 2018.

The Committee met 4 times during the year on 3rd May, 2017, 28th August, 2017, 1st December, 2017 & 9th February, 2018. The attendance of the Members at the Audit Committee Meetings is as under :

| Name of the Director | Status | No. of meetings entitled to attend | No. of meetings attended |
|---|---|---|---|
| Shri B.L. Surana | Chairman | 4 | 4 |
| Smt. Tara Purohit * | Member | 2 | 2 |
| Shri P.J. Bhide | Member | 4 | 4 |
| Shri C.P. Sharma # | Member | 2 | 2 |

*w.e.f. 1st September, 2017

# upto 1st September, 2017

## NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee comprises of two Independent Non-Executive Directors and one Non-Executive Director namely Shri B.L. Surana, Smt. Tara Purohit & Shri P.J. Bhide respectively as on 31st March, 2018.

During the year under review, the Committee met twice on 3rd May, 2017 & 28th August, 2017. The attendance of the Members at the Nomination & Remuneration Committee Meetings is as under :

| Name of the Director | Status | No. of meetings entitled to attend | No. of meetings attended |
|---|---|---|---|
| Shri B.L. Surana | Chairman | 2 | 2 |
| Smt. Tara Purohit * | Member | - | - |
| Shri P.J. Bhide | Member | 2 | 2 |
| Shri C.P. Sharma # | Member | 2 | 2 |

*w.e.f. 1st September, 2017

# upto 1st September, 2017

## STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of One Non-Executive Director, one Independent Non-Executive Director and one Wholetime Director namely, Shri P.J. Bhide, Shri B.L. Surana & Shri R.K. Gupta respectively.

During the year under review, 8 (Eight) Stakeholders' Relationship Committee Meeting was held on 14th September, 2017, 12th October, 2017, 2nd November, 2017, 30th November, 2017, 7th December, 2017, 11th January, 2018, 1st February, 2018 & 15th March, 2018. The attendance of the Members at the Stakeholders' Relationship Committee Meetings is as under :

| Name of the Director | Status | No. of meetings entitled to attend | No. of meetings attended |
|---|---|---|---|
| Shri P.J. Bhide | Chairman | 8 | 8 |
| Shri B.L. Surana | Member | 8 | 8 |
| Shri R.K. Gupta | Member | 8 | 8 |

## NOMINATION AND REMUNERATION POLICY

For maintaining the independence of the Board, and separate its functions and management, Company's policy is to have an appropriate combination of Executive and Independent Directors. As on March 31, 2018, the Board consists of 6 members, of which, 5 are Non-Executive Directors (NED) and 1 is Wholetime Director. The Board has 2 Independent NED (inclusive of 1 Woman Director), 1 Promoter Non-Executive Director, 2 Non-Executive Director and 1 Wholetime Director. The need for change in its composition and size are evaluated periodically. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company which is available at the website of the Company i.e. www.cochinmalabar.in.

| Category | Name of Directors |
|---|---|
| **Promoter Director**<br><br>Non-Executive Director | <br><br>Shri Hemant Bangur |
| **Executive Director**<br><br>Wholetime Director | Shri R.K. Gupta |
| **Independent Non-Executive Directors** | Shri B.L. Surana<br>Smt. Tara Purohit |
| **Non-Executive Non-Independent Director** | Shri P.J. Bhide<br>Shri C.P. Sharma |

## BOARD EVALUATION

The Board of Directors have evaluated its Committees, Individual Directors (i.e. Executive & Non-Executive Director) and the Board itself. The Nomination & Remuneration Committee have also evaluated the individual performance of each Director and found it satisfactorily.

## CORPORATE GOVERNANCE

The Company is having a Paid-up equity share capital not exceeding ₹ 10 crore and Networth not exceeding ₹ 25 crore and hence as per SEBI (LODR) Regulations, 2015, corporate governance requirements provided under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations are not applicable to your Company.

## DIRECTORS' RESPONSIBILITY STATEMENT:

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) & other relevant provisions of the Act.

The Board of Directors of the Company confirms that :

i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departures;

ii) the selected Accounting Policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the losses of the Company for the year ended on that date;

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

iv) the annual accounts have been prepared on a going concern basis;

v) the internal financial controls have been laid down and such internal financial controls are adequate and are operating effectively; and

vi) the Company has adequate internal systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## RELATED PARTY TRANSACTIONS:

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act and SEBI (LODR) Regulations, 2015. There are no materially related party transactions made by the Company with promoters, directors or key managerial personnel etc. during the year which might have potential conflict with the interest of the Company at large. A statement of all related party transactions is placed before the Audit Committee for approval. The details of the transactions with the related parties are provided in the Company's Financial Statement. Note No. 26.

## AUDITORS & AUDITORS' REPORT:

**Statutory Auditors**

M/s. Singhi & Co. Chartered Accountants, were appointed as Statutory Auditors of the Company at the Annual General Meeting held on September 22, 2015 to hold office till the conclusion of the Annual General Meeting for the Financial Year 2018-19, subject to ratification of their appointment by the shareholders, every year. They have confirmed that they are not disqualified from continuing as Auditors of the Company. The Ministry of Corporate Affairs vide its Notification dated 7th May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

There is no qualification, reservation or adverse remark made by the Auditors in their reports to the Standalone Financial Statements for the Financial Year ended 31st March, 2018.

**Secretarial Auditors**

The Board of Directors of the Company had appointed Mrs. Sweety Kapoor, Practicing Company Secretary to carry out secretarial audit for the financial year 2017-18 in terms of the provisions of Section 204(1) of the Companies Act, 2013 and Rules made thereunder. The Secretarial Audit Report for the Financial Year 2017-18 is provided in Annexure - 1 forming part of this report. The Directors would like to state about the observation of the Secretarial Auditor for non-appointment of Company Secretary in the Company – The Company is in the process of appointing Company Secretary as required under the provisions of the Companies Act, 2013.

The Board has reappointed Mrs. Sweety Kapoor, Practicing Company Secretary as Secretarial Auditors of the Company for the Financial Year 2018-19.

## ANNUAL RETURN:

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return as required under Section 92(3) of the Companies Act, 2013 and the Rules made thereunder is provided in Annexure - 2 forming part of this report.

## WHISTLE BLOWER POLICY / VIGIL MECHANISM:

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism to report concerns about unethical behavior or suspected fraud in violation of Company's Code of Conduct or any other point of concern. The policy has been disclosed on the website of the Company and the weblink for the same is http://cochinmalabar.in/whistle_blower.pdf

## INTERNAL FINANICAL CONTROL:

For ensuring methodical and efficient conduct of its business, the Board has adopted policies and procedures. Thus, it ensures safeguarding of assets and resources of the Company, prevention and detention of frauds and errors, accuracy and completeness of the accounting records and timely preparation of financial disclosures.

The Internal Audit of the Company is conducted by a Practicing Company Secretary. The findings of the Internal Audit and the Action Taken Report on the Internal Audit are placed before the Audit Committee which reviews the audit findings, steps taken and the adequacy of Internal Control System.

## RISK MANAGEMENT:

The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined frame work.

## OTHER DISCLOSURES

i) There were no material changes and commitments affecting the financial position of the Company occurring between 31st March, 2018 and the date of this Report.

ii) There is no change in the nature of business of the Company.

iii) There were no significant and material orders passed by regulator or courts or tribunals impacting the going concern status and Company's operation in future.

## POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Board of Directors of the Company has laid down a policy on prevention of sexual harassment at the workplace. Your Company provides a safe and healthy work environment, there were no cases of sexual harassment reported during the year.

## CORPORATE SOCIAL RESPONSIBILITY (CSR) OF THE COMPANY:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 CSR policy does not apply to your Company. Accordingly, your Company has not formed CSR Committee.

## COMPLIANCE OF SECRETARIAL STANDARDS:

Your Company has complied with the applicable provisions of the Secretarial Standards – (SS-1) & (SS-2) on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India.

## STATEMENT PURSUANT TO CLAUSE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

None of the employees of the Company fall within the purview of the information required under Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the Financial Year.

## DISCLOSURE PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for 2017-18 : 1:1.

2. The percentage increase in remuneration of Managing Director, Chief Financial Officer and Company Secretary if any, in the Financial Year 2017-18 : NIL.

3. The percentage increase in the median remuneration of employees in the Financial year 2017-18 : NIL.

4. Number of permanent employees on the roll of the Company as on March 31, 2018 : 2.

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

6. Affirmation that remuneration is as per remuneration policy of the Company : Yes.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Company did not have any manufacturing activity during the Financial Year ended 31/03/2018 and as such information in accordance with the provisions of clause (m) of Sub-section (3) of Section 134 of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not attached.

The Company does not have any Foreign Exchange inflow & outgo during the year.


## ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their appreciation for assistance and cooperation received from the commercial banks and other authorities.


On behalf of the Board

Place: Kolkata
7th May, 2018

**(C.P. Sharma)**
Director

**(Hemant Bangur)**
Director

**Form No. MR-3** **Annexure - 1**

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 Personnel) Rules, 2014]

To,
The Members,
**THE COCHIN MALABAR ESTATES AND INDUSTRIES LIMITED**
21, Strand Road
Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Cochin Malabar Estates And Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Reg. 55A;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (not applicable to the company during the audit period)

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the company during the audit period)

(d) The Securities and Exchange Board of India (Share based employee benefit) Regulations, 2014; (not applicable to the company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the company during the audit period)

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (not applicable to the company during the audit period)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable to the company during the audit period)

(vi) The Company presently has no manufacturing activities as confirmed by the Management of the Company and as such there is no specific law applicable to the Company.

I have also examined compliance with the applicable clauses/Regulations of the following:

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

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

I further confirm that compliance of applicable financial laws including Direct & Indirect Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**The Company has not appointed any Company Secretary as per provisions of Section 203 of the Companies Act, 2013.**

I further report that

A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

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

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

I further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

I further report that during the audit period there were no instances of :

- Public/Rights/Preferential Issue of Shares/Debentures/Sweat Equity, etc.
- Redemption/Buy Back of Securities
- Major decisions taken by the members in pursuance of Section 180 of the Companies Act, 2013
- Merger/Amalgamation/Reconstruction, etc.
- Foreign Technical Collaboration

**Sweety Kapoor**
*Practicing Company Secretary*
FCS No. : 6410
C P No. : 5738

Place : Kolkata
Date : 07/05/2018

*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

**Annexure - A**

To,
The Members
**The Cochin Malabar Estates And Industries Limited**
21, Strand Road
Kolkata – 700 001

My report of even date is to be read along with this letter.

1) Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2) I have followed the audit practices and 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

6) The Secretarial Audit report is neither an assurance as to future viabillity of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Sweety Kapoor**
*Practicing Company Secretary*
FCS No. : 6410
C P No. : 5738

Place : Kolkata
Date : 07/05/2018

**Form No. MGT-9** **Annexure - 2**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31st March, 2018**

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

## I. REGISTRATION AND OTHER DETAILS:

| | | | |
|---|---|---|---|
| i) | CIN | : | L01132WB1991PLC152586 |
| ii) | Registration Date | : | 14/03/1930 |
| iii) | Name of the Company | : | The Cochin Malabar Estates And Industries Limited |
| iv | Category / Sub-Category of the Company | : | Public Company limited by shares |
| v) | Address of the Registered office and contact details | : | 21, Strand Road, Kolkata – 700 001 |
| vi) | Whether listed company Yes / No | : | Yes, at BSE Limited |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | : | Maheshwari Datamatics Private Ltd.<br>23, R.N. Mukherjee Road, 5th Floor,<br>Kolkata – 700 001<br>Phone : (033) 2248-2248<br>Fax No. : (033) 2248-4787<br>E-mail : mdpldc@yahoo.com |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl. No. | Name and Description of main products /services | NIC Code of the Product /service | % to total turnover of the Company |
|---|---|---|---|
| 1 | NOT APPLICABLE | | |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

The Company does not have any Holding, Subsidiary and Associate Companies as on 31st March, 2018.

## 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 (1st April, 2017) | | | | No. of Shares held at the end of the year (31st 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 | 124615 | – | 124615 | 7.0328 | 124615 | – | 124615 | 7.0328 | 0.0000 |
| | b) Central Govt | | | | | | | | | |
| | c) State Govt | | | | | | | | | |
| | d) Bodies Corp. | 986744 | – | 986744 | 55.6882 | 986744 | – | 986744 | 55.6882 | 0.0000 |
| | e) Banks / FI | | | | | | | | | |
| | f) Any Other | | | | | | | | | |
| | **Sub-total (A) (1):** | **1111359** | **–** | **1111359** | **62.7210** | **1111359** | **–** | **1111359** | **62.7210** | **0.0000** |

| | Category of Shareholders | No. of Shares held at the beginning of the year (1st April, 2017) | | | | No. of Shares held at the end of the year (31st March, 2018) | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **2.** | **Foreign** | | | | | | | | | |
| | a) NRIs - Individuals | | | | | | | | | |
| | b) Other – Individuals | | | | | | | | | |
| | c) Bodies Corp. | | | | | | | | | |
| | d) Banks / FI | | | | | | | | | |
| | e) Any Other | | | | | | | | | |
| | **Sub-total (A) (2):-** | | | | | | | | | |
| | **Total shareholding of Promoter (A)=(A)(1)+(A) (2)** | **1111359** | **–** | **1111359** | **62.7210** | **1111359** | **–** | **1111359** | **62.7210** | **0.0000** |
| **B.** | **Public Shareholding** | | | | | | | | | |
| **1.** | **Institutions** | | | | | | | | | |
| | a) Mutual Funds | | | | | | | | | |
| | b) Banks / FI | - | 5724 | 5724 | 0.3230 | - | 5724 | 5724 | 0.3230 | 0.0000 |
| | c) Central Govt. | | | | | | | | | |
| | d) State Govt.(s) | | | | | | | | | |
| | e) Venture Capital Funds | | | | | | | | | |
| | f) Insurance Companies | 321304 | – | 321304 | 18.1332 | 321304 | – | 321304 | 18.1332 | 0.0000 |
| | g) FIIs | | | | | | | | | |
| | h) Foreign Venture Capital Funds | | | | | | | | | |
| | i) Others (specify) | | | | | | | | | |
| | **Sub-total (B)(1):-** | **321304** | **5724** | **327028** | **18.4562** | **321304** | **5724** | **327028** | **18.4562** | **0.0000** |
| **2.** | **Non-Institutions** | | | | | | | | | |
| | a) Bodies Corp. | | | | | | | | | |
| | i) Indian | 131 | 8954 | 9085 | 0.5127 | 1941 | 8954 | 10895 | 0.6149 | 0.1022 |
| | ii) Overseas | | | | | | | | | |
| | b) Individuals | | | | | | | | | |
| | i) Individual shareholders holding nominal share capital upto ₹ 1 lakh | 122118 | 165003 | 287121 | 16.2041 | 114414 | 160020 | 274434 | 15.4881 | (0.7161) |
| | ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 31347 | – | 31347 | 1.7691 | 41900 | – | 41900 | 2.3647 | 0.5956 |
| | c) Others | | | | | | | | | |
| | i) Custodian of Enemy Property | 480 | – | 480 | 0.0271 | 480 | – | 480 | 0.0271 | 0.0000 |
| | ii) Clearing Member | 475 | – | 475 | 0.0268 | 799 | – | 799 | 0.0451 | 0.0183 |
| | iii) Non Resident Individual | 320 | 4693 | 5013 | 0.2829 | 320 | 4693 | 5013 | 0.2829 | 0.0000 |
| | **Sub-total (B)(2) :-** | **154871** | **178650** | **333521** | **18.8227** | **159854** | **173667** | **333521** | **18.8228** | **0.0000** |
| | **Total Public Shareholding (B)=(B)(1)+(B)(2)** | **476175** | **184374** | **660549** | **37.2789** | **481158** | **179391** | **660549** | **37.2789** | **0.0000** |
| **C.** | **Shares held by Custodian for GDRs & ADRs** | | | | | | | | | |
| | Promoter and Promoter Group | | | | | | | | | |
| | Public | | | | | | | | | |
| | **Grand Total (A+B+C)** | **1587534** | **184374** | **1771908** | **100.000** | **1592517** | **179391** | **1771908** | **100.000** | - |

## ANNEXURE TO THE DIRECTORS' REPORT *(Contd.)*

(ii) Shareholding of Promoters (including Promoter Group)

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of 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 | % change in shareholding during the year |
| 1 | Hemant Bangur | 29719 | 1.6772 | - | 29719 | 1.6772 | - | - |
| 2 | Pushpa Devi Bangur | 1000 | 0.0564 | - | 1000 | 0.0564 | - | - |
| 3 | Hemant Kumar Bangur HUF | 92396 | 5.2145 | - | 92396 | 5.2145 | - | - |
| 4 | Vinita Bangur | 500 | 0.0282 | - | 500 | 0.0282 | - | - |
| 5 | Pranov Bangur | 500 | 0.0282 | - | 500 | 0.0282 | - | - |
| 6 | Gopal Das Bangur HUF | 500 | 0.0282 | - | 500 | 0.0282 | - | - |
| 7 | Joonktollee Tea & Industries Ltd. | 437294 | 24.6793 | - | 437294 | 24.6793 | - | - |
| 8 | The Oriental Company Ltd. | 323447 | 18.2542 | - | 323447 | 18.2542 | - | - |
| 9 | Madhav Trading Corporation Ltd. | 127064 | 7.1710 | - | 127064 | 7.1710 | - | - |
| 10 | Kettlewell Bullen & Company Ltd. | 98939 | 5.5838 | - | 98939 | 5.5838 | - | - |
| | **Total** | **1111359** | **62.7210** | **-** | **1111359** | **62.7210** | **-** | **-** |

(iii) Change in Promoters (including Promoter Group) Shareholding

| Sl. No. | Shareholder's 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 |
| NO CHANGE IN THE PROMOTERS SHAREHOLDING DURING THE YEAR | | | | | |

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

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning 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** | | | | |
| | a) At the Beginning of the Year | 304442 | 17.1816 | | |
| | b) Changes during the Year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 304442 | 17.1816 |
| 2 | **United India Insurance Company Ltd.** | | | | |
| | a) At the Beginning of the Year | 16862 | 0.9516 | | |
| | b) Changes during the year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 16862 | 0.9516 |

| Sl. No. | For Each of the Top 10 Shareholders | 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 | **Hitesh Ramji Javeri** | | | | |
| | a) At the Beginning of the Year | 17160 | 0.9684 | 17160 | 0.9684 |
| | b) Changes during the year | | | | |
| | As on 07/04/2017 – Buy | 125 | 0.0071 | 17285 | 0.9755 |
| | As on 28/04/2017 – Buy | 1741 | 0.0983 | 19026 | 1.0738 |
| | As on 28/07/2017 – Buy | 45 | 0.0025 | 19071 | 1.0763 |
| | As on 04/08/2017 – Buy | 50 | 0.0028 | 19121 | 1.0791 |
| | As on 15/09/2017 – Buy | 794 | 0.0448 | 19915 | 1.1239 |
| | As on 15/12/2017 – Buy | 1072 | 0.0605 | 20987 | 1.1844 |
| | As on 29/12/2017 – Buy | 13 | 0.0007 | 21000 | 1.1852 |
| | As on 12/01/2018 – Buy | 400 | 0.0226 | 21400 | 1.2077 |
| | c)At the end of the Year | | | 21400 | 1.2077 |
| 4 | **Harsha Hitesh Javeri** | | | | |
| | a) At the Beginning of the Year | 14187 | 0.8007 | 14187 | 0.8007 |
| | b) Changes during the year | | | | |
| | As on 14/04/2017 – Buy | 300 | 0.0169 | 14487 | 0.8176 |
| | As on 21/04/2017 – Buy | 50 | 0.0028 | 14537 | 0.8204 |
| | As on 28/04/2017 – Buy | 100 | 0.0056 | 14637 | 0.8261 |
| | As on 28/07/2017 – Buy | 180 | 0.0102 | 14817 | 0.8362 |
| | As on 22/09/2017 – Buy | 400 | 0.0226 | 15217 | 0.8588 |
| | As on 29/12/2017 – Buy | 783 | 0.0442 | 16000 | 0.9030 |
| | As on 23/02/2018 – Buy | 4500 | 0.2540 | 20500 | 1.1569 |
| | c) At the end of the Year | | | 20500 | 1.1569 |
| 5 | **Savitri Bhatter** | | | | |
| | a) At the Beginning of the Year | 7732 | 0.4364 | - | - |
| | b) Changes during the Year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 7732 | 0.4364 |
| 6 | **Dilnavaz S Variava** | | | | |
| | a) At the Beginning of the Year | 7600 | 0.4289 | - | - |
| | b) Changes during the Year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 7600 | 0.4289 |
| 7 | **Firdaus S Variava** | | | | |
| | a) At the Beginning of the Year | 7561 | 0.4267 | 7561 | 0.4267 |
| | b) Changes during the Year | | | | |
| | As on 28/07/2017 – Sell | (180) | (0.0102) | 7381 | 0.4166 |
| | c) At the end of the Year | | | 7381 | 0.4166 |
| 8 | **Naira J Jejeebhoy** | | | | |
| | a) At the Beginning of the Year | 7550 | 0.4261 | - | - |
| | b) Changes during the Year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 7550 | 0.4261 |

## ANNEXURE TO THE DIRECTORS' REPORT *(Contd.)*

| Sl. No. | For Each of the Top 10 Shareholders | 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 |
| 9 | **Navratan Damani** | | | | |
| | a) At the Beginning of the Year | 5000 | 0.2822 | | |
| | b) Changes during the Year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 5000 | 0.2822 |
| 10 | **Navratan Damani (HUF)** | | | | |
| | a) At the Beginning of the Year | 5000 | 0.2822 | | |
| | b) Changes during the year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 5000 | 0.2822 |
| 11 | **Sarladevi Damani** | | | | |
| | a) At the Beginning of the Year | 5000 | 0.2822 | | |
| | b) Changes during the year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 5000 | 0.2822 |
| 12 | **Pallavi G Damani** | | | | |
| | a) At the Beginning of the Year | 5000 | 0.2822 | | |
| | b) Changes during the year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 5000 | 0.2822 |
| 13 | **Giriraj Navratan Damani** | | | | |
| | a) At the Beginning of the Year | 5000 | 0.2822 | | |
| | b) Changes during the year | NO CHANGE DURING THE YEAR | | | |
| | c) At the end of the Year | | | 5000 | 0.2822 |

**NOTE :** The above information is based on the weekly beneficiary position received from Depositories.

- Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) :

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Name of the Director & Key Managerial Personnel | 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 | **Mr. Hemant Bangur (Director)** | | | | |
| | a)At the Beginning of the Year | 29719 | 1.6772 | | |
| | b)Changes during the Year | NO CHANGE DURING THE YEAR | | | |
| | c)At the end of the Year | | | 29719 | 1.6772 |
| 2 | **Mr. C.P. Sharma (Director)** | | | | |
| | a)At the Beginning of the Year | 100 | 0.0056 | | |
| | b)Changes during the Year | NO CHANGE DURING THE YEAR | | | |
| | c)At the end of the Year | | | 100 | 0.0056 |

## V. INDEBTEDNESS

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

| | Secured Loans Excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year** | | | | |
| i) Principal Amount | — | 85,00,000 | — | 85,00,000 |
| ii) Interest due but not paid | — | — | — | — |
| iii) Interest accrued but not due | — | — | — | — |
| **Total (i+ii+iii)** | — | 85,00,000 | — | 85,00,000 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | — | 1,00,00,000 | — | 1,00,00,000 |
| • Reduction | — | 35,00,000 | — | 35,00,000 |
| **Net Change** | — | 65,00,000 | — | 65,00,000 |
| **Indebtedness at the end of the financial year** | | | | |
| i) Principal Amount | — | 1,50,00,000 | — | 1,50,00,000 |
| ii) Interest due but not paid | — | — | — | — |
| iii) Interest accrued but not due | — | — | — | — |
| **Total (i+ii+iii)** | — | **1,50,00,000** | — | **1,50,00,000** |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in ₹)

| Sl. No. | Particulars of Remuneration | Name of Wholetime Director | Total Amount |
|---|---|---|---|
| | | **Shri R. K. Gupta** | |
| 1. | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 12,000 | 12,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | — | — |
| | (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 | — | — |
| 5. | Others | — | — |
| | Total (A) | 12,000 | 12,000 |
| | Ceiling as per the Act | Minimum remuneration paid as per approval accorded by Shareholders in their meeting held on 22.09.2015 in accordance with Part II of Schedule V to the Companies Act, 2013 | |

B. Remuneration to other directors: (Amount in ₹)

| Particulars of Remuneration | Name of Directors | | | Total Amount (In Rupees) |
|---|---|---|---|---|
| | Mr. B.L. Surana | Mrs. Tara Purohit | | |
| **Independent Directors** | | | | |
| • Fee for attending board / committee meetings | 34,000 | 10,000 | | 44,000 |
| • Commission | — | — | | — |
| • Others | — | — | | — |
| **Total (1)** | **34,000** | **10,000** | | **44 ,000** |
| **Other Non-Executive Directors** | **Mr. P.J. Bhide** | **Mr. C.P. Sharma** | **Mr. Hemant Bangur*** | |
| • Fee for attending board / committee meetings | 34,000 | 14,000 | 4,000 | 52,000 |
| • Commission | — | — | — | — |
| • Others | — | — | — | — |
| **Total (2)** | **34,000** | **14,000** | 4,000 | **52,000** |
| **Total (B)=(1+2)** | | | | **96,000** |
| Total Managerial Remuneration | | | | 1,08,000 |
| Overall Ceiling as per the Act | The Independent & Other Non-Executive Directors have only been paid fees for attending meeting which are not includible in the ceiling as per provisions of Section 197(5) of the Companies Act, 2013 | | | |

* w.e.f 1st September, 2017

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

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | |
|---|---|---|---|---|
| | | CFO Mr. A.K. Ruia | Company Secretary | Total |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961 | 12,000 | — | 12,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | — | — | — |
| | (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 | — | — | — |
| 5. | Others | — | — | — |
| Total | | 12,000 | — | 12,000 |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There was no penalty/punishment/compounding fee imposed on the Company, its Directors or other Officers of the Company under the provisions of the Companies Act, 2013 during the year ended 31st March, 2018.

To the Members of
**The Cochin Malabar Estates And Industries Limited**

## Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of THE COCHIN MALABAR ESTATES AND INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015, as amended, and other accounting principles generally accepted in India.

   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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

## Opinion

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

### Other Matter

7. The corresponding financial information of the Company as at and for the year ended 31 March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the previously issued financial statements for the year ended 31st March, 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which an unmodified opinion was expressed vide our audit report dated 3rd May 2017. These financial statements have been adjusted for differences in accounting principles to comply with Ind AS and such adjustments on transition to Ind AS, which has been approved by the Company's Board of Directors, have been audited by us.

   Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

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

9. As required by Section 143(3) of the Act, based on our audit, 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.

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

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

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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 has disclosed the impact of pending litigations on its financial position in its financial statements as stated in note no. 24 to the financial statement;

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

   iii. The provisions relating to transferring any amount to the Investor Education and Protection fund is not applicable to the company during the year.

For **Singhi & Co.**
*Chartered Accountants*
Firm's Registration No. 302049E
**Gopal Jain**
Partner
Membership No. 059147

Place: Kolkata
Date: 7th May, 2018

**(Referred to in paragraph 8 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to Statutory Audit of The Cochin Malabar Estates And Industries Limited for the year ended 31st March, 2018)**

We report that:

i. In respect of its fixed assets:

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

b) As explained to us, fixed assets have been physically verified during the year by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification except for rubber wood factory where physical verification could not be taken place due to closure of factory. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. No inventories were held by the company at the close of the year and hence the requirements of clause (ii) of the Order are not applicable.

iii. The Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of the order is not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has not made any loans or investments during the year. The Company has neither issued any guarantee nor has provided any security on behalf of any party.

v. According to information and explanations given to us, the Company has not accepted any deposits from public during the year.

vi. As the Rubber Wood factory are not under operation, Cost records and books of accounts prescribed by the Government of India under sub-section (1) of Section 148 of the Act were not maintained as the need for maintaining the Cost records did not arise during the year.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, goods & service Tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the dues of sales tax, income tax, duty of customs, duty of excise, service tax and value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending as on 31st March, 2018 are as under :-

| Name of the Statute | Nature of Dues | Amount (₹) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Central Sales Tax, 1956 | CST levy on Rubber Cess | 2,13,331 | 1988-89 to 1992-93 | Supreme Court of India |
| Income Tax, 1961 | Demand U/S 156 | 50,67,096 | 2015-16 | Commissioner of Income-tax (Appeals) |

viii. Based on our audit procedures and on the basis of information and explanations given by the management, the Company did not have any outstanding debentures or dues to the financial institutions/Bank during the year.

ix. In our opinion and according to the information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments), however short term loans raised during the year have been utilised for the purposes for which they were raised.

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

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

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

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

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

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

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

For **Singhi & Co.**
*Chartered Accountants*
Firm's Registration No. 302049E
**Gopal Jain**
Partner
Membership No. 059147

Place: Kolkata
Date: 7th May, 2018

**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 COCHIN MALABAR ESTATES & INDUSTRIES LIMITED ("the Company")** as of 31st March, 2018 in conjunction with our audit of the 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.

## AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.**
*Chartered Accountants*
Firm's Registration No. 302049E
**Gopal Jain**
Partner
Membership No. 059147

Place: Kolkata
Date: 7th May, 2018

## BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹)

| | Note No. | As at 31st March, 2018 | | As at 31st March, 2017 | | As at 1st April, 2016 | |
|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | |
| **1 NON-CURRENT ASSETS** | | | | | | | |
| a Property, Plant and Equipment | **5** | | 50,82,454 | | 51,12,722 | | 51,45,194 |
| b Non-Current Tax Assets | **6** | 15,38,709 | | 2,77,820 | | 5,47,959 | |
| c Other Non-Current Assets | **7** | 56,448 | 15,95,157 | 56,448 | 3,34,268 | 56,448 | 6,04,407 |
| **2 CURRENT ASSETS** | | | | | | | |
| a Financial Assets | | | | | | | |
| i. Cash and Cash Equivalents | **8** | 2,50,853 | | 12,47,045 | | 2,32,357 | |
| ii. Bank balances other than Note 8 | **9** | 9,10,000 | | 10,000 | | 9,10,000 | |
| iii. Other Financial Assets | **10** | 6,762 | | 6,244 | | 16,602 | |
| b Other Current Assets | **11** | 5,37,000 | 17,04,615 | 4,00,000 | 16,63,289 | - | 11,58,959 |
| **Total Assets** | | | **83,82,226** | | **71,10,279** | | **69,08,560** |
| **EQUITY AND LIABILITIES** | | | | | | | |
| **1 EQUITY** | | | | | | | |
| a Equity Share Capital | **12** | 1,77,19,080 | | 1,77,19,080 | | 1,77,19,080 | |
| b Other Equity | **13** | (2,44,15,030) | (66,95,950) | (2,15,02,517) | (37,83,437) | (1,65,56,578) | 11,62,502 |
| **LIABILITIES** | | | | | | | |
| **2 CURRENT LIABILITIES** | | | | | | | |
| **a** Financial Liabilities | | | | | | | |
| i. Borrowings | **14** | 1,50,00,000 | | 85,00,000 | | 55,00,000 | |
| ii. Trade Payables | **15** | | | | | | |
| Total outstanding dues of creditors to micro enterprises and small enterprises | | - | | - | | - | |
| Total outstanding dues of creditor to other than micro enterprises and small enterprises | | 71,551 | | 21,99,966 | | 74,735 | |
| iii. Other Financial Liabilities | **16** | - | | - | | 1,47,688 | |
| b Other Current Liabilities | **17** | 6,625 | 1,50,78,176 | 1,93,750 | 1,08,93,716 | 23,635 | 57,46,058 |
| **Total Equity and Liabilities** | | | **83,82,226** | | **71,10,279** | | **69,08,560** |

| | |
|---|---|
| Basis of preparation and presentation of Financial Statement | 2 |
| Significant Accounting Policies | 3 |
| Significant Judgements & Key Estimates | 4 |

The Notes are an integral part of the Financial Statements

As per our Report annexed
For and on behalf of
**SINGHI & CO.**
*Chartered Accountants*
Firm Regn. No. 302049E
**Gopal Jain**
*Partner*
Membership No. 059147
Place: Kolkata
Date : 7th May, 2018

**Arun Kumar Ruia**
*Chief Financial Officer*

For and on behalf of Board of Directors

**Hemant Bangur** *Director (DIN : 00040903)*
**P. J. Bhide** *Director (DIN : 00012326)*
**B. L. Surana** *Director (DIN : 00005900)*
**Tara Purohit** *Director (DIN : 00658659)*
**C. P. Sharma** *Director (DIN : 00258646)*
**R. K. Gupta** *Wholetime Director (DIN : 06701619)*

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

| | Note No. | For the year ended 31st March, 2018 | For the year ended 31st March, 2017 |
|---|---|---|---|
| **INCOME** | | | |
| Other Income | 18 | 63,914 | 65,980 |
| **Total Income** | | **63,914** | **65,980** |
| **EXPENSES** | | | |
| Employee Benefits Expense | 19 | 24,000 | 24,000 |
| Finance Costs | 20 | 14,48,268 | 7,78,849 |
| Depreciation and Amortisation Expense | 21 | 30,268 | 32,472 |
| Other Expenses | 22 | 14,73,891 | 41,76,598 |
| **Total Expenses** | | **29,76,427** | **50,11,919** |
| Profit before Exceptional Items and Tax | | (29,12,513) | (49,45,939) |
| Exceptional Items | | - | - |
| **Profit before Tax** | | **(29,12,513)** | **(49,45,939)** |
| **Tax Expense:** | | | |
| Current Tax | | - | - |
| Deferred Tax | | - | - |
| **Profit/(Loss) for the year** | | **(29,12,513)** | **(49,45,939)** |
| **Other Comprehensive Income (net of tax)** | | | |
| Items that will not be reclassified subsequently to profit or loss | | - | - |
| Items that will be reclassified subsequently to profit or loss | | - | - |
| **Total Other Comprehensive Income** | | **-** | **-** |
| Total Comprehensive Income for the period (comprising Profit/(Loss) and other comprehensive income for the period | | (29,12,513) | (49,45,939) |
| Earnings Per Share | 23 | (1.64) | (2.79) |

| | |
|---|---|
| Basis of preparation and presentation of Financial Statement | 2 |
| Significant Accounting Policies | 3 |
| Significant Judgements & Key Estimates | 4 |

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Place: Kolkata
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## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

**a) Equity Share Capital**

| | |
|---|---:|
| Balance as at 1st April 2016 | 1,77,19,080 |
| Add/(Less): Changes in Equity Share Capital during the year | - |
| Balance as at 31st March 2017 | 1,77,19,080 |
| Add/(Less): Changes in Equity Share Capital during the year | - |
| **Balance as at 31st March 2018** | **1,77,19,080** |

**b) Other Equity**

| Particulars | Reserve & Surplus | | Total |
|---|---|---|---|
| | Capital Redemption Reserve | Retained Earnings | |
| Balance as at 1st April, 2016 | 1,13,300 | (1,66,69,878) | (1,65,56,578) |
| Profit/(Loss) for the year | | (49,45,939) | |
| Other Comprehensive Income | | | |
| **Total Comprehensive Income for the year** | **-** | **(49,45,939)** | **(49,45,939)** |
| **Balance as at 31st March, 2017** | **1,13,300** | **(2,16,15,817)** | **(2,15,02,517)** |
| Profit/(Loss) for the year | | (29,12,513) | |
| Other Comprehensive Income | | | |
| **Total Comprehensive Income for the year** | **-** | **(29,12,513)** | **(29,12,513)** |
| **Balance as at 31st March, 2018** | **1,13,300** | **(2,45,28,330)** | **(2,44,15,030)** |

The Notes are an integral part of the Financial Statements

As per our Report annexed
For and on behalf of
**SINGHI & CO.**
*Chartered Accountants*
Firm Regn. No. 302049E
**Gopal Jain**
*Partner*
Membership No. 059147
Place: Kolkata
Date : 7th May, 2018

**Arun Kumar Ruia**
*Chief Financial Officer*

For and on behalf of Board of Directors

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**R. K. Gupta** *Wholetime Director (DIN : 06701619)*

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

| | | 2017-18 | 2016-17 |
|---|---|---|---|
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | **Net Profit/(Loss) After Extraordinary Item & Before Tax** | **(29,12,513)** | **(49,45,939)** |
| | **Adjustments For:** | | |
| | Depreciation & Amortisation | 30,268 | 32,472 |
| | Finance Cost | 14,48,268 | 7,78,849 |
| | Interest Received | (34,530) | (62,031) |
| | **Operating Profit/(Loss) Before Working Capital Changes** | **(14,68,507)** | **(41,96,649)** |
| | **Adjustments For:** | | |
| | (Increase)/Decrease In Loans, Other Financial Assets & Other Assets | (1,37,000) | (1,29,861) |
| | Increase/(Decrease) In Trade Payables & Other Liability | (23,15,540) | 22,95,346 |
| | **Cash Generated From Operations** | **(39,21,047)** | **(20,31,164)** |
| | Less : Direct Taxes | 12,60,889 | (45,692) |
| | **Net Cash From Operating Activities** | **(51,81,936)** | **(19,85,472)** |
| **B.** | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Interest Received | 34,012 | 26,697 |
| | Deposit with Banks | (9,10,000) | – |
| | **Net Cash Flow From Investing Activities** | **(8,75,988)** | **26,697** |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Short Term Borrowings (Net) | 65,00,000 | 30,00,000 |
| | Interest Paid | (14,48,268) | (9,26,537) |
| | **Net Cash Flow From Financing Activities** | **50,51,732** | **20,73,463** |
| | **Net Change In Cash & Cash Equivalents (A+B+C)** | **(10,06,192)** | **1,14,688** |
| | Cash And Cash Equivalents As On 31-03-2018 | **2,50,853** | **12,57,045** |
| | Less: Cash And Cash Equivalents As On 31-03-2017 | **12,57,045** | **11,42,357** |
| | | **(10,06,192)** | **1,14,688** |

**Notes :**

a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

b) Figures for the previous year have been re-grouped wherever considered necessary.

c) The Notes are an integral part of the Standalone Financial Statements.

d) Cash and cash equivalent consists of :

| Particulars | 2017-2018 | 2016-2017 |
|---|---|---|
| Cash on hand | 7,896 | 3,350 |
| Bank Balance | 2,42,957 | 12,53,695 |
| **TOTAL** | **2,50,853** | **12,57,045** |

| | |
|---|---|
| Basis of preparation and presentation of Financial Statement | 2 |
| Significant Accounting Policies | 3 |
| Significant Judgements & Key Estimates | 4 |

The Notes are an integral part of the Financial Statements

As per our Report annexed
For and on behalf of
**SINGHI & CO.**
*Chartered Accountants*
Firm Regn. No. 302049E
**Gopal Jain**
*Partner*
Membership No. 059147
Place: Kolkata
Date : 7th May, 2018

**Arun Kumar Ruia**
*Chief Financial Officer*

For and on behalf of Board of Directors

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**C. P. Sharma** *Director (DIN : 00258646)*
**R. K. Gupta** *Wholetime Director (DIN : 06701619)*

## 1. CORPORATE AND GENERAL INFORMATION

The Cochin Malabar Estates And Industries Limited ("The Company") is a public limited company domiciled and incorporated in India under the Indian Companies Act 1913 and has its listing on the BSE Limited. The registered office of the Company is situated at 21, Strand Road, Kolkata, West Bengal. The Company's Rubberwood factory has not been in operation pursuant to notice received from the Deputy Conservator of Forests (Protection), Trivandrum.

## 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

### 2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements for all periods up to and including the year ended 31st March, 2017, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP"). These financial statements for the year ended 31st March, 2018 are the first Ind AS Financial Statements with comparatives, prepared under Ind AS. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at 1st April, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First Time Adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note No. 27. Certain of the Company's Ind-AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2016 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arising from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1st April, 2016 as required by Ind- AS 101. The financial statements of the Company for the year ended 31st March, 2018 has been approved by the Board of Directors in their meeting held on 7th May, 2018.

### 2.2. Basis of Measurement

The Company maintains accounts on accrual basis following the historical cost convention.

### 2.3. Functional and Presentation Currency

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

### 2.4. Use of Estimates and Judgements

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

### 2.5. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule

III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

**2.6. Operating Cycle for current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

**2.7. Measurement of Fair Values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

**2.8. Recent Accounting Pronouncement**

**New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below:**

On 28th March, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contracts with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April 2018.

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

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from contract with customers. The principle of Ind AS 115 is that an entity should recognise revenue that demonstrates the transfer of promised goods and services to the customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Based on preliminary assessment performed by the Company, the impact of the application of the standard is not expected to be material.

**b) Amendment to Existing issued Ind AS**

i. Ind AS 12 - Income Taxes

ii. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

iii. Ind AS 28 - Investment in Associates and Joint Ventures

iv. Ind AS 112 - Disclosure of Interests in Other Entities

The impact of the above standards on the financial statements, as assessed by the Company, is not expected to be material.

## 3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

### 3.1. CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, term deposits and other short-term highly liquid investments, net of bank overdrafts as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within short term borrowings in the balance sheet.

### 3.2. INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognised in the statement of profit & loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**3.2.1. Current Tax:**

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

**3.2.2. Deferred Tax**

- Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**3.3. PROPERTY, PLANT AND EQUIPMENT**

**3.3.1. Tangible Assets**

**3.3.1.1. Recognition and Measurement:**

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

**3.3.1.2. Subsequent Measurement:**

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

**3.3.1.3. Depreciation and Amortization:**

- Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.
- In case of asset "Fences, wells, tube wells", depreciation has been provided on written down value method at the rates determined considering the useful lives of 15 years which is based on assessment carried out by external valuers and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.
- In respect of spares for specific machinery, cost is amortized over the useful life of the related machinery as estimated by the management.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**3.3.1.4. Disposal of Assets**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

**3.3.1.5. Capital Work in Progress**

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

**3.4. REVENUE RECOGNITION**

Revenue is recognised based to the extent it is probable that the economic benefit will flow to the company and revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, and excludes taxes & duties collected on behalf of the Government and is reduced for estimated customer returns, rebates and other similar allowances.

**3.4.1. Other Income:**

**3.4.1.1. Interest Income:** For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

**3.4.1.2. Other Income:** Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

**3.5. EMPLOYEE BENEFITS**

**3.5.1. Short Term Benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

**3.6. GOVERNMENT GRANTS**

Government grants are recognised at their fair value, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant relating to the acquisition/ construction of an item of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the same systematic basis as the respective assets are depreciated over their expected life and are presented within other operating income.

**3.7. BORROWING COSTS**

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

**3.8. FINANCIAL INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**3.8.1. Financial Assets**

- Recognition and Initial Measurement:

  All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- Classification and Subsequent Measurement:

  For purposes of subsequent measurement, financial assets are classified in four categories:

  - Measured at Amortized Cost;
  - Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
  - Measured at Fair Value Through Profit or Loss (FVTPL); and
  - Equity Instruments designated at Fair Value Through Other Comprehensive Income (FVTOCI).

- o Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

    After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- o Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

    Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- o Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.

- o Equity Instruments designated at FVTOCI : For equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

  ➢ Derecognition:

  The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

  ➢ Impairment of Financial Assets:

  The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**3.8.2. Financial Liabilities**

- Recognition and Initial Measurement:

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- Subsequent Measurement:

  Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

- Derecognition:

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**3.8.3. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

**3.9. Earnings Per Share**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**3.10. Impairment of Non-Financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

**3.11. Provisions, Contingent Liabilities and Contingent Assets**

**3.11.1. Provisions**

Provisions are recognized when there is a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

**3.11.2. Contingent Liabilities**

Contingent liability is a possible obligation arising from past events and 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 but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

**3.11.3. Contingent Assets**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

## 4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018 *(Contd.)*

**(₹ in lacs)**

**5. PROPERTY, PLANT AND EQUIPMENT**

| Particulars | Year Ended 31st March 2018 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Gross Carrying Amount | | | | Accumulated Depreciation | | | | Net Carrying Amount |
| | As at 31st March 2017 | Additions | Disposals | As at 31st March 2018 | As at 31st March 2017 | Depreciation charged during the year | Deductions | As at 31st March 2018 | |
| Land-Freehold | 30,42,930 | - | - | 30,42,930 | - | - | - | - | 30,42,930 |
| Buildings | 16,55,775 | - | - | 16,55,775 | 32,472 | 30268 | - | **62,740** | 15,93,035 |
| Plant and Equipment | 4,43,302 | - | - | 4,43,302 | - | - | - | - | 4,43,302 |
| Roads and bridges | 3,187 | - | - | 3,187 | - | - | - | - | 3,187 |
| **Total** | **51,45,194** | **-** | **-** | **51,45,194** | **32,472** | **30,268** | **-** | **62,740** | **50,82,454** |

| Particulars | Year Ended 31st March 2017 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Gross Carrying Amount | | | | Accumulated Depreciation | | | | Net Carrying Amount |
| | Deemed cost as at 1st April 2016 | Additions | Disposals | As at 31st March 2017 | As at 1st April 2016 | Depreciation charged during the year | Deductions | As at 31st March 2017 | |
| Land-Freehold | 30,42,930 | - | - | 30,42,930 | - | - | - | - | 30,42,930 |
| Buildings | 16,55,775 | - | - | 16,55,775 | - | 32,472 | - | **32,472** | 16,23,303 |
| Plant and Equipment | 4,43,302 | - | - | 4,43,302 | - | - | - | **-** | 4,43,302 |
| Roads and bridges | 3,187 | - | - | 3,187 | - | - | - | **-** | 3,187 |
| **Total** | **51,45,194** | **-** | **-** | **51,45,194** | **-** | **32,472** | **-** | **32,472** | **51,12,722** |

**Notes:**

The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date as deemed cost.

(Amount in ₹)

| | As at 31st March 2018 | As at 31st March 2017 | As at 1st April 2016 |
|---|---|---|---|
| **6 NON CURRENT TAX ASSETS (NET)** | | | |
| Advance Income Tax/TDS (Net of Provision) | 15,38,709 | 2,77,820 | 5,47,959 |
| | **15,38,709** | **2,77,820** | **5,47,959** |

| | | | |
|---|---|---|---|
| **7 OTHER NON CURRENT ASSETS** | | | |
| Balances with Government & Statutory Authorities * | 56,448 | 56,448 | 56,448 |
| **Total Other Assets** | **56,448** | **56,448** | **56,448** |

* Includes payment under protest ₹ 56,448/- (2017: ₹ 56,448/-, 2016: ₹ 56,448/-)

| | | | |
|---|---|---|---|
| **8 CASH AND CASH EQUIVALENTS** | | | |
| Balances With Banks : | | | |
| In Current Account | 2,42,957 | 12,43,695 | 2,25,126 |
| Cash in Hand | 7,896 | 3,350 | 7,231 |
| | **2,50,853** | **12,47,045** | **2,32,357** |

| | | | |
|---|---|---|---|
| **9 BANK BALANCES (OTHER THAN NOTE: 8)** | | | |
| Fixed Deposit with Banks | 9,10,000 | 10,000 | 9,10,000 |
| Fixed Deposit Pledged with Sales Tax authorities ₹ 10,000/- (2017: ₹ 10000/-, 2016: ₹ 10000/-) | **9,10,000** | **10,000** | **9,10,000** |

| | | | |
|---|---|---|---|
| **10 OTHERS FINANCIAL ASSETS** | | | |
| Interest accrued on Fixed deposit | 6,762 | 6,244 | 16,602 |
| | **6,762** | **6,244** | **16,602** |

| | | | |
|---|---|---|---|
| **11 OTHER CURRENT ASSETS** | | | |
| Advances to Suppliers & Service Providers | 5,37,000 | 4,00,000 | - |
| **Total Other Assets** | **5,37,000** | **4,00,000** | **-** |

| | | As at 31st March 2018 | | As at 31st March 2017 | | As at 1st April 2016 | |
|---|---|---|---|---|---|---|---|
| | | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount |
| **12** | **EQUITY SHARE CAPITAL** | | | | | | |
| 12.1 | **Authorised Share Capital** | | | | | | |
| | **Equity Shares:** | | | | | | |
| | Ordinary Shares of ₹ 10/- each | 49,50,000 | 4,95,00,000 | 49,50,000 | 4,95,00,000 | 49,50,000 | 4,95,00,000 |
| | **Preference Shares:** | | | | | | |
| | 12% Cumulative Preference Shares of ₹ 100/- each | 5,000 | 5,00,000 | 5,000 | 5,00,000 | 5,000 | 5,00,000 |
| | | | **5,00,00,000** | | **5,00,00,000** | | **5,00,00,000** |
| 12.2 | **Issued Share Capital** | | | | | | |
| | Ordinary Shares of ₹ 10/- each | 17,71,908 | 1,77,19,080 | 17,71,908 | 1,77,19,080 | 17,71,908 | 17,71,90,800 |
| | | **17,71,908** | **1,77,19,080** | **17,71,908** | **1,77,19,080** | **17,71,908** | **17,71,90,800** |
| 12.3 | **Subscribed and Paid-up Share Capital** | | | | | | |
| | Ordinary Shares of ₹ 10/- each fully paid-up | 17,71,908 | 1,77,19,080 | 17,71,908 | 1,77,19,080 | 17,71,908 | 1,77,19,080 |
| | | **17,71,908** | **1,77,19,080** | **17,71,908** | **1,77,19,080** | **17,71,908** | **1,77,19,080** |

(Amount in ₹)

**12.4 Reconciliation of the number of shares at the beginning and at the end of the year**

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

**12.5 Terms/ Rights attached to Equity Shares :**

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

**12.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company**

The Company does not have any Holding Company or Ultimate Holding Company.

**12.7 Details of Equity Shareholders holding more than 5% shares in the Company**

| | As at 31st March 2018 | | As at 31st March 2017 | | As at 1st April 2016 | |
|---|---|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding | No. of Shares | % Holding |
| **Ordinary Shares of ₹ 10/- each fully paid** | | | | | | |
| Joonktollee Tea and Industries Limited | 4,37,294 | 24.68% | 4,37,294 | 24.68% | 4,37,294 | 24.68% |
| The Oriental Company Limited | 3,23,447 | 18.25% | 3,23,447 | 18.25% | 3,23,447 | 18.25% |
| Life Insurance Corporation of India | 3,04,442 | 17.18% | 3,04,442 | 17.18% | 3,04,442 | 17.18% |
| Madhav Trading Corporation Limited | 1,27,064 | 7.17% | 1,27,064 | 7.17% | 1,27,064 | 7.17% |
| Kettlewell Bullen and Company Limited | 98,939 | 5.58% | 98,939 | 5.58% | 98,939 | 5.58% |
| Hemant Kumar Bangur HUF | 92,396 | 5.21% | 92,396 | 5.21% | - | - |
| The Cambay Investment Corporation Limited | - | - | - | - | 1,00,846 | 5.69% |

**12.8** No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

**12.9** No Ordinary Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

**12.10** No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

**12.11** No calls are unpaid by any Director or Officer of the Company during the year.

| | | As at 31st March 2018 | As at 31st March 2017 | As at 1st April 2016 |
|---|---|---|---|---|
| **13 OTHER EQUITY** | | | | |
| Capital Redemption Reserve | 13.1 | 1,13,300 | 1,13,300 | 1,13,300 |
| Retained Earnings | 13.2 | (2,45,28,330) | (2,16,15,817) | (1,66,69,878) |
| | | **(2,44,15,030)** | **(2,15,02,517)** | **(1,65,56,578)** |

a) Capital Redemption Reserve: The Company has recognised Capital Redemption Reserve on redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed.

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

(Amount in ₹)

**13.1 Capital Redemption Reserve**

| | As at 31st March 2018 | As at 31st March 2017 |
|---|---|---|
| Balance at the beginning and at the end of the year | 1,13,300 | 1,13,300 |

**13.2 Retained Earnings**

| | | |
|---|---|---|
| Balance at the beginning of the year | (2,16,15,817) | (1,66,69,878) |
| Add: Profit for the year | (29,12,513) | (49,45,939) |
| Balance at the end of the year | (2,45,28,330) | (2,16,15,817) |
| **Total Reserve & Surplus** | **(2,44,15,030)** | **(2,15,02,517)** |

| | As at 31st March 2018 | As at 31st March 2017 | As at 1st April 2016 |
|---|---|---|---|
| **14 CURRENT BORROWINGS** | | | |
| **Unsecured** | 1,50,00,000 | 85,00,000 | 55,00,000 |
| Loan from Body Corporates | **1,50,00,000** | **85,00,000** | **55,00,000** |
| **15 TRADE PAYABLES** | | | |
| Trade Payables for goods and services | | | |
| Total outstanding dues of creditors to micro enterprises and small enterprises | - | - | - |
| Total outstanding dues of creditor to other than micro enterprises and small enterprises | 71,551 | 21,99,966 | 74,735 |
| | **71,551** | **21,99,966** | **74,735** |
| **16 OTHER CURRENT FINANCIAL LIABILITIES** | | | |
| Interest accrued and due on Borrowings | - | - | 1,47,688 |
| | **-** | **-** | **1,47,688** |
| **17 OTHER CURRENT LIABILITIES** | | | |
| Statutory Dues Payable | 6,625 | 1,93,750 | 23,635 |
| | **6,625** | **1,93,750** | **23,635** |

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018 *(Contd.)*

(Amount in ₹)

| | For the year ended 31st March, 2018 | For the year ended 31st March, 2017 |
|---|---|---|
| **18 OTHER INCOME** | | |
| **Interest Income at amortised cost** | | |
| On Bank Deposits | 21,600 | 16,339 |
| On Inter Corporate Deposits and Others | 12,930 | 45,692 |
| **Other Non Operating Income** | | |
| Miscellaneous Income | 29,384 | 3,949 |
| | **63,914** | **65,980** |
| **19 EMPLOYEE BENEFITS EXPENSE** | | |
| Salaries & Wages | 24,000 | 24,000 |
| | **24,000** | **24,000** |
| **20 FINANCE COST** | | |
| **Other Borrowing Costs** | | |
| Other Financial Charges | 14,45,590 | 7,78,849 |
| Others | 2,678 | - |
| | **14,48,268** | 7,78,849 |
| | **14,48,268** | **7,78,849** |
| **21 DEPRECIATION AND AMORTIZATION EXPENSES** | | |
| On Tangible Assets | 30,268 | 32,472 |
| | **30,268** | **32,472** |
| **22 OTHER EXPENSES** | | |
| **Selling and Administration Expenses** | | |
| Rates & Taxes | 45,730 | 5,02,290 |
| Auditors' Remuneration - | | |
| **Statutory Auditors -** | | |
| Statutory Audit Fees | 35,400 | 34,500 |
| For Certification | 94,400 | 92,000 |
| Printing & Stationery | 55,181 | 57,319 |
| Postage and Telegram | 44,994 | 66,394 |
| Legal & Professional Fees | 6,44,932 | 17,92,934 |
| Director Sitting Fees | 96,000 | 68,000 |
| Reimbursement of Expenses | - | 10,67,575 |
| Other Miscellaneous Expenses | 4,57,254 | 4,95,586 |
| | **14,73,891** | **41,76,598** |
| **23 EARNING PER SHARES** | | |
| Nominal Value of Equity Shares (₹) | 10 | 10 |
| Profit attributed to the Equity shareholders of the Company | (29,12,513) | (49,45,939) |
| Weighted average number of equity shares | 17,71,908 | 17,71,908 |
| Basis and diluted earning per shares (₹) | (1.64) | (2.79) |
| There are no dilutive equity shares in the Company. | | |

(Amount in ₹)

## 24 CONTINGENT LIABILITIES, CONTINGENT ASSETS & COMMITMENT TO THE EXTENT NOT PROVIDED FOR:

| Sl. No. | Particulars | As at 31st March 2018 | As at 31st March 2017 | As at 1st April 2016 |
|---|---|---|---|---|
| A | Claims/Disputes/Demands not acknowledged as debts - | | | |
| i. | Income Tax under appeal (Payment under protest - 2018: ₹ 12,66,774/-, 2017: ₹ Nil, 2016: Nil) | 63,33,870 | - | - |
| ii. | Central Sales Tax/ VAT (Payment under protest - 2018: ₹ 56,448/-, 2017: ₹ 56,448/-, 2016: ₹ 56,448/-) | 2,69,779 | 2,69,779 | 2,69,779 |

## 25 DISCLOSURE AS REQUIRED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006, TO THE EXTENT ASCERTAINED, AND AS PER NOTIFICATION NUMBER GSR 679 (E) DATED 4TH SEPTEMBER, 2015

| Sl. No. | Particulars | As at 31st March 2018 | As at 31st March 2017 | As at 1st April 2016 |
|---|---|---|---|---|
| i | The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year. | - | - | - |
| ii | The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | - | - |
| iii | The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - | - |
| iv | The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - | - |
| v | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | - | - | - |

The above information has been determined to the extent such parties identified on the basis of information available with the Company.

(Amount in ₹)

## 26 RELATED PARTY DISCLOSURES

### 26.1 Name of the related parties and description of relationship

A Enterprise having significant influence over the Company (by virtue of having more than 20% voting rights)

- Joonktollee Tea & Industries Limited

B Key Management Personnel

- Mr. R.K. Gupta - Wholetime Director
- Mr. A. K. Ruia - Chief Financial Officer

### 26.2 Summary of transactions with the related parties

| Particulars | Enterprise having significant influence over the Company | | Key Management Personnel | |
|---|---|---|---|---|
| | 31.03.2018 | 31.03.2017 | 31.03.2018 | 31.03.2017 |
| Loan Received | 35,00,000 | 75,00,000 | - | - |
| Loan Refunded | 35,00,000 | 75,00,000 | - | - |
| Interest Expenses | 1,85,261 | 24,658 | - | - |
| Remuneration | - | - | 24,000 | 24,000 |

### 26.3 Key Management Personnel compensation

| Particulars | For the year ended 31st March, 2018 | For the year ended 31st March, 2017 |
|---|---|---|
| Short-term employee benefits | 24,000 | 24,000 |
| **Total compensation** | **24,000** | **24,000** |

### 26.4 Major terms and conditions of transactions with related parties

Transactions with related parties are carried out in the normal course of business and are made on terms equivalent to those that prevail in arm's length transactions.

Loans from related party are unsecured and repayable on demand. Interest rate is 12% p.a.

## 27 TRANSITION TO IND AS

### 27.1 Basis for Preparation

For all period up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended March 31, 2018 are the Company's first annual Ind AS financial statements and have been prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the date of transition). This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

### 27.2 Exceptions and Exemptions Applied

Ind AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2016 opening balance sheet. In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

(Amount in ₹)

**27.2.1 Optional Exemptions Availed**

**a Property Plant and Equipment, Intangible Assets and Investment Properties**

As permitted by para D5-D8B of Ind AS 101, the Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

**27.2.2 Mandatory Exceptions**

**a Estimates**

As per para 14 of Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative period.

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below:

-Determination of the discounted value for financial instruments carried at amortized cost.

**b Classification and measurement of financial assets**

Para B8 - B8C of Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively.

**27.3 Impact of Transition to Ind AS**

The following is a summary of the effects of the differences between Ind AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial periods previously reported under Indian GAAP following the date of transition to Ind AS.

**27.3.4 Reconciliation of Total Equity**

| Particulars | As at 31st March 2017 | As at 31st March 2016 |
|---|---|---|
| Total Equity as per previous GAAP | (37,83,437) | 11,62,502 |
| Adjustments for GAAP difference | - | - |
| **Total Equity as per Ind AS** | **(37,83,437)** | **11,62,502** |

There has been no change in Amount of Assets/Liabilities as on 1st April, 2016 as appeared as per Indian GAAP due to adoption of Ind AS on the transition date.

**27.3.5 Reconciliation of total comprehensive income for the year ended 31 March 2017**

| Particulars | 2016-17 |
|---|---|
| Total Profit/(Loss) as per previous GAAP | (49,45,939) |
| Adjustments for GAAP difference | - |
| **Total Comprehensive Income as per Ind AS** | **(49,45,939)** |

(Amount in ₹)

**27.3.6 Impact of Ind AS adoption on the statement of cash flows for the year ended 31 March 2017**

| Particulars | Previous GAAP | Adjustments | Ind AS |
|---|---|---|---|
| Net cash flow from Operating Activities | (19,85,472) | - | (19,85,472) |
| Net cash flow from Investing Activities | 26,697 | - | 26,697 |
| Net cash flow from Financing Activities | 20,73,463 | - | 20,73,463 |
| Net increase/(decrease) in cash and cash equivalents | 1,14,688 | - | 1,14,688 |
| Cash and cash equivalents as at 1 April 2016 | 11,42,357 | - | 11,42,357 |
| Cash and cash equivalents as at 31 March 2017 | 12,57,045 | - | 12,57,045 |

## 28 FAIR VALUE MEASUREMENT

Categories of Financial Assets & Financial Liabilities as at 31st March 2018 and 31st March 2017

| Particulars | 31st March 2018 | | | 31st March 2017 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVOCI | Amortized Cost | FVTPL | FVOCI | Amortized Cost |
| **Financial Assets** | | | | | | |
| Cash and Cash Equivalents | | | 2,50,853 | | | 12,47,045 |
| Bank Balance other than above | | | 9,10,000 | | | 10,000 |
| Other Financial Assets | | | 6,762 | | | 6,244 |
| **Total Financial Assets** | **-** | **-** | **11,67,615** | **-** | **-** | **12,63,289** |
| **Financial Liabilities** | | | | | | |
| Borrowings | | | 1,50,00,000 | | | 85,00,000 |
| Trade Payables | | | 71,551 | | | 21,99,966 |
| Other Financial Libilities | | | - | | | - |
| **Total Financial Liabilities** | **-** | **-** | **1,50,71,551** | **-** | - | **1,06,99,966** |

As at 1st April 2016

| Particulars | FVTPL | FVOCI | Amortized Cost |
|---|---|---|---|
| **Financial Assets** | | | |
| Cash and Cash Equivalents | | | 2,32,357 |
| Bank Balance other than above | | | 9,10,000 |
| Other Financial Assets | | | 16,602 |
| **Total Financial Assets** | **-** | **-** | **11,58,959** |
| **Financial Liabilities** | | | |
| Borrowings | | | 55,00,000 |
| Trade Payables | | | 74,735 |
| Other Financial Libilities | | | 1,47,688 |
| **Total Financial Liabilities** | - | - | **57,22,423** |

(Amount in ₹)

## 29 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

**29.1** The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

| Particulars | 31st March 2018 | | 31st March 2017 | | 1st April 2016 | |
|---|---|---|---|---|---|---|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| **Financial Assets** | | | | | | |
| Cash and Cash Equivalents | 2,50,853 | 2,50,853 | 12,47,045 | 12,47,045 | 2,32,357 | 2,32,357 |
| Bank Balance other than above | 9,10,000 | 9,10,000 | 10,000 | 10,000 | 9,10,000 | 9,10,000 |
| Other Financial Assets | 6,762 | 6,762 | 6,244 | 6,244 | 16,602 | 16,602 |
| **Total Financial Assets** | **11,67,615** | **11,67,615** | **12,63,289** | **12,63,289** | **11,58,959** | **11,58,959** |
| **Financial Liabilities** | | | | | | |
| Borrowings | 1,50,00,000 | 1,50,00,000 | 85,00,000 | 85,00,000 | 55,00,000 | 55,00,000 |
| Trade Payables | 71,551 | 71,551 | 21,99,966 | 21,99,966 | 74,735 | 74,735 |
| Other Financial Libilities | | - | | - | 1,47,688 | 1,47,688 |
| **Total Financial Liabilities** | **1,50,71,551** | **1,50,71,551** | **1,06,99,966** | **1,06,99,966** | **57,22,423** | **57,22,423** |

**29.2** The management assessed that the fair values of cash and cash equivalents, trade payables, borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

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

**29.3.1** The fair values for loans, were calculated based on cash flows discounted using a current lending rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risks, which has been assessed to be insignificant.

## 30 FINANCIAL RISK MANAGEMENT

Financial management of the Company has been receiving attention of the top management of the Company. Various kinds of financial risks and their mitigation plans are as follows:

**30.1** **Liquidity Risk**

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in fixed deposit which provide flexibility to liquidate.

(Amount in ₹)

**30.1.1 Maturity Analysis for financial liabilities**

The following are the remaining contractual maturities of financial liabilities as at 31st March 2018

a

| Particulars | On Demand | Less than 6 months | 6 months to 1 year | 1 years to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|---|
| Borrowings | 1,50,00,000 | | | | | 1,50,00,000 |
| Trade payables | | 71,551 | | | | 71,551 |
| **Total** | **1,50,00,000** | **71,551** | | | | **1,50,71,551** |

b The following are the remaining contractual maturities of financial liabilities as at 31st March 2017

| Particulars | On Demand | Less than 6 months | 6 months to 1 year | 1 years to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|---|
| Borrowings | 85,00,000 | | | | | 85,00,000 |
| Trade payables | | 21,99,966 | | | | 21,99,966 |
| **Total** | **85,00,000** | **21,99,966** | | | | **1,06,99,966** |

c The following are the remaining contractual maturities of financial liabilities as at 1st April 2016

| Particulars | On Demand | Less than 6 months | 6 months to 1 year | 1 years to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|---|
| Borrowings | 55,00,000 | | | | | 55,00,000 |
| Trade payables | | 74,735 | | | | 74,735 |
| Other financial liabilities | | 1,47,688 | | | | **1,47,688** |
| **Total** | **55,00,000** | **2,22,423** | | | | **57,22,423** |

d The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). It is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

**30.2 Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks: Foreign Exchange Risk, Interest Rate Risk and Other Price Risk.

**30.2.1 Foreign Exchange Risk**

Foreign Exchange Risk is the exposure of the Company to the potential impact of movements in foreign exchange rates. There is no exposure of foreign currency and hence the management has assessed that there is no foreign currency risk during the year (2017: Rs. Nil, 2016: Rs. Nil)

**30.2.2 Interest Rate Risk**

The Company has borrowings which carries fixed rate of interest. The management has assessed that exposure of the Company in interest rate risk at the end of the year is Rs. Nil (2017: Rs. Nil, 2016: Rs. Nil)

(Amount in ₹)

## 31 CAPITAL MANAGEMENT

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings. Net debt (total borrowings less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

| | As at 31st March 2018 | As at 31st March 2017 | As at 1st April 2016 |
|---|---|---|---|
| Net Debt | 1,50,00,000 | 85,00,000 | 55,00,000 |
| Total Equity | (66,95,950) | (37,83,437) | 11,62,502 |
| Net Debt to Equity Ratio* | - | - | 4.73 |

* As the Company is having negative networth as on 31st March, 2018 & 31st March, 2017, debt equity ratio cannot be computed.

**32.** The Networth of the Company has been fully eroded. The Company is contemplating some plans based on the availability of fixed assets of the Company and based on which going concern status of the Company is maintained.

**33.** The Company is in the process of appointing Company Secretary as required under the provisions of Companies Act, 2013.

**34.** In an earlier year the Company had received entire sale consideration in respect of sale of Kinalur Estate. The process of registration of Land in the name of few buyers are in the process of completion.

**35.** The Company has not recognized deferred tax assets during the year in absence of reasonable certainity of future taxable income.

**36.** Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act,2013.

As per our Report annexed
For and on behalf of
**SINGHI & CO.**
*Chartered Accountants*
Firm Regn. No. 302049E
**Gopal Jain**
*Partner*
Membership No. 059147
Place: Kolkata
Date : 7th May, 2018

**Arun Kumar Ruia**
*Chief Financial Officer*

For and on behalf of Board of Directors

**Hemant Bangur** *Director (DIN : 00040903)*
**P. J. Bhide** *Director (DIN : 00012326)*
**B. L. Surana** *Director (DIN : 00005900)*
**Tara Purohit** *Director (DIN : 00658659)*
**C. P. Sharma** *Director (DIN : 00258646)*
**R. K. Gupta** *Wholetime Director (DIN : 06701619)*

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