McLEOD RUSSEL INDIA LIMITED

Registered Office: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700 001
CIN: L51109WB1998PLC087076
Email: administrator@mcleodrussel.com, Web: www.mcleodrussel.com
Telephone: 033-2210-1221, 2248-9434/35
Fax : 033-2248-8114, 033-2248-6824

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of the Company will be held on Thursday, 9th August 2018 at 10:30 a.m. at Kalamandir, 48, Shakespeare Sarani, Kolkata-700 017 to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt :

   a. the audited Financial Statements of the Company for the financial year ended 31st March 2018, and the Reports of the Board of Directors and the Auditors thereon.

   b. the audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2018 and the Report of the Auditors thereon.

2. To declare a dividend for the financial year ended 31st March 2018.

3. To appoint a Director in place of Mr. Amritanshu Khaitan (holding DIN 00213413), who retires by rotation and, being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Azam Monem (holding DIN: 00023799), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass the following Resolution as a **Special Resolution:**

   "RESOLVED that in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members, be and is hereby accorded to Mr. Brij Mohan Khaitan (DIN: 00023771), to continue as a Non-Executive Director and Chairman of the Company."

6. To consider and if thought fit to pass the following Resolution as a **Special Resolution:**

   "RESOLVED that in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members, be and is hereby accorded to Dr. Raghavachari Srinivasan (DIN: 00003968), to continue as a Non-Executive Independent Director of the Company."

7. To consider and if thought fit to pass the following Resolution as a **Special Resolution:**

   "RESOLVED that consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") pursuant to Section 180 (1) (a) of the Companies Act, 2013 for selling, leasing or otherwise disposing of certain Tea Estates of the Company or the assets thereof having value in excess of twenty per cent but not exceeding thirty five percent of the value of the undertaking of the Company as per the audited balance sheet of the preceding financial year of the Company on such terms and conditions including consideration as may be agreed to, for and on behalf of the Company, by the Board or any Committee thereof constituted by it for the purpose."

8. To consider and if thought fit to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED, in supersession of the resolution passed in this regard at the 19th Annual General Meeting of the Company held on 9th August, 2017, that in terms of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors namely, Messrs. Mani & Co, Messrs. SPK Associates, and Messrs. DGM & Associates appointed by the Board of Directors of the Company for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the year ended 31st March, 2018, the details of which are given in the Statement in respect of this item of business annexed to the Notice convening this Meeting, be and is hereby ratified".

9. To consider and if thought fit to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED that in terms of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors namely, Messrs. Mani & Co, Messrs. SPK Associates, and Messrs. DGM & Associates appointed by the Board of Directors of the Company for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the year ending 31st March, 2019, the details of which are given in the Statement in respect of this item of business annexed to the Notice convening this Meeting, be and is hereby ratified".

By Order of the Board
McLEOD RUSSEL INDIA LIMITED

A. GUHA SARKAR
Senior Vice - President & Company Secretary

Kolkata, 15th June 2018

NOTES

a) **A Member entitled to attend and vote at the Annual General Meeting (AGM) may appoint a Proxy to attend and vote thereat instead of himself. A Proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office situated at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001 not less than forty-eight hours before the Meeting.**

   In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

b) The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Items of Special Business is annexed hereto.

c) The information as required to be provided in terms of Regulation 36(3) and 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulation") regarding the Directors who are proposed to be re-appointed is annexed.

d) The Register of Members and Share Transfer Books of the Company will remain closed from 3rd August 2018 to 9th August 2018 (both days inclusive).

e) The dividend that may be declared by the Company at the Twentieth Annual General Meeting will be paid on or after 14th August 2018 (i) to those Members holding shares in physical mode whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company and its Registrars on or before 2nd August 2018. (ii) In respect of the shares held in electronic form the dividend will be paid to the 'beneficial owners' of the shares as at the end of business hours on 2nd August 2018 as per details provided by the Depositories for this purpose.

f) Dividend in respect of shares held in dematerialized form shall be credited to the beneficial owner's bank account directly through National Automatic Clearing House (NACH), wherever NACH facility is available subject to availability of bank account details with 9 digit MICR and 11 digit IFS Code. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

   In terms of Regulation 12(a) of Listing Regulation, SEBI has mandated usage of electronic mode or issue of "payable-at par" warrants for making cash payments such as dividend etc. to the investors of Companies whose securities are listed on the Stock Exchanges.

g) Shareholders holding shares in physical form and desirous of having NACH facility, should provide their bank details and 9 digit MICR and 11 digit IFS Code number to the Registrar and Share Transfer Agent of the Company immediately. The shareholders who have already given their bank details should furnish the same only if there is any change. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agent quoting their Folio Number. Shareholders holding shares in dematerialised form, should intimate change of their address, if any, to their Depository Participant.

h) The company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 9th August 2017 (date of last Annual General Meeting) on the website of the Company www.mcleodrussel.com.

   The Members of the Company who have not yet encashed their dividend warrant(s) for the financial year ended 31.03.2011 and onwards as applicable, are requested to contact the Company forthwith. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to IEPF in terms of Section 124 of the Companies Act, 2013 and the applicable Rules made thereunder.

i) The Securities and Exchange Board of India (SEBI) has mandated by its Circular dated 20th April 2018 for submission of Permanent Account Number (PAN) and Bank details together with an original cancelled cheque leaf/attested Bank Pass Book showing the name of Account Holder to the Registrar and Share Transfer Agent (RTA) of the Company by all the security holders holding securities in physical form.

   To facilitate the above, a letter from the RTA enclosing a Form where the above particulars are to be provided is being sent with this Notice to the Members who hold the shares in physical form. The said Members are requested to promptly submit the required information and documents asked for to Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agent of the Company.

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

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

k) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.

l) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

m) A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his queries to the Company at least seven days prior to the Meeting so that the required information can be made available at the Meeting.

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

o) **Instructions on voting**: In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Listing Regulation, the Company has provided a facility to the Members to exercise their votes electronically (remote e-voting) through electronic voting service facility arranged by Central Depository Services (India) Limited (CDSL). The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are given in a separate sheet attached hereto forming part of the Notice.

p) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. 2nd August 2018. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and is holding shares as on the cut-off date i.e. 2nd August 2018, may obtain the login ID and password by sending a request at mdpldc@yahoo.com; info@mdpl.in or skchaubey@mdpl.in.

q) The Notice of the 20th AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all Members whose email addresses are registered with the Company / Depository Participant(s), unless a Member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.

r) Members may also note that the Notice of the 20th AGM and the Annual Report 2017-18 will be available on the Company's website, www.mcleodrussel.com.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 5

At the 18th Annual General Meeting of the Company, held on 8th August, 2016, the Members had approved the re-appointment of Mr. Brij Mohan Khaitan as a Director of the Company in accordance with Section 152 of the Companies Act, 2013 and Article 114 of the Articles of Association of the Company.

In terms of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 inserted by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on 9th May, 2018 which will take effect from 1st April, 2019, consent of the Members by way of a Special Resolution is required for continuation of the directorship after 31st March, 2019 of a Non-Executive Director who has attained the age of seventy five years.

Mr. B. M. Khaitan, a Non-Executive Director and Chairman of the Company has already attained the age of seventy five years. Mr. Khaitan is a renowned industrialist, having rich and varied experience in leading diverse industries and has been on the Board of the Company with effect from 5th May, 1998. Mr. Khaitan has been associated with tea industry for around six decades and has great contributions to the industry in general and to your Company in particular. The Board considers that Mr. Khaitan's continued association as a Non- Executive Director and Chairman of the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution set out in Item No. 5 by way of a Special Resolution for approval of the Members.

Except Mr. B. M. Khaitan and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Item No. 6

At the 16th Annual General Meeting of the Company, held on 23rd July 2014, the Members had approved the appointment of Dr. Raghavachari Srinivasan as a Non-Executive Independent Director of the Company to hold office from the date of the said Annual General Meeting upto the expiry of a period of five consecutive years or the date of the 21st Annual General Meeting, whichever is earlier, in terms of the provision of Section 149 of the Companies Act, 2013.

In terms of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 inserted by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (LODR Amendment Regulations) issued on 9th May, 2018 which will take effect from 1st April, 2019, consent of the Members by way of a Special Resolution is required for continuation of the directorship after 31st March, 2019 of a Non-Executive Director who has attained the age of seventy five years.

Dr. R. Srinivasan, a Non-Executive Independent Director, has already attained the age of seventy five years. He holds a Doctorate in Banking from Bombay University and is an Associate and Fellow of Indian Institute of Banking & Finance. Dr. Srinivasan has more than 40 years of experience in the banking industry. He held senior positions in various banks and retired as the Chairman and Managing Director of Bank of India. He was also the Chairman of Indian Banks Association for nearly four terms. He was on various high level Committees constituted by RBI. Dr. Srinivasan has been on the Board of the Company since 11th March, 2005. Since then he is also the Chairman of the Audit Committee of the Company. The Board considers that Dr. Srinivasan's continued association as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution set out in Item No. 6 by way of a Special Resolution for approval of the Members.

Except Dr. R. Srinivasan and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

Item No. 7

The operations of the Company are divided into 3 segments, namely, (i) production in Company's own Tea Estates (ii) production using tea leaves purchased from small growers and (iii) teas produced by step-down subsidiaries of the Company. Considering all relevant aspects, it is felt that segment (i) which produces 67 million kgs of tea is disproportionately heavier compared to the other two segments which require alignment/ rationalisation to achieve better results.

In order to achieve rationalisation as explained above, it is felt desirable to dispose of certain Tea Estates of the Company with the objective to optimize the operational performance. In terms of Section 180 (1) (a) of the Companies Act, 2013, approval of Members is required by way of a Special Resolution for selling, leasing or otherwise disposing of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, the whole or substantially the whole of such undertakings. No such approval is required if the value of the assets proposed to be sold is less than 20% of the value of the undertaking as per the audited balance sheet of the preceding financial year.

In line with the decision taken by the Board of Directors of the Company ('the Board') at its meeting held on 30th May 2018 and the Committee formed by the Board empowered for disposal of Tea Estates, the Company has entered into separate Memorandum of Understanding with two different parties proposing to sell the assets of 12 Tea Estates situate in the state of Assam. The value of the assets of such Tea Estates is less than 20% of the value of the undertaking of the Company. The Company proposes to utilise proceeds in repayment of high cost debts, for buying back Company's own shares from the shareholders of the Company to the tune not exceeding Rs. 100 crore and making investment for diversification into packet tea business for which the Company has already agreed in principle to join hands with Eveready Industries India Limited for developing packet tea business through a third entity.

The Board and the Committee feel that going forward, the Company may consider selling a few more Tea Estates or the assets of a few more Tea Estates which do not have significant contributions to the bottomline of the Company. If such sale takes place in the current financial year, the value of the Tea Estates or their assets proposed to be sold together with the value of the assets of the aforesaid 12 Tea Estates may exceed 20% of the value of the undertaking of the Company. In view of this, the Board is seeking approval of the Members by way of a Special Resolution for selling a few more Tea Estates or the assets thereof which may result in the value of the assets proposed to be sold crossing the threshold limit of 20% of the value of the undertaking of the Company. The Board however, proposes to restrict the sale within 35 percent of the value of the undertaking of the Company.

Your Directors are of the view that after disposal of certain marginal Tea Estates having insignificant contributions to the bottom line, the operations of the Company are expected to show better results with the healthy Tea Estates being retained by the Company. With the reduction in debts, the overall performance of the Company is expected to improve.

The Resolution set out in item No. 7 of the convening Notice is to be considered accordingly and the Board recommends its acceptance.

No Director or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in respect of the said Resolution.

Item No. 8

The Board of Directors of the Company had appointed four firms of Cost Accountants to conduct audit of cost records maintained by the Company for the year ended 31st March, 2018 and the remuneration of the said firms were ratified by the Members at the Nineteenth Annual General Meeting of the Company. It is informed with regret that Mr. Ashok Kumar, Proprietor of Messrs. Kumar & Associates, one of the said four firms, expired in January, 2018. In view of this the Board, based on the recommendation of the Audit Committee allocated the Tea Estates which were to be audited by Messrs. Kumar & Associates to the three other Cost Auditors at a revised remuneration, the details of which are given below:

Cost Auditor	Remuneration & Allocation
Messrs. Mani & Company	
For Cost Audit	162,000/- (for auditing the records of 18 Tea Estates)
Lead Cost Auditor fees	35,000/-
XBRL filling fees	10,000/-
Messrs. SPK Associates	1,44,000/- (for auditing the records of 16 Tea Estates)
Messrs. DGM & Associates	1,62,000/- (for auditing the records of 18 Tea Estates)

In addition to the above, the Cost Auditors will be reimbursed out of pocket expenses as may be incurred by them on actual basis.

The revised remuneration payable to the Cost Auditors as approved by the Board is required to be ratified by the Members in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014. The Resolution set out in Item No. 8 is to be considered accordingly and the Board recommends the same for acceptance.

No Director or any Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in respect of the said Resolution.

Item No. 9

The Company being engaged in tea plantation and manufacturing activities, is required to appoint Cost Auditor/s to audit its cost accounting records in respect of plantation products in accordance with Section 148 of the Companies Act, 2013 ('the Act') read with Companies (Cost Records and Audit) Rules, 2014 as amended ('the Rule'). In terms of Section 148 of the Act read with Rule 6 of the Rule, the Board of Directors of the Company at its Meeting held on 30th May 2018 appointed Messrs Mani & Company, Messrs. SPK Associates, and Messrs DGM & Associates, Cost Accountants, as Cost Auditors of the Company for the Financial Year ending on 31st March 2019 on the recommendation of the Audit Committee of the Company ('the Audit Committee'). The Board has also designated Messrs. Mani & Company as the Lead Cost Auditor. The Board, in terms of the Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, approved the remuneration of the Cost Auditors as recommended by the Audit Committee, which is subject to ratification by the Members of the Company.

The remuneration fixed by the Board is as under:

Cost Auditor	Remuneration & Allocation
Messrs. Mani & Company	
For Cost Audit	162,000/- (for auditing the records of 18 Tea Estates)
Lead Cost Auditor fees	35,000/-
XBRL filling fees	10,000/-
Messrs. SPK Associates	1,44,000/- (for auditing the records of 16 Tea Estates)
Messrs. DGM & Associates	1,62,000/- (for auditing the records of 18 Tea Estates)

In addition to above, the Cost Auditors will be reimbursed out of pocket expenses as may be incurred by them on actual basis. In case any Cost Auditor is required to audit fewer number of tea estates than the number mentioned above, in such case the remuneration of the said Auditor will be proportionately reduced.

The Resolution set out in Item No.9 of the convening Notice is to be considered accordingly and the Board recommends the same.

No Director or any Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in respect of the Resolution.

By Order of the Board
McLEOD RUSSEL INDIA LIMITED

A. GUHA SARKAR
Senior Vice - President & Company Secretary

Kolkata, 15th June 2018

DETAILS RELATING TO DIRECTORS PROPOSED TO BE RE-APPOINTED

Name	Mr. Amritanshu Khaitan	
Date of Birth	7th November 1982	
Qualification	MBA (London Business School)	
Expertise	Mr. Amritanshu Khaitan hails from a renowned family of Industrialists having interest in Tea, Batteries and Engineering. Mr. Khaitan has gained considerable experience and expertise in management, production, marketing, corporate finance and other related areas. He is presently the Managing Director of Eveready Industries India Limited. He is a Committee Member of Indian Chamber of Commerce, Kolkata.	
Date of first appointment on the Board	Mr. Khaitan was appointed as a Director on the Board with effect from 31st March 2015. In terms of Section 152(6) of the Companies Act, 2013, Mr. Khaitan retires by rotation as a Director and being eligible, offers himself for re-appointment. He is accordingly proposed to be re-appointed as a Director of the Company.	
Number of Board Meetings attended	4 out of 4	
Relationship with other Directors/KMP of the Company	Mr. Khaitan is not related to any other Director or KMP in terms of the definition of 'relative' given in the Companies Act, 2013	
Other Directorships, Membership/Chairmanship of Committees of other Boards of Indian Companies (as at 31.3.2018)	**Directorship**	**Committee Membership if any with position**
	Listed Companies:	
	Eveready Industries India Ltd.	Chairman – Corporate Social Responsibility Committee
	Williamson Magor & Co. Ltd.	
	Williamson Financial Services Ltd.	
	Kilburn Engineering Ltd.	
	McNally Bharat Engineering Co. Ltd.	
	Unlisted Companies:	
	Ichamati Investments Ltd.	
	United Machine Co. Ltd.	
	Queens Park Property Co. Ltd.	
	Prana Lifestyle Pvt. Ltd	
Shareholding in the Company	15,000 Shares of Rs. 5/- each.	

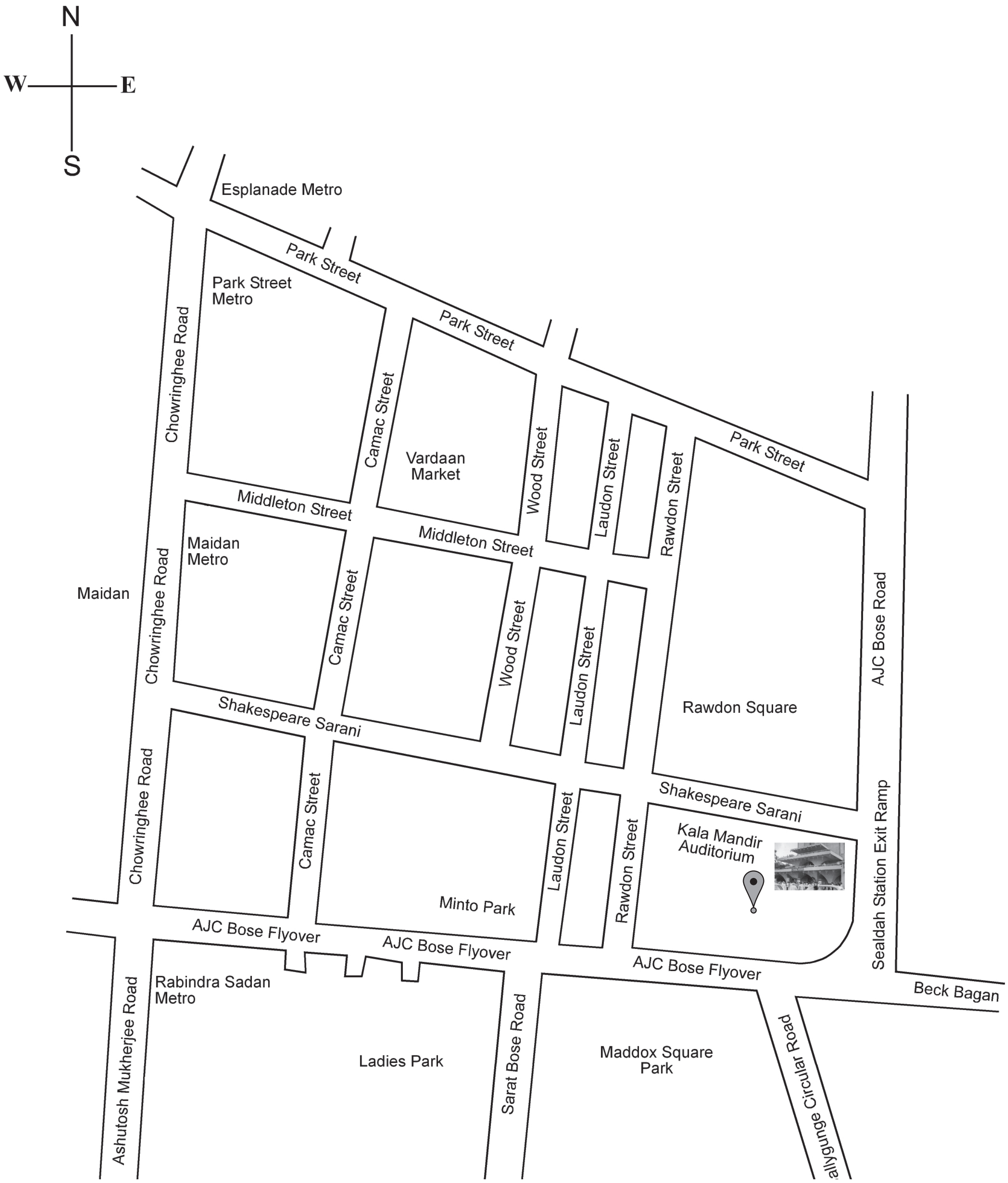
Name	Mr. Azam Monem	
Date of Birth	22nd November 1959	
Qualification	B. Com. (Hons.)	
Expertise	During the last 38 years Mr. Monem has gained rich experience in tea tasting and marketing. Mr. Monem has in-depth knowledge in Exports and Domestic Sales of Tea and achieved valuable experience as a buyer, blender and trader. Mr. Monem is the Chairman of Indian Tea Association (ITA) and former Chairman of ITA's Export Promotion and Marketing Committee. He is also the Chairman of the Consultative Committee of Plantation Associations (CCPA) and the former Chairman of Calcutta Tea Traders Association (CTTA). Mr. Monem was a member of a number of tea delegations to various Countries led by the Tea Board and Commerce Ministry.	
Date of first appointment on the Board	Mr. Monem was appointed as a Director on the Board with effect from 16.02.2005. In terms of Section 152(6) of the Companies Act, 2013, Mr. Monem retires by rotation as a Director and being eligible, offers himself for re-appointment. He is accordingly proposed to be re-appointed as a Director of the Company.	
Number of Board Meetings attended	3 out of 4	
Relationship with other Directors/KMP of the Company	Mr. Monem is not related to any other Director or KMP in terms of the definition of 'relative' given in the Companies Act, 2013	
Other Directorships, Membership/Chairmanship of Committees of other Boards of Indian Companies (as at 31.3.2018)	**Directorship**	**Committee Membership if any with position**
	Listed Companies: **Unlisted Companies:**	Nil
Shareholding in the Company	500 Shares of Rs. 5/- each.	

DETAILS RELATING TO DIRECTORS PROPOSED TO BE CONTINUED

Name	Mr. Brij Mohan Khaitan
Date of Birth	14th August 1927
Qualification	Bachelor of Commerce from Calcutta University
Expertise	Mr. B. M. Khaitan is a renowned Industrialist having interest in Tea, Batteries and Engineering. Mr. Khaitan has great contributions to the Tea Industry with which he has been associated for around six decades. Mr. Khaitan had also been associated with various leading Chambers of Commerce and Trade Associations.
Date of first appointment on the Board	Mr. Khaitan was first appointed as a Director on the Board with effect from 5th May 1998 and was last re-appointed as a Director of the Company at the 18th Annual General Meeting of the Company, held on 8th August 2016 in terms of Section 152(6) of the Companies Act, 2013 and Article 114 of the Articles of Association of the Company.
Number of Board Meetings attended	4 out of 4
Relationship with other Directors/KMP of the Company	Relative of Mr. Aditya Khaitan, being his father in terms of the definition of 'relative' given in the Companies Act, 2013
Other Directorships, Membership/ Chairmanship of Committees of other Boards of Indian Companies (as at 31.3.2018)	**Directorship** — **Committee Membership if any with position** **Listed Companies:** Williamson Magor & Co. Ltd. Eveready Industries India Ltd. — Nil **Unlisted Companies:** Babcock Borsig Ltd.
Shareholding in the Company	36,588 Shares of Rs. 5/- each.

Name	Dr. Raghavachari Srinivasan
Date of Birth	30th May 1931
Qualification	Ph. D. (in Banking & Finance from Bombay University), CAIIB., FIB.
Expertise	Dr. R. Srinivasan has more than 40 years of experience in the banking industry. He holds a Doctorate in Banking from Bombay University and is an Associate & Fellow of Indian Institute of Banking & Finance. He held various positions in banks and retired as the Chairman and Managing Director of Bank of India. Prior to that he was CMD of New Bank of India which got merged with Punjab National Bank and Allahabad Bank. He was Chairman of Indian Banks Association for nearly four terms, a director of IDBI, Discount & Finance House of India and New India Assurance Co. Ltd. & ECGC. He was also on various high level Committees constituted by RBI.
Date of first appointment on the Board	Dr. Srinivasan was first appointed as a Director on the Board with effect from 11.03.2005 and was appointed as an Independent Director of the Company at the 16th Annual General Meeting of the Company, held on 23rd July 2014 to hold office upto the expiry of five consecutive years or the date of the 21st Annual General Meeting, whichever is earlier.
Number of Board Meetings attended	4 out of 4
Relationship with other Directors/KMP of the Company	Dr. Srinivasan is not related to any other Director or KMP in terms of the definition of 'relative' given in the Companies Act, 2013
Other Directorships, Membership/ Chairmanship of Committees of other Boards of Indian Companies (as at 31.3.2018)	**Directorship** — **Committee Membership if any with position** **Listed Companies:** Graphite India Ltd. — Member – Audit Committee & Nomination & Remuneration Committee Goldiam International Ltd. — Chairman – Corporate Social Responsibility Committee, Member – Audit Committee & Nomination & Remuneration Committee Williamson Magor & Co. Ltd. — Chairman – Nomination & Remuneration Committee, Member – Audit Committee J. Kumar Infraprojects Ltd. — Chairman – Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee **Unlisted Companies:** Nayamode Solutions Pvt. Ltd. — - J. M. Financial Trustee Company Pvt. Ltd. — Member – Audit Committee C. Krishniah Chetty Jewellers Pvt Ltd. — - Goldiam Jewellery Ltd. — Member – Audit Committee & Nomination & Remuneration Committee
Shareholding in the Company	Nil

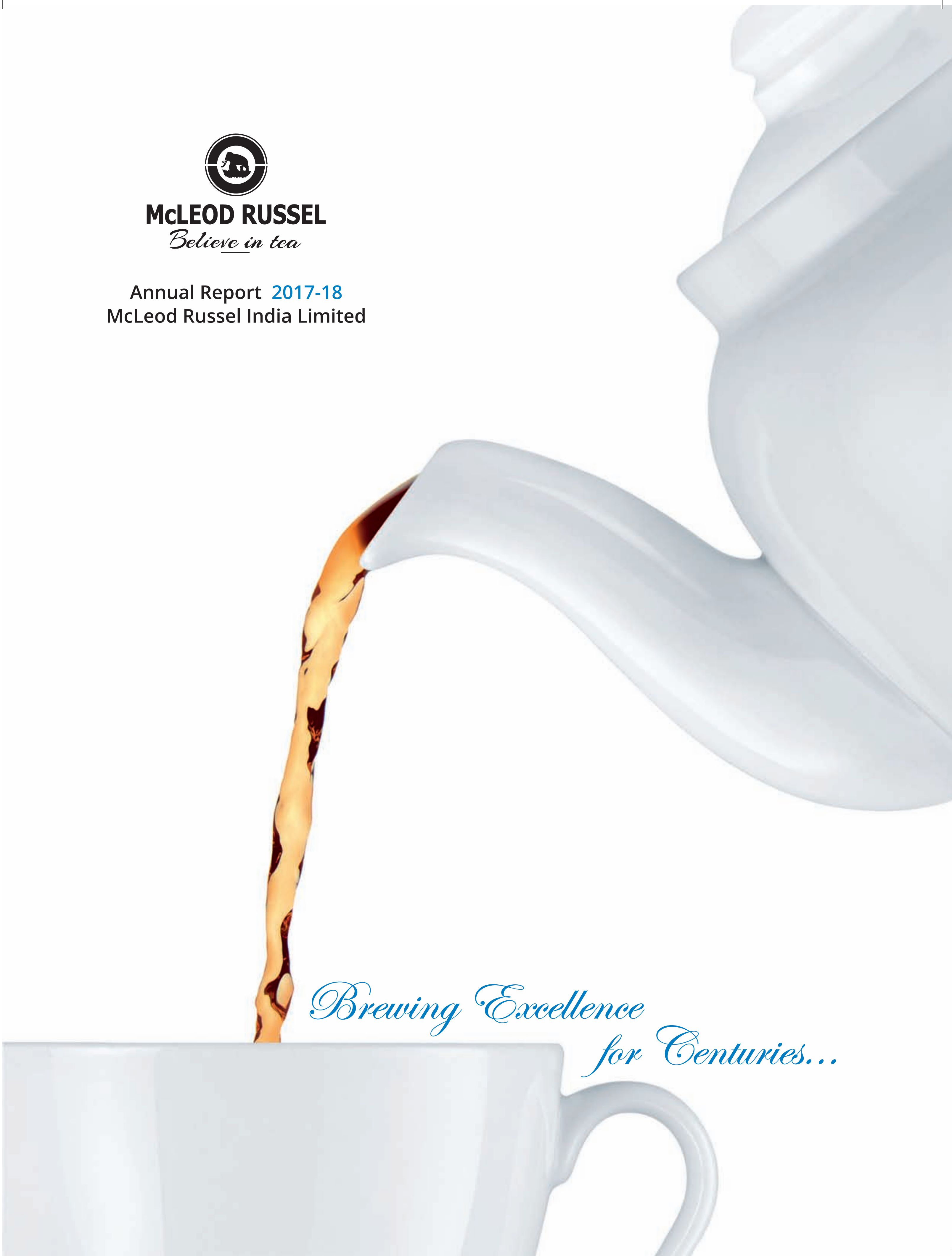
ROUTE MAP TO THE VENUE OF THE 20TH AGM OF McLEOD RUSSEL INDIA LIMITED



Kalamandir
48, Shakespeare Sarani, Kolkata 700017

McLEOD RUSSEL
Believe in tea

Annual Report 2017-18
McLeod Russel India Limited



> Tea is not a mere commodity for us. It is a heritage based on values and culture full of sentiments and commitments.

B M Khaitan
Chairman

Corporate Information

BOARD OF DIRECTORS

Mr. Brij Mohan Khaitan
Chairman

Mr. Aditya Khaitan
Vice-Chairman & Managing Director

Mr. Amritanshu Khaitan
Dr. Raghavachari Srinivasan
Mr. Bharat Bajoria
Mr. Ranabir Sen
Mr. Utsav Parekh
Mrs. Ramni Nirula
Mr. Padam Kumar Khaitan

Wholetime Directors
Mr. Rajeev Takru
Mr. Azam Monem

Wholetime Director & CFO
Mr. Kamal Kishore Baheti

COMPANY SECRETARY

Mr. Amitabha Guha Sarkar

BOARD COMMITTEES

Audit Committee

Dr. Raghavachari Srinivasan
Mr. Aditya Khaitan
Mr. Bharat Bajoria
Mr. Ranabir Sen

Nomination & Remuneration Committee

Mr. Bharat Bajoria
Dr. Raghavachari Srinivasan
Mr. Ranabir Sen

Stakeholders' Relationship Committee

Mr. Ranabir Sen
Mr. Bharat Bajoria
Mr. Utsav Parekh

Corporate Social Responsibility Committee

Mr. Rajeev Takru
Mr. Azam Monem
Mr. Kamal Kishore Baheti
Mr. Ranabir Sen

AUDITORS

Deloitte Haskins & Sells LLP
Bengal Intelligent Park,
Building Omega, 13th & 14th Floor,
Block – EP & GP, Sector – V,
Salt Lake Electronics Complex,
Kolkata – 700091.

SOLICITORS

Khaitan & Co. LLP

REGISTERED OFFICE

Four Mangoe lane,
Surendra Mohan Ghosh Sarani,
Kolkata – 700001.
Corporate Identity Number
(CIN): L51109WB1998PLC087076
Phone: (033) 2210-1221/2243-5391/
2248-9434/35
Fax: (033) 2248-8114/2248-6265
Email: administrator@mcleodrussel.com
Website: www.mcleodrussel.com

BANKERS

Allahabad Bank
Axis Bank Limited
HDFC Bank Limited
ICICI Bank Limited
State Bank of India
UCO Bank
United Bank of India
Yes Bank Limited
RBL Bank Limited

REGISTRAR

Maheshwari Datamatics Pvt. Ltd.
23, R.N. Mukherjee Road,
5th Floor,
Kolkata – 700001
Tel: (033) 2248-2248/2243-5029
Fax: (033) 2248-4787
E-mail: mdpldc@yahoo.com

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FINANCIAL STATEMENTS

Report of the Directors

For the year ended 31st March 2018

Your Directors have pleasure in presenting the Twentieth Annual Report with the Audited Financial Statements of your Company, for the financial year ended 31st March 2018.

REVIEW OF PERFORMANCE

The financial results of the Company for the year ended 31st March 2018 are summarized below:

Rs. In lakhs

	2017-18	2016-17
Revenue from Operations	159634	148540
Other Income	32285	18448
Total Revenue	191919	166988
Profit before Finance Costs, Depreciation, Exceptional Items and Taxation	33684	21508
Less : Finance Costs	17093	12757
Less : Depreciation and Amortization Expenses	8268	8252
Profit before Exceptional Items and Tax	8323	499
Less : Exceptional Items	-	-
Profit before Tax	8323	499
Tax Expense	1597	(2554)
Profit for the year	6726	3053

FINANCIAL PERFORMANCE

The Company registered an improved financial performance during the year under review. The revenue from operation was higher at Rs. 159634 lakhs as compared to Rs. 148540 lakhs in the previous year. The total income during the year stood at Rs. 191919 lakhs which is higher by Rs. 24935 lakhs. The higher income is primarily attributable to higher income from operations and higher dividend income. The profit after tax was Rs. 6726 lakhs as against Rs. 3053 lakhs achieved in the previous year. The profit could have been higher but for substantial increase in employee benefits expense which was higher by Rs.7075 lakhs as also increase in certain other input costs.

TRANSFER TO GENERAL RESERVE

Your Directors decided to transfer Rs.15000 lakhs to the General Reserve from the Retained Earnings of the Company and after such transfer Rs.3618 lakhs will remain in the Retained Earnings of the Company.

DIVIDEND

Your Directors have recommended a dividend of Re. 0.50 per equity share, being 10% on 109455735 fully paid up equity shares of Rs. 5/- each for the year ended 31st March 2018 for your approval.

REVIEW OF OPERATIONS

During the Financial year under review, saleable production of your Company was 888.71 Lakh Kgs tea, as compared to 846.10 Lakh Kgs in the previous year. Favourable weather, with better distribution of rainfall through the year contributed towards a better cropping pattern and ultimately, increased harvests. Pests and disease were better controlled, in spite of the restrictions on use of many key chemicals by the recently imposed Plant Protection Code.

The Uprooting and Replanting Policy of your Company continued to remain in focus and has further improved the percentage of tea under fifty years which is approximately 75% of the area. All tea Estates established good Clonal Tea nurseries with requisite, approved Clonal Blend. The Shade Nurseries are also of a good standard which is a key factor in developing a healthy plantation. The Afforestation programme was enhanced along with creation of new water-bodies, to improve “micro-climate”, in select areas which has become essential to counter the effects of climate change.

It has always been Your Company’s endeavor to produce Quality teas, which has continued to command a premium both in the domestic and international market. Production of premium Orthodox Teas was increased with an aim to fetch better prices and factory infrastructure and machinery was enhanced to meet the requirements. As part of a continuous up-gradation and modernization programme of factories, withering capacity was increased on some estates. With positive results from the trial of Continuous Withering Machine undertaken during 2013-14, another such machine was installed. In addition, the factories were provided with additional Rotorvanes, where required, CTC Machines, 65 Khari Sifters, 2 Orthodox ECP Dryers, 3 Milling/Chasing Machines, Coal Stoves and 7 Colour Sorters. To improve quality and grade mix 45 Sorting Machines and 3 De-humidifiers for tea storage bins were installed. In some factories extension of building was undertaken to accommodate additional sorting machinery. To augment the standby generating capacity, 4 Diesel Generating Sets and 15 new transformers were also installed. To facilitate weighment and recording of bought leaf an additional 10 Weighing Machines and 40 Easy Weigh Machines were provided. To improve field operations and overcome the acute shortage of workers, 2300 Plucking Shears and 157 Pruning Machines were made available. With prevailing drought conditions every year, additional irrigation equipment was augmented on 25 Estates along with creation of new Water Bodies. The Transport Fleet was upgraded on Estates with the purchase of 24 new Tractors. Water supply to the residents of the estates was enhanced with the installation of 14 new Water Filtration Units. The increased requirement of Housing and Sanitation infrastructure for our workers and their families are being met under a planned programme and will continue to remain one of our key commitments.

The Company has forty seven ISO 22000 certified Factories. Your Company also has four estates certified as "Fairtrade" and forty five estates certified under "Rainforest Alliance." Our endeavor to have all our factories certified under the new Indian "Trustea" certification is progressing satisfactorily with several factories already certified. We are also in the process of assisting our Bought Leaf Suppliers to be compliant under this certification. Your Company also participates in the Ethical Tea Partnership, a global initiative. We have, over the year, engaged with "UN Women" to build awareness among all levels of our employees on "Violence Against Women." This programme will continue over the next two years. "Community Development Forums" have been set up on some of our estates in partnership with Taylor's of Harrogate and Ethical Tea Partnership to bring about better awareness and improve the livelihood of our workers and their families.

The Company saw a total export quantum of 195.60 lakh Kgs in 2017-18 with an overall turnover of over Rs. 41704 lakhs. Favourable feedback was received from the buyers both in terms of quality and deliveries.

DISPOSAL OF CERTAIN TEA ESTATES

The Board of Directors (the "Board") at its Meeting held on 30th May, 2018, after considering all relevant factors, has decided to dispose of certain tea estates to achieve rationalization with the objective to optimize the operational performance by way of bringing balance amongst the Company's own production, production using bought leaf procured from small growers and the teas produced by the overseas subsidiaries of the Company. For this purpose, the Board has formed a Committee authorizing it to identify the tea estates and carry out the process of disposal. The Board decided to utilize the sale proceeds in repayment of certain high cost debts, for buying back Company's own shares to the tune not exceeding Rs. 100 Crores being below 10% of the Paid up capital and free reserves of the Company and making investment for diversification into packet tea business for which the Company has already agreed in principle to join hands with Eveready Industries India Limited for developing packet tea business through a third entity. Earlier, during the year under review, the Company, subject to the approval of the Government of West Bengal, sold Bhatpara Tea Estate, a loss making unit in Dooars.

BUY BACK OF SHARES

The Board at its Meeting held on 30th May, 2018 decided for buying back shares of the Company for an amount not exceeding Rs. 100 Crores at a maximum price of Rs. 210 per share from the existing shareholders from the open market through the stock exchanges. The Promoters of the Company will not participate in the proposed buy back of shares. The Board feels that the buy back would reduce the outstanding number of equity shares and consequently increase Earnings Per Share over a period of time, enable effective utilisation of available cash and improve key return ratios. The Company believes that the buy-back will create long term shareholder value for the continuing shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of requirements of Regulation 34(2)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a Management Discussion and Analysis Report is attached as Annexure - I forming part of this Report.

Report of the Directors *(Contd.)*

REPORT ON CORPORATE GOVERNANCE

In terms of requirements of Regulation 34(3) of the Listing Regulations, a Report on Corporate Governance together with the Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are attached as Annexure II and Annexure III respectively, forming part of this Report.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Company has one wholly owned subsidiary namely, Borelli Tea Holdings Limited, U.K. (Borelli) and six step down Subsidiaries. Borelli is inter alia engaged in the business of investing funds in various companies engaged in tea production, blending and marketing activities. As at the end of the year on 31st March 2018 Borelli had the following Subsidiaries in different countries:-

(i) Phu Ben Tea Company Limited, Vietnam –controlling stake of Borelli being 100%

(ii) McLeod Russel Uganda Limited – controlling stake of Borelli being 100%

(iii) Gisovu Tea Company Limited, Rwanda – controlling stake of Borelli being 60%

(iv) McLeod Russel Middle East DMCC, UAE – controlling stake of Borelli being 100%

(v) McLeod Russel Africa Limited, Kenya – controlling Stake of Borelli being 100%

(vi) Pfunda Tea Company Limited, Rwanda – controlling stake of Borelli being 90%

The performances of the Subsidiaries are summarised below for your information.

As required under Section 129 (3) of the Companies Act, 2013 and Regulation 33 and 34(2)(b) of the Listing Regulations, Consolidated Financial Statements of the Company and its seven Subsidiaries prepared in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India are appended in the Annual Report. Investments made in D1 Williamson Magor Bio Fuel Limited, an Associate Company, have been fully provided for in the Accounts of the earlier years and as such the Financial Statements of the said Company have not been considered for consolidation.

A statement containing the salient features of the financial statements of the Company's seven Subsidiaries and the Associate Company pursuant to the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 prepared in Form AOC-1 is attached to the financial statements of the Company for your information.

The Company has formulated a Policy for determining "Material Subsidiary" and the same is disclosed on the website of the Company and can be accessed at: http://www.mcleodrussel.com/investors/policies.aspx

BORELLI TEA HOLDINGS LIMITED

Borelli Tea Holdings Limited ('Borelli') has invested in its subsidiaries in Vietnam, Uganda, Rwanda, Dubai and Kenya. During the year under review, Borelli earned a profit after tax equivalent to Indian Rs.26326.61 lakhs which includes a profit of Rs.19881.74 lakhs on sale of a part of its long-term investments and paid interim dividends equivalent to Indian Rs.15395.43 lakhs. The Board of Directors of Borelli has recommended payment of final dividend at the rate of 200%, being 2 GBP per share on its equity capital entirely held by your Company.

PHU BEN TEA COMPANY LIMITED (PBTCL)

The Company produced 73.9 lakh kgs in 2017 as compared to 84.30 lakh kgs in 2016. Sales quantity in 2017 was 74.3 lakh kgs compared to 68.6 lakh kgs for 2016. Inclement weather conditions hampered harvests and production during the peak production months. Cyclones, storms, heavy rainfall and flooding disrupted operations and also damaged some plantation areas and infrastructure. The Company incurred a loss equivalent to Rs.1397 lakh during the year 2017 as compared to a loss of Rs.1708 lakh incurred during the year2016.

The diversified range of Phu Ben's products including Black CTC, Green CTC, Green Orthodox & Black Orthodox teas, have contributed to our presence in the market positively and our teas are well sought after. The Company continues to lay stress on quality control in both field and factory and adheres to GAP for plantation activities, along with IPM for pest control.

All Phu Ben estates and factories including Tai Trung and Ngoc Hai are accredited ISO 9000: 2008 and ISO 22000: 2005, GMP & Halal and are also Rainforest Alliance certified.

McLEOD RUSSEL UGANDA LIMITED (MRUL)

The operating results and the profitability of McLeod Russel Uganda Limited (MRUL) received a new height in 2017 due to increased sale price.

The company earned a post-tax profit equivalent to Indian Rs.7544 Lakh in the year 2017 compared to a profit of Rs.5646 Lakhs in 2016. The sale price of MRUL teas improved in 2017 compared to 2016 and the cost of production was controlled resulting in higher profits during the year.

During the year 2016, MRUL manufactured 166.7 lakh kgs (2016 – 173.1 lakh kgs), a reduction of approximately 4% due to drought weather experienced in tea growing areas of Africa. The decrease in production in company's own crop was 12.6 lakh kgs which was in the first half of the year. However there has been increase in tea produced from out-growers' leaf by 6.2 lakh kgs.

MRUL paid an interim dividend equivalent to Rs.3561 Lakh for the year 2017 (2016 – Rs.3092 Lakh).

The company has expanded its production capacity at Ankole Tea Estate by 1.5 million kg per annum during the year which will be used in processing increasing volume of green leaf from out growers. The factory has successfully installed Continuous Withering Machine which will give consistent wither and is cost effective process. It has commenced setting up a new factory at Kisaru Tea Estate to process additional volume of leaf.

There has been continuous effort to enhance the quality of tea by improved plucking technique and it has paid result in terms of better sale price, especially at Bugambe Tea Estate. The company has received prestigious President's Exporter award of the year for two years in succession.

Development of Sports Activity is the key focus for the company and it has been holding inter estate soccer tournament with active participation of the employees. This has resulted in improvement in the moral and has contributed in improved human productivity.

GISOVU TEA COMPANY LIMITED (GTCL)

There has been record production of crop in the year 2017 at 27.4 lakh kgs as against 24.1 lakh kgs in 2016 registering an increase of 14%. The sale price of tea also improved during the year. The cost of sales for the year 2017 was at USD 2.40 per kg as compared to USD 2.31 per kg in the previous year.

The above factors have resulted in a very impressive profit after tax at Rs.2371 Lakh in 2017 as compared to Rs.1229 Lakh in 2016. The company had declared dividend of Rs.1359 Lakh in the year 2017 as compared to Rs.713 Lakh in the previous year.

The strength of the company is to produce high quality tea in Rwanda and it maintained its lead during the year in terms of highest sale price even with increased volume of crop.

The company has received the charge of development of about 61 Hect of land given on short term renewable lease by local government. The estate is developing it on a fast pace.

The company has focused its CSR activities in terms of providing improved housing and drinking water to neighbouring villages. This has gathered the momentum during the year and has completed 10 houses and one water project.

McLEOD RUSSEL MIDDLE EAST DMCC (MRME)

MRME maintained its performance with a post tax profit of Rs.131 Lakh (2016 – Rs.127 Lakh). The total revenue of the company has been Rs 2438 Lakh (2016 – Rs.2123 Lakh) The company purchased 15.75 lakh kgs of tea compared to 13.33 lakh kgs in 2016. It sold 16.12 lakh kgs of tea compared to 13.87 lakh kgs in previous year.

McLEOD RUSSEL AFRICA LIMITED (MRAL)

There had been decline in the volume of business in MRAL during 2017 due to less crop produced in Kenya. The company had purchased and sold 22 lakh kgs of tea in 2017 compared to 37 lakh kgs in 2016. The low volume of business had resulted in a net loss of Rs.67 Lakh in 2017 as compared to net profit of Rs.16 lakh in previous year. The business outlook for the year 2018 has brightened and increased volume has been experienced in the quarter ended 31st March 2018.

PFUNDA TEA COMPANY LIMITED (PTCL)

The production of tea in 2017 was less at 24.7 lakh kgs as compared to 25.4 lakh kgs in previous year. However, improved sale price in 2017 has helped in enhancing post tax profit equivalent to Rs.1415 Lakh as compared to Rs.661 Lakh in 2016. The cost of sales at USD 2.08 in 2017 is marginally higher than previous year. The company declared a dividend of Rs.679 Lakh in 2017 (2016 –Rs.238 Lakh).

Report of the Directors *(Contd.)*

The company has a young tea plantation on about 254 hectare of land which is expected to enhance the volume of crop and bring in new character to the present tea due to its high elevation. The estate has been undertaking necessary upkeep and consolidation of the area where harvesting is expected to commence in a couple of years.

The company has developed one basketball court under CSR to enhance the sporting events in the estate.

CORPORATE SOCIAL RESPONSIBILITY

The philosophy of your Company towards fair governance going hand-in hand with social responsibilities is deeply embedded in its day to day working. The Company has, over the years, successfully formulated a methodology aimed towards improving the life of the people and the environment, which surround the units of the Company and thereby enriching the society.

In terms of Section 135 (5) of the Companies Act, 2013, certain class of companies are required to spend at least 2% of Average Net Profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. Although your Company did not have Average Net Profit during the above period computed in terms of Section 198 of the Act, still like earlier years, it continued with its welfare activities for development in the field of education, culture and other welfare measures to create livelihood and improve the general standard of living in and around the Tea Estates of the Company and other areas where it operates. The details of the said projects pursued by the Company are given in Annexure IV in the form prescribed under the Companies (Corporate Social Responsibility) Rules, 2014.

In addition to the above, like the earlier years, the Company was also associated with various other Social Welfare activities which include the following:

- Facilitating Cataract Operation Camps in association with Shankardev Netralaya where good number of patients has undergone successful eye surgeries.
- Supported Moran Blind School like earlier years.
- Associated with Williamson Magor Education Trust in awarding the Assam Valley Literary Award which was conferred on this year to three eminent persons of the literary world of Assam, namely, poet Shri Sananta Tanti, novelists Shri Yeshe Dorjee Thongchi and Dr. Rita Chowdhury.
- Involved in preservation of ecosystem and natural habitats.
- Supporting heritage conservation.

The Company has a CSR Committee and adopted a CSR Policy which can be accessed at http://www.mcleodrussel.com/investor/policies.aspx. The Corporate Social Responsibility Committee of the Board as on 31st March, 2018 consisted of 3 Executive Directors, namely, Mr. R. Takru, Mr. A. Monem, Mr. K. K. Baheti and Mr. R. Sen, an Independent Director. Mr. R. Takru is the Chairman of the CSR Committee.

BUSINESS RESPONSIBILITY REPORT

In compliance with Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report of the Company for the year ended 31st March, 2018 is attached as Annexure V and forms a part of the Directors' Report.

DIVIDEND DISTRIBUTION POLICY

In accordance with the Regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy and the same is annexed herewith as Annexure VI. The Policy is hosted on the website of the Company and can be viewed at http://www.mcleodrussel.com/investor/policies.aspx.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 for the year ended 31st March 2018 and state that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed with no material departure.

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

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies

Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Since the last Report there has been no change in the Board of Directors. In accordance with the provisions of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Mr. Amritanshu Khaitan and Mr. Azam Monem will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

In terms of Regulation 17(1A) of Listing Regulations as inserted by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which is effective from 1st April 2019, the continuation of the directorship of Mr. B. M. Khaitan and Dr. R. Srinivasan, who have already attained the age of 75 years is recommended for the approval of the Members by way of Special Resolutions at the forthcoming Annual General Meeting.

During the year, the Company had five Key Managerial Personnel, being Mr. Aditya Khaitan, Vice-Chairman and Managing Director, Mr. R. Takru, Wholetime Director, Mr. A. Monem, Wholetime Director, Mr. K. K. Baheti, Wholetime Director and CFO and Mr. A. Guha Sarkar, Company Secretary.

The 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.

The Board met four times during the year on 30th May 2017, 8th August 2017, 10th November 2017 and 5th February 2018. The intervening gap between any two Board Meetings was within the period prescribed by the Companies Act, 2013.

The Company has adopted a Familiarization Programme for Independent Directors and the same is disclosed on the website of the Company and can be accessed at http://www.mcleodrussel.com/investors/policies.aspx.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of requirement of Schedule IV to the Companies Act, 2013, the Independent Directors had a separate meeting on 30th March 2018 without the attendance of non-independent Directors and members of management. All the Independent Directors were present at the said meeting. The activities prescribed in paragraph VII of Schedule IV to the Act were carried out at the said meeting.

BOARD EVALUATION

The Securities Exchange Board of India (SEBI) vide its circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January 2017 had issued a guidance note on Board Evaluation which inter alia contains indicative criterion for evaluation of the Board of Directors, its Committees and the individual members of the Board.

The Board of Directors at its Meeting held on 30th March, 2017 had considered and adopted the indicative criterion for evaluation of the Board of Directors, the Committees of the Board and the individual directors as enumerated in the said Circular and amended the Board evaluation framework accordingly.

Pursuant to the new Evaluation Framework adopted by the Board, the Board evaluated the performance of the Board, its Committees and the Individual Directors for the financial year 2017-18. After the evaluation process was complete, the Board was of the view that the performance of the Board as a whole was adequate and fulfilled the parameters stipulated in the evaluation framework in its pro-growth activity and facing challenging operational, climatic and economic adversities during the year. The Board also ensured that the Committees functioned adequately and independently in terms of the requirements of the Companies Act, 2013 and the Listing Regulations and at the same time supported as well as coordinated with the Board to help in its decision making. The individual Directors' performance was also evaluated and the Board was of the view that the Directors fulfilled their applicable responsibilities and duties as laid down by the Listing Regulations and the Companies Act, 2013 and at the same time contributed with their valuable knowledge, experience and expertise to grab the

Report of the Directors (Contd.)

opportunity and counter the adverse challenges faced by the Company during the year.

AUDIT COMMITTEE

The Audit Committee of the Board as on 31st March 2018 consisted of Dr. R. Srinivasan, Mr. B. Bajoria, Mr. R. Sen and Mr. Aditya Khaitan. Dr. R. Srinivasan, a Non-Executive Independent Director, is the Chairman of the Audit Committee.

The Company has established a Vigil Mechanism/ Whistle Blower Policy and oversees through the Audit Committee, the genuine concerns, if any, expressed by the employees and the Directors. The Company has also made provisions for adequate safeguards against victimization of employees, Directors or any other person who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company. The Vigil Mechanism / Whistle Blower Policy of the Company has been uploaded on the website of the Company and can be accessed at http://www.mcleodrussel.com/investors/policies.aspx.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board as on 31st March 2018 comprised Mr. B. Bajoria, a Non-Executive Independent Director, as its Chairman and Dr. R. Srinivasan and Mr. R. Sen, Non-Executive Independent Directors as its Members.

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations is attached to this report as Annexure VII.

LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantee or investment made under Section 186 of the Companies Act, 2013 are furnished in the Notes to the Financial Statements for the year ended 31st March 2018.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Related Party Transactions entered into by the Company during the year under review were on arm's length basis in the ordinary course of business for mutual benefits. There was no contract, arrangement or transaction with Related Parties which could be considered as material and which may have a potential conflict with the interest of the Company. The Company has formulated a Related Party Transaction Policy and the same is disclosed on the website of the Company and can be accessed at http://www.mcleodrussel.com/investors/policies.aspx.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

GOING CONCERN STATUS

No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operation in the future.

MATERIAL CHANGES AFTER END OF THE FINANCIAL YEAR

Except as disclosed elsewhere in this Annual Report, no material changes and commitments which could affect the financial position of the Company, have occurred between the end of the last financial year and the date of this Annual Report.

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

Financial statements (i.e. Balance Sheet, Profit & Loss Statement and Cash-Flow Statement, together with notes) are prepared through the process which has automated as well as manual controls to ensure accuracy of recording all transactions which have taken place during any accounting period, and the resultant financial position at period end. All data pertaining to payroll, purchases, agricultural activities, plucking, manufacturing, dispatch, selling and other activities are recorded through ERP systems operating in tea estates as well as head office. All data/transactions entered in systems are checked by various functional personnel on the basis of supporting documents & records, then the accounting entries are checked by accounts personnel and finally those are validated by managerial personnel.

At periodic intervals, the accounting data are compiled, and financial statements are prepared. While preparing the financial statements, it is ensured that all transactions pertaining to the accounting period are recorded. Fixed assets, stock of tea, all significant items of stores and monetary assets are physically verified. Balance confirmations are obtained for all significant items of trade receivable and advances.

After preparation of the financial statements, all items appearing in the statements are analysed in order to ensure overall reasonableness.

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

CEO AND CFO CERTIFICATION:

In terms of Part B of of Listing Regulations, the CEO and the CFO of the Company certify to the Board regarding review of the financial statements, compliance with the accounting standards, maintenance of internal control systems for financial reporting and accounting policies, etc.

HEALTH, SAFETY AND WORKING ENVIRONMENT

The Company considers its people as one of the most valuable resources and recognises that safe and healthy working environment motivate employees to be more productive and innovative. The Company takes adequate measures to keep its field and factories safe in all respects. Regular training is imparted to the employees for promoting awareness on safety and skill enhancement. The Company runs a hospital in each of its Tea Estates where the employees of the concerned Estate get regular medical attention. In addition, the Company has set up six central hospitals which are equipped with modern medical instruments. These hospitals are accessible to the employees of the surrounding areas. The Company also provides facilities for sporting and cultural activities for the employees in the Tea Estates.

ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached to this Report as Annexure VIII.

SECRETARIAL AUDIT

In terms of the requirements of Section 204 of the Companies Act, 2013, the Secretarial Audit of the Company for the year ended 31st March 2018 was conducted by Messrs. A. K. Labh & Co, Company Secretaries. The Secretarial Auditors' Report is attached to this Report as Annexure IX and forms part of the Directors' Report. There is no qualification or reservation or adverse remark or disclaimer made by the Secretarial Auditor in the Report.

COST AUDIT

The Board had appointed four firms of Cost Accountants to conduct audit of cost records maintained by the Company for the year ended 31st March, 2018 and the remuneration of the said firms were ratified by the shareholders at the 19th Annual General Meeting of the Company. It is informed with regret that Mr. Ashok Kumar, Proprietor of Messrs. Kumar & Associates, one of the said four firms, expired in January 2018. In view of this the Board, based on the recommendation of the Audit Committee allocated the Tea Estates which were to be audited by Messrs. Kumar & Associates to the three other Cost Auditors at a revised remuneration. A suitable resolution will be placed before the Members at the ensuing Annual General Meeting for ratification of the said remuneration for the year ended 31st March, 2018.

In accordance with the requirements of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company has appointed the following firms of Cost Accountants to conduct audit of Cost Records maintained by the Company for the Tea Plantations of the Company for the year ending 31st March 2019;

(i) M/s Mani & Company

(ii) M/s SPK Associates

(iii) M/s DGM & Associates.

Pursuant to the provisions of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors is required to be ratified by the Members of the Company, a resolution for which will be placed before the Members at the ensuing Annual General Meeting.

The Cost Audit Report furnished by the Cost Auditors in respect of the year ended 31st March, 2017 which did not contain any qualification, reservation or adverse remark was filed with the Ministry of Corporate Affairs within the time prescribed under the Companies Act, 2013.

AUDITORS AND AUDIT REPORT

Under Section 139 of the Companies Act, 2013 and rules made thereunder, it is mandatory to rotate the Statutory Auditors. In line with the requirements of the Act, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number 117366W/W-100018) ("Deloitte") was appointed as the Statutory Auditors of the Company to hold office for a period of 5 consecutive years from the conclusion of the 19th Annual General Meeting held on 9th August, 2017 till the conclusion of 24th Annual General Meeting. Deloitte has conducted Audit for the financial year ended 31st March, 2018 and furnished their report to the Board. There is no qualification, reservation or adverse remark made by the Statutory Auditors of the Company in their Report pertaining to the year ended 31st March 2018.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

A statement giving details of conservation of energy, technology absorption and foreign exchange earnings & outgo in accordance with Section 134(3)(m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, is attached to this Report as Annexure X.

RISK MANAGEMENT

The Company has adopted and implemented a Risk Management Policy after identifying various risks which the Company encounters with during the course of its business none of which in the opinion of the Board may threaten the very existence of the Company itself. The Company maintains a Risk Register where the particulars of the risks identified are entered. The Company has taken adequate measures to mitigate various risks encountered by the Company.

PREVENTION OF INSIDER TRADING:

Your Company has adopted a Code of Conduct for prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors, employees and other designated persons, who could have access to unpublished price sensitive information of the Company are governed by this Code.

The trading window for dealing with equity shares of the Company is duly closed during declaration of financial results and occurrence of any other material events as per the code. During the year under review there has been due compliance with the code.

PARTICULARS OF EMPLOYEES

The ratio of the remuneration of each Director to the median employee's remuneration and other particulars or details of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this Report as Annexure XI.

EMPLOYEE RELATIONS

The Company's large work force continues to remain the backbone of its operations and their welfare has remained a prime area of focus. Upgradation and introduction of new housing facilities, water supply and sanitation, medical infrastructure etc. have been given priority.

In terms of requirements of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013, the Company has formed Internal Complaints Committees (ICC) for its workplaces. During the year, two complaints regarding sexual harassment in two different Tea Estates were received by one of the said Committees. The said complaints were duly handled by the concerned ICC in terms of the Policy adopted by the Company and were disposed of within the prescribed time.

Your Board of Directors wish to place on record its sincere appreciation for the dedicated services rendered by the executives, staff and workers at all levels for smooth functioning of all the estates.

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 30th May 2018

Annexure I

Management Discussion and Analysis

INDUSTRY STRUCTURE AND DEVELOPMENT

Global tea production during year 2017 is estimated at 3050 million kg (2016 – 3000 million kg) of black tea and 2600 million kg (2016 – 2450 million kg) of green tea. India with an increase of 54 million kg over previous year is the main contributor of increase in production of black tea. India, being the largest producer of black tea, produced 1322 million kg as against 1267 million kg during the calendar year 2016. This represents 43% of total global black tea production. Kenya (440 million kg), Sri Lanka (307 million kg), other African countries (205 million kg), Vietnam (172 million kg), Bangladesh (74 million kg) are other main black tea producers globally. China predominantly produces green tea with production of 2400 million kg. (Source: International Tea Committee Bulletin and Tea Board of India).

Weather conditions during 2017, has been very conducive except in Kenya which suffered from drought from the first quarter of calendar year 2017. India had a record production with an increase of 54 million kg over previous year. Tea demands in global markets improved substantially after stability to geopolitical situation, drop in production in Kenya and improved economic activities amongst consuming countries like Russia, Middle East, Egypt and Pakistan. Tea prices at Mombasa auction were higher by 20% over the previous year on account of the above factors. Tea prices at North Indian auctions were higher by Rs. 5 per kg due to improved demand and higher exports for Financial Year 2017-18.

Costs, in India were higher on account of increase in wages and other welfare expenses. However, increase in prices has upset some part of increase in cost.

OPPORTUNITIES AND THREATS

Global black tea production during 2017 was estimated higher by around 50 million kg on account of increase in production in India. However, strong consumption growth in India and loss of crop in Kenya has reduced opening inventory level in 2018. Global demand is likely to grow thereby creating further shortages. Tea prices at Mombasa auction during the first 4 months of 2018 had been similar to last year. Indian tea prices for the new season quality teas have opened higher by Rs. 20 per kg as compared to last year. Indian exports are likely to remain at elevated levels during 2018 due to low global inventory levels. These factors should have a positive impact on both prices and in Indian markets, marking the beginning of positive cycle of prices.

The small tea growers form a considerable part of the industry. The recent revised figures show a total production of around 350 million kgs from these small growers in North India. This gives an opportunity to create a segment based more on variable cost as compared to fixed cost on production.

SEGMENTWISE OR PRODUCTWISE PERFORMANCE

The Company is primarily engaged in the business of cultivation, manufacture and sale of tea and is managed organizationally as a single unit. Accordingly, the Company is a single business segment company.

RISKS AND CONCERNS

The Tea Industry is largely dependent on the vagaries of nature. The Industry is highly labour intensive and is subject to stringent labour laws. Substantial increase in labour wages, high social cost over most other tea producing countries, high infrastructure costs and increasing energy and other input costs remain the major problems for the Indian Tea Industry. Shortage of labour during peak season in some pockets is also a cause for concern. Company has made substantial investment in irrigation to minimise the impact on crop.

These problems need to be addressed by improved productivity and energy conservation. The Tea Industry both in Assam and West Bengal have discussed with the Trade Unions and implemented productivity linked wages for the tea workers with a view to regain the Industry's competitiveness in the global market. Labour agreement for the State of Assam and West Bengal in India is due to be finalised with effect from 1st January 2018 and 1st April 2017 respectively.

The Industry is also subject to taxation from the State Government as well as Central Government and while the level of direct taxes has come down over a period, some of the State levies like cess on green leaf in Assam and substantial increase in Land Revenue charges put the industry at a very disadvantageous position.

To mitigate various types of risks that the company has to face, the Board of Directors of the Company has adopted a Risk Management Policy and implemented the same at

Management Discussion and Analysiss *(Contd.)*

the Tea Estates and at Head Office of the Company. In view of fluctuations in foreign exchange and interest rates, the Company has adopted a specific Risk Management Policy to address the risks concerning the foreign exchange and derivative transactions. The Company had introduced Hazard Analysis and Critical Control Points (HACCP) at all the Tea Factories to ensure better quality product.

OUTLOOK

Black tea production during 2017, was at record level mainly because of increased production in India. However, Kenya suffered crop loss due to unfavourable weather condition. Tea price at Mombasa Auction for African teas increased by 20% as compared to 2016. Tea prices in India were also higher after stagnant to lower prices over last few years. There is an early sign of change in cycle of tea prices. Opening level for new season quality teas in India have opened around Rs. 15 per kg higher as compared to opening level last year. Weather condition during first few months of the new season has been normal. Prices in India for the new year are likely to improve substantially due to demand in global markets and improved economic activities particularly in rural markets.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies. Three independent firms of Chartered Accountants carry out the internal audit at the Tea Estates on a regular basis. Another firm of Chartered Accountants conducts internal audit at the Head Office.

The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews Audit Reports submitted by the internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up the implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations from time to time. The Risk Management Policy adopted by the Company has further strengthened the internal control system.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The details of Financial Performance and Operational Performance have been provided in the Report of the Directors.

HUMAN RESOURCES

Tea Industry is highly labour intensive. The Company employs around 75,800 personnel at its Tea Estates and other establishments in India. Employee relations remained satisfactory during the period under review. The Company would like to record appreciation of the wholehearted support and dedication from employees at all levels in maintaining smooth production and manufacture of tea from all the Tea Estates during the year.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market data and product information contained in this Report have been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 30th May 2018

Annexure II

Corporate Governance Report

(1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is aimed at efficient conduct of its operations and in meeting its obligations towards various stakeholders such as Customers, Vendors, Employees, Shareholders and Financiers and to the Society at large. The Company is in the business of cultivation and production of Tea and is one of the major producers of Tea in the world. The Company endeavours to produce quality Tea that consistently commands respect, trust and loyalty throughout the world by way of sustained efforts, research and development in plantation and adoption of latest technology. The Company strives for successful management of contingencies like drought and flood. While it is the endeavour of your Company to continue to produce Tea of premium quality to the satisfaction of its Customers worldwide, it also gives due importance to its obligations to the large workforce that it employs on the Tea Estates. The Company runs a business that has a human face and values the environment, people, products, plantation practices, customers and shareholders. The Company believes in achieving its goals, which result in enhancement of Shareholders' value through transparency, professionalism and accountability and nurture these core values in all aspects of its operations.

(2) BOARD OF DIRECTORS

(a) Composition and Category of Directors

The Board of Directors of your Company as on 31st March 2018 consisted of twelve Directors as under:

- Two Non-Executive Promoter Directors including the Chairman;
- Vice-Chairman & Managing Director is a Promoter;
- Three Wholetime Directors;
- Six Non-Executive Independent Directors.

The Board has an optimum combination of Executive and Non-Executive Directors and half of the Board consisted of Independent Directors including one woman Director, which is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

(b) & (c) Attendance of each Director at the BoardMeetings/last AGM, Directorship and Chairmanship/ Membership in other Board/ Board Committees

Name and category of the Directors on the Board, their attendance at Board Meetings held during the financial year ended 31st March 2018, number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies are given below. Other Directorships do not include alternate Directorships, Directorships in Private Limited Companies and Companies under Section 8 of the Companies Act, 2013 and of the Companies incorporated outside India. Chairmanship/ Membership of Board Committees relates to only Audit and Stakeholders' Relationship Committees.

Name of Directors	Category	No. of Board Meetings		Whether attended last AGM held on 9th August 2017	No. of Directorships in other public limited companies	No. of Committee positions held in other public limited companies	
		Held during the year	Attended			As Chairman/ Chairperson	As Member (#)
Mr. Brij Mohan Khaitan	Non-Executive Chairman	4	4	No	4	-	1
Mr. Aditya Khaitan	Vice Chairman & Managing Director	4	4	Yes	8	1	2
Mr. Amritanshu Khaitan	Non-Executive Director	4	4	Yes	8	-	-
Dr. Raghavachari Srinivasan	Non-Executive & Independent	4	4	Yes	5	1	5
Mr. Bharat Bajoria	Non-Executive & Independent	4	4	Yes	7	-	1
Mr. Ranabir Sen	Non-Executive & Independent	4	4	Yes	-	-	-
Mr. Utsav Parekh	Non-Executive & Independent	4	3	Yes	6	2	3
Mrs. Ramni Nirula	Non-Executive & Independent	4	4	No	8	4	9
Mr. Padam Kumar Khaitan	Non-Executive & Independent	4	2	No	8	2	5
Mr. Rajeev Takru	Wholetime Director	4	4	Yes	3	-	-
Mr. Azam Monem	Wholetime Director	4	3	Yes	-	-	-
Mr. Kamal Kishore Baheti	Wholetime Director	4	4	Yes	8	-	1

(#) Including Chairmanship, if any.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman/Chairperson of more than 5 Committees across all the Companies in which he/she is a Director. The Directors have made necessary disclosures regarding Committee positions held in other public limited companies in terms of Regulation 26(1)&(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(d) Number & Dates of Board Meetings

Four Board Meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held are as follows:

30th May 2017, 8th August 2017, 10th November 2017 and 5th February 2018.

(e) Disclosure of relationships between Directors

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013, except Mr. Aditya Khaitan who is the son of Mr. B. M. Khaitan.

Corporate Governance Report *(Contd.)*

(f) Number of shares and convertible instruments held by Non-Executive Directors

Sl. No.	Name of Director		No. of Shares held
1	Mr. Brij Mohan Khaitan	Non-Executive Chairman	36,588
2	Mr. Amritanshu Khaitan	Non-Executive Director	15,000
3	Dr. Raghavachari Srinivasan	Non-Executive & Independent	-
4	Mr. Bharat Bajoria	Non-Executive & Independent	1,800
5	Mr. Ranabir Sen	Non-Executive & Independent	133
6	Mr. Utsav Parekh	Non-Executive & Independent	-
7	Mrs. Ramni Nirula	Non-Executive & Independent	-
8	Mr. Padam Kumar Khaitan	Non-Executive & Independent	1,500

The Company has not issued any convertible instruments.

(g) Web Link for Familiarization Programme

Web link giving the details of Familiarization Programme imparted to Independent Directors at http://www.mcleodrussel.com/investors/familiarisation-programme.aspx

(3) AUDIT COMMITTEE

The Audit Committee of the Board comprises of 4 Directors including 3 Independent Directors. The Members of the Audit Committee have wide exposure and knowledge in area of finance and accounting. The role and terms of reference of the Audit Committee covers the areas mentioned under Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. The Audit Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

(a) Brief descriptions of the terms of reference of the Audit Committee are as follows:

(i) oversight of the Company's financial reporting process and the disclosure of its financial information;

(ii) recommendation for appointment, re-appointment, remuneration and terms of appointment, re-appointment of auditors including cost auditors and fixation of audit fees and removal of internal auditor/cost auditors;

(iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) reviewing with the management, examination of the quarterly and annual financial statements and auditor's report thereon before submission to the board for approval;

(v) reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

(vi) Approval or any subsequent modification of transactions of the Company with related parties, including omnibus approval of related party transactions under such conditions as may be statutorily applicable.

(vii) scrutiny of inter-corporate loans and investments;

(viii) valuation of undertakings or assets of the Company, wherever it is necessary;

(ix) to evaluate internal financial controls and risk management systems;

(x) reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems;

(xi) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xii) discussion with internal auditors of any significant findings and follow up there on;

(xiii) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(xiv) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xv) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xvi) to review the functioning of the whistle blower mechanism;

(xvii) approval of appointment of Chief Financial Officer (i.e. the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

(b) Composition, Name of Members and Chairperson

The Audit Committee of the Board as on 31st March 2018 consisted of Dr. R. Srinivasan, Messrs. B. Bajoria, R. Sen and A. Khaitan. Dr. R. Srinivasan, a Non-Executive Independent Director, having adequate financial and accounting qualification and expertise, is the Chairman of the Audit Committee. The other Members of the Committee are also financially literate. The Committee has three Non-Executive Independent Directors. Mr. A. Guha Sarkar, Senior Vice-President & Company Secretary acts as the Secretary to the Committee.

(c) Meetings and attendance during the year

The particulars of meetings attended by the Members of the Audit Committee during the financial year ended 31st March 2018 are given below:

Name of Directors	Category	No. of Meetings	
		Held during the year	Attended
Dr. R. Srinivasan, Chairman	Non-Executive & Independent	4	4
Mr. B. Bajoria	Non-Executive & Independent	4	4
Mr. R. Sen	Non-Executive & Independent	4	4
Mr. A. Khaitan	Vice Chairman & Managing Director	4	3

Four Meetings of the Audit Committee were held during the financial year ended 31st March 2018. The dates on which the Audit Committee Meetings were held are as follows:

30th May 2017, 8th August 2017, 10th November 2017 and 5th February 2018.

(4) NOMINATION AND REMUNERATION COMMITTEE

(a) Brief description of terms of reference

The role and principal terms of reference of the Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations are as follows:

(i) to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment/removal.

(ii) formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees;

(iii) formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

(iv) to carry out evaluation of every Director's performance;

(v) to devise a policy on Board diversity;

(vi) whether to extend or continue the term of appointment of Independent Director on the basis of performance evaluation of Independent Directors.

(b) Composition, Name of Members and Chairman

The Nomination and Remuneration Committee of the Board as on 31st March 2018 comprised of Mr. B. Bajoria, a Non-Executive Independent Director, as the Chairman, Dr. R. Srinivasan and Mr. R. Sen, Non-Executive Independent Directors as its Members.

Corporate Governance Report *(Contd.)*

(c) Meeting and attendance during the year

During the financial year ended 31st March 2018 no Meeting of the Nomination and Remuneration Committee was held.

(d) Performance evaluation criteria for independent Directors

The Nomination and Remuneration Committee at its Meeting held on 30th March, 2017 had considered and adopted the indicative criterion for evaluation of performance of the Board of Directors and the Independent Directors issued by Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017 in terms of the requirements of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Pursuant to the adoption of the new criterion for evaluation of performance of the Board of Directors and the Independent Directors, the Committee carried out the process of evaluation of the performance of every Director in accordance with its terms of reference and the requirements of Companies Act, 2013.

The performance of the Independent Directors is evaluated on the basis of the following parameters:-

General -

(a) Qualifications, (b) Experience, (c) Knowledge and Competency, (d) Fulfillment of functions, (e) Ability to function as a team, (f) Initiative, (g) Availability and attendance, (h) Commitment, (i) Contribution and (j) Integrity.

Additional criteria for Independent Director -

(a) Independence and (b) Independent views and judgement.

(e) Meeting and attendance during the year

During the financial year ended 31st March 2018 one Meeting of the Independent Directors held on 29th March 2018 and the attendances are as follows:

Name of Directors	Category	No. of Meetings	
		Held during the year	Attended
Dr. R. Srinivasan	Non-Executive & Independent	1	1
Mr. B. Bajoria	Non-Executive & Independent	1	1
Mr. R. Sen	Non-Executive & Independent	1	1
Mr. U. Parekh	Non-Executive & Independent	1	1
Mrs. R. Nirula	Non-Executive & Independent	1	1
Mr. P. K. Khaitan	Non-Executive & Independent	1	1

(5) REMUNERATION OF DIRECTORS

(a) & (b) Pecuniary Relationship or transactions of the Non-Executive Directors/criteria of making payments to Non-Executive Directors

The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for attending Board Meetings, Committee Meetings and separate Meeting of Independent Directors. They get Commission if approved by the Board for their valuable services to the Company subject to the limit fixed by the Members.

Criteria of making payment to Non-Executive Directors are disclosed in the Nomination and Remuneration Policy and the same is attached to the Report of the Directors as Annexure-V.

The details of remuneration for the financial year ended 31st March 2018 to the Non-Executive Directors are as under:

Name of Director	Sitting Fees (Rs.) for Board Meetings	Sitting Fees (Rs.) for Committee & Independent Directors' Meetings
Mr. B. M. Khaitan	1,60,000	-
Dr. R. Srinivasan	1,60,000	1,20,000
Mr. B. Bajoria	1,60,000	1,60,000
Mr. R. Sen	1,60,000	1,80,000
Mr. U. Parekh	1,20,000	80,000
Mrs. R. Nirula	1,60,000	40,000
Mr. Amritanshu Khaitan	1,60,000	-
Mr. Padam Kumar Khaitan	80,000	40,000
Total	**11,60,000**	**6,20,000**

(c) Disclosures with respect to remuneration

(i), (ii) & (iii) Remuneration package/ Remuneration paid to Directors

The Executive Directors are paid Salary, contribution to Provident Fund & other Funds, Bonus and allowances and perquisites as per their terms of appointment approved by the Members of the Company.

Non-Executive Directors and Independent Directors are paid sitting fees and commission as determined by the Board from time to time.

The details of the fixed components of the managerial remuneration paid to the Managing and the Wholetime Directors are given below. Allowances to the Executive Directors may vary as approved by the Board based on their and Company's performance. Commission is paid to the Non-Executive Directors as approved by the Board based on the performance of the Company.

Details of Remuneration for the financial year ended 31st March 2018 to the Managing Director and Wholetime Directors are given below:

	Mr. A. Khaitan Rs.	Mr. R. Takru Rs.	Mr. A. Monem Rs.	Mr. K.K. Baheti Rs.
Salary	1,80,00,000	72,00,000	72,00,000	72,00,000
Contribution to Provident Fund and other Funds	48,60,000	19,44,000	19,44,000	19,44,000
Bonus and Allowances	1,83,08,658	1,04,20,000	1,04,20,000	1,04,20,000
Monetary value of Perquisites	28,982	2,19,166	2,13,482	1,38,977
Period of appointment	3 years w.e.f. 01.04.2017	3 years w.e.f. 01.04.2017	3 years w.e.f. 01.04.2017	3 years w.e.f. 01.04.2017
Notice period	3 months	3 months	3 months	3 months
Severance fees	Not specified	Not specified	Not specified	Not specified

The Agreements with the Managing Director and Whole-time Directors are normally done every 3 years.

(iv) Stock option

The Company does not have any Scheme for grant of stock options to its employees.

(6) STAKEHOLDERS' RELATIONSHIP COMMITTEE

(a) Name of Non-Executive Director heading the Committee/Composition of the Committee

Stakeholder Relationship Committee of the Board as at 31st March 2018 consisted of Mr. R. Sen, a Non-Executive Independent Director, as the Chairman and Mr. B. Bajoria and Mr. U. Parekh both Non-Executive and Independent Directors were the other Members of the Committee.

(b) Name and designation of Compliance Officer

Mr. A. Guha Sarkar, Senior Vice-President & Company Secretary is the Compliance Officer for redressal of Shareholder's/Investor's complaints.

(c), (d)&(e) Details of Shareholders'/Investors' Complaints

During the Financial Year ended 31st March 2018, 35 complaints were received from the Shareholders/Investors. The details are as under:

Corporate Governance Report (Contd.)

Opening as on 1st April 2017	Nil
Received during the year	35
Resolved during the year	33
Closing/Pending as on 31st March 2018	2

MEETINGS AND ATTENDANCE DURING THE YEAR

During the financial year two Meetings of the Stakeholders' Relationship Committee were held on 10th November 2017 and 29th March 2018 and the attendances of Members are as follows:

Name of Directors	Category	No. of Meetings	
		Held during the year	Attended
Mr. R. Sen, Chairman	Non-Executive & Independent	2	2
Mr. B. Bajoria	Non-Executive & Independent	2	2
Mr. U. Parekh	Non-Executive & Independent	2	2

(7) GENERAL BODY MEETINGS

(a) Location and time of last three Annual General Meetings:

Financial Year ended	Date	Time	Venue
31.03.2015	04.08.2015	10:30 a.m.	Kala Mandir, 48 Shakespeare Sarani, Kolkata 700 017
31.03.2016	08.08.2016	11:00 a.m.	Kala Mandir, 48 Shakespeare Sarani, Kolkata 700 017
31.03.2017	09.08.2017	10:30 a.m.	Kala Mandir, 48 Shakespeare Sarani, Kolkata 700 017

(b) Special Resolutions passed in the previous three AGMs.

AGM held on	Special Resolution passed:
04.08.2015	None
08.08.2016	(1) Special Resolution pursuant to the provisions of Section 197 of the Companies Act, 2013 ('the Act') read with the applicable provisions of Schedule V to the Act, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of the Central Government for waiver of recovery of excess remuneration paid to Mr. R. Takru (DIN:00023796) as a Wholetime Director of the Company during the year ended 31st March 2016.
	(2) Special Resolution pursuant to the provisions of Section 197 of the Companies Act, 2013 ('the Act') read with the applicable provisions of Schedule V to the Act, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of the Central Government for waiver of recovery of excess remuneration paid to Mr. A. Monem (DIN:00023799) as a Wholetime Director of the Company during the year ended 31st March 2016.
	(3) Special Resolution pursuant to the provisions of Section 197 of the Companies Act, 2013 ('the Act') read with the applicable provisions of Schedule V to the Act, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other statutory provisions as may be applicable for waiver of recovery of excess remuneration paid to Mr. K. K. Baheti (DIN:00027568) as a Wholetime Director of the Company during the year ended 31st March 2016.

AGM held on	Special Resolution passed:
09.08.2017	(1) Special Resolution for approval of remuneration payable to Mr. A. Khaitan (DIN:00023788) as the Managing Director of the Company for a period of three years commencing from 1st April 2017 as specified in the special resolution and the relative explanatory statement.
	(2) Special Resolution for waiver of recovery of excess remuneration paid to Mr. A. Khaitan (DIN:00023788) as the Managing Director of the Company during the year ended 31st March 2017.
	(3) Special Resolution for approval of re-appointment of Mr. R. Takru (holding DIN:00023796) as a Wholetime Director of the Company for a period of three years commencing from 1st April 2017 and the remuneration payable to him as specified in the special resolution and the relative explanatory statement.
	(4) Special Resolution for approval of re-appointment of Mr. A. Monem (holding DIN:00023799) as a Wholetime Director of the Company for a period of three years commencing from 1st April 2017 and the remuneration payable to him as specified in the special resolution and the relative explanatory statement.
	(5) Special Resolution for approval of re-appointment of Mr. K. K. Baheti (holding DIN:00027568) as a Wholetime Director of the Company for a period of three years commencing from 1st April 2017 and the remuneration payable to him as specified in the special resolution and the relative explanatory statement.
	(6) Special Resolution for adoption of new set of Articles in substitution of the existing Articles in the Articles of Association of the Company.
	(7) Special Resolution for keeping the Register of Members and other documents as may be required at the Corporate Office of Meheshwari Datamatics Private Limited, Registrar and Share Transfer Agent of the Company at 23 R. N. Mukherjee Road, 5th Floor, Kolkata - 700001.

(c) & (d) No Resolution was passed through Postal Ballot during the year ended 31st March 2018.

(e) No Special Resolution is proposed to be conducted through Postal Ballot.

(f) Remote e-voting and Ballot voting at the Annual General Meeting

The Company has arranged for remote e-voting facility to the Shareholders to vote on the Resolutions proposed at the 20th Annual General Meeting ('AGM'). The Company has engaged Central Depository Services (India) Limited to provide e-voting facility to all the Members. Members whose names appear on the Register of Members as on the cut-off date i.e. 2nd August 2018 shall be eligible to participate in the e-voting.

The facility for voting through Ballot Paper will also be made available at the AGM and the Members who have not already cast their vote by remote e-voting can exercise their voting through Ballot Paper at the AGM.

(8) MEANS OF COMMUNICATION

The Company regularly interacts with the Shareholders through multiple ways of communication such as Results announcement, Annual Report, and through Company's website and specific communications.

(a) & (b) Quarterly Results/Newspaper wherein Results normally published

Quarterly, half-yearly and annual Results are published in prominent dailies which inter alia, include Business Standard (English), The Economic Times (English) and Aajkal (Bengali) in the form prescribed by the Stock Exchanges in the Listing Regulations.

The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS), BSE Listing Centre through online filing and CSE through e-mail for dissemination on their respective websites.

Corporate Governance Report *(Contd.)*

(c) & (d) Website

The Financial Results are also made available on the website of the Company www.mcleodrussel.com. Information relating to the Company and its performance, Unpaid Dividend, Press Releases and Information Updates as and when made are displayed on the Company's website and also sent to the Stock Exchanges to enable them to put the same on their own websites.

(e) Presentation

No presentation was made to Institutional Investors or to the analysts during the year under review.

(9) GENERAL SHAREHOLDER INFORMATION

(a) 20th Annual General Meeting

Date and Time	9th August 2018 (Thursday) at 10:30 a.m.
Venue	Kala Mandir 48, Shakespeare Sarani, Kolkata – 700 017

(b) Financial Year : 1st April 2017 to 31st March 2018

(c) Dividend Payment Date

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

(d) Name and address of Stock Exchanges/ Payment of annual Listing Fee

The Company's Shares are listed at the following Stock Exchanges and the Annual Listing Fees for the year 2018-2019 have been paid to all these Stock Exchanges.

Name and address of Stock Exchanges		
1	BSE Limited [BSE]	P. J. Towers, 25th Floor, Dalal Street, Mumbai – 400 001
2	National Stock Exchange of India Limited [NSE]	Exchange Plaza, 5th Floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
3	The Calcutta Stock Exchange Limited [CSE]	7 Lyons Range, Kolkata - 700001

(e) Stock Code/Listing of Shares

Name of the Stock Exchanges [where the Company's Shares are listed]	Date of Listing of 5,59,05,402 Equity Shares of Rs.5/- each of the Company	Date of Listing of 4,25,25,000 Equity Shares of Rs.5/- each of the Company	Date of Listing of 99,07,305 Equity Shares of Rs.5/- each of the Company	Date of Listing of 11,18,028 Equity Shares of Rs.5/- each of the Company	Stock Code
BSE	28.07.2005	21.08.2006	09.11.2006	01.08.2008	532654
NSE	29.07.2005	28.08.2006	09.11.2006	18.08.2008	MCLEODRUSS
CSE	23.08.2005	31.08.2006	16.11.2006	24.09.2008	10023930

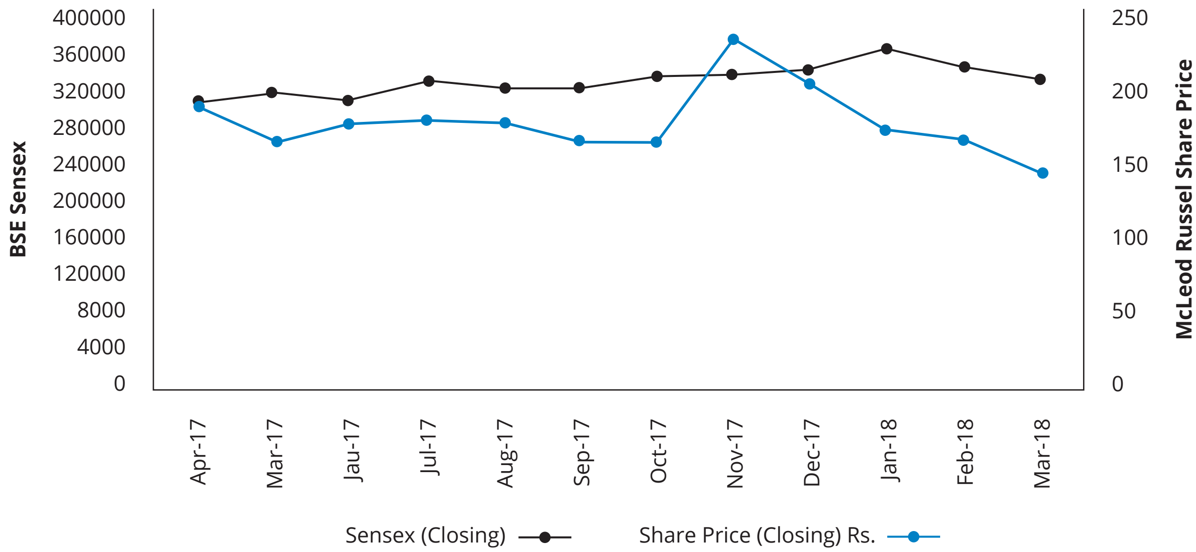
Demat **ISIN** for NSDL & CDSL: **INE 942G01012**

(f) Market Price Data:

Month	Bombay Stock Exchange				National Stock Exchange	
	High Price Rs.	Low Price Rs.	Close Price Rs.	BSE Sensex (Closing)	High Price Rs.	Low Price Rs.
April 2017	196.00	166.00	191.15	29918.40	196.00	165.80
May 2017	196.25	162.10	166.35	31145.80	196.60	164.00
June 2017	190.00	165.30	173.65	30921.61	185.15	165.20
July 2017	188.00	168.70	175.20	32514.94	187.80	168.40
August 2017	184.25	164.00	175.90	31730.49	184.00	165.00
September 2017	179.00	154.80	163.60	31283.72	179.30	155.00
October 2017	169.60	155.00	165.75	33213.13	169.85	154.20
November 2017	248.30	161.15	234.60	33149.35	248.70	162.60
December 2017	244.40	191.00	205.00	34056.83	244.70	192.00
January 2018	207.75	170.00	170.30	35965.02	206.90	170.00
February 2018	178.00	160.55	165.05	34184.04	177.45	161.00
March 2018	166.20	137.40	142.90	32968.68	165.80	137.15

(g) Performance of Share Price in Comparison to BSE Sensex

Share Price Performance (April 2017 to March 2018)



Corporate Governance Report *(Contd.)*

(h) In case the Securities suspended from trading – Not Applicable

(i) Registrar and Share Transfer Agents

In accordance with the SEBI directive vide Circular Nos. D&CC/FITTC/CIR-15/2002 dated 27th December 2002 the Company appointed the following SEBI registered Agency as the Common Registrar and Share Transfer Agents of the Company for both the Physical and Dematerialized segments with effect from 14th March 2005:-

Maheshwari Datamatics Pvt Ltd.
23 R. N. Mukherjee Road, 5th Floor
Kolkata – 700001.
TEL : (033) 2248-2248; 2243-5029; 2231-6839
FAX : (033) 2248-4787
E-MAIL : info@mdpl.in; mdpldc@yahoo.com

(j) Share Transfer System

The requests for transfer of shares held in physical mode should be lodged at the Corporate Office of the Company's Registrar & Share Transfer Agents, Maheshwari Datamatics Private Limited (Registered with SEBI), 23 R. N. Mukherjee Road, 5th Floor, Kolkata - 700001 or at the Registered Office of the Company. The Board of Directors has unanimously delegated the powers of share transfer, transmission, sub-division, consolidation and issue of duplicate Share Certificate/s to a Share Transfer Committee comprising Messrs. K. K. Baheti, R. Takru and A. Monem in order to expedite transfer, transmission etc. in the physical form. During the year the Committee met once every week for approving Share Transfers and for other related activities. Share Transfers are registered and returned in the normal course within an average period of 14 days, if the transfer documents are found technically in order and complete in all respects.

The Company conducts a weekly review of the functions of the Registrar and Share Transfer Agent for upgrading the level of service to the Shareholders. Weekly review is also conducted on the response to the Shareholders pertaining to their communication and grievances, if any.

Transfer of Unclaimed Shares to Unclaimed Suspense Account

In terms of a Scheme of Arrangement with a Company and Schemes of Amalgamation for amalgamation of two Companies with the Company, the Company had allotted and dispatched share certificates to the eligible Shareholders of the said Companies. Some of the said share certificates were returned undelivered to the Company and were lying with Maheshwari Datamatics Private Limited, the Registrar and Share Transfer Agents of the Company as unclaimed. In terms of Regulation 39(4) and Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 three reminders were sent by the Company to the Shareholders whose shares were returned undelivered. In terms of the aforesaid Regulation, the 3,94,893 shares which remained unclaimed, have been transferred and credited in the demat account of McLeod Russel India Limited – Unclaimed Suspense Account opened with a depositary participant namely, Integrated Enterprise (India) Limited on 1st June 2017. The details of such shares have been uploaded on the website of the Company at http://www.mcleodrussel.com/investors/iepf-suspense-account.aspx

The Summary of shares lying in the demat account of McLeod Russel India Limited – Unclaimed Suspense Account is given below:

Particulars	Number of Shareholders	No. of Equity Shares
Aggregate number of Shareholders and the outstanding Shares in Unclaimed Suspense Account as on 01.06.2017	2,924	3,94,893
No. of Shareholders who approached the Company for transfer of Shares from Unclaimed Suspense Account during the year	6	1,138
No. of Shareholders to whom Shares were transferred from the Unclaimed Suspense Account during the year	(6)	(1,138)
No. of Shareholders and number of Shares held by them which were transferred to IEPF Authority during the year as per Section 124 of the Companies Act, 2013	(2,386)	(3,01,314)
Aggregate number of Shareholders and the outstanding Shares in Unclaimed Suspense Account lying as on 31.03.2018	532	92,441

The voting rights on the Shares outstanding in the Unclaimed Suspense Account as on 31st March 2018 shall remain frozen till the rightful owner of such Shares claims the Shares.

Transfer of unpaid and unclaimed dividend to Investor Education and Protection Fund

The Company has transferred the unpaid and unclaimed dividends declared up to financial years 2009-2010, from time to time, to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Pursuant to the provisions of IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 9th August 2017 (date of last Annual General Meeting) on the website of the Company at the web link at http://www.mcleodrussel.com/investors/unclaimed-dividend-transferred-iepf.aspx

Unclaimed shares transferred to IEPF Authority

In line with the IEPF Rules, the Company sends reminder letter to all such shareholders, whose dividend has remained unpaid / unclaimed for a consecutive period of 7 years with a request to claim the dividends, failing which the shares would be transferred to the IEPF Authority on the due date which is available at the Company's website at http://www.mcleodrussel.com/pdf/investor/eq-iepf.pdf

Accordingly, all such shares in respect of which dividend had remained unclaimed for a consecutive period of 7 years from the financial years 2009-2010 to 2016-2017 were transferred to the demat account of the IEPF authority. The details of such shares uploaded on the website of the Company www.mcleodrussel.com.

The summary of shares lying in the demat account of IEPF Authority is given below:

Financial Year	No. of Shares transferred
2009-2010	6,41,766
Total	**6,41,766**

The procedure for claiming the unpaid dividend amount and shares transferred to the IEPF Authority is provided on the link: http://www.iepf.gov.in/IEPFA/refund.html

(k) (i) Distribution of shareholding as on 31st March 2018

Size of holding	No. of holders (holding PAN)	Percent-age	No. of Shares	Percent-age
1 to 500	53,494	89.3667	59,23,387	5.4117
501 to 1000	3,406	5.6900	26,20,536	2.3941
1001 to 2000	1,610	2.6897	23,97,524	2.1904
2001 to 3000	458	0.7651	11,76,286	1.0747
3001 to 4000	183	0.3057	6,51,534	0.5952
4001 to 5000	144	0.2406	6,81,423	0.6226
5001 to 10000	259	0.4327	19,34,955	1.7678
10001 and above	305	0.5095	9,40,70,090	85.9435
Total	**59,859**	**100.0000**	**10,94,55,735**	**100.0000**

(ii) Shareholding Pattern as on 31st March 2018

Sr. No.	Category	Number of Shareholders	No. of Shares held	% of holding
1	Promoters	20	4,46,09,781	40.76
2	Mutual Funds/UTI	7	1,09,33,279	9.99
3	Foreign Portfolio Investors	78	2,52,30,880	23.05
4	Financial Institutions/Banks	66	16,86,741	1.54
5	Insurance Companies	2	15,44,000	1.41
6	Foreign Institutional Investors	1	1,49,113	0.14
7	Central/State Government(s)	1	112	0.00
8	Resident Individuals	55,353	1,76,85,893	16.16
9	NBFCs Registered with RBI	9	1,15,962	0.10
10	Investor Education and Protection Fund Authority	1	6,41,766	0.59
11	Bodies Corporate	638	51,51,180	4.71
12	Clearing Member	172	3,96,563	0.36
13	Non Resident Individuals	1,054	9,81,945	0.90
14	Domestic Corporate Unclaimed Shares Account	1	92,441	0.08
15	Trusts	7	6,403	0.00
16	Foreign Company	2	1,36,350	0.12
17	Foreign National	30	93,326	0.09
	Total:	**57,442**	**10,94,55,735**	**100.00**

(l) Dematerialization of shares and liquidity

The Company's Shares form part of the SEBI's Compulsory Demat segment for all Shareholders/investors. The Company has established connectivity with both the

Corporate Governance Report *(Contd.)*

Depositories viz. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] through the Registrar, Maheshwari Datamatics Private Limited, 23 R. N. Mukherjee Road, 5th Floor, Kolkata 700001. Requests for dematerializations of shares are processed and confirmations are given to the respective Depositories within the prescribed time. 98.4365% Shares of the Company are in dematerialized form.

(m) Outstanding GDRs or ADRs or Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs or ADRs or Warrants or any convertible instruments.

(n) Commodity price risk or foreign exchange risk and hedging activities

The Company being a major exporter of Tea, is involved in forward sale of a part of the foreign exchange earned by it based on past performance as also in interest swap activities following the Risk Management Policy on Foreign Exchange and Derivative Transactions framed by it. The Board monitors the foreign exchange exposures on a quarterly basis and necessary steps are taken to limit the risks of adverse exchange rate movement.

(o) Plant Locations:

Tea manufacturing plants are located at the following Tea Estates –

Locations	Tea Estates
ASSAM:-	
BISHNAUTH	DEKORAI, MIJICAJAN, MONABARIE, PERTABGHUR, NILPUR
DHUNSERI	BEHORA, BUKHIAL
DOOM DOOMA	BAGHJAN, BORDUBI, KOOMSONG, PHILLOBARI, BEESAKOPIE/DAIMUKHIA, RAIDANG, SAMDANG
EAST BOROI	BARGANG, BEHALI, BOROI, DUFFLAGHUR, HALEM, NYA GOGRA
JORHAT	HUNWAL
MANGALDAI	ATTAREEKHAT, BHOOTEACHANG, BORENGAJULI, CORRAMORE, DIMAKUSI, PANEERY
MARGHERITA	BOGAPANI, DEHING, DIROK, MARGHERITA, NAMDANG
MORAN	ATTABARRIE, DIRAI, LEPETKATTA, MORAN, RAJMAI, SEPON
THAKURBARI	ADDABARIE, HARCHURAH, PHULBARI, RUPAJULI, TARAJULIE, TEZPORE & GOGRA
TINGRI	DIRIAL, ITAKHOOLI, KEYHUNG, MAHAKALI
WEST BENGAL:-	
DOOARS	CENTRAL DOOARS, CHUAPARA, JAINTI/CHUNIAJHORA, MATHURA

(p) Address for correspondence

Any assistance regarding Share transfers and transmission, change of address, non-receipt of share certificate/duplicate share certificate, demat and other matters for redressal of all share-related complaints and grievances, the Members are requested to write to or contact the Registrar & Share Transfer Agents or the Share Department of the Company for all their queries or any other matter relating to their shareholding in the Company at the addresses given below:

i) **The Company's Registered Office at :**
McLeod Russel India Limited
Corporate Identity Number (CIN):L51109WB1998PLC087076

Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700001.

TEL : 033-2210-1221, 033-2243-5391, 033-2248-9434, 033-2248-9435

FAX : 91-33-2248-3683, 91-33-2248-8114, 91-33-2248-6265

E-Mail: administrator@mcleodrussel.com

ii) Registrar and Share Transfer Agents' Offices at:

Registered Office:	Corporate Office:
Maheshwari Datamatics Pvt Ltd. 6 Mangoe Lane, Surendra Mohan Ghosh Sarani, 2nd Floor, Kolkata – 700001 Tel. : (033) 2248-5809 E-mail: info@mdpl.in; mdpldc@yahoo.com	**Maheshwari Datamatics Pvt Ltd.** 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001. Tel. : (033) 2248-2248; 2243-5029; 2231-6839, Fax : (033) 2248-4787 E-mail: info@mdpl.in; mdpldc@yahoo.com

In case of any difficulty, the Compliance Officer at the Registered Office of the Company may be contacted.

Special E-mail Id.: investors@mcleodrussel.com.

(10) Other Disclosures

(a) Disclosures on materially significant related party transactions having potential conflict: Nil.

(b) Compliance of Laws & Regulations relating to Capital Markets

The Company has complied with all the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the financial year. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the financial years ended 31st March 2016, 31st March 2017 and 31st March 2018.

(c) Whistle Blower Policy/Vigil Mechanism

The Company has a Whistle Blower Policy, which is available at the Company's website at the web link at http://www.mcleodrussel.com/investors/policies.aspx and no personnel has been denied access to the Audit Committee.

(d) Compliance with Mandatory requirements and adoption of Non-mandatory requirements

All the mandatory requirements of Listing Regulations have been appropriately complied with and the compliances of the non-mandatory are given below. The Company has executed the fresh Agreements with BSE, NSE and CSE as required under the newly enacted Listing Regulations.

Compliance of Non-Mandatory Requirements The Board

During the financial year ended 31st March 2018, a part of the expenses for maintenance of the office of the Non-Executive Chairman was borne by the Company.

Shareholder Rights – Half yearly results

Half-yearly Results are published in prominent dailies which inter alia, include Business Standard (English), The Economic Times (English) and Aajkal (Bengali) in the form prescribed by the Stock Exchanges from time to time and the same are not sent to the Shareholders of the Company but hosted on the Company's website at the web link at http://www.mcleodrussel.com/investors/financial-results.aspx

Modified Opinion in Audit Report

The Auditors of the Company have furnished their Audit Report in respect of the Financial Results for the Financial Year ended 31st March 2018 with unmodified opinion.

Separate Posts of Chairman and CEO/ Managing Director

The Posts of Chairman and Managing Director of the Company are separate.

Reporting of Internal Auditors:

The Internal Auditors of the Company are Independent and their Reports are placed before the Audit Committee.

(e) & (f) Web Links

The Company has formulated a Policy for determining Material Subsidiaries to ensure governance of material subsidiary companies, which is available on Company's website at the web link at http://www.mcleodrussel.com/investors/policies.aspx

In terms of the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is available on Company's website at the web link at http://www.mcleodrussel.com/investors/policies.aspx

In terms of the requirement of Listing Regulations, your Company has formulated a

Corporate Governance Report *(Contd.)*

Policy on Preservation of documents which is available on the Company's website at the web link at http://www.mcleodrussel.com/investors/policies.aspx

(g) Commodity price risk and commodity hedging activities

The Company is engaged in growing, manufacturing and selling of Tea. Green leaf is the principal raw material of the Company, a major part of which is grown in the Tea Estates owned by the Company. The Company also procures green leaves from the out growers at the prevailing market price. The management monitors the price and supply of green leaf and takes necessary steps to minimize the price risk. The Company sells the tea produced by it through Auction, by way of export and private sale.

(11) COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS

The Company has duly complied with the Corporate Governance requirements and there is no Non-Compliance of any requirement of Corporate Governance Report covered under sub-paras (2) to (10) of the Part C of Schedule V of the Listing Regulations.

(12) DISCRETIONARY REQUIREMENTS :

Details given in Clause 10(d) above.

(13) DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has duly complied with the Corporate Governance requirements as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

For and on behalf of the Board

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 30th May 2018

Annexure III

Independent Auditor's Certificate On Corporate Governance

To the Members of

Mcleod Russel India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated September 7, 2017.

2. We, Deloitte Haskins & Sells, Chartered Accountants, the statutory auditors of MCLEOD RUSSEL INDIA LIMITED ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management.

   This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Bhattacharya
Partner
(Membership No. 054110)

Kolkata, May 30, 2018

Declaration Regarding Compliance By The Board Members And Senior Management Personnel With The Company's Codes Of Conduct

This is to confirm that the Company has adopted two separate Codes of Conduct to be followed by the Members of the Board and Senior Management Personnel of the Company respectively. Both these Codes are available on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March 2018 received from the Members of the Board and Senior Management Personnel, a Declaration of Compliance with the Code of Conduct as applicable to them.

McLeod Russel India Limited

Place: Kolkata
Date: 30th May 2018

A. Khaitan
Managing Director

Annexure IV

Annual Report on CSR Activities

1. Your Company is conscious of its social responsibilities and the environment in which it operates. Like earlier years, the Company continued its welfare activities in the field of education, health, creation of livelihood and other welfare activities to improve the general standard of living in and around the area where the Company operates. The Company had taken up several projects voluntarily during the financial year ended 31st March, 2018.

   The Board has a CSR Committee and has adopted a CSR Policy pursuant to which the CSR activities are undertaken in one or more of the fields covered under Schedule VII to the Companies Act, 2013.

   The detailed CSR Policy of the Company can be accessed at http://www.mcleodrussel.com/investors/policies.aspx

2. The Composition of the CSR Committee.

   Mr. R. Takru ... Chairman
   Mr. A. Monem ... Member
   Mr. K.K. Baheti ... Member
   Mr. R. Sen ... Member

3. Average net profit of the company during the three immediately preceding financial years: *Rs. (416.30) lakhs*

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): *Nil*

5. Details of CSR spent during the financial year.
   (a) Total amount to be spent for the financial year: Nil. Voluntarily spent Rs. 17.95 lakhs

   (b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below.

Sl.No.	CSR project or activity identified	Sector in which the Project is covered (vide Schedule VII to the Companies Act, 2013)	Projects or programs (i) Local area or other (ii) Specify the State and district where projects or programs were undertaken	Amount of outlay (budget of the Company) project or program wise (Rs. in lakhs)	Amount spent on the projects or programs (Rs. in lakhs)	Cumulative CSR expenditure upto the reporting period (Rs. in lakhs)	Amount spent: Direct or through implementing agency
1	Vermicompost Production by Villagers	Sch. VII Item (iv)	(i) Local Area (ii) Borengajuli Village, P.O. Dimakuchi, Dist. Udalguri, BTAD,Assam	3.25	1.69	3.26	Direct
2	Vermicompost Production by Villagers	Sch. VII Item (iv)	(i) Local Area (ii) No. 2, Singrimari Village, P.O. Khagrabari, Dist. Udalgiri, BTAD, Assam	2.95	1.98	1.98	Direct
3	Support to Library Complex cum information centre and development of infrastructure of residential hostel	Sch. VII Item (ii)	(i) Local Area (ii) Dimakuchi, P.O. Dimakuchi, Dist. Udalguri, BTAD,Assam	1.60	0.90	0.90	Direct
4	Promotion of traditional weaving skills of the local ethnic community	Sch. VII Item (v)	(i) Local Area (ii) Borengajuli TE, P.O. Dimakuchi, Dist. Udalguri, BTAD, Assam	1.20	1.38	2.5	Direct
5	Supporting elderly ladies at Old Age Home and villagers with distribution of food, clothes and blankets etc. and educational support to slum children.	Sch. VII Item (i), (ii) and (iii)	Local area being Howrah, Hooghly and Kolkata, West-Bengal where the Company has its Registered and Head Office	12.00	12.00	12.00	Implementing Agency – MCKS food for Hungry Foundation, WB
Total				**21.00**	**17.95**	**20.64**	

6. In terms of the requirements of Section 135 of the Companies Act, 2013 and Rules made thereunder, the Company was not required to spend on CSR activities during the financial year ended 31st March, 2018 since the Company had no average net profits during the three immediately preceding financial years. However, the Company has voluntarily spent Rs. 17.95 lakhs in five different CSR Projects undertaken by the Company during the year.

7. We hereby declare that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board

Place: Kolkata
Date: 30th May 2018

A. Khaitan
Managing Director

R. Takru
Chairman CSR Committee

Annexure V

Business Responsibility Report

The Company is conscious of its responsibilities towards various stakeholders such as customers, vendors, employees, shareholders, financiers and to the society at large. Our Business Responsibility Report includes the responses of the Company to the questions on its practices and performance on key principles defined by Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 covering topics across environment, governance and stakeholder relationships. We provide hereunder the Business Responsibility Report in the format provided under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L51109WB1998PLC087076
2. Name of the Company : McLeod Russel India Limited
3. Registered address: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700 001
4. Website : www.mcleodrussel.com
5. E-mail id : administrator@mcleodrussel.com
6. Financial Year reported : 31st March 2018
7. Sector(s) that the Company is engaged in (industrial activity code-wise) :
   1) 01271 - Growing of tea
   2) 10791 - Processing and blending of tea
   3) 46306 - Wholesale of tea
8. List three key products/services that the Company manufactures/provides (as in balance sheet)

   Tea - (Cultivation of Tea, Manufacture of Tea and Sale of Tea)
9. Total number of locations where business activity is undertaken by the Company

   (a) Number of International Locations (Provide details of major 5): One Liaison office in United Kingdom.

   (b) Number of National Locations: 54
10. Markets served by the Company – Local/State/National/International: National and International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR in Lakhs) : 5472.79
2. Total Turnover (INR in lakhs) : 156382.18
3. Total profit after taxes (INR in lakhs) : 6726.08
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 0.27%
5. List of activities in which expenditure in 4 above has been incurred:-

a) Support to Library Complex cum information centre and development of infrastructure of residential hostel

b) Vermicompost Production by Villagers

c) Promotion of traditional weaving skills of the local ethnic community

d) Supporting elderly ladies at Old Age Home and villagers with distribution of food, clothes and blankets etc. and educational support to slum children.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies? - Yes
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) - Yes; One
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] - No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

No.	Particulars	Details	Details	Details
1	DIN Number	00023796	00023799	00027568
2	Name	Rajeev Takru	Azam Monem	Kamal Kishore Baheti
3	Designation	Wholetime Director	Wholetime Director	Wholetime Director & CFO

(b) Details of the BR heads:

No.	Particulars	Details	Details	Details
1	DIN Number (if applicable)	00023796	00023799	00027568
2	Name	Rajeev Takru	Azam Monem	Kamal Kishore Baheti
3	Designation	Wholetime Director	Wholetime Director	Wholetime Director & CFO
4	Telephone Number	033-22101221	033-22101221	033-22101221
5	E Mail id	administrator@mcleodrussel.com	administrator@mcleodrussel.com	administrator@mcleodrussel.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes: The polices of the Company adhere to the National and International Standards applicable to the industry.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes. Signed.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.mcleodrussel.com/investors/policies.aspx								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N Will be done in due course	N	N	N	N	N	N	N	N

Business Responsibility Report *(Contd.)*

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options) : Not Applicable

3. GOVERNANCE RELATED TO BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year - Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes. Being published once a year with the Annual Report of the Company since the financial year ended 31st March, 2017. The report can be accessed at www.mcleodrussel.com/investors/policies.aspx

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

   Yes. It extends only to the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   The details of the investors complaints for the financial year 2017-18 are mentioned under 6(c), (d) & (e) of the Corporate Governance Report. During the past financial year the following are the details of the customer complaints received by the Company along with the details of complaints resolved satisfactorily:-

No. of customer complaints received during the year	6
No. of complaints resolved during the year	5
No. of complaints pending at the end of the year	1
% of complaints resolved successfully during the year	83%

PRINCIPLE 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   (a) Tea – During the production of tea various environmental concerns have been addressed. The Company follows good agricultural practices.

   The Company has also undertaken afforestation and development of water bodies to address climate change.

   Tea as a product has been developed in an environment friendly manner and the production of tea generates employment while addressing other social concerns.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   Since the previous year, there had been no significant reduction of sourcing/production/ distribution throughout the value chain. During the production of 1kg tea, 1kg of Coal and 0.50 kg sum of natural gas is required. The Company have introduced renewable energy generation in the form of solar power unit in one of the Tea estate of the Company. The Company is gradually converting use of LED/CFL bulbs in one installations.

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? - No.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? - Yes

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Around 80%.

There is a laid down procedure on the basis of which the suppliers / service providers of the Company are assessed for sustainability compliance as per food safety requirements and International Sustainability Standards.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? - Yes

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The Company procures tea leaf from the small tea growers locally and encourages them to increase their quality and productivity.

   The Company also provides training and conducts workshops for the small tea growers and local communities so as to educate them about cultivation of tea leaf. The Company also provides financial assistance to the local and small vendors growing tea leaf. Training is also provided for soil and environmental compliance.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   No, the Company does not have a mechanism to recycle products and waste.

PRINCIPLE 3

1. Please indicate the Total number of employees. — 75814
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. — 37148
3. Please indicate the Number of permanent women employees. — 35567
4. Please indicate the Number of permanent employees with disabilities — Nil
5. Do you have an employee association that is recognised by management. — Yes
6. What percentage of your permanent employees is members of this recognised employee association?

   Except Management Employees in the tea estates of the Company and employees at the Head Office, every employee at the Tea Estate of the Company is part of the union.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

No. of Sexual Harassment complaints received during the last financial year	2
No. of complaints resolved during the year	2
No. of complaints pending at the end of the year	0

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (Only employees of the tea estates are covered)
   (a) Permanent Employees – 100%
   (b) Permanent Women Employees – 100%
   (c) Casual/Temporary/Contractual Employees - 100%
   (d) Employees with Disabilities – N.A.

PRINCIPLE 4

Has the Company mapped its internal and external stakeholders? - No

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders. - No
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so. - No

PRINCIPLE 5

1. Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   Yes. The policy covers the employees of the Company and the service providers at the tea estates of the Company and the Contractors at the Head Office of the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? - Nil

PRINCIPLE 6

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

   It covers only the Company and is being introduced vigorously among other stakeholders in the supply chain.

Business Responsibility Report *(Contd.)*

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Yes. The Company has Rainforest Alliance Certification and the Company has taken serval initiatives to address environmental issues. The major efforts include Tea Plantation and Afforestation, Water Management and renewable energy. The details regarding the initiatives can be found at the following weblink.
   http://www.mcleodrussel.com/csr/environment.aspx

3. Does the Company identify and assess potential environmental risks? Y/N - Yes

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? - No

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes. The Company has taken initiative on generation of renewable energy and have undertaken measures to harvest solar energy. Moreover, many of the estates of the Company use natural gas which is considered as a clean fuel. The details regarding the initiative can be accessed at http://www.mcleodrussel.com/csr/environment.aspx.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported? - Yes

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. - Nil

PRINCIPLE 7

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   (a) Indian Chamber of Commerce
   (b) Bengal Chamber of Commerce and Industry
   (c) Indian Tea Association
   (d) Calcutta Tea Traders Association
   (e) Guwahati Tea Auction Committee
   (f) Siliguri Tea Auction Committee.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes. The Company, in association with the Indian Tea Association has organised roadshows and other programmes across different parts of the country, to propagate the health benefits of drinking tea.

PRINCIPLE 8

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. - Yes

   In terms of Inclusive growth and equitable development, the Company has taken active initiative and programmes. The Company has undertaken following measures in this regard:-
   (a) Support to Library Complex cum information centre and development of infrastructure of residential hostel
   (b) Vermicompost Production by Villagers
   (c) Promotion of traditional weaving skills of the local ethnic community
   (d) Supporting elderly ladies at Old Age Home and villagers with distribution of food, clothes and blankets etc. and educational support to slum children.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?

   The programmes are undertaken through in house team and also through external organisation.

3. Have you done any impact assessment of your initiative? - No

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken. - Rs. 17.95 lakhs

   Details given in Principle 8(1) above

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Yes. The Company monitors the progress of the projects and ensures that the Community benefits from the said projects by way of creation of employment, spreading of education, protection of environment, etc.

PRINCIPLE 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year. - 16.67%

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information) - Yes

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. - No

4. Did your Company carry out any consumer survey/ consumer satisfaction trends? - No

For and on behalf of the Board

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 30th May 2018

Annexure VI

Dividend Distribution Policy

PREAMBLE

In terms of Regulation 43A of SEBI (Listing Obligation and Disclosure Requirements), 2015, McLeod Russel India Limited (the Company), is required to formulate a dividend distribution policy which would establish parameters of declaring dividend by the Company.

OBJECTIVE

This Dividend Policy is formulated to establish the circumstances under which the shareholders of the Company may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings shall be utilized and parameters that shall be adopted with regard to the classes of shares, if any.

Parameters of Dividend Distribution Policy

a) The circumstances under which the shareholders of the Company may or may not expect dividend

The Board of the Company would consider the performance and results of the Company as at the end of the financial year and at its discretion may recommend dividend to the shareholders of the Company. Depending on the financial performance, future requirements, the Board at its discretion may also declare interim dividend pursuant to the applicable provisions of the Companies Act, 2013.

While distributing the profits of the Company to the shareholders the Board would ensure fairness, consistency and sustainability.

b) The financial parameters that shall be considered while recommending dividend

The following financial parameters would be considered while recommending dividend of the Company:-

- Profits of the Company for the relevant financial year
- Future outlook aligning with the internal and external circumstances persisting
- Cash Flow position of the Company considering the solvency ratios
- Opportunity to plough back profits, capital expenditure, investment needs and other opportunities to use the cash of the Company in the future
- Consideration towards contingencies and uncertain future events

c) Internal and external factors that shall be considered for recommendation of dividend

The following internal and external factors would be considered for recommendation of dividend:-

Internal Factors:-

- The growth in the profits would be considered in comparison to the earlier years and also the budgets of the Company.
- Present and future cash flow requirements considering various expansion plans of the Company.
- Reserves of the Company
- Revenues of the Company and growth in future
- Position of financial liabilities including contingent liabilities
- Short and Long term investments of the Company
- Capital expenditure
- Liquidity and solvency ratios
- Any other important parameter which the Board may deem fit.

External Factors:

- Operational cycles and business environment of the Company
- Economic Scenario in the national and international context
- Cost of Debt and other fund raising options prevailing in the market
- Rates of taxation and inflation rates
- Outlook of the industry prevailing presently as well as in the future
- Market expectation
- Government policy reforms whether industry specific or otherwise

d) Policy as to how the retained earnings shall be utilized;

The retained earnings of the Company would be utilised for any one or more of the following purpose:-

- Capital Expenditure of the Company
- Working capital of the Company
- Growth and Expansion whether, organic or inorganic or otherwise
- Acquisitions and investments
- Further Investment in existing business
- Dividend Payment
- Buy Back
- Capital Reduction or any other Capital restructuring
- Other Capitalisation Purposes
- General Corporate Purpose
- Any other purpose as the Board may deem fit.

Amendments & Disclosure

In the event the Board proposes not to recommend dividends, the reason thereof would be disclosed in the Annual Report of the Company.

The Policy would be disclosed in the Annual Report of the Company as well as on the website of the Company.

The Board reserves the right to review this policy at its discretion and the amendments or revisions in the policy would be disclosed in the Annual Report as well as on the website of the Company.

For and on behalf of the Board

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 30th May 2018

Annexure VII

Remuneration Policy

1. PREAMBLE

Section 178 of the Companies Act, 2013 requires every Listed Company and certain other class of Companies to adopt a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee set up, pursuant to above Section is to formulate the criteria for determining qualifications and positive attributes and independence of a Director and recommend to the Board the above Policy for adoption. SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('Listing Regulation') also contains a similar provision. Additionally, it requires, a Policy on Board diversity. The Company is also required to disclose the Remuneration Policy in its Annual Report.

2. POLICY

In compliance of the above requirements the Board of Directors of McLeod Russel India Limited ('MRIL'), being a Listed Company, has adopted this Remuneration Policy which would be reviewed at regular intervals by the Nomination and Remuneration Committee of the Board.

3. POLICY OBJECTIVES

The aims and objectives of the Policy may be summarised as under-:

3.1 The Remuneration Policy aims to enable the company to attract, retain and motivate appropriately qualified Persons/Members for the Board and Executive level.

3.2 The Remuneration Policy seeks to enable the Company to provide a well-balanced and performance related compensation package, taking into account Shareholder interests, industry standards and relevant Indian corporate regulations.

3.3 The Remuneration Policy seeks to ensure that the interests of the Board Members and Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the "pay-for-performance" principle.

3.4 The Remuneration Policy will ensure that the remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

4. PRINCIPLES OF REMUNERATION

I) Transparency

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

II) Performance Driven Remuneration:

The Company should follow the culture of performance driven remuneration by way of implementation of performance incentive system and annual assessment.

III) Affordability and Sustainability:

The Company shall ensure that the remuneration at various levels is affordable and is capable of being sustained.

IV) Flexibility:

While the remuneration packages at various levels should be standardized, there should be enough scope to make it flexible with a view to reward candidates with exceptional qualities and competence.

V) Internal Equity:

The Company shall strive to remunerate the Board Members and other Executives in terms of their roles and responsibilities undertaken within the Organisation. Their contribution and value addition for the growth of the Company shall be counted while fixing their remuneration and subsequent promotion. The same principle shall also be observed for other Executives.

VI) External Equity:

With a view to retain the best talents, the Company shall on a continuous basis procure information relating to market trend of remuneration packages being offered by various Companies in the same sector and try to match the remuneration accordingly.

VI) Non-monetory Benefits:
The Company may consider extending certain Non-monetary Benefits with a view to offer social security to the families of the present and the past employees of the Company.

5. REMUNERATION FOR DIRECTORS IN WHOLETIME EMPLOYMENT

The Board of Directors subject to the approval of the Shareholders at a General Meeting approves the remuneration payable to the Wholetime Directors and Managing Director ('Executive Directors') based on the recommendation of the Nomination and Remuneration Committee. Executive Directors' remuneration is reviewed annually against performance, keeping in view the size and complexity of business and challenges encountered during the period under review. In determining packages of remuneration, the Committee may consult the Chairman and/or external agencies. The remuneration package of the Executive Directors shall comprise of the following components.

a) Basic Salary:
The basic salary shall be fixed within a salary grade which allows the Board to grant increments within a time frame of three years.

b) Bonus:
The Executive Directors may be granted bonus not exceeding 6 months' salary in a year, as may be approved by the Board.

c) Allowance:
In addition to basic salary, the Board may subject to/pursuant to the approval of the shareholders at a general meeting, grant fixed and/or variable Allowance/Allowances to the Executive Directors as the Board may deem fit.

d) Perquisites:
The perquisites to be offered to the Executive Directors shall include housing, car, medical, leave travel concession, leave encashment, club fees and other perquisites in terms of the Rules framed by the Nomination and Remuneration Committee for the Directors and/or the Rules applicable to the Senior Executives of the Company.

e) Retiral benefits:
The Executive Directors will be entitled to retiral benefits in terms of the Company's Policy for the Senior Management which will be in accordance with the applicable laws.

f) Sitting Fees:
The Executive Directors will not be entitled to any fee for attending the Meetings of the Board of Directors and Committees thereof.

6. REMUNERATION OF NON- EXECUTIVE DIRECTORS

I. Sitting Fees:
The Non-Executive Directors shall be paid Sitting Fees for attending the Board and Committee Meetings as may be approved by the Board based on the recommendation of the Nomination and Remuneration Committee subject to the ceiling fixed in the Articles of Association of the Company and the Companies Act, 2013. They will also be reimbursed travelling and out of pocket expenses on actual basis for attending the meetings.

II. Commission:
Subject to the approval of the Members at a General Meeting, the Board may decide to pay commission on net profits to the Non- Executive Directors subject to the ceiling stipulated in the Companies Act, 2013.

7. REMUNERATION OF KEY MANAGERIAL PERSONNEL AND OTHER EXECUTIVES

The Human Resource Department of the Company shall follow the principles of remuneration stated hereinabove while deciding on the remuneration structure of the Key Managerial Personnel who are not Directors and for other Executives of the Company.

8. ROLE OF NOMINATION AND REMUNERATION COMMITTEE

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

Remuneration Policy *(Contd.)*

9. SELECTION OF BOARD MEMBERS

9.1 Nomination of a suitable person for appointment as a Director is a major responsibility of the Nomination and Remuneration Committee. The objective is to ensure that the Company's Board is competent at all points of time to be able to take decisions commensurate with the size and scale of operations and complexities of business. The Committee is to promptly identify candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board, after due consideration decides on the selection of the right candidate for appointment.

9.2 While considering nomination of candidates for appointment on the Board, the Nomination and Remuneration Committee will consider candidates not only from the field in which the Company operates but also from other professional areas like management, finance, accountancy, law, banking, merchant banking, etc., with the objective of maintenance of Board diversity. The Committee shall also consider the following qualifications like possessing basic academic qualification, requisite knowledge, experience and business skills that will benefit the Company and its business operations.

9.3 At the time of considering the candidates for appointment as Director the criteria for determining positive attributes shall inter alia include the following: - Achiever, constructive, creative, decisive, deliberative, devoted, diligent, disciplined, dynamic, enterprising, focused, result oriented, self-confident, sees the whole picture.

9.4 While considering candidates for appointment as an Independent Director, the Nomination and Remuneration Committee shall consider the criteria for determining independence of a candidate as provided in Section 149(6) of the Companies Act, 2013 and the Rules made thereunder as also in the Listing Regulation.

10. APPROVAL AND PUBLICATION

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

11. OTHER PROVISIONS

Any matter not provided for in this Policy shall be dealt with in accordance with the provisions in the Articles of Association of the Company, relevant state laws and other applicable laws and regulations. The right to interpret this Policy shall vest in the Board of Directors of the Company.

For and on behalf of the Board

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 30th May 2018

Annexure VIII

Form No. MGT-9
Extract of Annual Return

as on the financial year ended on 31st March 2018

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

I REGISTRATION AND OTHER DETAILS:

i)	CIN	L51109WB1998PLC087076
ii)	Registration Date	05/05/1998
iii)	Name of the Company	McLeod Russel India Limited
iv)	Category / Sub-Category of the Company	Public Company; Company having Share Capital
v)	Address of the Registered office and contact details:	Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700 001; Telephone: 033-2210-1221;033-2248-9434/35
vi)	Whether listed company	Yes; The shares of the Company are listed on BSE, NSE and CSE
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	**M/s. Maheshwari Datamatics Pvt. Ltd.** 23, R.N Mukherjee Road, 5th Floor, Kolkata - 700001. Tel.: (033) 2243-5029; 2243-5809; 2248-2248 Fax : (033) 2248-4787 E-mail: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company 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	Cultivation, manufacture and sale of tea	01271; 10791; 46306	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% OF SHARES HELD	APPLI-CABLE SECTION
1	Borelli Tea Holdings Limited Woodlands, 79, High Street, Greenhithe, Kent, DA9 9NL, U.K.	N.A.	Wholly Owned Subsidiary	100%	2(87)
2	Phu Ben Tea Company Limited Thanh Ba Town, Thanh Ba District, Phu Tho Province, S. R. Vietnam	NA	Step down Subsidiary	100%	2(87)
3.	McLeod Russel Uganda Limited Mwenge Central Offices, Mwenge Estate, Kyarusozi, Kyenjojo District, P.O. Box 371, Fort Portal, Uganda	NA	Step down Subsidiary	100%	2(87)
4.	Gisovu Tea Company Limited P.O. Box 60, District of Karongi, Western Province, Rwanda.	NA	Step down Subsidiary	60%	2(87)
5.	Pfunda Tea Company Limited PO Box 206, Gisenyi, Rwanda.	NA	Step down Subsidiary	90%	2(87)
6.	McLeod Russel Middle East DMCC Unit No DTTC-G-029, DTTC Building, Plot No. S 10814, Jebel Ali Free zone-South, Dubai UAE	NA	Step down Subsidiary	100%	2(87)
7.	McLeod Russel Africa Limited Kenya- Re Towers, P.O. Box 1243-001000 Nairobi, Kenya	NA	Step down Subsidiary	100%	2(87)
8.	D1 Williamson Magor Bio Fuel Limited Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700001	U40107WB2006 PLC111183	Associate	34.30%	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2017]				No of Shares held at the end of the year [As on 31/Mar/2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF	156973	0	156973	0.1434	156973	0	156973	0.1434	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	27385308	0	27385308	25.0195	27385308	0	27385308	25.0195	0.0000
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	**27542281**	**0**	**27542281**	**25.1629**	**27542281**	**0**	**27542281**	**25.1629**	**0.0000**
(2) Foreign									
a) NRIs - Individuals									
b) Other-Individuals									
c) Bodies Corp.	27067500	0	27067500	24.7292	17067500	0	17067500	15.5931	-9.1361
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	27067500	0	27067500	24.7292	17067500	0	17067500	15.5931	-9.1361
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**54609781**	**0**	**54609781**	**49.8921**	**44609781**	**0**	**44609781**	**40.7560**	**-9.1361**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	12533034	1342	12534376	11.4515	10933279	0	10933279	9.9888	-1.4627
b) Banks/FI	1756150	41009	1797159	1.6419	1649632	37109	1686741	1.5410	-0.1009
c) Central Govt	0	112	112	0.0001	0	112	112	0.0001	0.0000
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	1544000	0	1544000	1.4106	1544000	0	1544000	1.4106	0.0000
g) FIIs	917636	0	917636	0.8384	149113	0	149113	0.1362	-0.7022
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors	18287197	0	18287197	16.7074	25230880	0	25230880	23.0512	6.3438
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1)	**35038017**	**42463**	**35080480**	**32.0499**	**39506904**	**37221**	**39544125**	**36.1279**	**4.0780**
2. NON-INSTITUTIONS									
a) Bodies Corp.									
i) Indian	2814171	51345	2865516	2.6180	5112647	38533	5151180	4.7062	2.0882
ii) Overseas	136350	0	136350	0.1246	136350	0	136350	0.1246	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	11373320	2229413	13602733	12.4276	12740449	1460432	14200881	12.9741	0.5465
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1899244	66826	1966070	1.7962	3418186	66826	3485012	3.1839	1.3877
c) Others (Specify)									
Non Resident Indians	559919	32875	592794	0.5416	963655	18290	981945	0.8971	0.3555
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals	3276	90050	93326	0.0853	3276	90050	93326	0.0853	0.0000
Clearing Members	373276	0	373276	0.3410	396563	0	396563	0.3623	0.0213
Trusts	18556	21	18577	0.0170	6382	21	6403	0.0058	-0.0112
Foreign Bodies-D R									

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2017]				No of Shares held at the end of the year [As on 31/Mar/2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign Portfolio Investors									
NBFCs registered with RBI	116832	0	116832	0.1067	115962	0	115962	0.1059	-0.0008
Employee Trusts									
Domestic Corporate Unclaimed Shares Account	0	0	0	0.0000	92441	0	92441	0.0845	0.0845
Investor Education and Protection Fund Authority	0	0	0	0.0000	641766	0	641766	0.5863	0.5863
Sub-total(B)(2)	**17294944**	**2470530**	**19765474**	**18.0580**	**23627677**	**1674152**	**25301829**	**23.1160**	**5.0580**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**52332961**	**2512993**	**54845954**	**50.1079**	**63134581**	**1711373**	**64845954**	**59.2439**	**9.1360**
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS									
Grand Total (A+B+C)	**106942742**	**2512993**	**109455735**	**100.0000**	**107744362**	**1711373**	**109455735**	**100.0000**	**0.0000**

(ii)Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2017]			Shareholding at the end of the year [As on 31/Mar/2018]			% change in shareholding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	KAMAL BAHETI (TRUSTEE-BORELLI TEA HOLDINGS LTD)	27067500	24.7292	0.0000	17067500	15.5931	0.0000	-9.1361
2	WILLIAMSON MAGOR & CO LTD	11660946	10.6536	16.6416	11660946	10.6536	16.6416	0.0000
3	WILLIAMSON FINANCIAL SERVICES LIMITED	5898725	5.3891	41.5344	5898725	5.3891	79.0849	0.0000
4	WOODSIDE PARKS LIMITED	4506801	4.1175	100.0000	4506801	4.1175	100.0000	0.0000
5	BISHNAUTH INVESTMENTS LIMITED	3971108	3.6280	82.4480	3971108	3.6280	92.8985	0.0000
6	BABCOCK BORSIG LIMITED	995989	0.9099	90.3624	995989	0.9099	90.3624	0.0000
7	UNITED MACHINE CO LTD	129927	0.1187	0.0000	129927	0.1187	0.0000	0.0000
8	ZEN INDUSTRIAL SERVICES LIMITED	85366	0.0780	0.0000	85366	0.0780	0.0000	0.0000
9	YASHODHARA KHAITAN	29304	0.0268	0.0000	72504	0.0662	0.0000	0.0394
10	KILBURN ENGINEERING LTD	66666	0.0609	0.0000	66666	0.0609	0.0000	0.0000
11	ICHAMATI INVESTMENTS LTD	56710	0.0518	0.0000	56710	0.0518	0.0000	0.0000
12	B M KHAITAN	36288	0.0332	0.0000	36588	0.0334	0.0000	0.0002
13	ADITYA KHAITAN	17272	0.0158	0.0000	17272	0.0158	0.0000	0.0000
14	AMRITANSHU KHAITAN	15000	0.0137	0.0000	15000	0.0137	0.0000	0.0000
15	NITYA HOLDINGS & PROPERTIES LTD	10000	0.0091	0.0000	10000	0.0091	0.0000	0.0000
16	ISHA KHAITAN	7500	0.0069	0.0000	7500	0.0069	0.0000	0.0000
17	VANYA KHAITAN	5909	0.0054	0.0000	5909	0.0054	0.0000	0.0000
18	DUFFLAGHUR INVESTMENTS LIMITED	3030	0.0028	0.0000	3030	0.0028	0.0000	0.0000
19	KAVITA KHAITAN	2200	0.0020	0.0000	2200	0.0020	0.0000	0.0000
20	EVEREADY INDUSTRIES INDIA LIMITED	40	0.0000	0.0000	40	0.0000	0.0000	0.0000
21	ESTATE OF SHANTI KHAITAN	300	0.0003	0.0000	0	0.0000	0.0000	-0.0003
22	DEEPAK KHAITAN (HUF)	43200	0.0395	0.0000	0	0.0000	0.0000	-0.0395
	TOTAL	**54609781**	**49.8921**	**23.9361**	**44609781**	**40.7560**	**35.1974**	**-9.1361**

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(iii) Change in Promoters' Shareholding for the financial year 2017-18

Sl No	Name	Shareholding at the beginning		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	YASHODHARA KHAITAN				
	01-04-2017	29304	0.0268		
	28/04/2017 - Transfer (Increase)	43200	0.0395	72504	0.0662
	31-03-2018	72504	0.0662	72504	0.0662
2	DEEPAK KHAITAN HUF				
	01-04-2017	43200	0.0395		
	28/04/2017 - Transfer (decrease)	-43200	0.0395	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
3	KAMAL BAHETI (TRUSTEE-BORELLI TEA HOLDINGS LTD)				
	01-04-2017	27067500	24.7292		
	01/12/2017 - Transfer (decrease)	-10000000	9.1361	17067500	15.5931
	31-03-2018			17067500	15.5931
4	ESTATE OF SHANTI KHAITAN				
	01-04-2017	300	0.0003		
	30/09/2017 - Transfer (decrease)	-300	0.0003	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
5	B M KHAITAN				
	01-04-2017	36288	0.0332		
	30/09/2017 - Transfer (Increase)	300	0.0003	36588	0.0334
	31-03-2018	36588	0.0334	36588	0.0334

Apart from the aforementioned, there was no change in the Promoter's shareholding during the financial year 2017-18.

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

Sl No	Name	Shareholding at the beginning		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ICICI PRUDENTIAL DYNAMIC PLAN				
	01-04-2017	5469622	4.9971		
	31-03-2018 (No Change)	5469622	4.9971	5469622	4.9971
2	M&G ASIAN FUND				
	01-04-2017	2133437	1.9491		
	30/06/2017 - Transfer (Decrease)	-80511	0.0736	2052926	1.8756
	07/07/2017 - Transfer (Decrease)	-95594	0.0873	1957332	1.7882
	14/07/2017 - Transfer (Decrease)	-59656	0.0545	1897676	1.7337
	21/07/2017 - Transfer (Decrease)	-77020	0.0704	1820656	1.6634
	28/07/2017 - Transfer (Decrease)	-18116	0.0166	1802540	1.6468
	04/08/2017 - Transfer (Decrease)	-31998	0.0292	1770542	1.6176
	22/09/2017 - Transfer (Decrease)	-48850	0.0446	1721692	1.5730
	30/09/2017 - Transfer (Decrease)	-15748	0.0144	1705944	1.5586
	06/10/2017 - Transfer (Decrease)	-25760	0.0235	1680184	1.5350
	17/11/2017 - Transfer (Decrease)	-44818	0.0409	1635366	1.4941
	24/11/2017 - Transfer (Decrease)	-44330	0.0405	1591036	1.4536
	08/12/2017 - Transfer (Decrease)	-98125	0.0896	1492911	1.3639
	15/12/2017 - Transfer (Decrease)	-17327	0.0158	1475584	1.3481
	19/01/2018 - Transfer (Decrease)	-106288	0.0971	1369296	1.2510
	16/02/2018 - Transfer (Decrease)	-78460	0.0717	1290836	1.1793

Sl No	Name	Shareholding at the beginning		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	23/02/2018 - Transfer (Decrease)	-23674	0.0216	1267162	1.1577
	09/03/2018 - Transfer (Decrease)	-19749	0.0180	1247413	1.1397
	16/03/2018 - Transfer (Decrease)	-12000	0.0110	1235413	1.1287
	23/03/2018 - Transfer (Decrease)	-35129	0.0321	1200284	1.0966
	31-03-2018	1200284	1.0966	1200284	1.0966
3	GENERAL INSURANCE CORPORATION OF INDIA				
	01-04-2017	1000000	0.9136		
	31-03-2018	1000000	0.9136	1000000	0.9136
4	THE NEW INDIA ASSURANCE COMPANY LIMITED #				
	01-04-2017	958753	0.8759		
	31-03-2018	958753	0.8759	958753	0.8759
5	YES SECURITIES (INDIA) LIMITED				
	01-04-2017	400	0.0004		
	07/04/2017 - Transfer (Increase)	3771	0.0034	4171	0.0038
	14/04/2017 - Transfer (Decrease)	-4171	0.0038	0	0.0000
	23/06/2017 - Transfer (Increase)	150	0.0001	150	0.0001
	30/06/2017 - Transfer (Decrease)	-150	0.0001	0	0.0000
	14/07/2017 - Transfer (Increase)	1000	0.0009	1000	0.0009
	21/07/2017 - Transfer (Decrease)	-1000	0.0009	0	0.0000
	28/07/2017 - Transfer (Increase)	550	0.0005	550	0.0005
	04/08/2017 - Transfer (Decrease)	-550	0.0005	0	0.0000
	03/11/2017 - Transfer (Increase)	35	0.0000	35	0.0000
	10/11/2017 - Transfer (Decrease)	-35	0.0000	0	0.0000
	24/11/2017 - Transfer (Increase)	7041	0.0064	7041	0.0064
	01/12/2017 - Transfer (Increase)	9994529	9.1311	10001570	9.1375
	08/12/2017 - Transfer (Decrease)	-10001470	9.1375	100	0.0001
	15/12/2017 - Transfer (Decrease)	-96	0.0001	4	0.0000
	22/12/2017 - Transfer (Increase)	996	0.0009	1000	0.0009
	29/12/2017 - Transfer (Decrease)	-1000	0.0009	0	0.0000
	05/01/2018 - Transfer (Increase)	100	0.0001	100	0.0001
	12/01/2018 - Transfer (Decrease)	-100	0.0001	0	0.0000
	19/01/2018 - Transfer (Increase)	60	0.0001	60	0.0001
	26/01/2018 - Transfer (Decrease)	-60	0.0001	0	0.0000
	02/03/2018 - Transfer (Increase)	500	0.0005	500	0.0005
	09/03/2018 - Transfer (Decrease)	-500	0.0005	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
6	EDGBASTON ASIAN EQUITY TRUST				
	01-04-2017	5434198	4.9647		
	07/04/2017 - Transfer (Decrease)	-47057	0.0430	5387141	4.9218
	04/08/2017 - Transfer (Decrease)	-128704	0.1176	5258437	4.8042
	15/09/2017 - Transfer (Increase)	103814	0.0948	5362251	4.8990
	30/03/2018 - Transfer (Increase)	156871	0.1433	5519122	5.0423
	31-03-2018	5519122	5.0423	5519122	5.0423
7	THE EDGBASTON ASIAN EQUITY (JERSEY) TRUST				
	01-04-2017	1302854	1.1903		
	07/04/2017 - Transfer (Increase)	47057	0.0430	1349911	1.2333
	04/08/2017 - Transfer (Increase)	128704	0.1176	1478615	1.3509
	15/09/2017 - Transfer (Increase)	29433	0.0269	1508048	1.3778
	30/03/2018 - Transfer (Increase)	44504	0.0407	1552552	1.4184
	31-03-2018	1552552	1.4184	1552552	1.4184
8	KOTAK EQUITY SAVINGS FUND #				
	01-04-2017	1397589	1.2769		
	07/04/2017 - Transfer (Increase)	51843	0.0474	1449432	1.3242

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Sl No	Name	Shareholding at the beginning		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	14/04/2017 - Transfer (Increase)	60000	0.0548	1509432	1.3790
	21/04/2017 - Transfer (Increase)	3780	0.0035	1513212	1.3825
	28/04/2017 - Transfer (Increase)	65799	0.0601	1579011	1.4426
	12/05/2017 - Transfer (Increase)	80000	0.0731	1659011	1.5157
	26/05/2017 - Transfer (Increase)	55000	0.0502	1714011	1.5659
	07/07/2017 - Transfer (Decrease)	-5000	0.0046	1709011	1.5614
	28/07/2017 - Transfer (Increase)	20412	0.0186	1729423	1.5800
	04/08/2017 - Transfer (Increase)	11084	0.0101	1740507	1.5901
	11/08/2017 - Transfer (Increase)	60000	0.0548	1800507	1.6450
	18/08/2017 - Transfer (Increase)	58588	0.0535	1859095	1.6985
	01/09/2017 - Transfer (Increase)	25000	0.0228	1884095	1.7213
	30/09/2017 - Transfer (Increase)	15000	0.0137	1899095	1.7350
	13/10/2017 - Transfer (Increase)	25000	0.0228	1924095	1.7579
	01/12/2017 - Transfer (Decrease)	-494000	0.4513	1430095	1.3066
	08/12/2017 - Transfer (Decrease)	-142277	0.1300	1287818	1.1766
	26/01/2018 - Transfer (Decrease)	-43720	0.0399	1244098	1.1366
	02/02/2018 - Transfer (Decrease)	-65377	0.0597	1178721	1.0769
	09/02/2018 - Transfer (Decrease)	-76621	0.0700	1102100	1.0069
	16/02/2018 - Transfer (Decrease)	-5593	0.0051	1096507	1.0018
	23/02/2018 - Transfer (Decrease)	-147921	0.1351	948586	0.8666
	02/03/2018 - Transfer (Decrease)	-26687	0.0244	921899	0.8423
	31-03-2018	921899	0.8423	921899	0.8423
9	SUNDARAM MUTUAL FUND A/C SUNDARAM LONG TERM MICRO CAP TAX ADVANTAGE FUND - SERIE *				
	01-04-2017	0	0.0000		
	28/04/2017 - Transfer (Increase)	650717	0.5945	650717	0.5945
	05/05/2017 - Transfer (Increase)	242351	0.2214	893068	0.8159
	12/05/2017 - Transfer (Increase)	433944	0.3965	1327012	1.2124
	19/05/2017 - Transfer (Increase)	42627	0.0389	1369639	1.2513
	26/05/2017 - Transfer (Increase)	54747	0.0500	1424386	1.3013
	02/06/2017 - Transfer (Increase)	176078	0.1609	1600464	1.4622
	09/06/2017 - Transfer (Increase)	285966	0.2613	1886430	1.7235
	16/06/2017 - Transfer (Increase)	56643	0.0517	1943073	1.7752
	23/06/2017 - Transfer (Increase)	43357	0.0396	1986430	1.8148
	30/06/2017 - Transfer (Increase)	25000	0.0228	2011430	1.8377
	07/07/2017 - Transfer (Increase)	25000	0.0228	2036430	1.8605
	21/07/2017 - Transfer (Increase)	50000	0.0457	2086430	1.9062
	28/07/2017 - Transfer (Increase)	44564	0.0407	2130994	1.9469
	04/08/2017 - Transfer (Increase)	5436	0.0050	2136430	1.9519
	18/08/2017 - Transfer (Increase)	40477	0.0370	2176907	1.9888
	25/08/2017 - Transfer (Increase)	289279	0.2643	2466186	2.2531
	01/09/2017 - Transfer (Increase)	27321	0.0250	2493507	2.2781
	08/09/2017 - Transfer (Increase)	72679	0.0664	2566186	2.3445
	15/09/2017 - Transfer (Increase)	20000	0.0183	2586186	2.3628
	22/09/2017 - Transfer (Increase)	30000	0.0274	2616186	2.3902
	30/09/2017 - Transfer (Increase)	60349	0.0551	2676535	2.4453
	06/10/2017 - Transfer (Increase)	50000	0.0457	2726535	2.4910
	27/10/2017 - Transfer (Increase)	65340	0.0597	2791875	2.5507

Sl No	Name	Shareholding at the beginning		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	03/11/2017 - Transfer (Increase)	84660	0.0773	2876535	2.6280
	24/11/2017 - Transfer (Increase)	158142	0.1445	3034677	2.7725
	08/12/2017 - Transfer (Increase)	832158	0.7603	3866835	3.5328
	15/12/2017 - Transfer (Increase)	57649	0.0527	3924484	3.5855
	12/01/2018 - Transfer (Increase)	7984	0.0073	3932468	3.5927
	16/02/2018 - Transfer (Increase)	8785	0.0080	3941253	3.6008
	09/03/2018 - Transfer (Increase)	20276	0.0185	3961529	3.6193
	31-03-2018	3961529	3.6193	3961529	3.6193
10	THE NOMURA TRUST AND BANKING CO., LTD AS THE TRUSTEE OF NOMURA INDIA STOCK MOTHE *				
	01-04-2017	0	0.0000		
	08/12/2017 - Transfer (Increase)	6408116	5.8545	6408116	5.8545
	05/01/2018 - Transfer (Increase)	100000	0.0914	6508116	5.9459
	31-03-2018	6508116	5.9459	6508116	5.9459
11	LAKSHMI CAPITAL INVESTMENTS LIMITED				
	01-04-2017	1385207	1.2655		
	19/05/2017 - Transfer (Decrease)	-58000	0.0530	1327207	1.2126
	23/03/2018 - Transfer (Decrease)	-20000	0.0183	1307207	1.1943
	30/03/2018 - Transfer (Decrease)	-20000	0.0183	1287207	1.1760
	31-03-2018	1287207	1.1760	1287207	1.1760
12	NOMURA FUNDS IRELAND PUBLIC LIMITED COMPANY-NOMURA FUNDS IRELAND - INDIA EQUITY *				
	01-04-2017	0	0.0000		
	08/12/2017 - Transfer (Increase)	2313864	2.1140	2313864	2.1140
	23/02/2018 - Transfer (Increase)	201066	0.1837	2514930	2.2977
	31-03-2018	2514930	2.2977	2514930	2.2977
13	NORDEA 1 SICAV - INDIAN EQUITY FUND *				
	01-04-2017	748866	0.6842		
	07/04/2017 - Transfer (Increase)	49958	0.0456	798824	0.7298
	21/04/2017 - Transfer (Increase)	39340	0.0359	838164	0.7658
	28/04/2017 - Transfer (Increase)	159150	0.1454	997314	0.9112
	05/05/2017 - Transfer (Increase)	32043	0.0293	1029357	0.9404
	19/05/2017 - Transfer (Increase)	59960	0.0548	1089317	0.9952
	22/12/2017 - Transfer (Increase)	87077	0.0796	1176394	1.0748
	29/12/2017 - Transfer (Increase)	155682	0.1422	1332076	1.2170
	12/01/2018 - Transfer (Decrease)	-51573	0.0471	1280503	1.1699
	16/02/2018 - Transfer (Decrease)	-68361	0.0625	1212142	1.1074
	23/02/2018 - Transfer (Decrease)	-88887	0.0812	1123255	1.0262
	16/03/2018 - Transfer (Decrease)	-155165	0.1418	968090	0.8845
	23/03/2018 - Transfer (Decrease)	-46689	0.0427	921401	0.8418
	30/03/2018 - Transfer (Increase)	180538	0.1649	1101939	1.0067
14	IDFC BALANCED FUND #				
	01-04-2017	5024012	4.5900		
	12/05/2017 - Transfer (Decrease)	-264000	0.2412	4760012	4.3488
	19/05/2017 - Transfer (Increase)	264000	0.2412	5024012	4.5900
	30/06/2017 - Transfer (Decrease)	-17000	0.0155	5007012	4.5745
	14/07/2017 - Transfer (Decrease)	-239679	0.2190	4767333	4.3555
	21/07/2017 - Transfer (Decrease)	-69050	0.0631	4698283	4.2924
	28/07/2017 - Transfer (Decrease)	-3271	0.0030	4695012	4.2894
	04/08/2017 - Transfer (Decrease)	-25000	0.0228	4670012	4.2666
	11/08/2017 - Transfer (Decrease)	-375799	0.3433	4294213	3.9232
	18/08/2017 - Transfer (Decrease)	-69084	0.0631	4225129	3.8601
	25/08/2017 - Transfer (Decrease)	-271677	0.2482	3953452	3.6119

Form No. MGT-9 Extract of Annual Return *(Contd.)*

Sl No	Name	Shareholding at the beginning		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	01/09/2017 - Transfer (Decrease)	-18991	0.0174	3934461	3.5946
	08/09/2017 - Transfer (Decrease)	-368680	0.3368	3565781	3.2577
	15/09/2017 - Transfer (Decrease)	-5852	0.0053	3559929	3.2524
	20/10/2017 - Transfer (Decrease)	-125837	0.1150	3434092	3.1374
	27/10/2017 - Transfer (Decrease)	-304092	0.2778	3130000	2.8596
	03/11/2017 - Transfer (Decrease)	-64222	0.0587	3065778	2.8009
	10/11/2017 - Transfer (Decrease)	-101971	0.0932	2963807	2.7078
	17/11/2017 - Transfer (Decrease)	-430936	0.3937	2532871	2.3141
	24/11/2017 - Transfer (Decrease)	-636459	0.5815	1896412	1.7326
	01/12/2017 - Transfer (Decrease)	-213723	0.1953	1682689	1.5373
	08/12/2017 - Transfer (Decrease)	-55277	0.0505	1627412	1.4868
	22/12/2017 - Transfer (Decrease)	-10000	0.0091	1617412	1.4777
	29/12/2017 - Transfer (Decrease)	-10000	0.0091	1607412	1.4685
	05/01/2018 - Transfer (Decrease)	-8043	0.0073	1599369	1.4612
	12/01/2018 - Transfer (Decrease)	-11957	0.0109	1587412	1.4503
	02/02/2018 - Transfer (Decrease)	-60000	0.0548	1527412	1.3955
	09/02/2018 - Transfer (Decrease)	-131765	0.1204	1395647	1.2751
	16/02/2018 - Transfer (Decrease)	-122707	0.1121	1272940	1.1630
	23/02/2018 - Transfer (Decrease)	-57330	0.0524	1215610	1.1106
	16/03/2018 - Transfer (Decrease)	-315232	0.2880	900378	0.8226
	23/03/2018 - Transfer (Decrease)	-233467	0.2133	666911	0.6093
	30/03/2018 - Transfer (Decrease)	-413493	0.3778	253418	0.2315
	31-03-2018	253418	0.2315	253418	0.2315
15	MERRILL LYNCH MARKETS SINGAPORE PTE. LTD #				
	01-04-2017	2235353	2.0422		
	07/04/2017 - Transfer (Decrease)	-274559	0.2508	1960794	1.7914
	14/04/2017 - Transfer (Decrease)	-322951	0.2951	1637843	1.4964
	21/04/2017 - Transfer (Decrease)	-236779	0.2163	1401064	1.2800
	28/04/2017 - Transfer (Decrease)	-190000	0.1736	1211064	1.1064
	12/05/2017 - Transfer (Decrease)	-375627	0.3432	835437	0.7633
	19/05/2017 - Transfer (Decrease)	-12878	0.0118	822559	0.7515
	02/06/2017 - Transfer (Decrease)	-50000	0.0457	772559	0.7058
	16/06/2017 - Transfer (Decrease)	-1348	0.0012	771211	0.7046
	14/07/2017 - Transfer (Decrease)	-19525	0.0178	751686	0.6867
	08/09/2017 - Transfer (Decrease)	-9000	0.0082	742686	0.6785
	15/09/2017 - Transfer (Decrease)	-74000	0.0676	668686	0.6109
	22/09/2017 - Transfer (Decrease)	-64000	0.0585	604686	0.5524
	30/09/2017 - Transfer (Decrease)	-83000	0.0758	521686	0.4766
	06/10/2017 - Transfer (Decrease)	-95686	0.0874	426000	0.3892
	13/10/2017 - Transfer (Decrease)	-108000	0.0987	318000	0.2905
	20/10/2017 - Transfer (Decrease)	-78000	0.0713	240000	0.2193
	27/10/2017 - Transfer (Decrease)	-10000	0.0091	230000	0.2101
	03/11/2017 - Transfer (Decrease)	-170000	0.1553	60000	0.0548
	10/11/2017 - Transfer (Decrease)	-13000	0.0119	47000	0.0429
	17/11/2017 - Transfer (Decrease)	-47000	0.0429	0	0.0000
	31-03-2018	0	0.0000	0	0.0000

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

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

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	Name	Shareholding at the beginning		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	B M KHAITAN				
	01-04-2017	36288	0.0332		
	30/09/2017 - Transfer (Increase)	300	0.0003	36588	0.0334
	31-03-2018	36588	0.0334	36588	0.0334
2	ADITYA KHAITAN				
	01-04-2017	17272	0.0158		
	31-03-2018	17272	0.0158	17272	0.0158
3	AMRITANSHU KHAITAN				
	01-04-2017	15000	0.0137		
	31-03-2018	15000	0.0137	15000	0.0137
4	RAGHAVACHARI SRINIVASAN				
	01-04-2017	Nil	Nil		
	31-03-2018	Nil	Nil	Nil	Nil
5.	RAMNI NIRULA				
	01-04-2017	Nil	Nil		
	31-03-2018	Nil	Nil	Nil	Nil
6.	UTSAV PAREKH				
	01-04-2017	Nil	Nil		
	31-03-2018	Nil	Nil	Nil	Nil
7	BHARAT BAJORIA				
	01-04-2017	1800	0.0016		
	31-03-2018	1800	0.0016	1800	0.0016
8.	RANABIR SEN				
	01-04-2017	133	0.0001		
	31-03-2018	133	0.0001	133	0.0001
9.	PADAM KUMAR KHAITAN				
	01-04-2017	1500	0.0014		
	31-03-2018	1500	0.0014	1500	0.0014
10.	RAJEEV TAKRU				
	01-04-2017	900	0.0008		
	31-03-2018	900	0.0008	900	0.0008
11	AZAM MONEM				
	01-04-2017	500	0.0005		
	31-03-2018	500	0.0005	500	0.0005
12	KAMAL KISHORE BAHETI				
	01-04-2017	5100	0.0046		
	11/08/2017 - Transfer (Decrease)	-5000	0.0046	100	0.0000
	31-03-2018	100	0.0000	100	0.0000
13	A GUHA SARKAR				
	01-04-2017	650	0.0005		
	31-03-2018	650	0.0005	650	0.0005

Form No. MGT-9 Extract of Annual Return *(Contd.)*

V. Indebtedness

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

(Rs. in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	69562.60	9500.00	-	79062.60
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.61	-	-	4.61
Total (i+ii+iii)	**69567.21**	**9500.00**	**-**	**79067.21**
Change in Indebtedness during the financial year				
· Addition	11998.61	6513.89	-	18512.50
· Reduction	-	-	-	-
Net Change	**11998.61**	**6513.89**	**-**	**18512.50**
Indebtedness at the end of the financial year				
i) Principal Amount	81458.68	16000.00	-	97458.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	107.14	13.89	-	121.03
Total (i+ii+iii)	**81565.82**	**16013.89**	**-**	**97579.71**

vi. Remuneration of Directors and Key Managerial Personnel

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

(Rs. in lakhs)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		A. Khaitan	K.K. Baheti	R. Takru	A. Monem	
		MD	WTD & CFO	WTD	WTD	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	411.69	195.64	195.64	195.64	983.52
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.29	1.39	2.19	2.13	7.03
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission- as % of profit - others, specify	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	**411.98**	**197.03**	**197.83**	**197.77**	**1004.61**
	Ceiling as per the Act	10% of the Net Profits calculated u/s 198 of the Act.				

B. Remuneration to other directors:

(Rs. in Lakhs)

Sl. no.	Particulars of Remuneration	Name of Directors								Total Amount
		B.M. Khaitan	R. Srinivasan	B. Bajoria	R. Sen	U. Parekh	R. Nirula	Amritanshu Khaitan	Padam Khaitan	
1.	**Independent Directors**									
	· Fee for attending board / committee meetings	-	2.8	3.2	3.4	2.0	2.0	-	1.2	14.60
	· Commission	-	-	-	-	-	-	-	-	-
	· Others, please specify	-	-	-	-	-	-	-	-	-
	Total (1)	**-**	**2.8**	**3.2**	**3.4**	**2.0**	**2.0**	**-**	**1.2**	**14.60**
2.	**Other Non-Executive**									
	Directors	1.6	-	-	-	-	-	1.6	-	3.2
	· Fee for attending board committee meetings	-	-	-	-	-	-	-	-	-
	· Commission	-	-	-	-	-	-	-	-	-
	· Others, please specify	-	-	-	-	-	-	-	-	-
	Total (2)	**1.6**	**-**	**-**	**-**	**-**	**-**	**1.6**	**-**	**3.2**
	Total (B)=(1+2)	**1.60**	**2.8**	**3.2**	**3.4**	**2.0**	**2.0**	**1.6**	**1.2**	**17.80**
	Total Managerial Remuneration (A+B)									**1022.41**
	Overall Ceiling as per the Act	11% of the Net Profits calculated u/s 198 of the Act. (Excluding Sitting Fees)								

C. Remuneration to key managerial personnel other than MD/ WTD/MANAGER

(Rs. in Lakhs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO*	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	42.79	-	42.79
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.60	-	0.60
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission- as % of profit others, specify	-	-	-	-
5.	Others – Retrial Benefits	-	6.18	-	6.18
	Total	**-**	**49.57**	**-**	**49.57**

*Remuneration of the Wholetime Director and CFO has been shown in VI A above.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There was no penalty, punishment or compounding of offences during the year ended 31st March, 2018

For and on behalf of the Board

Place: Kolkata
Date: 30th May 2018

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Annexure IX

Secretarial Audit Report

For the Financial Year ended 31.03.2018

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

To
The Members,
McLeod Russel India Limited
Four Mangoe Lane,
Surendra Mohan Ghosh Sarani
Kolkata – 700 001
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **McLeod Russel India Limited** having its Registered Office at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700 001, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2018 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.

AUDITORS' RESPONSIBILITY

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Board during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statues as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

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

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2018 according to the provisions of :

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

(ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;

(iii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

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

(v) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

(c) 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;

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

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

1. Food Safety and Standards Act, 2006
2. Tea Act, 1953
3. Tea Waste Control Order, 1959
4. Tea (Marketing) Control Order, 2003
5. Tea (Distribution & Export) Control Order, 2005
6. Plant Protection Code (Formulated by Tea Board of India)
7. Plantations Labour Act, 1951

to the extent of their applicability to the Company during the financial year ended 31.03.2018 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above. The Company had filed application with the Central Government on 22.05.2017 for waiver of recovery of excess remuneration of Rs. 2,66,39,944 as paid to the Managing Director during the financial year 2016-17 and also taken approval for the same from the shareholders in the form of Special Resolution at the Annual General Meeting of the Company held on 09.08.2017. However, the Central Government vide its order no SRN G44202406/1/2017-CL-VII dated 15.05.2018 has granted the approval for Rs. 1,33,88,100 only. The Company has made a representation to the Central Government for re-consideration of the same as the remuneration payable to the Managing Director was approved by Special Resolution entitling him for a higher remuneration.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

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

(ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ;

(iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;

(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

We 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. The changes in the composition of the Board of Directors that took place, if any, during the period under review were carried out in compliance with the provisions of the Act.

(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.

(c) Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

(d) 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.

For A. K. LABH & Co.
Company Secretaries

(CS A. K. LABH)
Practicing Company Secretary
FCS – 4848 / CP No.- 3238

Place: Kolkata
Date: 30th May 2018

Annexure X

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY-

During the year, the Company has taken various initiatives towards upgradation and modernisation of equipments and machineries at different tea estates of the Company which have directly or indirectly resulted in conservation of energy. The Company has installed Continuous Withering Machines (CWM) in some of the estates which have enhanced the efficiency, withering capacity and conserved energy. Moreover, Rotor Vane Machines, CTC Machines, Khari Sifters, Orthodox ECP Dryers, Milling/Chasing Machines, Coal Stove, Colour sorters and energy efficient Gensets have also been installed at different estates of the Company to encourage efficiency and conservation of energy.

During the year under review the Company has incurred capital expenditure of Rs. 6209.06 lakhs on various plant and machinery in its tea estates inter alia for conservation of energy. The Company makes persistent effort to explore ways to conserve energy and use alternative sources of energy. The Company is making steady development in this direction and the Company expects that further improvement towards conservation of energy could be seen in the future.

(B) TECHNOLOGY ABSORPTION-

(i) the efforts made towards technology absorption;

Modernisation and upgradation of equipments and machines is a continuous process for the Company to enhance efficiency of operations, productivity and conservation of energy. Advanced technologies and improved machineries and equipments are installed at various tea estates for improving efficiency and productivity. The Company is also investing in plucking machines and plucking sheers to mitigate the problem of shortage of pruning and pluckers at various tea estates. During the year, advanced machines such as Orthodox ECP Dryers, Colour Sorters, Rotor Vane Machine, Tractors, irrigation equipment etc had been installed at various tea estates as a part of the continuous endeavour of the Company to updgrade technology.

The Company conducts various workshops and interactive group discussions regularly duly complimented by efficient training of staff with specific approach towards improvement of efficiency. The Company in its own interest encourages and values innovative achievements of the operating people in the agriculture and manufacture of tea. The Company also uses Vermi-wash, Vermicompost, Bio Humic Spray (BHS) and Indigenous Technical Knowledge (ITK) for improving the organic status of the soil and plant nutrition.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

The adoption of improved technology, regular upgradation, modernisation of equipments, conducting various workshops and implementation of organic technologies help in improving the yield and quality of tea. The Company is a major exporter of tea from India.

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

The Company did not import any technology during the last three financial years.

(iv) the expenditure incurred on Research and Development.

(Rs. lakhs)

Expenditure on Research & Development	2017-18	2016-17
Capital Expenditure	Nil	Nil
Revenue Expenditure	204.74*	177.30
Total	**204.74**	**177.30**

* Revenue expenditure on Research & Development represents subscription to Tea Research Association.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The total foreign exchange earnings during the year in terms of actual inflows was Rs. 54,595.33 Lakhs and the foreign exchange outgo during the year in terms of actual outflow was Rs. 1,265.39 Lakhs.

For and on behalf of the Board

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Place: Kolkata
Date: 30th May 2018

Annexure XI

Remuneration and other specified Particulars of Employees

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;

Name	Ratio of Remuneration of each Director to Median Remuneration of the following categories for the financial year 2017-18	
	All Employees	Executive Grade Employees
Non-Executive Directors		
Mr. B. M. Khaitan	2.09:1	0.13:1
Dr. R. Srinivasan	3.98:1	0.24:1
Mr. B. Bajoria	3.77:1	0.23:1
Mr. R. Sen	4.81:1	0.29:1
Mr. U. Parekh	2.51:1	0.15:1
Mrs. R. Nirula	2.09:1	0.13:1
Mr. Amritanshu Khaitan	2.09:1	0.13:1
Mr. Padam Kumar Khaitan	0.84:1	0.05:1
Executive Directors		
Mr. Aditya Khaitan - Managing Director	431.1:1	26.29:1
Mr. Rajeev Takru - Whole Time Director	207.01:1	12.62:1
Mr. Azam Monem - Whole Time Director	206.96:1	12.62:1
Mr. Kamal Kishore Baheti - Whole Time Director & CFO	206.18:1	12.57:1

(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year	Mr. Aditya Khaitan, Managing Director: 3.80%. No increase in remuneration of other Wholetime Directors. Mr. A. Guha Sarkar, Company Secretary: 6.95%. The Non-executive Directors have only received sitting fees for attending Meetings during 2017-18.
(iii) The percentage increase in the median remuneration of the employees in the financial year	All Employees – 3.18% Executive Grade Employees – 0.43%
(iv) The number of permanent employees on the rolls of Company as on 31st March 2018:	75814
(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	Average percentage increase of 5.38% was made in the salaries of employees other than the managerial personnel in the last financial year. There has been an increase of 1.42% in the managerial remuneration in the last financial year. Since there has been an increase of 5.38% in the average employee remuneration, 1.42% increase in the managerial remuneration can be considered to be justified.
(vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company.	The remuneration paid during the financial year ended 31st March 2018 is in terms of the Remuneration Policy of the Company.

INFORMATION PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(I) The following are the names of top ten employees in terms of remuneration drawn:-

Name	Designation	Remuneration received (in Rs. lakhs)#	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age (years)	The last employment held before joining the Company	The percentage of equity shares held	Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
A. Khaitan	Managing Director	411.98	In Whole time employment as per contract	B.Com (Hons); 26 years	01.04.2005	50	N.A.	0.0158	Mr. B.M. Khaitan – Father
R. Takru	Whole Time Director	197.83	-do-	B.A. (Hons); 42 years	01.04.2004	63	Eveready Industries India Limited, Senior Vice- president	0.0008	No
A. Monem	Whole Time Director	197.77	-do-	B.Com (Hons); 37 years	01.04.2004	58	Eveready Industries India Limited, Senior Vice- president	0.0005	No
K.K. Baheti	Whole Time Director & CFO	197.03	-do-	B.Com (Hons), FCA, ACS, AICWA; 32 years	01.04.2004	55	Eveready Industries India Limited, Vice- president	0.0000	No
A. Guha Sarkar	Senior Vice-President & Company Secretary	49.57	Permanent Employment	B.COM (Hons), LLB, ACS; 41 years	16.02.2005	63	Williamson Magor & Co. Limited, Company Secretary	0.0006	No
P. Bhar	Vice President	48.51	Permanent Employment	B.Com (Hons), FCA, AICWA; 38 years	01.01.2012	61	D1 Williamson Magor Bio Fuel Limited, Managing Director	0.0000	No
A. Pandit	Visiting Agent	42.20	Permanent Employment	B.A.; 40 years	01.04.2005	62	Williamson Tea Assam Limited, Senior Manager	0.0002	No
B. K. Newar	Vice President	42.10	Permanent Employment	B.Com (Hons) FCA, FCS; 34 years	01.04.2004	57	Eveready Industries India Limited, General Manager	0.0000	No
V.K. Singh	Senior General Manager	41.51	Permanent Employment	B. COM; 37 years	01.04.2004	63	Eveready Industries India Limited Senior Manager	0.0000	No
P. K. Agarwal	General Manager	37.08	Permanent Employment	B.Com(Hons), FCA 28 years	01.04.2004	53	Eveready Industries India Limited	0.0000	No

Remuneration received includes salary, allowances and monetary value of other perquisites computed as per Income Tax Act, 1961 and Rules thereunder and also Company's contribution to retirement funds, etc.

INFORMATION PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(II) The following persons were employed throughout the financial year and was in receipt of remuneration for that year which, in the aggregate, was not less than rupees One crore two lakhs:-

Name	Designa-tion	Remuneration received (in Rs. lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age (years)	The last employment held	The percentage of equity shares held	Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
A. Khaitan	Managing Director	411.98	In Whole time employment as per Contract	B.Com (Hons); 26 years	01.04.2005	50	N.A.	0.0158	Mr. B.M. Khaitan – Father
R. Takru	Whole Time Director	197.83	-Do-	B.A. (Hons); 42 years	01.04.2004	63	Eveready Industries India Limited, Senior Vice- president	0.0008	No
A. Monem	Whole Time Director	197.77	-do-	B.Com (Hons); 37 years	01.04.2004	58	Eveready Industries India Limited, Senior Vice- president	0.0005	No
K.K. Baheti	Whole Time Director & CFO	197.03	-Do-	B.Com (Hons), FCA, ACS, AICWA; 32 years	01.04.2004	55	Eveready Industries India Limited, Vice-President	0.0000	No

(III) There was no employee in the Company, whether employed throughout or part of the financial year 2017-18, who has drawn remuneration in excess of that drawn by the Managing Director or Whole Time Directors and holds along with spouse and dependent children not less than two per cent of the equity share capital of the Company.

For and on behalf of the Board

Place: Kolkata
Date: 30th May 2018

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

Independent Auditors' Report

To The Members of McLeod RUSSEL INDIA LIMITED

REPORT ON THE STANDALONE Ind AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of McLeod Russel India Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE Ind AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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 and the Order issued under section 143(11) of the Act.

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

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

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

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

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

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

   e) On the basis of the written representations received from the directors of the Company 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 A". 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 standalone Ind AS financial statements - refer Note 40(a) to the standalone Ind AS financial statements.

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

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

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration
No. 117366W/W-100018)

A.Bhattacharya
(Partner)
(Membership No. 054110)

Place: Kolkata
Kolkata, 30th May 2018

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING 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 McLeod Russel India Limited (the "Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company as of and 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the criteria for internal financial control over financial reporting 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 **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration
No. 117366W/W-100018)

A.Bhattacharya
(Partner)
(Membership No. 054110)

Place: Kolkata
Kolkata, 30th May 2018

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed / court orders approving schemes of arrangements/ amalgamations and other documents provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, according to the information and explanations given to us and the records examined by us and based on the examination of the court orders approving schemes of arrangements/ amalgamantions and other documents provided to us, we report that, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

Further, Immovable properties of land and buildings (including leasehold properties) whose title deeds have been pledged as security for loans, guarantees, etc., are held in the name of the Company based on the confirmations directly received by us from lenders.

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(ii) As explained to us, the inventories other than stocks lying with third parties (which have substantially been confirmed) were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no amount overdue for more than 90 days as at the balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and had no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable except for Income-tax details of which is given below:

Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the Amount Relates
Income Tax Act, 1961	Corporate Dividend Tax *	344.77	2005-06 to 2007-08

*Refer Note 50 (b) to the standalone Ind AS financial statements.

(c) Details of dues of Income-tax, Service Tax and Excise Duty which have not been deposited as on 31st March, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in lakhs)	Amount Unpaid (Rs. in lakhs)
Income Tax Act, 1961	Tax deducted at Source	Commissioner of Income tax (Appeals)	2008-09	5,278.00	4,578.00
Finance Act, 1944	Service Tax	Commissioner (Appeals)/ CESTAT	2004-05 to 2007-08	150.72	131.61
Finance Act, 1944	Service Tax	Principal Commissioner of Service Tax	2008-09 to 2012-13	433.00	373.72
Finance Act, 1944	Service Tax	High Court at Calcutta	2011-12 to 2014-15	445.96	438.16
Central Excise Act, 1944	Excise Duty	Commissioner (Appeals)	1999 to 2003	10.75	10.75

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks and financial institutions. The Company has not issued any debentures and does not have any loans or borrowings from Government.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements etc. as required by the applicable Indian Accounting Standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration
No. 117366W/W-100018)

A.Bhattacharya
(Partner)
(Membership No. 054110)

Place: Kolkata
Kolkata, 30th May 2018

Balance Sheet

as at 31st March, 2018

Rs. Lakhs

	Note	31st March 2018	31st March 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	158,874.69	161,470.16
Capital Work-in-Progress		9,475.77	8,232.08
Other Intangible Assets	4	1,755.45	2,136.51
Financial Assets			
Investments			
- Investment in Subsidiary and Associate	5A	22,936.98	22,936.98
- Other Investments	5B	9,610.06	7,224.99
Loans	6	-	10.40
Other Financial Assets	7	3,398.95	912.63
Other Non-current Assets	8	4,438.93	4,782.48
Total Non-Current Assets		**210,490.83**	**207,706.23**
Current Assets			
Inventories	9	12,473.08	14,026.96
Biological Assets other than bearer plants	10	516.11	398.02
Financial Assets			
Trade Receivables	11	9,898.15	7,141.79
Cash and Cash Equivalents	12	254.67	530.31
Other Bank Balances	13	351.78	397.44
Loans	6	64,632.04	33,753.58
Other Financial Assets	7	16,814.41	21,420.80
Current Tax Assets (Net)	14	7,256.92	7,241.90
Other Current Assets	15	7,540.60	9,427.17
Total Current Assets		**119,737.76**	**94,337.97**
TOTAL ASSETS		**330,228.59**	**302,044.20**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	5,472.79	5,472.79
Other Equity	17	175,625.40	168,860.59
Total Equity		**181,098.19**	**174,333.38**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Borrowings	18	34,941.08	14,720.09
Provisions			
Employee Benefit Obligations	19	5,088.18	4,591.65
Deferred Tax Liabilities (Net)	20	13,680.01	16,917.51
Other Non-Current Liabilities	21	534.40	373.88
Total Non-Current Liabilities		**54,243.67**	**36,603.13**
Current Liabilities			
Financial Liabilities			
Borrowings	22	49,323.33	57,534.18
Trade Payables	23	10,624.75	10,231.69
Other Financial Liabilities	24	26,566.19	17,481.31
Other Current Liabilities	25	622.54	1,052.84
Provisions			
Employee Benefit Obligations	19	3,121.54	1,611.34
Other Provisions	26	344.77	344.77
Current Tax Liabilities (Net)	27	4,283.61	2,851.56
Total Current Liabilities		**94,886.73**	**91,107.69**
Total Liabilities		**149,130.40**	**127,710.82**
TOTAL EQUITY AND LIABILITIES		**330,228.59**	**302,044.20**

The accompanying notes 1 to 56 are an integral part of the Financial Statements.

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

A. Bhattacharya
Partner
Kolkata, 30th May 2018

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Statement of Profit and Loss

for the year ended 31st March, 2018

Rs. Lakhs

	Note	Year ended 31st March 2018	Year ended 31st March 2017
Revenue from Operations	**28**	159,633.58	148,539.66
Other Income	**29**	32,285.22	18,443.70
Total Income		**191,918.80**	**166,983.36**
Expenses:			
Cost of Materials Consumed	**30**	18,780.10	18,774.47
Changes in Inventories of Finished Goods	**31**	1,447.48	923.09
Employee Benefits Expense	**32**	83,652.90	76,578.14
Finance Costs	**33**	17,092.79	12,756.91
Depreciation and Amortisation Expense	**34**	8,268.15	8,252.19
Other Expenses	**35**	54,354.03	49,199.09
Total Expenses		**183,595.45**	**166,483.89**
Profit before Tax		**8,323.35**	**499.47**
Tax expense:			
Current Tax	**56**	4,391.44	975.00
Deferred Tax	**56**	(2,794.17)	(3,528.32)
Profit for the Year		**6,726.08**	**3,052.79**
Other Comprehensive Income			
a) Items that will not be reclassified to profit or loss			
Remeasurements of post employment defined benefit plans		(3,045.66)	(145.93)
Change in fair value of Equity instruments through other comprehensive income		2,385.06	(121.41)
b) Income Tax relating to items that will not be reclassified to profit or loss		972.97	46.46
Other Comprehensive Income / (Loss)		**312.37**	**(220.88)**
Total Comprehensive income for the year		**7,038.45**	**2,831.91**
Earnings per Equity Share: [Nominal Value per share : Rs. 5/-]			
– Basic		**6.15**	**2.79**
– Diluted		**6.15**	**2.79**

The accompanying notes 1 to 56 are an integral part of the Financial Statements.

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

A. Bhattacharya
Partner
Kolkata, 30th May 2018

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Statement of Changes in Equity

For the year ended 31st March, 2018

A EQUITY SHARE CAPITAL

Rs. Lakhs

	Notes	Amount
As at 1st April 2016		5,472.79
Changes in Equity Share Capital during the year		-
As at 1st April 2017	16	**5,472.79**
Changes in Equity Share Capital during the year		-
As at 31st March 2018	16	**5,472.79**

B OTHER EQUITY

Rs. Lakhs

	Reserves and Surplus					Revaluation Surplus	Equity Investments through FVTOCI	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Reserve	Other Reserve			
Balance at 1st April 2016	**11053.58**	**82295.74**	**13817.57**	**201.68**	**19209.20**	**35218.10**	**6765.29**	**168561.16**
Transfer on account of depreciation on amount added on Revaluation of Property, Plant and Equipment	-	683.92	-	-	-	(683.92)	-	-
Profit for the year	-	-	3052.79	-	-	-	-	3,052.79
Other Comprehensive Income	-	-	(99.47)	-	-	-	(121.41)	(220.88)
Total Comprehensive Income for the year	-	-	2953.32	-	-	-	(121.41)	2831.91
Dividend Paid	-	-	(2,189.11)	-	-	-	-	(2,189.11)
Dividend Tax Paid	-	-	(343.37)	-	-	-	-	(343.37)
Balance at 1st April 2017	**11,053.58**	**82,979.66**	**14,238.41**	**201.68**	**19,209.20**	**34,534.18**	**6,643.88**	**168,860.59**
Transfer from retained earnings to general reserve	-	15,000.00	(15,000.00)	-	-	-	-	-
Transfer on account of depreciation on amount added on Revaluation of Property, Plant and Equipment	-	660.44	-	-	-	(660.44)	-	-
Profit for the year	-	-	6,726.08	-	-	-	-	6,726.08
Other Comprehensive Income	-	-	(2,072.69)	-	-	-	2,385.06	312.37
Total Comprehensive Income for the year	**-**	**-**	**4,653.39**	**-**	**-**	**-**	**2,385.06**	**7,038.45**
Dividend Paid	-	-	(273.64)	-	-	-	-	(273.64)
Balance at 31st March 2018	**11,053.58**	**98,640.10**	**3,618.16**	**201.68**	**19,209.20**	**33,873.74**	**9,028.94**	**175,625.40**

The accompanying notes 1 to 56 are an integral part of the Financial Statements.

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

A. Bhattacharya
Partner
Kolkata, 30th May 2018

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Statement of Cash Flows

for the year ended 31st March, 2018

		Year Ended	
		31st March 2018	31st March 2017
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	8,323.35	499.47
	Adjustments for:		
	Depreciation and Amortisation Expense	8,268.15	8,252.19
	Loss/(Profit) on disposal of Property, Plant and Equipment	796.61	(1,723.75)
	Amortisation of Subsidy - Capital Items	(27.65)	(18.68)
	Changes in Fair Value of Biological Assets	(118.09)	(4.44)
	Dividend Income	(16,003.69)	(536.04)
	Interest Income	(14,201.95)	(10,042.73)
	Finance Costs	17,092.79	12,756.91
	Fair Value Loss/(Gain) on Derivatives (Net)	1,049.44	(292.99)
	Liabilities no longer required written back	(53.08)	(136.48)
	Allowance for bad and doubtful accrued interest no longer required written back	(340.00)	-
	Foreign currency translations and transactions - Net	(0.77)	1.53
	Operating Profit Before Working Capital Changes	**4,785.11**	**8,754.99**
	Adjustment for:		
	Trade Receivables, Other Financial Assets and Other Assets	5,534.03	(3,355.70)
	Inventories	1,553.88	2,604.76
	Trade Payables, Provisions, Other Financial Liabilities and Other Current Liabilities	972.70	255.63
	Cash Generated from operations	**12,845.72**	**8,259.68**
	Income taxes paid	(2,444.79)	(141.62)
	Net cash from operating activities	**10,400.93**	**8,118.06**
B	CASH FLOWS FROM INVESTING ACTIVITIES:		
	Purchases of Property, Plant and Equipment and Intangibles Assets	(7,893.59)	(10,820.96)
	Sale of Property, Plant and Equipment	1,340.81	3,416.41
	Loans Given	(81,054.06)	(47,940.00)
	Repayment of Loans Given	50,186.00	38,945.44
	Sale of Long-term Investments	-	383.45
	Dividends Received	16,003.69	536.04
	Interest Received	9,639.39	9,111.83
	Net cash used in investing activities	**(11,777.76)**	**(6,367.79)**

Statement of Cash Flows *(contd.)*

for the year ended 31st March, 2018

		Year Ended	
		31st March 2018	31st March 2017
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from Long Term Borrowings	36,867.73	-
	Repayment of Long Term Borrowings	(10,260.80)	(4,377.09)
	Proceeds from Short Term Borrowings	-	18,491.39
	Repayment from Short Term Borrowings	(8,210.85)	-
	Net Increase/ (decrease) in statutory restricted accounts balances	(45.66)	0.84
	Interest paid	(16,976.36)	(12,757.03)
	Dividends paid	(273.64)	(3,172.25)
	Net cash from/ (used in) financing activities	**1,100.42**	**(1,814.14)**
	Net decrease in Cash and Cash Equivalents	(276.41)	(63.87)
	Opening Cash and Cash Equivalents	530.31	595.71
	Closing Cash and Cash Equivalents	**253.90**	**531.84**
	Notes:		
	1. The above Cash Flow Statement has been prepared under the "indirect method" as set out in the Ind AS 7 on Statement of Cash Flows.		
	2. Cash and Cash Equivalents		
	Cash and Cash Equivalents as above	253.90	531.84
	Unrealised gain/(loss) on foreign currency cash and cash equivalents	0.77	(1.53)
	Cash and Cash Equivalents (Note-12)	**254.67**	**530.31**

The accompanying notes 1 to 56 are an integral part of the Financial Statements.

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

A. Bhattacharya
Partner
Kolkata, 30th May 2018

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

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BACKGROUND

McLeod Russel India Limited is a public Company limited by shares, incorporated and domiciled in India. The shares of the Company are listed in National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The company is engaged in cultivation and manufacturing of tea. The tea produced is sold in domestic as well as international markets.

1. SIGNIFICANT ACCOUNTING POLICIES

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

1.1 Basis of Preparation

1.1.1 Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016.

1.1.2 Classification of current and non-current

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 Ind AS 1 – Presentation of financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.1.3 Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

i) certain financial assets and liabilities (including derivative instruments) that is measured at fair value;

ii) defined benefit plans – plan assets measured at fair value;

iii) certain biological assets (including un plucked green leaves) – measured at fair value less cost to sell.

1.2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors.

1.3 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign Currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

1.4 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, net of returns,claims and discounts to customers. Revenue excludes amounts collected on behalf of third parties, such as Value Added Tax and Goods and Services Tax.

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The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

1.5 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

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

Government grants relating to the acquisition/ construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

1.6 Accounting for Taxes on Income

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.

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Current and deferred tax is recognised in profit or 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.

1.7 Inventories

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

Raw materials of purchased tea leaves, Stores and Spare parts and Finished Goods are stated at lower of cost and net realisable value. Cost of Finished Goods comprise of direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average method. Net realisable value is the estimated selling price in the ordinary

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course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.8 Biological Assets

Tea leaves growing on tea bushes are measured at fair value less cost to sell with changes in fair value recognised in Statement of profit and loss.

1.9 Financial Assets

1.9.1 Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

1.9.2 Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Company measures all equity investments (except subsidiary and associate) at fair value through profit or loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Investment in subsidiary and associate are carried at cost less accumulated impairment, if any.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

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Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment, if any.

Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/ expenses.

Offsetting financial instruments

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

1.9.3 Impairment of financial assets

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) held at amortised cost and financial assets that are measured at fair value through other comprehensive income for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition..

1.9.4 Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

1.10 Financial liabilities

1.10.1 Initial recognition and measurement

The Company recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts,

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financial guarantee contracts and derivative financial instruments.

1.10.2 Subsequent measurement
All the financial liabilities are classified as subsequently measured at amortised cost, except for those mentioned below.

1.10.3 Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as Fair Value through profit or loss, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/losses are not subsequently transferred to Profit or Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

1.10.4 Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

1.11 Property, Plant and Equipment
Freehold land is carried at cost and not depreciated. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous generally accepted accounting principles and also includes expenditure that is directly attributable to the acquisition of the items. Properties in the course of construction are carried at cost, less any impairment loss.

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 asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in

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Schedule II to the Companies Act, 2013, which are also supported by technical evaluation. Item of Fixed Assets for which related actual cost do not exceed Rs. 5,000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical evaluation, as under:-

- Plant and Equipment : Ranging from 7 years to 30 years
- Non-factory Buildings : Ranging from 15 years to 70 years
- Bearer Plants : 77 years

Bearer plants comprising of mature tea bushes are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Immature bearer plants, including the cost incurred for procurement of new seeds and maintenance of nurseries, arecarried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

Costs incurred for infilling are generally recognized in the Statement of Profit and Loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/expenses.

1.12 Intangible Assets

1.12.1 Trademark

Separately acquired Trademark is shown at cost. It is amortised over expected useful life and is subsequently carried at cost less accumulated amortisation and impairment losses, if any. For this purpose, cost includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2015 measured as per the previous generally accepted accounting principles.

1.12.2 Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

1.12.3 Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Trademark 20 years
- Computer software 5 years

1.13 Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising

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

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

1.14 Employee Benefits

1.14.1 Short-term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

1.14.2 Other Long-term Employee Benefits (Unfunded)

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Remeasurement gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.14.3 Post-employment Benefit Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Remeasurement gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

1.14.4 Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.15 Leases

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

1.16 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds

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its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.17 Research and Development
Revenue expenditure on Research and Development is recognised as a charge in the Statement Profit and Loss. Capital expenditure on assets acquired for Research and Development is added to Property, Plant and Equipment, if any.

1.18 Borrowing costs
Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss

1.19. Application of new and revised Ind ASs
Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2018 on March, 28, 2018 notifying Ind AS 115 'Revenue from Contracts with Customers' and amending Ind AS 21 'The Effects of Changes in Foreign Exchange Rates' and Ind AS 12 'Income Taxes'. The same are applicable for financial statements pertaining to annual periods beginning on or after April 1, 2018. The Company expects that there will be no material impact on the financial statements resulting from the implementation of these standards.

2. CRITICAL ESTIMATES AND JUDGEMENTS
The preparation of the financial statements require the use of accounting estimates which, by definition, will seldom equal the actual result. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a high degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements The areas involving critical estimates and judgements are:

i. Taxation
The Company is engaged in agricultural activities and accordingly, significant judgement is involved in determining the tax liability for the Company. Also there are many transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Further judgement is involved in determining the deferred tax position on the balance sheet date.

ii. Depreciation and amortisation
Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

iii. Impairment of property, plant and equipment
An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

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iv. Employee Benefits

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government securities that have terms to maturity approximating the terms of the related defined benefit obligation. Other key assumptions for obligations are based in part on current market conditions.

v. Provisions and Contingencies

Provisions and contingencies are based on Management's best estimate of the liabilities based on the facts known at the balance sheet date.

vi. Fair Value of Biological Assets

The fair value of Biological Assets is determined based on recent transactions entered into with third parties or available market price.

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.

3. PROPERTY, PLANT AND EQUIPMENT

Rs. Lakhs

Particulars	GROSS AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	As at 1st April 2016	Additions during the year	Disposals during the year	As at 31st March 2017	As at 1st April 2016	Depreciation for the year	Disposals during the year	As at 31st March 2017	As at 31st March 2017
Land [Refer (a) below]	4,312.32	-	-	**4,312.32**	-	-	-	**-**	**4,312.32**
Buildings	42,123.21	4,162.18	1,647.98	**44,637.41**	2,789.74	2,856.92	484.07	**5,162.59**	**39,474.82**
Plant and Equipment	26,602.63	6,209.06	381.46	**32,430.23**	2,016.24	2,238.00	300.99	**3,953.25**	**28,476.98**
Furniture and Fixtures	832.89	87.36	31.21	**889.04**	145.49	135.51	30.84	**250.16**	**638.88**
Vehicles	3,050.79	338.60	285.82	**3,103.57**	594.77	559.27	277.79	**876.25**	**2,227.32**
Office Equipment	92.12	4.30	9.44	**86.98**	27.17	26.07	9.44	**43.80**	**43.18**
Computer	220.37	57.92	9.99	**268.30**	73.03	59.70	7.25	**125.48**	**142.82**
Bearer Plants	90,561.73	-	459.35	**90,102.38**	2,009.06	1,961.69	22.21	**3,948.54**	**86,153.84**
Total	**167,796.06**	**10,859.42**	**2,825.25**	**175,830.23**	**7,655.50**	**7,837.16**	**1,132.59**	**14,360.07**	**161,470.16**

a) Represents cost of proportionate share of undivided land pertaining to certain portion of a multistoried building

Notes
to Financial Statements

Rs. Lakhs

Particulars	GROSS AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	As at 1st April 2017	Additions during the year	Disposals during the year	As at 31st March 2018	As at 1st April 2017	Deprecia-tion for the year	Disposals during the year	As at 31st March 2018	As at 31st March 2018
Land [Refer (a) below]	4,312.32	-	-	**4,312.32**	-	-	-	-	**4,312.32**
Buildings	44,637.41	4,315.49	409.43	**48,543.47**	5,162.59	2,804.33	56.40	**7,910.52**	**40,632.95**
Plant and Equipment	32,430.23	2,506.67	287.05	**34,649.85**	3,953.25	2,417.52	56.83	**6,313.94**	**28,335.91**
Furniture and Fixtures	889.04	78.90	4.95	**962.99**	250.16	126.53	1.19	**375.50**	**587.49**
Vehicles	3,103.57	444.46	31.89	**3,516.14**	876.25	536.89	19.06	**1,394.08**	**2,122.06**
Office Equipment	86.98	14.49	-	**101.47**	43.80	23.93	-	**67.73**	**33.74**
Computer	268.30	63.44	2.23	**329.51**	125.48	53.26	1.70	**177.04**	**152.47**
Bearer Plants	90,102.38	-	1,653.50	**88,448.88**	3,948.54	1,919.04	116.45	**5,751.13**	**82,697.75**
Total	**175,830.23**	**7,423.45**	**2,389.05**	**180,864.63**	**14,360.07**	**7,881.50**	**251.63**	**21,989.94**	**158,874.69**

a) Represents cost of proportionate share of undivided land pertaining to certain portion of a multistoried building

4. OTHER INTANGIBLE ASSETS

Rs. Lakhs

Particulars	GROSS AMOUNT				ACCUMULATED AMORTISATION				NET CARRYING AMOUNT
	As at 1st April 2016	Additions during the year	Disposals during the year	As at 31st March 2017	As at 1st April 2016	Amorti-sation for the year	Disposals during the year	As at 31st March 2017	As at 31st March 2017
Trade Mark [Brand] [Refer (a) below]	2,437.50	-	-	2,437.50	250.00	250.00	-	500.00	1,937.50
Computer Software [Refer (b) below]	508.89	13.73	-	522.62	158.58	165.03	-	323.61	199.01
Total	**2,946.39**	**13.73**	**-**	**2,960.12**	**408.58**	**415.03**	**-**	**823.61**	**2,136.51**

Rs. Lakhs

Particulars	GROSS AMOUNT				ACCUMULATED AMORTISATION				NET CARRYING AMOUNT
	As at 1st April 2017	Additions during the year	Disposals during the year	As at 31st March 2018	As at 1st April 2017	Amorti-sation for the year	Disposals during the year	As at 31st March 2018	As at 31st March 2018
Trade Mark [Brand] [Refer (a) below]	2,437.50	-	-	2,437.50	500.00	250.00	-	750.00	1,687.50
Computer Software [Refer (b) below]	522.62	5.59	-	528.21	323.61	136.65	-	460.26	67.95
Total	**2,960.12**	**5.59**	**-**	**2,965.71**	**823.61**	**386.65**	**-**	**1,210.26**	**1,755.45**

(a) Trade mark (Brand - WM logo), acquired in January 2005, is being amortised under straight line method over 20 years on prudent basis based on valuation by independent valuer, considering the factors like effective life/utility.

(b) Computer Software is being amortised under straight line method over 5 years.

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5 NON-CURRENT INVESTMENTS
(In Equity Shares of Rs 10 each fully paid, except otherwise stated)

Rs. Lakhs

	31st March 2018	31st March 2017
5A Investment in Subsidiary and Associate		
In Subsidiary (at cost unless stated otherwise)		
Unquoted		
Borelli Tea Holdings Limited (U.K.)*		
362000 (31.03.2017 - 362000) Shares of GBP 1/- each	22,936.98	22,936.98
In Associate (at cost unless stated otherwise)		
Unquoted		
D1 Williamson Magor Bio Fuel Limited		
7281201 (31.03.2017 - 7281201) Shares , fully impaired	-	-
	22,936.98	**22,936.98**
a. Aggregate amount of unquoted investments	22,936.98	22,936.98
b. Aggregate amount of impairment in the value of investments	2,184.35	2,184.35
* The Company has undertaken to continue to directly hold 100% (31st March 2017 - 100 %) of the shares in the share capital of Borelli Tea Holdings Limited (BTHL) in connection with the term loan obtained by BTHL.		
5B Other Investments (at fair value through other comprehensive income)		
Quoted		
Murablack India Limited		
500000 (31.03.2017 - 500000) Shares , fully impaired	-	-
McNally Bharat Engineering Co. Limited **		
3052295 (31.03.2017 - 3052295) Shares	1,799.33	1,578.04
Williamson Financial Services Limited		
1666953 (31.03.2017 - 1666853) Shares	481.72	521.72
Eveready Industries India Limited		
1663289 (31.03.2017 - 1663289) Shares of Rs. 5/- each	6,233.17	4,365.30
Kilburn Engineering Limited		
848168 (31.03.2017 - 848168) Shares	628.92	513.14
The Standard Batteries Limited		
1003820 (31.03.2017 - 1003820) Shares of Re. 1/- each	92.85	80.10
Kilburn Chemicals Limited		
350200 (31.03.2017 - 350200) Shares	371.21	165.12
Kilburn Office Automation Limited		
31340 (31.03.2017 - 31340) Shares	2.15	0.86
Suryachakra Seafood Limited		
400000 (31.03.2017 - 400000) Shares, fully impaired	-	-
Unquoted		
ABC Tea Workers Welfare Services Limited		
11067 (31.03.2017 - 11067) Shares	0.71	0.71
Total Non-Current Investments	**9,610.06**	**7,224.99**
a. Aggregate amount of unquoted investments	0.71	0.71
b. Aggregate amount of quoted investments	9,609.35	7,224.28
c. Aggregate market value of quoted investments	9,609.35	7,224.28
d. Aggregate amount of impairment in the value of investments#	-	-

** In connection with a Term Loan of Rs.5000.00 lakhs (31st March, 2017 – Rs. 5000.00 lakhs) taken by McNally Bharat Engineering Company Limited (MBECL) from banks, the Company has furnished a Non-Disposal Undertaking of its present and future holding of shares in MBECL, to remain valid so long as any monies remain due by MBECL in respect of the said loan to such banks.

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

Notes
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6 LOANS
(Unsecured - considered good unless otherwise stated)

Rs. Lakhs

	31st March 2018		31st March 2017	
	Current	Non-Current	Current	Non-Current
Loans to Related Parties [Refer Note 43]				
- Subsidiary	-	-	5,300.00	-
Loans to Employees				
Considered Good	72.04	-	55.58	10.40
Considered Doubtful	-	9.56	-	9.56
Less: Allowance for Doubtful Loans	-	(9.56)	-	(9.56)
Loans to Body Corporate				
Considered Good	64,560.00	-	28,398.00	-
Considered Doubtful	-	1,098.00	-	1,098.00
Less: Allowance for Doubtful Loans	-	(1,098.00)	-	(1,098.00)
	64,632.04	**-**	**33,753.58**	**10.40**

7 OTHER FINANCIAL ASSETS

Rs. Lakhs

	31st March 2018		31st March 2017	
	Current	Non-Current	Current	Non-Current
Margin Money Deposit with bank (a)	-	17.72	-	16.15
Other Long Term Receivable				
- From Sale of Tea Estates	-	91.13	-	91.13
Interest Accrued on Loans and Deposits				
Considered good	12,425.86	-	7,523.29	-
Considered Doubtful	-	1,149.60	-	(1,489.61)
Less: Allowance for Doubtful Interest Receivable	-	(1,149.60)	-	(1,489.61)
Deposits with National Bank for Agriculture and Rural Development	3,000.00	3,290.10	7,500.00	805.35
Receivable on account of claim/disposal of assets	1,388.55	-	5,945.68	-
Derivative not designated as hedges - Forward Contracts	-	-	451.83	-
	16,814.41	**3,398.95**	**21,420.80**	**912.63**

(a) For issuing Bank Guarantee

Notes
to Financial Statements

8. OTHER NON-CURRENT ASSETS

Rs. Lakhs

	31st March 2018	31st March 2017
Capital Advances	529.38	1,039.91
Advances Other than Capital Advances:		
Advances to Suppliers, Service Providers etc.	1,217.20	1,217.20
Less : Allowance for Doubtful Advances	(1,217.20)	(1,217.20)
Subsidies receivable from Government	579.35	579.35
Advance for Employee Benefit [Refer Note 38]	465.06	327.52
Prepaid Expenses	255.13	265.74
Tax Payment Under Protest [Refer Note 50 (a)]	700.00	700.00
Security Deposits	1,910.01	1,869.96
	4,438.93	**4,782.48**

9. INVENTORIES

Rs. Lakhs

	31st March 2018	31st March 2017
At lower of cost and net realisable value		
Raw Materials (Green Leaf)	317.26	262.88
Finished Goods (Stock of Tea)	5,274.04	6,721.52
[including in transit Rs. 918.40 Lakhs (31.03.2017 - Rs 2217.72 lakhs)]		
Stores and Spares *	6,881.78	7,042.56
	12,473.08	**14,026.96**

* Net-off allowance for slow moving/obosolete inventory of Rs. 81.93 lakhs (31.03.2017 - Rs. 70.85 lakhs)

10. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

Rs. Lakhs

	31st March 2018	31st March 2017
Fair Value of Biological Assets other than Bearer Plants (Unharvested Tea Leaves)*	516.11	398.02
	516.11	**398.02**
Biological Assets Other Than Bearer Plants		
As at Opening date	398.02	393.58
Increase due to purchases/physical changes	516.11	398.02
Decrease due to harvest/physical changes	(398.02)	(393.58)
As at closing date	**516.11**	**398.02**

*Unharvested tea leaves on bushes as on 31st March 2018 was 19.85 lakh kgs (31.03.2017- 19.14 lakh kgs).

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11. TRADE RECEIVABLES

Rs. Lakhs

	31st March 2018	31st March 2017
Secured		
- Considered Good	350.00	350.00
Unsecured		
- Considered Good	9,548.15	6,791.79
- Considered Doubtful	340.90	340.90
Less: Allowance for Doubtful Debts	(340.90)	(340.90)
	9,898.15	**7,141.79**

Transferred Receivables

The carrying amounts of the trade receivables include receivables which have been discounted with banks in terms of arrangement with banks. The Company has retained the credit risk and continued to recognise the transferred assets in their entirety in the Balance Sheet.

The relevant carrying amounts are as follows:

Total transferred receivables	1458.25	1619.65
Associated payable (Refer Note 24)	1,458.25	1,619.65

12. CASH AND CASH EQUIVALENTS

Rs. Lakhs

	31st March 2018	31st March 2017
Balance with banks in Current Accounts	182.45	244.90
Cash on hand	72.22	248.41
Remittance in Transit	-	37.00
	254.67	**530.31**

13. OTHER BANK BALANCES

Rs. Lakhs

	31st March 2018	31st March 2017
Dividend Accounts *	351.62	397.27
Escrow Accounts/Fractional Share Sale Proceeds Account	0.16	0.17
	351.78	**397.44**

*Earmarked for payment of unclaimed dividend

14. CURRENT TAX ASSETS (NET)

Rs. Lakhs

	31st March 2018	31st March 2017
Advance Tax - Agricultural Income Tax	6,949.16	6,934.14
[Net of Provision Rs. 15069.89 lakhs (31.03.2017 - Rs 15069.89 lakhs)]		
Advance Tax- Fringe Benefit Tax	307.76	307.76
[Net of Provision Rs. 273.20 lakhs (31.03.2017 - Rs 273.20 lakhs)]		
	7,256.92	**7,241.90**

Notes
to Financial Statements

15. OTHER CURRENT ASSETS

Rs. Lakhs

	31st March 2018	31st March 2017
Balance with Government Authorities	1,232.55	17.53
Advances to Suppliers, Service Providers etc.		
Considered Good	1,514.68	1,716.05
Considered Doubtful	103.69	103.69
Less: Allowance for Doubtful Advances	(103.69)	(103.69)
Advance for Employee Benefits (Refer Note 38)	1,824.32	3,287.60
Advance to Employees	706.27	670.73
Recoverable from Director [Refer Note 43 (f)]	263.01	-
Prepaid Expenses	835.96	1,066.97
Subsidies receivable from Government	591.05	370.12
Accrued Duty exemption benefits pertaining to exports	528.65	457.68
Compensation receivable from Government	44.11	1,840.49
	7,540.60	**9,427.17**

16. EQUITY SHARE CAPITAL

Rs. Lakhs

	31st March 2018	31st March 2017
Authorised		
12,00,00,000 (31.03.2017 - 12,00,00,000) Equity Shares of Rs.5/- each	6,000.00	6,000.00
Issued, subscribed and paid-up		
10,94,55,735 (31.03.2017 - 10,94,55,735) Equity Shares of Rs 5/- each fully paid up	5,472.79	5,472.79
	5,472.79	**5,472.79**

(A) Reconciliation of number of Equity Shares outstanding

Rs. Lakhs

	31st March 2018	31st March 2017
As at beginning of the year and at the end of the year		
10,94,55,735 (31.03.2017 - 10,94,55,735) Equity Shares of Rs 5/- each	5,472.79	5,472.79
	5,472.79	**5,472.79**

(B) Rights, preferences and restrictions attached to Shares

The Company has only one class of shares referred to as Equity Shares having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share held and is entitled to participate in Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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(C) Shareholders holding more than 5% of the Equity Shares in the Company

	31st March 2018 (No. of Shares)	31st March 2017 %	31st March 2018 (No. of Shares)	31st March 2017 %
Kamal Baheti (Trustee of Borelli Tea Holdings Limited, U.K.)	17067500	15.59	27067500	24.73
Williamson Magor & Co. Limited	11660946	10.65	11660946	10.65
The Nomura Trust & Banking Co. Ltd as the Trustee of Nomura India Stock Mother Fund	6508116	5.95	-	-
Williamson Financial Services Limited	5898725	5.39	5898725	5.39
Edgbaston Asian Equity Trust	5519122	5.04	-	-

17. RESERVES AND SURPLUS

Rs. Lakhs

	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Reserve	Other Reserve	Revaluation Surplus	Equity Investments through FVTOCI	Total
As at 1 April 2016	11,053.58	82,295.74	13,817.57	201.68	19,209.20	35,218.10	6,765.29	168,561.16
Profit for the year	-	-	3,052.79	-		-	-	3,052.79
Transfer on account of depreciation on amount added on Revaluation of Property, Plant and Equipment	-	683.92	-	-	-	(683.92)	-	-
Dividend Paid	-	-	(2,189.11)	-	-	-	-	(2,189.11)
Dividend Tax Paid	-	-	(343.37)	-	-	-	-	(343.37)
Items of Other Comprehensive Income recognised directly in retained earnings				-	-	-	-	-
Remeasurements of post-employment defined benefit obligations (Net of Tax)	-	-	(99.47)	-	-	-	-	(99.47)
Changes in Fair Value of equity instruments designated at FVTOCI	-	-	-	-	-	-	(121.41)	(121.41)
As at 31 March 2017	**11,053.58**	**82,979.66**	**14,238.41**	**201.68**	**19,209.20**	**34,534.18**	**6,643.88**	**168,860.59**
Profit for the year	-	-	6,726.08	-	-	-	-	6,726.08
Transfer from retained earnings to general reserve	-	15,000.00	(15,000.00)	-	-	-	-	-
Transfer on account of depreciation on amount added on Revaluation of Property, Plant and Equipment	-	660.44	-	-	-	(660.44)	-	-
Dividend Paid	-	-	(273.64)	-	-	-	-	(273.64)
Items of Other Comprehensive Income recognised directly in retained earnings								
Remeasurements of post-employment defined benefit obligations (Net of Tax)	-	-	(2,072.69)	-	-	-	-	(2,072.69)
Changes in Fair Value of equity instruments designated at FVTOCI				-	-	-	2,385.06	2,385.06
As at 31 March 2018	**11,053.58**	**98,640.10**	**3,618.16**	**201.68**	**19,209.20**	**33,873.74**	**9,028.94**	**175,625.40**

Notes
to Financial Statements

Nature and Purpose of Other Reserves

a) **Capital Reserve**
Represents the amount transferred from the transferor company pursuant to Scheme of Arrangement effected in earlier years.

b) **Securities Premium Reserve**
Securities Premium Reserve is used to record the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

c) **General Reserve**
General Reserve is created and utilised in compliance with the provisions of the Act.

d) **Other Reserves**
Represents the balance amount of reserve which had arisen on transfer of Bulk Tea Division of Eveready Industries India Limited pursuant to scheme of arrangement.

e) **Retained Earnings**
Retained earnings represent accumulated profits earned by the Company and remaining undistributed as on date and remeasurement of defined benefit plans.

f) **Revaluation Surplus**
Revaluation Surplus, being the excess of market value over the carrying value of certain assets is transferred from the transferor companies pursuant to the Schemes of Arrangement. The said reserve is utilised for adjustment of depreciation attributable to such excess amount and is credited to general reserve.

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

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18. NON CURRENT BORROWINGS

Rs. Lakhs

	31st March 2018	31st March 2017
SECURED		
Term Loans from Banks		
ICICI Bank Limited	4,988.93	6,978.82
Less : Current maturities of long term debts	(1,993.13)	(1,989.89)
	2,995.80	**4,988.93**
a) Nature of Security		
Secured by first pari passu charge of certain tea estates by way of mortgage over immovable fixed assets and hypothecation of movable fixed assets.		
b) Rate of Interest		
Interest is payable on monthly basis at base rate plus 0.40% p.a.		
c) Terms of Repayment		
Ten (31.03.2017-Fourteen) equal quarterly installments of Rs. 500 Lakhs each.		
ICICI Bank Limited	8,838.64	-
Less : Current maturities of long term debts	(1,937.75)	-
	6,900.89	**-**
a) Nature of Security		
Secured by first pari passu charge of certain tea estates by way of mortgage over immovable fixed assets and hypothecation of movable fixed assets.		
b) Rate of Interest		
Interest is payable on monthly basis at 1 year MCLR plus 1.20% p.a		
c) Terms of Repayment		
Repayable in 18 equal quarterly installments of Rs. 500 Lakhs each.		
HDFC Bank Limited	5,988.68	8,974.90
Less : Current maturities of long term debts	(2,991.63)	(2,986.22)
	2,997.05	**5,988.68**
a) Nature of Security		
Secured by extension of exclusive charge over certain tea estates		
b) Rate of Interest		
Interest is payable on monthly basis at HDFC bank base rate plus 0.30% p.a.		
c) Terms of Repayment		
Eight (31.03.2017 - Twelve) equal quarterly installments of Rs. 750 Lakhs each.		
HDFC Bank Limited	-	999.41
Less : Current maturities of long term debts	-	(999.41)
	-	**-**
a) Nature of Security		
Secured by equitable mortgage of certain tea estates on an exclusive basis		
b) Rate of Interest		
Interest is payable on quarterly basis at base rate plus 0.05% p.a.		
c) Terms of Repayment		
Nil (31.03.2017 - Two) equal quarterly installments of Rs. 500 Lakhs each		
RBL Bank	9,960.44	-
Less : Current maturities of Long term debt	(3,960.44)	-
	6,000.00	**-**

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Rs. Lakhs

		31st March 2018	31st March 2017
a)	Nature of Security		
	Subservient charge by way of hypothecation/mortgage over the fixed assets of the company both present and future.		
b)	Rate of Interest		
	Interest is payable on monthly basis at RBL Bank's 1 year MCLR plus 1.10%		
c)	Terms of Repayment		
	Repayable in 10 equal quarterly installments commencing from April ,2018 of Rs. 100 Lakhs each		
Yes Bank		4,898.96	-
	Less : Current maturities of Long term debt	(898.89)	-
a)	Nature of Security	**4,000.07**	**-**
	Exclusive charge by way of equitable mortgage on certain tea estates and subservient charge on entire current assets and movable fixed assets.		
b)	Rate of Interest		
	Interest is payable on monthly basis at 1 year MCLR plus 1.15%		
c)	Terms of Repayment		
	Repayable in 16 equal quarterly installments commencing from August, 2018 of Rs. 312.50 lakhs each		
Yes Bank		2,391.18	-
	Less : Current maturities of Long term debt	-	-
		2,391.18	**-**
a)	Nature of Security		
	Exclusive charge by way of equitable mortgage on certain tea estates and subservient charge on entire current assets and movable fixed assets.		
b)	Rate of Interest		
	Interest is payable on monthly basis at 1 year MCLR.		
c)	Terms of Repayment		
	Repayable in 14 equal quarterly installments commencing from February, 2022 of Rs. 178.50 lakhs each		
Yes Bank		7,324.24	-
	Less : Current maturities of Long term debt	(493.65)	-
		6,830.59	**-**
a)	Nature of Security		
	Exclusive charge by way of equitable mortgage on certain tea estates and subservient charge on entire current assets and movable fixed assets.		
b)	Rate of Interest		
	Interest is payable on monthly basis at 1 year MCLR plus 1.15%		
c)	Terms of Repayment		
	Repayable in 28 equal quarterly installments commencing from December, 2018 of Rs. 267.80 lakhs each		
Term Loan from Others			
Housing Development Finance Corporation Limited		3,744.27	4,575.29
	Less : Current maturities of Long term debt	(918.77)	(832.81)
		2,825.50	**3,742.48**

Notes

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Rs. Lakhs

	31st March 2018	31st March 2017
a) Nature of Security		
Secured by mortgage of property at Registered Office,Kolkata and certain tea estates.		
b) Rate of Interest		
Interest is payable on monthly basis at HDFC CPLR minus 6.75% p.a.		
c) Terms of Repayment		
Forty two (31.03.2017 - Fifty four) equated monthly installments (including interest) of Rs. 108.46 Lakhs each.		
	34,941.08	**14,720.09**

19 EMPLOYEE BENEFIT OBLIGATIONS

Rs. Lakhs

	31st March 2018		31st March 2017	
	Current	Non-Current	Current	Non-Current
Provision for Employee Benefits (Refer Note 38)	3121.54	5088.18	1611.34	4591.65
	3,121.54	**5,088.18**	**1,611.34**	**4,591.65**

20 DEFERRED TAX LIABILITIES (NET)

Rs. Lakhs

	31st March 2018	31st March 2017
Deferred Tax Liabilities		
The balance comprises temporary differences attributable to:		
i) Property, Plant & Equipment and Other Intangible Assets	29,540.05	29,615.87
ii) Other Items	175.32	26.94
Deferred Tax Liabilities (A)	**29,715.37**	**29,642.81**
Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
i) Losses under Agricultural Income Tax	8,624.15	5,748.63
ii) Items allowed for tax purpose on payment	2,502.70	1,683.12
iii) Provision for Doubtful Debts, Advances etc.	1,448.08	1,356.19
iv) Minimum Alternate Tax Credit Entitlement	3,078.54	3,608.19
v) Other Items	381.89	329.17
Deferred Tax Assets (B)	**16,035.36**	**12,725.30**
Net Deferred Tax Liabilities (A-B)	**13,680.01**	**16,917.51**

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MOVEMENT IN DEFERRED TAX LIABILITIES

Particulars	Property , Plant and Equipment	Losses under Agricultural Income Tax	Items Allowed for tax purpose on payment	Allowance for Doubtful debts, Advances etc.	Other items	Financial Assets at FVTOCI	Financial Assets at FVTPL	Total
At 1st April 2016	28,624.51	(1,940.84)	(1,339.51)	(1,356.18)	(45.19)	69.89	87.80	24,100.48
Charged /(credited)								
- to profit or loss	991.36	(3,807.79)	(297.15)	(0.01)	(257.04)	(69.89)	(87.80)	(3,528.32)
- to other comprehensive income	-	-	(46.46)	-	-	-	-	(46.46)
At 31st March 2017	**29,615.87**	**(5,748.63)**	**(1,683.12)**	**(1,356.19)**	**(302.23)**	**-**	**-**	**20,525.70**
Less: Minimum Alternate Tax Credit Entitlement								**(3,608.19)**
Net Deferred Tax Liabilities								**16,917.51**
As at 1st April 2017	29,615.87	(5,748.63)	(1,683.12)	(1,356.19)	(302.23)	-	-	20,525.70
Charged /(credited)								
- to profit or loss	(75.82)	(2,875.52)	153.39	(91.89)	95.66	-	-	(2,794.18)
- to other comprehensive income	-	-	(972.97)	-	-	-	-	(972.97)
At 31st March 2018	**29,540.05**	**(8,624.15)**	**(2,502.70)**	**(1,448.08)**	**(206.57)**	**-**	**-**	**16,758.55**
Less: Minimum Alternate Tax Credit Entitlement								**(3,078.54)**
Net Deferred Tax Liabilities								**13,680.01**

21. OTHER NON - CURRENT LIABILITIES

Rs. Lakhs

	31st March 2018	31st March 2017
Deferred Revenue arising from Government Grants	534.40	373.88
	534.40	**373.88**

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22. CURRENT BORROWINGS

Rs. Lakhs

	31st March 2018	31st March 2017
Secured Loans repayable on demand from Banks		
Cash Credit, Packing Credit and Demand Loans	23,323.33	48,034.18
Nature of Security		
Secured / to be secured by equitable first mortgage by way of deposit of title deeds of immovable properties of certain tea estates ranking pari passu and hypothecation of tea crop, movable properties and book-debts, present and future of the Company.		
Secured Loans - Short Term - Axis Bank	10,000.00	-
Unsecured		
Short-term Loan from a bank	16,000.00	9,500.00
	49,323.33	**57,534.18**

23. TRADE PAYABLES

Rs. Lakhs

	31st March 2018	31st March 2017
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 52)	-	-
b) Total outstanding dues other than micro enterprises and small enterprises	10,624.75	10,231.69
	10,624.75	**10,231.69**

24. OTHER FINANCIAL LIABILITIES

Rs. Lakhs/

	31st March 2018	31st March 2017
Current maturities of long-term debts	13,194.27	6,808.33
Interest accrued but not due on borrowings	121.03	4.61
Unpaid Dividends*	351.62	397.27
Unclaimed Fractional Share Sale Proceeds	0.16	0.17
Deposits Received from Agents	108.09	123.09
Employee Benefits Payable	10,631.02	8,507.49
Capital Liabilities	89.24	8.80
Payable for Bill Discounting	1,458.25	1,619.65
Derivative not designated as hedges - Interest rate swap	609.51	11.90
Sitting fees payable to Non-Executive Directors	3.00	-
	26,566.19	**17,481.31**

*There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

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25. OTHER CURRENT LIABILITIES

Rs. Lakhs

	31st March 2018	31st March 2017
Advances from Customers / Selling Agents	5.46	329.05
Statutory Liabilities	617.08	723.79
	622.54	**1,052.84**

26. PROVISIONS

Rs. Lakhs

	31st March 2018	31st March 2017
Provision for Tax on Proposed Dividend [Refer Note 50 (b)]	344.77	344.77
	344.77	**344.77**

27. CURRENT TAX LIABILITIES (NET)

Rs. Lakhs

	31st March 2018	31st March 2017
Provision for Central Income Tax	4,283.61	2,851.56
[Net of Advance Tax Rs. 21264.31 lakhs (31.03.2017 - Rs 18835.27 lakhs)]		
	4,283.61	**2,851.56**

28. REVENUE FROM OPERATIONS

Rs. Lakhs/

	31st March 2018	31st March 2017
Sale of Products - Tea	156,382.18	139,297.08
Other Operating Revenues		
Consultancy Fees	222.66	152.30
Government Grants		
Subsidy on Orthodox Tea	146.02	106.68
Replantation Subsidy	386.78	761.27
Transport Subsidy	326.47	245.11
Subsidy- Capital Items	27.65	18.68
Profit on Compulsory acquisition of Leasehold Land by Government	494.79	6,762.74
Accrued duty exemption entitlement and other benefits relating to exports / premium on sale thereof	1,647.03	1,195.80
	159,633.58	**148,539.66**

Government grants are related to certain incentives being made available by the government of India for Tea Industry. There are certain grants which relate to the period prior to 1st April 2016. There are no unfulfilled conditions or other contingencies attaching to these grants. The Company did not benefit directly from any other forms of government assistance.

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29. OTHER INCOME

Rs. Lakhs/

	31st March 2018	31st March 2017
Interest Income from Financial assets carried at amortised cost		
On Deposits	309.23	456.56
On Loans	13,892.72	9,586.17
Interest Income on Tax Refunds/Interest Income from statutory authorities	58.82	157.06
Dividend income from equity investments in a subsidiary company	15,986.73	502.44
Dividend income from equity investments measured at fair value through other comprehensive income	16.96	33.60
Insurance Claims	248.79	199.23
Sundry Income [Refer (a) below]	1,358.75	5,308.26
Profit on Disposal of Property, Plant and Equipment (net)	-	1,723.75
Profit on Sale of Investments	-	*
Allowamce for bad and doubtful accrued interest no longer required written back	340.00	-
Liabilities no Longer Required Written Back	53.08	136.48
Net Gain on Foreign Currency Transaction and Translation	20.14	47.16
Fair Value Gain on Derivatives (Net)	-	292.99
	32,285.22	**18,443.70**

(a) Sundry Income includes Rs. 1108.00 lakhs (31.03.2017 Rs. 4824.24 lakhs) being receivables written off by predecessor companies now recovered.

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

30. COST OF MATERIALS CONSUMED

Rs. Lakhs

	31st March 2018	31st March 2017
Green Leaf (Consumed)	18,780.10	18,774.47
	18,780.10	**18,774.47**

31. CHANGES IN INVENTORIES OF FINISHED GOODS

Rs. Lakhs

	31st March 2018	31st March 2017
Stock of Tea at the beginning of the year	6,721.52	7,644.61
Less: Stock of Tea at the end of the year	(5,274.04)	(6,721.52)
(Increase)/Decrease	**1,447.48**	**923.09**

32. EMPLOYEE BENEFITS EXPENSE

Rs. Lakhs

	31st March 2018	31st March 2017
Salaries and Wages	66,001.87	60,378.45
Contribution to Provident and Other Funds	8,274.18	7,471.31
Staff Welfare Expenses	9,376.85	8,728.38
	83,652.90	**76,578.14**

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33. FINANCE COSTS

Rs. Lakhs

	31st March 2018	31st March 2017
Interest Expense		
On financial liabilities measured at amortised cost	16,201.81	12,421.81
Other borrowing cost	890.98	335.10
	17,092.79	**12,756.91**

34. DEPRECIATION AND AMORTISATION EXPENSE

Rs. Lakhs

	31st March 2018	31st March 2017
Depreciation on Property, Plant & Equipment	7,881.50	7,837.16
Amortisation of Other Intangible Assets	386.65	415.03
	8,268.15	**8,252.19**

35. OTHER EXPENSES

Rs. Lakhs/

	31st March 2018	31st March 2017
Consumption of Stores and Spare Parts	6,251.33	6,643.25
Consumption of Packing Materials	1,577.68	1,479.76
Power and Fuel	19,513.70	17,821.97
Rent	61.72	93.19
Lease Rent	53.13	85.63
Repairs – Buildings	2,110.72	1,659.19
– Machinery	3,634.43	3,242.16
– Others	1,709.69	1,445.56
Insurance	896.53	853.17
Rates and Taxes	720.30	458.69
Cess on Tea	104.12	432.13
Green Leaf Cess	1,163.09	1,077.03
Travelling	1,232.92	1,069.89
Legal and Professional Fees	916.65	803.34
Freight, Shipping and Selling Expenses	7,829.83	7,399.01
Brokerage on Sales	808.51	822.31
Selling Agents' Commission	238.51	476.15
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer Note 55)	17.94	197.93
Loss on disposal of Fixed Assets (Net)	796.61	-
Fair Value Loss on Derivatives (Net)	1,049.44	-
Changes in Fair Value of Biological Assets	(118.09)	(4.44)
Miscellaneous Expenses [Refer Note-53]	3,785.27	3,143.17
	54,354.03	**49,199.09**

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36. SCHEMES OF AMALGAMATION/SCHEME OF ARRANGEMENT GIVEN EFFECT TO IN EARLIER YEARS

Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Schemes, such assets and liabilities remain included in the books of the Company under the name of the transferor companies (including other companies which were amalgamated with the transferor companies from time to time).

37. EMPLOYEE BENEFITS

I. Provident Fund and and Other Plans

During the year an amount of Rs. 6561.77 lakhs (31st March 2017 - Rs. 6025.69 lakhs) has been recognised as expenditure towards Defined Contribution plans of the Company.

Provident Fund:

Contributions towards provident funds are recognised as an expense for the year. The Company has set up Provident Fund Trusts in respect of certain categories of employees which is administered by Trustees. Both the employees and the Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the balance sheet date as per the principle laid down in Ind AS19 issued by Ministry of corporate affairs and guidelines GN26 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the balance sheet date. Further during the year, the Company's contribution of Rs. 393.37 lakhs (31st March 2017 – Rs. 366.44 lakhs) to the Provident Fund Trust has been expensed under the 'Contribution to Provident and Other Funds'. Disclosures given hereunder are restricted to the information available as per the Actuary's report.

II. Post Employment Defined Benefit Plans:

a) Gratuity (Funded)

The Company's gratuity scheme, a defined benefit plan is as per the Payment of Gratuity Act, 1972, covers the eligible employees and is administered through certain gratuity fund trusts. Such gratuity funds, whose investments are managed by insurance companies/ trustees themselves, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of Rs. 20.00 lakhs. Vesting occurs upon completion of five years of service. The amount of gratuity payable is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

b) Superannuation (Funded)

The Company's Superannuation scheme, a Defined Benefit plan, is administered through trust funds and covers certain categories of employees. Investments of the funds are managed by insurance companies /trustees themselves. Benefits under these plans had been frozen in earlier years with regard to salary levels then prevailing. Upon retirement, death or cessation of employment, Superannuation Funds purchase annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

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c) **Staff Pension – Type A (Funded)**
The Company's Staff Pension Scheme – Type A, a Defined Benefit plan, is administered through a trust fund and covers certain categories of employees. Investments of the fund are managed by Life Insurance Corporation of India. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

d) **Staff Pension – Type B (Unfunded)**
The Company's Staff Pension Scheme – Type B, a Defined Benefit plan, covers certain categories of employees. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

e) **Medical Insurance Premium Re-imbursement (Unfunded)**
The Company has a scheme of re-imbursement of medical insurance premium to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit. The Company has introduced a scheme of re-imbursement of medical expenses to a certain category of employees up to a certain monetary limit. The scheme is in the nature of Defined Benefit plan.

f) **Expatriate Pension (Unfunded)**
The Company has an informal practice of paying pension to certain categories of retired expatriate employees and in certain cases to their surviving spouses. The scheme is in the nature of Defined Benefit plan.

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The following tables set forth the particulars in respect of aforesaid Defined Benefit plans of the Company for the year ended 31st March 2018 and corresponding figures for the previous year:

Rs. Lakhs

	For the year ended 31st March, 2018					
	Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
I Components of Employer Expense						
- Recognised in Profit or Loss						
1 Current Service Cost	1,283.45	-	96.38	958.16	-	-
2 Past Service Cost	247.31	-	-	-	-	-
3 Net Interest Cost	(254.39)	(98.39)	48.56	328.12	34.80	0.92
4 Total expense recognised in the Statement of Profit and Loss	1,276.37	(98.39)	144.94	1,286.28	34.80	0.92
- Re-measurements recognised in Other Comprehensive Income						
5 Return on plan assets (excluding amounts included in Net interest cost)	290.45	14.45	(2.29)	-	-	-
6 Effect of changes in demographic assumptions	-	-	-	-	-	-
7 Effect of changes in financial assumptions	(290.39)	(15.32)	(23.82)	(44.66)	(6.92)	(2.50)
8 Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-
9 Effect of experience adjustments	2,465.87	(53.82)	(73.15)	773.66	(0.62)	14.72
10 Total re-measurements included in Other Comprehensive Income	2,465.93	(54.69)	(99.26)	729.00	(7.54)	12.22
11 **Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)**	**3,742.30**	**(153.08)**	**45.68**	**2,015.28**	**27.26**	**13.14**

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Rs. Lakhs

		For the year ended 31st March, 2017					
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
I	**Components of Employer Expense**						
	- Recognised in Profit or Loss						
1	Current Service Cost	1,266.87	-	81.95	872.44	-	-
2	Past Service Cost	-	-	-	-	-	-
3	Net Interest Cost	(204.98)	(92.39)	27.73	269.29	32.37	1.43
4	Total expense recognised in the Statement of Profit and Loss	1,061.89	(92.39)	109.68	1,141.73	32.37	1.43
	- Re-measurements recognised in Other Comprehensive Income						
5	Return on plan assets (excluding amounts included in Net interest cost)	(469.13)	(93.86)	0.37	-	-	-
6	Effect of changes in demographic assumptions	-	-	-	-	-	-
7	Effect of changes in financial assumptions	311.57	24.48	44.61	96.18	10.05	3.30
8	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-
9	Effect of experience adjustments	380.53	49.94	94.17	(334.48)	21.21	6.98
10	Total re-measurements included in Other Comprehensive Income	222.97	(19.44)	139.15	(238.30)	31.26	10.28
11	**Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)**	**1,284.86**	**(111.83)**	**248.83**	**903.43**	**63.63**	**11.71**

Rs. Lakhs

		As on 31st March, 2018					
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
II	**Net Asset/(Liability) recognised in Balance Sheet**						
1	Present Value of Defined Benefit Obligation	16,810.00	1,441.00	688.92	6,151.92	464.23	17.94
2	Fair Value of Plan Assets	17,689.99	2,850.39	11.00	-	-	-
3	Status [Surplus/(Deficit)]	879.99	1,409.39	(677.92)	(6,151.92)	(464.23)	(17.94)
4	Restrictions on Asset Recognised	-	-	-	-	-	-

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Rs. Lakhs

	As on 31st March, 2017					
	Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
II Net Asset/(Liability) recognised in Balance Sheet						
1 Present Value of Defined Benefit Obligation	14,345.74	1,451.26	643.47	4,385.91	466.89	19.29
2 Fair Value of Plan Assets	16,708.42	2,703.70	11.23	-	-	-
3 Status [Surplus/(Deficit)]	2,362.68	1,252.44	(632.24)	(4,385.91)	(466.89)	(19.29)
4 Restrictions on Asset Recognised	-	-	-	-	-	-

Rs. Lakhs

	For the year ended 31st March, 2018					
	Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
III Change in Defined Benefit Obligation (DBO)						
1 Present Value of DBO at the beginning of the year	14,345.74	1,451.26	643.47	4,385.91	466.89	19.29
2 Current Service Cost	1,283.45	-	96.38	958.16	-	-
3 Past Service Cost	247.31	-	-	-	-	-
4 Interest Cost	1,017.63	109.78	49.42	328.12	34.79	0.92
5 **Remeasurement gains / (losses):**						
a. Effect of changes in demographic assumptions	-	-	-	-	-	-
b. Effect of changes in financial assumptions	(290.39)	(15.32)	(23.82)	(44.66)	(6.92)	(2.50)
c. Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-
d. Effect of experience adjustments	2,465.87	(53.82)	(73.15)	773.66	(0.62)	14.72
6 Curtailment Cost / (Credits)	-	-	-	-	-	-
7 Settlement Cost / (Credits)	-	-	-	-	-	-
8 Liabilities assumed in business combination	-	-	-	-	-	-
9 Exchange difference on foreign plans	-	-	-	-	-	-
10 Benefits Paid	(2,259.61)	(50.90)	(3.38)	(249.27)	(29.91)	(14.49)
11 **Present Value of DBO at the end of the year**	**16,810.00**	**1,441.00**	**688.92**	**6,151.92**	**464.23**	**17.94**

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Rs. Lakhs

	For the year ended 31st March, 2017					
	Gratuity (Funded)	**Superannuation (Funded)**	**Staff Pension Type A (Funded)**	**Staff Pension Type B (Unfunded)**	**Medical Benefit Liability (Unfunded)**	**Expatriate Pension (Unfunded)**
III Change in Defined Benefit Obligation (DBO)						
1 Present Value of DBO at the beginning of the year	13,287.99	1,463.48	420.15	3,698.51	431.79	30.59
2 Current Service Cost	1,266.87	-	81.95	872.44	-	-
3 Past Service Cost	-	-	-	-	-	-
4 Interest Cost	928.00	102.65	30.47	269.29	32.37	1.43
5 **Remeasurement gains / (losses):**						
a. Effect of changes in demographic assumptions	-	-	-	-	-	-
b. Effect of changes in financial assumptions	311.57	24.48	44.61	96.18	10.05	3.30
c. Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-
d. Effect of experience adjustments	380.53	49.94	94.17	(334.48)	21.21	6.98
6 Curtailment Cost / (Credits)	-	-	-	-	-	-
7 Settlement Cost / (Credits)	-	-	-	-	-	-
8 Liabilities assumed in business combination	-	-	-	-	-	-
9 Exchange difference on foreign plans	-	-	-	-	-	-
10 Benefits Paid	(1,829.22)	(189.29)	(27.88)	(216.03)	(28.53)	(23.01)
11 **Present Value of DBO at the end of the year**	**14,345.74**	**1,451.26**	**643.47**	**4,385.91**	**466.89**	**19.29**

Rs. Lakhs

	As at 31st March, 2018	As at 31st March, 2017
IV Best Estimate of Employers' Expected Contribution for the next year		
- Gratuity	2,437.21	2,035.31
- Superannuation	4.22	3.86
- Staff Pension Fund	-	-

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Rs. Lakhs

		For the year ended 31st March, 2018					
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
V	**Change in Fair Value of Assets**						
1	Plan Assets at the beginning of the year	16,708.42	2,703.70	11.23	-	-	-
2	Asset acquired in Business Combination	-	-	-	-	-	-
3	Interest Income	1,272.02	208.17	0.86	-	-	-
4	Remeasurement Gains / (Losses) on plan assets	(290.45)	(14.45)	2.29	-	-	-
5	Actual Company Contributions	2,259.61	3.87	-	-	-	-
6	Benefits Paid	(2,259.61)	(50.90)	(3.38)	-	-	-
7	**Plan Assets at the end of the year**	**17,689.99**	**2,850.39**	**11.00**	**-**	**-**	**-**

Rs. Lakhs

		For the year ended 31st March, 2017					
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
V	**Change in Fair Value of Assets**						
1	Plan Assets at the beginning of the year	15,106.31	2,600.53	36.74	-	-	-
2	Asset acquired in Business Combination	-	-	-	-	-	-
3	Interest Income	1,132.98	195.04	2.74	-	-	-
4	Remeasurement Gains / (Losses) on plan assets	469.13	93.86	(0.37)	-	-	-
5	Actual Company Contributions	1,829.22	3.56	-	-	-	-
6	Benefits Paid	(1,829.22)	(189.29)	(27.88)	-	-	-
7	**Plan Assets at the end of the year**	**16,708.42**	**2,703.70**	**11.23**	**-**	**-**	**-**

		As at 31st March, 2018		As at 31st March, 2017	
		Discount Rate (%)	Return on Plan Assets (%)	Discount Rate (%)	Return on Plan Assets (%)
VI	**Actuarial Assumptions**				
1	Gratuity	7.70	7.70	7.50	7.50
2	Superannuation	7.70	7.70	7.50	7.50
3	Staff Pension Type A	7.70	7.70	7.50	7.50
4	Staff Pension Type B	7.70	-	7.50	-
5	Medical Benefit Liability	7.70	-	7.50	-
6	Expatriate Pension	7.70	-	7.50	-

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

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	As at 31st March, 2018		As at 31st March, 2017	
	Amount (Rs. Lakhs)	%	Amount (Rs. Lakhs)	%
VII Major Category of Plan Assets as a % of the Total Plan Assets				
1 Government Bonds	45.11	0.22	44.49	0.23
2 Investment with Life Insurance Corporation of India	3,086.28	15.02	2,866.22	14.76
3 Investment with Other Insurance Companies	17,339.22	84.37	16,418.16	84.53
4 Cash and Cash Equivalents	80.77	0.39	94.48	0.48
Total	20,551.38	100.00	19,423.35	100.00

Plan assets represent investment in various categories. The return on amounts invested with LIC is declared annually by them. Return on amounts invested with Insurance companies, other than LIC, is mostly by way of Net Asset Value declared on units purchased, with some schemes declaring returns annually. Investment in Bonds and Special Deposit carry a fixed rate of interest. The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risk of asset management and other relevant factors.

VIII. Sensitivity Analysis

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

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

	Impact on Defined Benefit Obligations As on 31st March, 2018					
	Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
	%	%	%	%	%	%
Increase in Assumption by 0.50%						
1 Discount Rate	(3.09)	(1.38)	(1.45)	(2.32)	(1.56)	(1.69)
2 Salary Growth Rate	3.43	-	1.11	2.45	0.08	-
3 Attrition Rate	0.15	-	0.15	0.07	0.05	-
Decrease in Assumption by 0.50%						
1 Discount Rate	3.30	1.45	1.56	2.46	1.63	1.62
2 Salary Growth Rate	(3.23)	-	(0.89)	(2.33)	(0.08)	-
3 Attrition Rate	(0.15)	-	(0.15)	(0.07)	(0.05)	-

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	Impact on Defined Benefit Obligations					
	As on 31st March, 2017					
	Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
	%	%	%	%	%	%
Increase in Assumption by 0.50%						
1 Discount Rate	(3.53)	(1.28)	(1.62)	(2.05)	(1.46)	(1.85)
2 Salary Growth Rate	3.53	-	0.27	0.51	1.16	-
3 Attrition Rate	0.10	-	1.03	1.53	0.15	-
Decrease in Assumption by 0.50%						
1 Discount Rate	3.80	1.37	1.70	2.16	1.53	1.56
2 Salary Growth Rate	(3.28)	-	(0.27)	(0.51)	(1.05)	-
3 Attrition Rate	(0.10)	-	(0.75)	(1.46)	(0.15)	-

Risk Exposure

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

Asset volatility — The plan liabilities are calculated using a discount rate set with reference to bond yields: if plan assets underperform this yield, this will create a deficit. The plan asset investments is in bonds, special deposit, LIC and other insurance companies. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio is maintained at a fixed range. Any deviation from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

Changes in yields — A decrease in yields will increase plan liabilities.

Life Expectancy — The pension and medical plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in the increase in the plans liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

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The average duration of liabilities for all the funds is as follows :

Particulars	31st March 2018 No. of Years	31st March 2017 No. of Years
Defined benefit obligation		
Gratuity Fund (Funded)		
McLeod Russel India Limited Employees Gratuity Fund	15	15
The Moran Tea Company India Limited Employees Gratuity Fund	19	17
George Williamson (Assam) Limited Employees Group Gratuity Fund	17	17
Doom Dooma Tea Employees Gratuity Fund	15	15
The Bisnauth Tea Company Limited Employees Group Gratuity fund	16	16
Superannuation Fund (Funded)		
Doom Dooma Tea Management Employees Pension Fund	6	6
George Williamson (Assam) Limited Superannuation Fund	3	3
Williamson Magor & Company Limited Superannuation Fund	5	5
McLeod Russel India Limited Superannuation Fund	5	5
Staff Pension Fund Type A (Funded)		
Doom Dooma India Limited Staff Pension Fund	7	10
Staff Pension Fund Type B (Unfunded)		
McNeil & Magor and McLeod Russel Group	10	10
Moran Tea Company Limited.	10	10
Medical Benefit Liability (Unfunded)		
McLeod Russel India Limited	5	10
Expatriate Pension (Unfunded)		
McLeod Russel India Limited	6	6

The expected maturity analysis of undiscounted pension, gratuity and post-employment medical benefits is as follows:

Rs. Lakhs

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31st March 2018					
Defined benefit obligation					
Gratuity Fund (Funded)	4,006.78	1,838.86	5,142.92	25,666.82	36,655.38
Superannuation Fund (Funded)	944.33	165.69	262.97	423.27	1,796.26
Staff Pension Fund Type A (Funded)	241.48	69.19	154.99	600.24	1,065.90
Staff Pension Fund Type B (Unfunded)	1,871.52	679.68	1,974.01	4,844.46	9,369.67
Medical Benefit Liability (Unfunded)	247.78	216.23	583.29	1,049.82	2,097.12
Expatriate Pension (Unfunded)	3.60	1.11	3.16	11.98	19.85
	7,315.49	**2,970.76**	**8,121.34**	**32,596.59**	**51,004.18**

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Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31st March 2017					
Defined benefit obligation					
Gratuity Fund (Funded)	3,525.39	1,537.26	4,499.97	26,919.66	36,482.28
Superannuation Fund (Funded)	924.91	180.18	412.40	668.45	2,185.94
Staff Pension Fund Type A (Funded)	210.51	52.30	176.43	564.89	1,004.13
Staff Pension Fund Type B (Unfunded)	731.59	219.98	641.23	4,402.66	5,995.46
Medical Benefit Liability (Unfunded)	84.59	15.89	84.12	292.48	477.08
Expatriate Pension (Unfunded)	3.78	1.16	3.32	12.59	20.85
	5,480.77	**2,006.77**	**5,817.47**	**32,860.73**	**46,165.74**

NOTE 38: CLASSIFICATION OF PROVISION/ADVANCE FOR EMPLOYEE BENEFITS

Rs. Lakhs

	Classified as Non-Current		Classified as Current	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Provision for Employee Benefits				
- Staff Pension	4,348.55	3,680.30	2,481.29	1,337.85
- Medical Benefit	225.47	436.22	238.76	30.67
- Expatriate Pension	14.48	15.64	3.46	3.65
- Other Employee Benefits	499.68	459.49	398.03	239.17
	5,088.18	**4,591.65**	**3,121.54**	**1,611.34**
Advance for Employee Benefits				
- Gratuity Fund	-	-	879.99	2,362.68
- Superannuation Fund	465.06	327.52	944.33	924.92
	465.06	**327.52**	**1,824.32**	**3,287.60**

39. COMMITMENTS

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Rs. Lakhs

	31st March 2018	31st March 2017
Property, Plant and Equipment		
Commitment (Gross)	1,133.38	1,298.39
Advances against above commitments [Refer Note 8]	529.38	1,039.91
Commitment (Net)	604.00	258.48

Notes
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(b) Non-cancellable operating leases

The Company has entered into non-cancellable operating lease agreements for a plot of land for a period of 30 years with option for renewal on mutually agreed terms and a tea-manufacturing factory for the period from 1st January, 2013 to 31st December, 2017 (Renewed with effect from 1st January 2018 for 5 years). The aggregate lease rentals payable are charged as 'Lease Rent' under Note 35.

Commitments for minimum lease payments in relation to non-cancellable operating leases as follows :

Rs. Lakhs

	31st March 2018	31st March 2017
Within one year	55.63	66.88
Later than one year but not later than five years	211.27	42.52
Later than five years	212.60	223.20
	479.50	**332.60**

NOTE 40: CONTINGENT LIABILITIES

a) Claims against the Company not acknowledged as debts : -

Rs. Lakhs

	31st March 2018	31st March 2017
Electricity Dues	53.38	91.62
Excise Duty	10.75	10.75
Income Tax	97.88	97.88
Service Tax	1,010.58	1,010.58
Land Revenue	9.65	9.65

b) Guarantees given on behalf of a subsidiary in order to secure the loan availed by them - Rs.21509.40 lakhs (31st March 2017 - Rs. 21400.50 lakhs); Year-end balance of loan Rs. 8009.54 lakhs (31st March 2017 – Rs. 10563.95 lakhs).

c) Bank Guarantees Rs.181.33 lakhs (31st March 2017 - Rs. 164.46 lakhs)

It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the same.

The Company does not expect any reimbursement in respect of the above contingent liabilities.

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NOTE 41: EVENTS OCCURRING AFTER THE REPORTING PERIOD

Refer to Note 48(b) for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing Annual General Meeting.

NOTE 42: ASSETS PLEDGED AS SECURITY

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

Rs. Lakhs

Particulars	Notes	31st March 2018	31st March 2017
Current Assets			
Financial Assets			
Trade Receivables	11	9,898.15	7,141.79
Cash and Cash Equivalents	12	254.67	530.31
Loans	6	64,632.04	33,753.58
Other Financial Assets	7	16,814.41	21,420.80
Current Tax Assets (Net)	14	7,256.92	7,241.90
Total Charge on Financial Assets		**98,856.19**	**70,088.38**
Non-financial Assets			
Inventories	9	12,473.08	14,026.96
Biological Assets	10	516.11	398.02
Other Current Assets	15	7,540.60	9,427.17
Total Charge on Non- Financial Assets		**20,529.79**	**23,852.15**
Total Current assets pledged as security		**119,385.98**	**93,940.53**
Non-current Assets			
Property, Plant and Equipment (including Capital Work-in-Progress)		160,910.13	142,915.39
Total Charge on Non- Current Assets		160,910.13	142,915.39
Total Non-current assets pledged as security		**160,910.13**	**142,915.39**
Total Assets pledged as security		**280,296.11**	**236,855.92**

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NOTE 43: RELATED PARTY DISCLOSURES AS PER IND AS-24

(a) Subsidiaries

Borelli Tea Holdings Limited (BTHL)

(b) Step Down Subsidiaries

Phu Ben Tea Company Limited (PBTCL)
McLeod Russel Uganda Limited (MRUL)
Gisovu Tea Company Limited (GTCL)
McLeod Russel Middle East DMCC (MRME)
McLeod Russel Africa Limited (MRAL)
Pfunda Tea Company Limited (PTCL)

(c) Associate

D1 Williamson Magor Bio Fuel Limited

(d) Key Management Personnel

Mr. Brij Mohan Khaitan (BMK)	Chairman
Mr. Aditya Khaitan (AK)	Managing Director
Mr. Rajeev Takru (RT)	Wholetime Director
Mr. Azam Monem (AM)	Wholetime Director
Mr. Kamal Kishore Baheti (KKB)	Wholetime Director
Mr. Amritanshu Khaitan (AAK)	Non-Executive Director
Dr. Raghavachari Srinivasan (RAS)	Non-Executive Director
Mr. Bharat Bajoria (BB)	Non-Executive Director
Mr. Ranabir Sen (RS)	Non-Executive Director
Mr. Utsav Parekh (UP)	Non-Executive Director
Mrs. Ramni Nirula (RN)	Non-Executive Director
Mr. Padam Kumar Khaitan (PKK)	Non-Executive Director

(e) Relatives of Key Management Personnel with whom transations took place during the year.

Mr. Deepak Khaitan (DK) (died on 9th march 2015)	Brother of Mr. Aditya Khaitan
Mrs. Kavita Khaitan (KK)	Wife of Mr. Aditya Khaitan
Mrs. Zubeena Monem (ZM)	Wife of Mr. Azam Monem

Notes

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(f) Transactions with Key Management Personnel:

(i) Key Management Personnel Compensation:

Rs. Lakhs

	31st March 2018	Excess Recoverable (*)	Net	31st March 2017	Excess Recovered (**)	Net
Short- term employment benefits						
AK	384.98	263.01	121.97	369.89	375.18	(5.29)
RT	187.03	-	187.03	187.63	-	187.63
AM	186.97	-	186.97	186.97	-	186.97
KKB	186.23	-	186.23	186.66	-	186.66
	945.21	**263.01**	**682.20**	**931.15**	**375.18**	**555.97**
Post-employment benefits						
AK	27.00	-	27.00	27.00	-	27.00
RT	10.80	-	10.80	10.80	-	10.80
AM	10.80	-	10.80	10.80	-	10.80
KKB	10.80	-	10.80	10.80	-	10.80
	59.40	**-**	**59.40**	**59.40**	**-**	**59.40**
Total compensation	**1,004.61**	**263.01**	**741.60**	**990.55**	**375.18**	**615.37**

(*) In view of inadequacy of profit during the year 2016-17, the Department of Company Affairs (Government Of India) in response to Company's application, vide its letter dated 15th May 2018 has sanctioned remuneration of Rs. 133.88 lakhs for the Managing Director. The Company vide it's letter dated 23rd May 2018 has made a representation to the Government to reconsider the sanctioned remuneration stating that a special resolution was passed by the shareholders on 9th August 2017 approving the remuneration paid to him as well as waiving recovery for the excess remuneration. Pending disposal of the Company's appeal by the Central Government, the amount paid in excess over the sanctioned amount is being 'held in trust' [as per section 197(9) of the Companies Act 2013] by him and will be adjusted / recovered accordingly.
(**) In view of inadequacy of profit during the year 2015-16, the Department of Company Affairs (Government Of India) had passed order to recover the amount of Rs 375.18 lakhs which was subsequently recovered in 2016-17.

(ii) Dividends paid to Key Management Personnel

Rs. Lakhs

	31st March 2018	31st March 2017
BMK	0.09	0.73
AK	0.04	0.35
RT	*	0.02
AM	*	0.01
KKB	0.01	0.10
Total	**0.14**	**1.21**

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

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(g) Transactions/Balances with subsidiaries/step down subsidiaries:

(i) Sales and purchases of goods and services:

Rs. Lakhs

	31st March 2018	31st March 2017
MRME		
Sale of tea	89.51	175.56
BTHL		
Royalty Expenses (Gross)	417.67	326.29
MRUL		
Consultancy Income	187.04	119.88
PBTCL		
Consultancy Income	35.62	32.42

(ii) Other transactions:

Rs. Lakhs

	31st March 2018	31st March 2017
BTHL		
Guarantee Commission (Gross)	53.18	76.51
Dividend received	15,986.73	502.44
Dividend Paid	67.67	541.35

(iii) Loan to subsidiary - BTHL:

Rs. Lakhs

	31st March 2018	31st March 2017
At the beginning of the year		
Principal	5,300.00	3,100.00
Interest	514.71	494.25
Loans given	-	2,200.00
Repayment of Loans	5,300.00	-
Interest Charged	359.68	514.71
Interest Received	874.39	494.25
At the end of the year		
Principal	-	5,300.00
Interest Receivable	-	514.71

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to Financial Statements

(iv) Expenses Incurred on behalf of the subsidiaries:

Rs. Lakhs

	31st March 2018	31st March 2017
At the beginning of the year		
MRUL	2.32	2.32
PBTCL	17.73	17.73
GTC	3.90	-
PTCL	5.44	2.18
	29.39	**22.23**
Incurred during the year		
MRUL	18.88	3.33
PBTCL	-	2.24
MRME	1.85	-
GTC	4.28	3.90
PTCL	5.41	3.26
	30.42	**12.73**
Reimbursements Received		
MRUL	21.20	3.33
PBTCL	14.41	2.24
MRME	-	-
GTC	8.18	-
PTCL	10.85	-
	54.64	**5.57**
At the end of the year		
MRUL	-	2.32
PBTCL	3.32	17.73
MRME	1.85	-
GTC	-	3.90
PTCL	-	5.44
	5.17	**29.39**

(v) Outstanding balances:

The following balances are outstanding at the end of the reporting period in relation to transactions with subsidiaries /step down subsidiaries:

Rs. Lakhs

	31st March 2018	31st March 2017
MRUL		
Trade Receivables (Consultancy fees)	48.88	58.36
PBTCL		
Trade Receivables (Consultancy fees)	-	32.43
BTHL		
Royalty Payable	417.67	326.29
Guarantee Commission receivable	53.18	76.51

Notes
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(vi) Balance of investment at year end

Rs. Lakhs

	31st March 2018	31st March 2017
BTHL	22,936.98	22,936.98

(h) Transactions / Balances with associate:

Rs. Lakhs

	31st March 2018	31st March 2017
Balance of investment at year end*	-	-

* (Cost - Rs.2184.35 lakhs, fully impaired)

(i) Transactions with relatives of Key Management Personnel:

Rs. Lakhs

	31st March 2018	31st March 2017
Dividend Paid		
DK's Estate/Successor	-	0.24
Others (KK and ZM)	*	0.05

(j) Transactions with Non-Executive Directors:

Rs. Lakhs

	31st March 2018	31st March 2017
Sitting Fees		
BMK	1.60	2.00
AAK	1.60	2.00
RAS	2.80	3.80
BB	3.20	3.60
RS	3.40	4.60
UP	2.00	2.40
RN	2.00	2.00
PKK	1.20	0.80
	17.80	**21.20**
Sitting Fees payable		
RAS	0.40	-
BB	0.60	-
RS	0.60	-
UP	0.60	-
RN	0.40	-
PKK	0.40	-
	3.00	**-**
Dividend Paid		
AAK	0.04	0.30
BB	*	0.04
RS	*	*
PKK	*	0.03
	0.04	**0.37**

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

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NOTE 44: EARNINGS PER SHARE

	31st March 2018	31st March 2017
Earnings per share has been computed as under:		
(a) Profit for the year [Rs. in lakhs]	6,726.08	3,052.79
(b) Weighted average number of Equity shares outstanding for the purpose of basic earnings per share	109455735	109455735
(c) Earnings per share on profit for the year [Face Value Rs. 5.00 per share]		
Basic and Diluted [(a)/(b)] (Rs.)	6.15	2.79

NOTE 45: SEGMENT INFORMATION

(a) In terms of Indian Accounting Standard (Ind AS) 108 on 'Operating Segment' notified in the Act, segment information has been presented in the Consolidated Financial Statements, prepared pursuant to Indian Accounting Standard (Ind AS) 110 on 'Consolidated Financial Statements' and Indian Accounting Standard (Ind AS) 28 on 'Investments in Associates and Joint Ventures' notified in the Act, included in the Annual Report for the year.

(b) Geographical Information

Rs. Lakhs

		31st March 2018	31st March 2017
1	**Revenue from external Customers**		
	- Within India	117,706.97	115,839.70
	- Outside India	41,926.61	32,699.96
	Total	**159,633.58**	**148,539.66**

Rs. Lakhs

		31st March 2018	31st March 2017
2	**Non Current Assets***		
	- Within India	174,079.78	176,293.71
	- Outside India	-	-
	Total	**174,079.78**	**176,293.71**

* excludes financial assets, deferred tax assets, post-employment benefit assets.

(c) The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

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NOTE 46: FAIR VALUE MEASUREMENTS
Financial instruments by category

Rs. Lakhs

	31st March 2018					31st March 2017				
	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Total Fair Value	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets										
Investments										
- Equity Instruments	-	9,610.06	-	9,610.06	9,610.06	-	7,224.99	-	7,224.99	7,224.99
Trade Receivables	-	-	9,898.15	9,898.15	9,898.15	-	-	7,141.79	7,141.79	7,141.79
Loans	-	-	64,632.04	64,632.04	64,632.04	-	-	33,763.98	33,763.98	33,763.98
Cash and Cash Equivalents	-	-	254.67	254.67	254.67	-	-	530.31	530.31	530.31
Other Bank Balances	-	-	351.78	351.78	351.78	-	-	397.44	397.44	397.44
Other Financial Assets	-	-	20,213.36	20,213.36	20,213.36	-	-	21,881.60	21,881.60	21,881.60
Derivative assets	-	-	-	-	-	451.83	-	-	451.83	451.83
Total Financial assets	**-**	**9,610.06**	**95,350.00**	**104,960.06**	**104,960.06**	**451.83**	**7,224.99**	**63,715.12**	**71,391.94**	**71,391.94**
Financial liabilities										
Borrowings	-	-	97,579.71	97,579.71	97,579.71	-	-	79,067.21	79,067.21	79,067.21
(including interest accrued but not due)										
Trade payables	-	-	10,624.75	10,624.75	10,624.75	-	-	10,231.69	10,231.69	10,231.69
Other Financial Liabilities	-	-	12,641.38	12,641.38	12,641.38	-	-	10,656.47	10,656.47	10,656.47
Derivative Liability	609.51	-	-	609.51	609.51	11.90	-	-	11.90	11.90
Total Financial liabilities	**609.51**	**-**	**120,845.84**	**121,455.35**	**121,455.35**	**11.90**	**-**	**99,955.37**	**99,967.27**	**99,967.27**

Notes

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(i) Fair value hierarchy

(a) Financial Instruments

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instruments is included Level 3:.

There are no transfers between level 1, level 2 and level 3 during the year.

Rs. Lakhs

Financial assets and liabilities measured at fair value-recurring fair value measurements at 31st March 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investment at FVTOCI					
Quoted Equity Investments	5B	9,609.35	-	-	9,609.35
Total Financial assets		**9,609.35**	**-**	**-**	**9,609.35**
Financial liabilities					
Derivatives not designated as hedges					
Interest rate swap at FVTPL	24	-	609.51	-	609.51
Total Financial assets and liabilities		**-**	**609.51**	**-**	**609.51**

Rs. Lakhs

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed at 31st March 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Other financial assets	7	-	-	3,398.95	3,398.95
Total Financial assets		-	-	3,398.95	3,398.95
Financial liabilities *					
Borrowings	18			34,941.08	34,941.08
Total Financial liabilities		**-**	**-**	**34,941.08**	**34,941.08**

* Represents fair value of Non-current financial instruments

Notes

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Rs. Lakhs

Financial assets and liabilities measured at fair value-recurring fair value measurements at 31st March 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivatives measured at FVTPL					
Derivatives not designated as hedges - Forward Contracts	7	-	451.83	-	451.83
Financial investment at FVTOCI					
Quoted Equity Investments	5B	7,224.28	-	-	7,224.28
Total Financial assets		**7,224.28**	**451.83**	**-**	**7,676.11**
Financial liabilities					
Derivatives not designated as hedges					
Interest rate swap at FVTPL	24	-	11.90	-	11.90
Total Financial liabilities		**-**	**11.90**	**-**	**11.90**

Rs. Lakhs

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed at 31st March 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets *					
Loans	6	-	-	10.40	10.40
Other financial assets	7	-	-	912.63	912.63
Total Financial assets		-	-	923.03	923.03
Financial liabilities *					
Borrowings	18			14,720.09	14,720.09
Total Financial liabilities		**-**	**-**	**14,720.09**	**14,720.09**

* Represents fair value of Non-current financial instruments

(b) Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its biological assets other than bearer plants into level 2 in the fair value hierarchy, since no significant adjustments need to be made to the prices obtained from the local markets.

Rs. Lakhs

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed at 31st March, 2018	Notes	Level 1	Level 2	Level 3	Total
Unharvested tea leaves	10	-	516.11	-	516.11
Total		**-**	**516.11**	**-**	**516.11**

Rs. Lakhs

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed at 31st March, 2017	Notes	Level 1	Level 2	Level 3	Total
Unharvested tea leaves	10	-	398.02	-	398.02
Total		**-**	**398.02**	**-**	**398.02**

Notes
to Financial Statements

NOTE 47: FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the company has risk management policies as described below :-

(A) Credit risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Company is exposed to credit risk for receivables, cash and cash equivalents, other bank balances, financial guarantees and derivative financial instruments. None of the financial instruments of the Company result in material concentration of credit risks.

Credit risk on receivables is minimum since sales through different mode (eg. auction, consignment, private - both domestic and export) are made after judging credit worthiness of the customers, advance payment or against letter of credit by banks. The history of defaults has been minimal and outstanding receivables are regularly monitored. For credit risk on the loans to parties including subsidiary, the Company is not expecting any material risk on account of non-performance by any of the parties.

For derivative and financial instruments, the Company manage its credit risks by dealing with reputable banks and financial institutions.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The carrying value of the financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 46.

(B) Liquidity risk

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

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

Maturities of financial liabilities

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

i all non-derivative financial liabilities, and

ii derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

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

Notes
to Financial Statements

Rs. Lakhs

Contractual maturities of financial liabilities as at 31st March 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest accrued but not due)	62,850.17	14,359.52	16,538.70	4,466.60	98,214.99
Trade Payables	10,624.75	-	-	-	10,624.75
Other financial liabilities	12,641.38	-	-	-	12,641.38
Total non-derivative financial liabilities	**86,116.30**	**14,359.52**	**16,538.70**	**4,466.60**	**121,481.12**
Derivatives					
Interest rate swaps	609.51	-	-	-	609.51
Total derivative financial liabilities	**609.51**	**-**	**-**	**-**	**609.51**

Rs. Lakhs

Contractual maturities of financial liabilities as at 31st March 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest accrued but not due)	67,271.63	7,177.54	9,662.14	-	84,111.31
Trade Payables	10,231.69	-	-	-	10,231.69
Other financial liabilities	10,656.47	-	-	-	10,656.47
Total non-derivative financial liabilities	**88,159.79**	**7,177.54**	**9,662.14**	**-**	**104,999.47**
Derivatives					
Interest rate swaps	11.90	-	-	-	11.90
Total derivative financial liabilities	**11.90**	**-**	**-**	**-**	**11.90**

(C) Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency(INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company, as risk management policy, hedges foreign currency transactions to mitigate the risk exposure and reviews periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed.

Notes
to Financial Statements

The following table sets forth information relating to foreign currency exposure as at 31st March 2018

Rs. Lakhs

	USD	EUR	GBP	Total
Financial Assets (a)				
Cash and Cash equivalents		-	17.05	17.05
Trade Receivable	238.08	-	-	238.08
	238.08	**-**	**17.05**	**255.13**
Financial Liabilities (b)				
Trade Payable	-	-	417.67	417.67
	-	-	417.67	417.67
Net Exposure in Foreign Currency (a-b)	**238.08**	**-**	**(400.62)**	**(162.54)**

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency (holding all other variables constant) of the Company would result in increase / decrease in the Company's profit before tax by approximately Rs. 25.51 lakhs for financial assets and decrease / increase in the Company's profit before tax by approximately Rs.41.77 lakhs for financial liabilities.

The following table sets forth information relating to foreign currency exposure as at 31st March 2017

Rs. Lakhs

	USD	EUR	GBP	Total
Financial Assets (a)				
Cash and Cash equivalents	-	-	5.83	5.83
Trade Receivable	90.79	-	-	90.79
	90.79	**-**	**5.83**	**96.62**
Financial Liabilities (b)				
Trade Payable	-	-	326.29	326.29
	-	-	326.29	326.29
Net Exposure in Foreign Currency (a-b)	**90.79**	**-**	**(320.46)**	**(229.67)**

10 % appreciation / depreciation of the respective foreign currencies with respect to functional currency (holding all other variables constant) of the Company would result in increase / decrease in the Company's profit before tax by approximately Rs. 9.66 lakhs for financial assets and decrease / increase in the Company's profit before tax by approximately Rs. 32.63 lakhs for financial liabilities.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets bear fixed rates of interest, wherever applicable. Therefore, there is no risk of interest rate volatility.

The Company's main interest rate risk arises from short term and long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During 31st March 2018 and 31st March 2017, the Company's borrowings at variable rate were mainly denominated in INR.

Notes
to Financial Statements

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

The exposure of the Company's financial assets and financial liabilities as at 31st March 2018 and 31st March 2017 to interest rate risk is as follows:

Rs. Lakhs

	31st March 2018		31st March 2017	
	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate
Financial assets	-	70,867.82	-	42,069.33
Financial liabilities	97,458.68	108.09	79,062.60	123.09
	97,458.68	**70,975.91**	**79,062.60**	**42,192.42**

Increase/ decrease of 50 basis points (holding all other variables constant) in interest rates at the balance sheet date would result in an impact (decrease/increase in case of net income) of Rs. 487.29 lakhs and Rs. 395.31 lakhs on profit before tax for the year ended 31st March 2018 and 31st March 2017 respectively.

(iii) Price risk

The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term stragic purpose which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31st March, 2018 is Rs. 9,610.06 lakhs (2017 - Rs. 7,224.99 lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

(D) Agricultural Risk

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

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

i Sufficient inventory levels of agro chemicals, fertilizers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.

ii Slightly higher level of consumable stores viz packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.

iii Forward contracts are made with overseas customers as well as domestic private customers, in order to mitigate the financial risk in fluctuation of selling price of tea.

iv Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

Notes
to Financial Statements

NOTE 48: CAPITAL MANAGEMENT

(a) Risk Management

The Company's objectives when managing capital are to

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

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

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell asssets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

Net debt implies total borrowings of the Company as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Company

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

Rs. Lakhs

	Notes	31st March 2018	31st March 2017
(i) Total Debt			
Borrowings - Non-Current	18	34,941.08	14,720.09
- Current	22	49,323.33	57,534.18
Current Maturities of Long Term Debt	24	13,194.27	6,808.33
		97,458.68	**79,062.60**
Less : Cash and Cash Equivalents	12	254.66	530.31
Net Debt		**97,204.02**	**78,532.29**
(ii) Equity attributable to Shareholders		181,098.19	174,333.38
(iii) Net debt to equity ratio		0.54	0.45

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

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

Notes
to Financial Statements

(b) Dividend

Rs. Lakhs

	31st March 2018	31st March 2017
(i) Equity Shares		
Final dividend paid for the year ended 31st March 2017 of Rs.0.25/- lakhs (31st March 2016 - Rs 2.00/-lakhs) per fully paid share		
	273.64	2,189.11
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of Rs.0.50/-per fully paid equity share (31st March 2017 - Rs 0.25/-). This proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting.	547.28	273.64

NOTE 49: DISCLOSURE PURSUANT TO SEBI's (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Rs. Lakhs

		31st March 2018	31st March 2017
i)	Loans and Advances in the Nature of Loans to Subsidiary		
	Loan to Subsidiary		
	Borelli Tea Holdings Limited		
	- Balance at the year end	-	5,300.00
	- Maximum amount outstanding at any time during the year	5,300.00	5,300.00
ii)	Loans and Advances in the Nature of Loans to Firms/Companies in which Directors are Interested		
	Loan to a Company in which a Director of the Company is a Director		
	United Machines Company Limited		
	- Balance at the year end	240.00	240.00
	- Maximum amount outstanding at any time during the year	240.00	280.00

NOTE 50

(a) In connection with an overseas acquisition of a subsidiary in 2005, the Income Tax authority had raised a demand of Rs.5278 lakhs during the year 2009-10 on the Company on account of alleged non-deduction of tax at source and interest thereon pertaining to the transaction. The Company challenged the said demand before the appropriate authorities and the matter is pending. Further, the Company has obtained a stay against the said demand from the Hon'ble High Court of Calcutta. The Company deposited Rs. 700.00 lakhs during the year 2011-12 with Income Tax Authority under protest (Refer Note 8). In any event, as per the related Share Purchase Agreement, Capital Gain tax or other tax, if any, relating to sale of shares etc. is to be borne by the seller and not the Company.

(b) The Hon'ble Supreme Court vide its judgement dated 20.09.2017 held that the provisions of Rule 8 of Income Tax Act, 1961 is not applicable while making payment of dividend distribution tax as per section 115-O of the Income Tax Act, 1961. No fresh proceedings/demands has been initiated /raised by the tax authorities in response to the aforesaid judgement passed by the Hon'ble Court. The Company has made full provision in the financial statements in earlier years [Refer Note 26].

Notes
to Financial Statements

NOTE 51
Revenue Expenditure on Research and Development Rs. 204.74 lakhs (31st March 2017 - Rs. 177.30 lakhs) represent subscription to Tea Research Association.

NOTE 52
There are no outstanding dues of Micro and Small Enterprises (MSEs) based on information available with the Company.

NOTE 53: AUDITORS' REMUNERATION:
(included in Miscellaneous Expenses under Note 35)

Rs. Lakhs

	31st March 2018	31st March 2017
As Auditors - Audit Fees	63.00	63.00
For Other Services*		
Tax Audit Fees	18.00	18.00
Certification etc.	45.00	53.00
For Reimbursement of expenses*		
Out of Pocket Expenses	3.07	1.73
Taxes	0.91	20.36

* Including payment made to erstwhile auditors Rs. 43.43 lakhs.

NOTE 54: DETAILS OF LOANS AND GUARANTEES GIVEN COVERED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013
The Company has given Interest bearing loans (ranging from 12% to 15% per annum) to following parties for their business purposes, which is repayable on demand :

Rs. Lakhs

Name of Parties	Amount Outstanding as on 31st March, 2018	Amount Outstanding as on 31st March, 2017
Williamson Magor & Co. Limited	8,150.00	-
Babcock Borsig Limited	22,000.00	12,550.00
Borelli Tea Holdings Ltd	-	5,300.00
Williamson Financial Services Limited	12,750.00	7,350.00
McNally Bharat Engg. Co. Limited	8,592.00	3,405.00
Seajulie Developers & Finance Limited	12,815.00	4,840.00
United Machine Limited	240.00	240.00
Vinod Enterprise	13.00	13.00
	64,560.00	**33,698.00**

The Company had given Guarantee of USD 33 million (equivalent Rs.21509.40 lakhs) to a bank in respect of loans availed / to be availed by Borelli Tea Holdings Ltd. (wholly owned subsidiary) for its business purpose. The guarantee would continue till full repayment of the loans by the subsidiary. Refer to Note 40(b).

Notes
to Financial Statements

NOTE 55: CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(a) Gross amount required to be spent by the Company during the year : Rs. Nil (31.03.2017 - Rs. 196.22 lakhs)

(b) Amount spent during the year on:

Rs. Lakhs

Sr. No	CSR project or activity identified	31st March 2018			31st March 2017		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-	180.00	-	180.00
(ii)	On purposes other than (i) above	17.94	-	17.94	17.93	-	17.93

NOTE 56: INCOME TAX EXPENSE

Rs. Lakhs

		31st March 2018	31st March 2017
(a)	**Income tax recognised in profit or loss**		
	Current Tax		
	Current tax for the year	4,391.44	975.00
	Total current tax	**4,391.44**	**975.00**
	Deferred Tax		
	Deferred tax for the year	(2,794.17)	(3,528.32)
	Total deferred tax	(2,794.17)	(3,528.32)
	Total	**1,597.27**	**(2,553.32)**

Rs. Lakhs

		31st March 2018	31st March 2017
(b)	**Amount recognised in other comprehensive income**		
	Deferred Tax		
	Income Tax relating to items that will not be reclassified to profit or loss	972.97	46.46
	Total	**972.97**	**46.46**

Notes
to Financial Statements

Rs. Lakhs

	31st March 2018	31st March 2017
(c) Reconciliation of effective tax rate:		
Profit before tax	8,323.35	499.47
Income tax expense calculated @ 34.608% (2017- 34.608%)	2,880.54	172.86
Effect of expenses that are not deductible in determining taxable profit	380.41	364.53
Effect of additional deduction under Income tax Act'1961	(53.14)	(446.59)
Effect of income that is exempt from taxation	(311.00)	(3,212.09)
Effect of adjustment in respect of different tax rates*	635.24	695.07
Effect of different tax rate on certain incomes	(2,766.34)	(127.10)
Reversal of previously recognised tax loss to increase deferred tax expense	831.56	-
Income tax recognised in profit or loss	**1,597.27**	**(2,553.32)**

The tax rate used is the corporate tax rate payable on taxable profits under the Income Tax Act, 1961.
*The Company's agricultural income is subject to lower tax rates @ 30% under the respective state tax laws.

For and on behalf of the Board of Directors

Kolkata, 30th May 2018

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Independent Auditors' Report

To the Members of
McLeod RUSSEL INDIA LIMITED

REPORT ON THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of **McLeod Russel India Limited** (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors

Independent Auditors' Report

on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

OTHER MATTER

(a) We did not audit the financial information of 7 subsidiaries whose financial information reflect total assets of Rs. 61,292 lakhs as at 31st March, 2018, total revenues of Rs. 46,143 lakhs and net cash inflows amounting to Rs. 2,560 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

(b) Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial information of subsidiaries referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

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

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

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

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent, none of the directors of the Group companies incorporated in India 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' report of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's internal financial controls over financial reporting, for the reasons stated therein.

(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 consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 41 a) to the consolidated Ind AS financial statements;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration
No. 117366W/W-100018)

A.Bhattacharya
(Partner)
(Membership No. 054110)

Place: Kolkata
Date : 30th May 2018

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of McLeod Russel India Limited (hereinafter referred to as "the Parent" or "Company"), as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Parent is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent'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 Parent's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 Parent'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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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 and to the best of our information and according to the explanations given to us, the Parent, 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.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration
No. 117366W/W-100018)

A.Bhattacharya
(Partner)
(Membership No. 054110)

Place: Kolkata
Date : 30th May 2018

Consolidated Balance Sheet

as at 31st March, 2018

Rs. Lakhs

	Note	31st March 2018	31st March 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	179,083.81	182,025.87
Capital Work-in-Progress		10,652.12	9,122.25
Goodwill on consolidation	4	30,732.48	29,105.03
Other Intangible Assets	5	2,204.91	2,593.82
Financial Assets			
Investment			
- Investments in Associate	6	-	-
- Other Investments	7	9,610.06	7,224.99
Loans	8	2.43	14.18
Other Financial Assets	9	3,398.95	932.08
Other Non-Current Assets	10	4,571.48	4,854.74
Total Non-Current Assets		**240,256.24**	**235,872.96**
Current Assets			
Inventories	11	23,361.13	23,716.14
Biological Assets other than bearer plants	12	682.52	494.23
Financial Assets			
Trade Receivables	13	12,599.62	10,890.67
Cash and Cash Equivalents	14A	6,951.80	4,667.92
Other Bank Balances	14B	1,004.89	397.44
Loans	8	64,693.16	28,691.73
Other Financial Assets	9	17,129.56	21,609.66
Current Tax Assets (Net)	15	8,451.06	7,849.40
Other Current Assets	16	9,153.06	11,000.74
Total Current Assets		**144,026.80**	**109,317.93**
TOTAL ASSETS		**384,283.04**	**345,190.89**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	4,619.41	4,119.41
Other Equity	18	212,116.79	191,763.66
Equity attributable to Owners' of the Parent Company		**216,736.20**	**195,883.07**
Non-controlling interests		2,336.74	2,222.89
Total Equity		**219,072.94**	**198,105.96**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	19	40,790.34	22,634.74
Other Financial Liabilities	25	-	331.62
Provisions			
Employee Benefit Obligations	20	5,506.06	4,606.54
Deferred Tax Liabilities (Net)	21	15,165.67	18,509.26
Other Non-Current Liabilities	22	534.40	373.88
Total Non-Current Liabilities		**61,996.47**	**46,456.04**
Current Liabilities			
Financial Liabilities			
Borrowings	23	52,285.76	61,477.92
Trade Payables	24	12,661.06	11,661.54
Other Financial Liabilities	25	29,166.96	20,569.05
Other Current Liabilities	28	869.59	1,734.66
Provisions			
Employee Benefit Obligations	20	3,400.13	1,621.09
Other Provisions	26	344.77	344.77
Current Tax Liabilities (Net)	27	4,485.36	3,219.86
Total Current Liabilities		**103,213.63**	**100,628.89**
Total Liabilities		**165,210.10**	**147,084.93**
TOTAL EQUITY AND LIABILITIES		**384,283.04**	**345,190.89**

The accompanying notes 1 to 57 are an integral part of the Financial Statements.
In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

A. Bhattacharya
Partner
Kolkata, 30th May 2018

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2018

Rs. Lakhs

	Note	Year ended 31st March 2018	Year ended 31st March 2017
Revenue from Operations	29	205,529.31	187,082.13
Other Income	30	39,183.41	18,377.63
Total Income		**244,712.72**	**205,459.76**
Expenses:			
Cost of Materials Consumed	31	28,884.46	27,465.50
Purchase of Tea		4,626.79	4,542.75
Changes in Inventories of Finished Goods and Stock-in-Trade	32	527.00	(450.21)
Employee Benefits Expense	33	90,675.21	83,977.21
Finance Costs	34	18,037.48	13,589.54
Depreciation and Amortisation Expenses	35	10,222.38	10,353.19
Other Expenses	36	66,584.62	60,528.63
Total Expenses		**219,557.94**	**200,006.61**
Profit before Tax		25,154.78	5,453.15
Tax expense:			
Current Tax	57	6,070.31	2,319.14
Deferred Tax	57	(2,831.01)	(3,310.79)
Profit for the Year		**21,915.48**	**6,444.80**
Other Comprehensive Income			
A) i) Items that will not be reclassified to profit or loss			
Remeasurements of post employment defined benefit plans		(3,134.55)	(184.37)
Change in fair value of Equity instruments through other comprehensive income		2,385.06	(121.41)
ii) Income Tax relating to items that will not be reclassified to profit or loss	57	972.97	57.99
B) Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(1,142.85)	(1,243.59)
Other Comprehensive Loss		**(919.37)**	**(1,491.38)**
Total Comprehensive Income for the year		**20,996.11**	**4,953.42**
Profit attributable to:			
Owners' of the Parent Company		20,791.82	5,856.83
Non-controlling interests		1,123.66	587.97
Other Comprehensive Income is attributable to:			
Owners' of the Parent Company		(455.48)	(1,559.41)
Non-controlling interests		(463.89)	68.03
Total Comprehensive Income is attributable to:			
Owners' of the Parent Company		20,336.34	4,297.42
Non-controlling interests		659.77	656.00
Earnings per Equity Share: [Nominal Value per share : Rs. 5/-]			
- Basic		**24.25**	**7.11**
- Diluted		**24.25**	**7.11**

The accompanying notes 1 to 57 are an integral part of the Financial Statements.
In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

A. Bhattacharya
Partner
Kolkata, 30th May 2018

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Consolidated Statement of Changes in Equity

For the year ended 31st March, 2018

A EQUITY SHARE CAPITAL

Rs. Lakhs

	Notes	Amount
As at 1st April 2016		4,119.41
Changes in Equity Share Capital during the year	17	-
As at 1st April 2017		**4,119.41**
Changes in Equity Share Capital during the year	17	500.00
As at 31st March 2018		**4,619.41**

B OTHER EQUITY

Rs. Lakhs

	Attributable to Owners' of Parent Company										
	Securities Premium Reserve	General Reserve	Retained Earnings	Reserve	Other Reserve	Revaluation Surplus	Equity Investments thorugh FVTOCI	Foreign Currency Translation Reserve	Total Equity	Non-Controlling	Total
Balance at 1st April 2016	**11,053.58**	**82,295.74**	**37,453.74**	**201.68**	**19,209.20**	**35,218.10**	**6,640.49**	**(1,190.59)**	**190,881.94**	**1,817.25**	**192,699.19**
Prior year adjustment	-	-	-	-	-	-	-	-	-	(92.17)	**(92.17)**
Transfer on account of depreciation on amount added on Revaluation of Property,Plant and Equipment	-	683.92	-	-	-	(683.92)	-	-	-	-	**-**
Amount adjusted during the year	-	-	(1,341.36)	-	-	-	-	-	(1,341.36)	-	**(1,341.36)**
Profit for the year	-	-	5,856.83	-	-	1,893.97	0.01	-	5,856.83	587.97	**6,444.80**
Other Comprehensive Income	-	-	(126.38)	-	-	-	(121.41)	(1,311.62)	(1,559.41)	68.03	**(1,491.38)**
Adjustment on account of dividend [Refer Note 51]	-	-	458.14	-	-	-	-	-	458.14	-	**458.14**
Dividend Paid	-	-	(2,189.11)	-	-	-	-	-	(2,189.11)	(158.19)	**(2,347.30)**
Dividend Tax Paid	-	-	(343.37)	-	-	-	-	-	(343.37)	-	**(343.37)**
Balance at 1st April 2017	**11,053.58**	**82,979.66**	**39,768.49**	**201.68**	**19,209.20**	**34,534.18**	**6,519.08**	**(2,502.21)**	**191,763.66**	**2,222.89**	**193,986.55**

Rs. Lakhs

	Attributable to Owners' of Parent Company										
	Securities Premium Reserve	General Reserve	Retained Earnings	Reserve	Other Reserve	Revaluation Surplus	Equity Investments thorugh FVTOCI	Foreign Currency Translation Reserve	Total Equity	Non-Controlling	Total
Transfer from retained earnings to general reserve	-	15,000.00	(15,000.00)	-	-	-	-	-	-	-	**-**
Transfer on account of depreciation on amount added on Revaluation of Property,Plant and Equipment	-	660.44	-	-	-	(660.44)	-	-	-	-	**-**
Profit for the year	-	-	20,791.82	-	-	-	-	-	20,791.82	1,123.66	**21,915.48**
Other Comprehensive Income	-	-	(2,161.58)	-	-	-	2,385.06	(678.96)	(455.48)	(463.89)	**(919.37)**
Adjustment on account of dividend [Refer Note 51]	-	-	67.67	-	-	-	-	-	67.67	-	67.67
Forex movement	-	-	-	-	-	-	-	222.76	222.76	-	222.76
Dividend Paid	-	-	(273.64)	-	-	-	-	-	(273.64)	(545.92)	(819.56)
Balance at 31 March 2018	**11,053.58**	**98,640.10**	**43,192.76**	**201.68**	**19,209.20**	**33,873.74**	**8,904.14**	**(2,958.41)**	**212,116.79**	**2,336.74**	**214,385.86**

The accompanying notes 1 to 57 are an integral part of the Financial Statements.
In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

A. Bhattacharya
Partner
Kolkata, 30th May 2018

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Consolidated Statement of Cash Flows

for the year ended 31st March, 2018

Rs. Lakhs

		Year Ended	
		31st March 2018	31st March 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before income tax	25,154.78	5,453.15
	Adjustments for:		
	Depreciation and Amortisation Expense	10,222.38	10,353.19
	Loss/(Profit) on sale of Property, Plant and Equipment	971.01	(1,729.15)
	Profit on sale of investments	(19,881.74)	-
	Amortisation of Subsidy - Capital Items	(27.65)	(18.68)
	Provision for diminution in value of investment	-	76.51
	Changes in Fair Value of Biological Assets	(193.01)	26.39
	Dividend Income	(16.96)	(33.60)
	Interest Income	(14,149.69)	(9,721.57)
	Finance Costs	18,037.48	13,589.54
	Fair Value Loss/(Gain) on Derivatives (Net)	1,469.61	(866.33)
	Liabilities no longer required written back	(53.08)	(136.48)
	Provision for bad and doubtful accrued interest no longer required written back	(349.74)	-
	Allowance for doubtful debts	138.81	-
	Foreign currency translations and transactions - Net	(2,594.33)	497.79
	Operating Profit Before Working Capital Changes	**18,727.87**	**17,490.76**
	Adjustment for:		
	Trade Receivables, Other financial assets and other assets	6,550.94	(1,874.36)
	Inventories	355.01	1,293.90
	Trade Payables, Employee Benefit Obligations, Other Financial Liabilities, Other Current Liabilities	1,030.34	(651.74)
	Cash Generated from operations	**26,664.16**	**16,258.56**
	Income taxes paid	(4,876.82)	(2,539.72)
	Net cash from operating activities	**21,787.34**	**13,718.84**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES:**		
	Purchase of Property, Plant and Equipment, Intangibles, etc	(10,199.80)	(13,206.69)
	Sale of Property, Plant and Equipment	1,218.47	3,810.13
	Loans Given	(80,887.43)	(45,706.53)
	Repayment of Loans Given	44,897.45	39,049.51
	Investment in bank deposits (original maturity more than 3 months)	(653.11)	-
	Sale of Long-term Investments	19,881.74	383.45
	Dividends Received	16.96	33.60
	Interest Received	8,977.49	8,822.14
	Net cash used in investing activities	**(16,748.23)**	**(6,814.39)**

Rs. Lakhs

	Year Ended	
	31st March 2018	**31st March 2017**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	37,514.50	-
Repayment of Long Term Borrowings	(12,821.72)	(9,073.88)
Proceeds from Short Term Borrowings	-	19,051.19
Repayment of Short Term Borrowings	(9,192.16)	-
Net (Decrease)/Increase in statutory restricted accounts balances	(45.66)	0.66
Interest paid	(18,003.45)	(13,559.16)
Dividends paid	(205.97)	(2,866.57)
Net cash used in financing activities	**(2,754.46)**	**(6,447.76)**
Net increase in Cash and Cash Equivalents	2,284.65	456.69
Opening Cash and Cash Equivalents	4,667.92	4,212.76
Closing Cash and Cash Equivalents	**6,952.57**	**4,669.45**
Notes:		
1. The above Cash Flow Statement has been prepared under the "indirect method" as set out in the Ind AS 7 on Statement of Cash Flows.		
2. Cash and Cash Equivalents		
Cash and Cash Equivalents as above	6,952.57	4,669.45
Unrealised loss on foreign currency cash and cash equivalents	(0.77)	(1.53)
Cash and Cash Equivalents (Note-14A)	**6,951.80**	**4,667.92**

The accompanying notes 1 to 57 are an integral part of the Financial Statements.
In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

A. Bhattacharya
Partner
Kolkata, 30th May 2018

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Notes
to Consolidated Financial Statements

BACKGROUND

McLeod Russel India Limited is a public Company limited by shares, incorporated and domiciled in India. The shares of the Company are listed in National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Group is engaged in cultivation, manufacturing and sale of tea. The tea produced is sold in domestic as well as international markets.

1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of McLeod Russel India Limited (the "Parent Company") and its subsidiaries.

1.1 Basis of Preparation

1.1.1 Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016.

1.1.2 Classification of current and non-current

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

1.1.3 Historical Cost Convention

These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

i) certain financial assets and liabilities (including derivative instruments) that is measured at fair value;

ii) defined benefit plans – plan assets measured at fair value;

iii) certain biological assets (including unplucked green leaves) – measured at fair value less cost to sell.

1.2 Basis of Consolidation

The Consolidated Financial Statements are for the Group consisting of McLeod Russel India Limited (the "Parent Company") and its subsidiaries together with the share of the total comprehensive income of associates.

1.2.1 Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group consolidates the financial statements of the parents and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting

Notes
to Consolidated Financial Statements

policies of subsidiaries have been changed where necessary to ensure consistency with the polices adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

1.2.2 Associate

Associate is an entity over which the group has significant influence but no control or joint control. Investment in associate are accounted for using the equity method of accounting, after initially being recognised at cost.

1.2.3 Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profit or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

1.3 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors.

1.4 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the Parent Company operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign Currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

The presentation currency of the Group is Indian Rupee.

Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet.
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

1.5 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, net of returns, claims and discounts to customers. Revenue excludes amounts collected on behalf of third parties, such as Value Added Tax and Goods and Services Tax.

Notes

to Consolidated Financial Statements

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and significant risk and reward incidental to sale of products is transferred to the buyer.

1.6 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

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

Government grants relating to the acquisition/ construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

1.7 Accounting for Taxes on Income

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.

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets/liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary and associate where in case of assets it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised and in case of liabilities the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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

Current and deferred tax is recognised in profit or 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.

1.8 Biological Assets

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

1.9 Financial Assets

1.9.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

Notes
to Consolidated Financial Statements

The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

1.9.2 Measurement

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Group measures all equity investments (except associate) at fair value through profit or loss. However where the Group's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Investment in associate are carried at cost less accumulated impairment, if any.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment, if any.

Derivatives

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/expenses.

Offsetting financial instruments

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

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1.9.3 Impairment of financial assets

The Group assesses, at each reporting date, a financial asset (or a group of financial assets) held at amortised cost and financial assets that are measured at fair value through other comprehensive income for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

1.9.4 Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

1.10 Financial liabilities

1.10.1 Initial recognition and measurement

The Group recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

1.10.2 Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those mentioned below.

1.10.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as Fair Value through profit or loss, fair value gains/losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to Profit or Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

1.10.4 Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

1.11 Property, Plant and Equipment

Freehold land is carried at cost and not depreciated. All other items of property, plant and equipment

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are stated at cost less depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous generally accepted accounting principles and also includes expenditure that is directly attributable to the acquisition of the items. Properties in the course of construction are carried at cost, less any impairment loss.

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 asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, which are also supported by technical evaluation. Item of Property, Plant and Equipment for which related actual cost do not exceed Rs. 5,000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical evaluation, as under:-

Parent Company

- Plant and Equipment : Ranging from 7 years to 30 years
- Non-factory Buildings : Ranging from 15 years to 70 years
- Bearer Plants : 77 years

Subsidiary Companies

- Buildings : 5-50 years
- Plant and Equipment : 4-20 years
- Bearer Plants : 20-100 years
- Furniture and Fixtures : 2-10 years
- Vehicles 2-4 years
- Computer 2-4 years
- Office Equipment 2-8 years

Bearer plants, comprising of mature tea bushes, are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Immature bearer plants, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

Costs incurred for infilling are generally recognized in the Statement of Profit and Loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ expenses.

1.12 Intangible Assets

1.12.1 Trademark

Separately acquired Trademark is shown at cost. It is amortised over expected useful life and is subsequently carried at cost less accumulated amortisation and impairment losses, if any. For this purpose, cost includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2015 measured as per the previous generally accepted accounting principles

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1.12.2 Computer software
Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

1.12.3 Amortisation methods and periods
The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Trademark 20 years
- Computer software 5 years

1.12.4 Goodwill on Consolidation
Goodwill arising on consolidation is stated at cost less impairment losses, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Statement of Profit and Loss. On acquisition of an associate or joint venture, the goodwill / capital reserve arising from such acquisition is included in the carrying amount of the investment and also disclosed separately.

Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

1.13 Provision, Contingent Liabilities and Contingent Assets, legal or constructive
Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

1.14 Employee Benefits

1.14.1 Short-term Employee Benefits
These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

1.14.2 Other Long-term Employee Benefits (Unfunded)
The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Re-measurement gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

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1.14.3 Post-employment Benefit Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Re-measurement gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

1.14.4 Bonus plans

The Group recognizes a liability and an expense for bonuses. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.15 Leases

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

1.16 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.17 Research and Development

Revenue expenditure on Research and Development is recognised as a charge in the Statement of Profit and Loss. Capital expenditure on assets acquired for Research and Development is added to Property, Plant and Equipment, if any.

1.18 Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss

1.19 Application of new and revised Ind ASs

Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2018 on March, 28, 2018 notifying Ind AS 115 'Revenue from Contracts with Customers' and amending Ind AS 21 'The Effects of Changes in Foreign Exchange Rates' and Ind AS 12 'Income Taxes'. The same are applicable for financial statements pertaining to annual periods beginning on or after April 1, 2018. The Group expects that there will be no material impact on the financial statements resulting from the implementation of these standards.

2. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual result. Management also needs to exercise judgement in applying the group's accounting policies.

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This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates and judgements are:

i Taxation

The Group is engaged in agricultural activities and also subject to tax liability under MAT provisions in case of parent Company. Significant judgement is involved in determining the tax liability for the Group. Also there are many transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Further judgement is involved in determining the deferred tax position on the balance sheet date.

ii Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

iii Employee Benefits

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Group considers the interest rates of Government securities that have terms to maturity approximating the terms of the related defined benefit obligation. Other key assumptions for obligations are based in part on current market conditions.

iv Provisions and Contingencies

Provisions and contingencies are based on management's best estimate of the liabilities based on the facts known at the balance sheet date.

v Fair Value of Biological Assets

The fair value of Biological Assets is determined based on recent transactions entered into with third parties or available market price.

vi Control

The Group assessed whether or not it has control on its investees based on whether, as an investor, it has the power/rights and consequently the practical ability to direct the relevant activities of its investees unilaterally. In making this judgement, the Group considered the absolute size of its holding, the relative size of and dispersion of other shareholders, and whether any contractual arrangements exist between the Company (and its subsidiaries) and other shareholders of the investees. Based on this, and in accordance with its Accounting Policy, the Group has determined that the entities listed in the notes to the financial statements are the only entities over which Group has control.

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 parent Company and that are believed to be reasonable under the circumstances.

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3. PROPERTY, PLANT AND EQUIPMENT

Rs. lakhs

Particulars	GROSS AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	As at 1st April 2016	Additions during the year	Disposals/ adjustments during the year Refer (b) below	As at 31st March 2017	As at 1st April,2016	Depreciation For the year	Disposals/ adjustments during the year Refer (c) below	As at 31st March, 2017	As at 31st March, 2017
Land [Refer (a) below]	4,312.32	-	-	4,312.32	-	-	-	-	4,312.32
Leasehold Improvements	20.46	523.72	42.11	502.07	0.21	21.44	(170.71)	192.36	309.71
Buildings	51,647.69	4,280.16	2,636.92	53,290.93	3,234.75	3,285.36	825.07	5,695.04	47,595.89
Plant and Equipment	35,156.97	7,169.16	1,949.88	40,376.25	3,310.86	3,506.59	1,310.91	5,506.54	34,869.71
Furniture and Fixtures	943.50	87.36	239.23	791.63	189.67	156.05	206.19	139.53	652.10
Vehicles	3,485.24	362.43	413.93	3,433.74	731.42	675.84	388.80	1,018.46	2,415.28
Office Equipment	126.77	197.42	42.94	281.25	35.87	44.39	(119.09)	199.35	81.90
Computer	248.65	60.46	33.88	275.23	85.53	67.78	28.63	124.68	150.55
Bearer Plants	95,839.58	1,003.29	1,122.11	95,720.76	2,159.00	2,119.54	196.19	4,082.35	91,638.41
Total	**191,781.18**	**13,684.00**	**6,481.00**	**198,984.18**	**9,747.31**	**9,876.99**	**2,665.99**	**16,958.31**	**182,025.87**

a) Represents cost of proportionate share of undivided land pertaining to certain portion of a multistoried building.
b) Includes foreign exchange adjustment of Rs. 3426.61 lakhs.
c) Includes foreign exchange adjustment of Rs. 1692.58 lakhs.

Rs. lakhs

Particulars	GROSS AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	As at 1st April,2017	Additions during the year	Disposals/ adjustments during the year Refer (b) below	As at 31st March 2018	As at 1st April,2017	Depreciation For the year	Disposals/ adjustments during the year Refer (c) below	As at 31st March 2018	As at 31st March 2018
Land [Refer (a) below]	4,312.32	-	-	4,312.32	-	-	-	-	4,312.32
Leasehold Improvements	502.07	5.09	(23.96)	531.12	192.36	17.69	1.79	208.26	322.86
Buildings	53,290.93	4,499.37	804.10	56,986.20	5,695.04	3,222.06	295.31	8,621.79	48,364.41
Plant and Equipment	40,376.25	3,612.60	3,396.01	40,592.84	5,506.54	3,520.79	3,071.34	5,955.99	34,636.85
Furniture and Fixtures	791.63	82.63	2.05	872.21	139.53	132.97	(1.78)	274.28	597.93
Vehicles	3,433.74	636.15	46.71	4,023.18	1,018.46	631.83	49.08	1,601.21	2,421.97
Office Equipment	281.25	18.87	161.35	138.77	199.35	40.08	159.46	79.97	58.80
Computer	275.23	63.80	46.82	292.21	124.68	56.02	44.56	136.14	156.07
Bearer Plants	95,720.76	336.80	1,770.75	94,286.81	4,082.35	2,154.04	162.18	6,074.21	88,212.60
Total	**198,984.18**	**9,255.31**	**6,203.83**	**202,035.66**	**16,958.31**	**9,775.48**	**3,781.94**	**22,951.85**	**179,083.81**

a) Represents cost of proportionate share of undivided land pertaining to certain portion of a multistoried building.
b) Includes foreign exchange adjustment of Rs. 747.92 lakhs
c) Includes foreign exchange adjustment of Rs. 620.33 lakhs

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4. GOODWILL

Rs. Lakhs

Goodwill on Consolidation :-	Amount
Balance as at 1st April 16	31,252.23
Add/(less) : Foreign Exchange Adjustment	(2,147.20)
Balance as at 31st March 2017	29,105.03
Add/(less) : Foreign Exchange Adjustment	1,627.45
Balance as at 31st March 2018	**30,732.48**

5. OTHER INTANGIBLE ASSETS

Rs. lakhs

Particulars	GROSS AMOUNT				ACCUMULATED AMORTISATION				NET CARRYING AMOUNT
	As at 1st April, 2016	Additions during the year	Disposals/ adjustments during the year Refer (c) below	As at 31st March, 2017	As at 1st April,2016	Amortisation For the year	Disposals/ adjustments during the year Refer (c) below	As at 31st March, 2017	As at 31st March, 2017
Trade Mark [Brand] [Refer (a) below]	3,048.75	-	164.99	2,883.76	307.38	301.00	86.36	522.02	2,361.74
Computer Software [Refer (b) below]	556.76	17.06	4.25	569.57	163.37	175.20	1.08	337.49	232.08
Total	**3,605.51**	**17.06**	**169.24**	**3,453.33**	**470.75**	**476.20**	**87.44**	**859.51**	**2,593.82**

Rs. lakhs

Particulars	GROSS AMOUNT				ACCUMULATED AMORTISATION				NET CARRYING AMOUNT
	As at 1st April, 2017	Additions during the year	Disposals/ adjustments during the year Refer (c) below	As at 31st March, 2018	As at 1st April, 2017	Amortisation For the year	Disposals/ adjustments during the year Refer (d) below	As at 31st March, 2018	As at 31st March, 2018
Trade Mark [Brand] [Refer (a) below]	2,883.76	-	(125.02)	3,008.78	522.02	299.75	(72.39)	894.16	2,114.62
Computer Software [Refer (b) below]	569.57	5.59	4.94	570.22	337.49	147.15	4.71	479.93	90.29
Total	**3,453.33**	**5.59**	**(120.08)**	**3,579.00**	**859.51**	**446.90**	**(67.68)**	**1,374.09**	**2,204.91**

a) The above comprise :
   i) Trade mark (Brand - WM logo) of Rs.2437.50 lakhs (31.03.17 Rs. 2437.50 lakhs) acquired by the Parent Company which is being amortised under straight line method over 20 years on prudent basis based on valuation by independent valuer, considering the factors like effective life/utility, and
   ii) Other Trade Marks of Rs.446.26 lakhs (31.03.17 Rs. 611.25 lakhs) acquired by a subsidiary, which are being amortised over the expected economic lives of 5 to 20 years.

b) Computer Software is being amortised under straight line method over 5 years.

c) Includes foreign exchange adjustment of Rs. 123.92 lakhs (31.03.17 - Rs. 169.24 lakhs).

d) Includes foreign exchange adjustment of Rs. 71.50 lakhs (31.03.17 - Rs. 87.44 lakhs).

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6 INVESTMENT IN ASSOCIATE

(In Equity Shares of Rs 10 each fully paid, except otherwise stated)

Rs. Lakhs

	31st March 2018	31st March 2017
Investment in Equity Instrument - Associate (at cost unless states otherwise)		
Unquoted		
D1 Williamson Magor Bio Fuel Limited	-	-
7281201(31.03.2017 - 7281201 Shares , fully impaired	-	-
a. Aggregate amount of unquoted investments	-	-
b. Aggregate amount of impairment in the value of investments	2,184.35	2184.35

7 OTHER INVESTMENTS AT COST UNLESS STATES OTHERWISE

Rs. Lakhs

	31st March 2018	31st March 2017
In Others (at fair value through comprensive income)		
Quoted		
Murablack India Limited		
500,000 (31.03.2017 - 500,000) Shares, fully impaired	-	-
McNally Bharat Engineering Co. Limited *		
3052295 (31.03.2017 - 3052295) Shares	1,799.33	1,578.04
Williamson Financial Services Limited		
1666953 (31.03.2017 - 1666953) Shares	481.72	521.72
Eveready Industries India Limited		
1663289 (31.03.2017 - 1663289) Shares of Rs. 5/- each	6,233.17	4,365.30
Kilburn Engineering Limited		
848168 (31.03.2017 - 848168) Shares	628.92	513.14
The Standard Batteries Limited		
1003820 (31.03.2017 - 1003820) Shares of Re. 1/- each	92.85	80.10
Kilburn Chemicals Limited		
350200 (31.03.2017 - 350200) Shares	371.21	165.12
Kilburn Office Automation Limited		
31340 (31.03.2017 - 31340) Shares	2.15	0.86
Suryachakra Seafood Limited		
400000 (31.03.2017 - 400000) Shares, fully impaired	-	-
Unquoted		
ABC Tea Workers Welfare Services Limited		
11067 (31.03.2017 - 11067) Shares	0.71	0.71
In Others (at fair value through Profit and Loss)		
Unquoted		
Babcock Borsig Limited	-	-
1299600 (31.03.2017 - 1299600) Shares, fully impaired	-	-
	9,610.06	**7,224.99**
a. Aggregate amount of unquoted investments	0.71	0.71
b. Aggregate amount of quoted investments	9609.35	7224.28
c. Aggregate market value of quoted investments	9609.35	7224.28
d. Aggregate amount of impairment in the value of investments	683.34	683.34

* In connection with a Term Loan of Rs.5000.00 lakhs (31st March, 2017 – Rs. 5000.00 lakhs) taken by McNally Bharat Engineering Company Limited (MBECL) from banks, the Company has furnished a Non-Disposal Undertaking of its present and future holding of shares in MBECL, to remain valid so long as any monies remain due by MBECL in respect of the said loan to such banks.

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8 LOANS
(Unsecured - considered good unless otherwise stated)

Rs. Lakhs

	31st March 2018		31st March 2017	
	Current	Non-Current	Current	Non-Current
Loans to Related Parties				
- Key Managerial Personnel	-	-	186.31	-
Loans to Employees				
Considered Good	133.16	2.43	107.42	14.18
Considered Doubtful	-	9.56	-	9.56
Less: Allowance for Doubtful Loans	-	(9.56)	-	(9.56)
Loans to Body Corporates				
Considered Good	64,560.00	-	28,398.00	-
Considered Doubtful	-	1,098.00	-	1,098.00
Less: Allowance for Doubtful Loans	-	(1,098.00)	-	(1,098.00)
	64,693.16	**2.43**	**28,691.73**	**14.18**

9 OTHER FINANCIAL ASSETS

Rs. Lakhs

	31st March 2018		31st March 2017	
	Current	Non-Current	Current	Non-Current
Margin Money Deposit with bank (a)	-	17.72	-	35.60
Other Long Term Receivables				
-From Sale of Tea Estates	-	91.13	-	91.13
Interest Accrued on Loans and Deposits				
Considered good	12,797.90	-	7,275.96	-
Considered Doubtful	-	1,149.60	-	1,489.61
Less: Allowance for Doubtful Interest Receivable	-	(1,149.60)	-	(1,489.61)
Deposits with National Bank for Agriculture and Rural Development	3,000.00	3,290.10	7,500.00	805.35
Receivable on account of claim/disposal of assets	1,331.66	-	5,938.01	-
Derivative not designated as hedges - Forward Contracts	-	-	895.69	-
	17,129.56	**3,398.95**	**21,609.66**	**932.08**

(a) For issuing Bank Guarantees.

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10 OTHER NON-CURRENT ASSETS

Rs. Lakhs

	31st March 2018	31st March 2017
Capital Advances		
Considered Good	529.38	1,039.91
Considered Doubtful	-	32.03
Less: Allowance for Doubtful Capital Advances	-	(32.03)
Advances Other than Capital Advances:		
Advances to Suppliers, Service Providers etc.	1,223.60	1,217.20
Less : Allownce for Doubtful Advances	(1,217.20)	(1,217.20)
Subsidies receivable from Government	579.35	579.35
Advance for Employee Benefit [Refer Note 39]	465.06	327.52
Prepaid Expenses	381.28	338.00
Tax Paid Under Protest [Refer Note 52(a)]	700.00	700.00
Security Deposits	1,910.01	1,869.96
	4,571.48	**4,854.74**

11 INVENTORIES

Rs. Lakhs

	31st March 2018	31st March 2017
At lower of cost and net realisable value		
Raw Materials (Green Leaf)	317.26	262.88
Finished Goods (Stock of Tea)	13,822.44	14,349.43
[including in transit Rs. 946.23 Lakhs (31.03.2017 - Rs 2217.72 lakhs)]		
Stores and Spares*	9,221.43	9,103.83
[including in transit Rs. Nil (31.03.2017 - Rs 49.07 lakhs)]		
	23,361.13	**23,716.14**

* Net-off allowance for slow moving/obosolete inventory of Rs.94.84 lakhs (31.03.2017 - Rs. 84.69 lakhs)

12 BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

Rs. Lakhs

	31st March 2018	31st March 2017
Fair Value of Biological Assets other than Bearer Plants (Unharvested Tea Leaves)*	682.52	494.23
	682.52	**494.23**

Rs. Lakhs

	31st March 2018	31st March 2017
Biological Assets Other Than Bearer Plants		
As at Opening date	494.23	520.62
Increase due to purchases/physical changes	682.52	494.23
Decrease due to harvest/physical changes	(494.23)	(520.62)
Decrease due to sales/write off		
Net change in fair value less estimated costs to sell		
As at closing date	**682.52**	**494.23**

* Unharvested tea leaves on bushes as on 31st March 2018 was 34.46 lakh kgs (31.03.2017- 31.00 lakh kgs).

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13 TRADE RECEIVABLES

Rs. Lakhs

	31st March 2018	31st March 2017
Secured		
- Considered Good	350.00	350.00
Unsecured		
- Considered Good	12,249.62	10,540.67
- Considered Doubtful	479.71	340.90
Less: Allowance for Doubtful Debts	(479.71)	(340.90)
	12,599.62	**10,890.67**
Transferred Receivables		
The carrying amounts of the trade receivables include receivables which have been discounted with banks in terms of arrangement with banks. The Group has retained the credit risk and continued to recognise the transferred assets in their entirety in the balance sheet.		
The relevant carrying amounts are as follows:		
Total transferred receivables	1,458.25	1,619.65
Associated payable [Refer Note 25]	1,458.25	1,619.65

14A.CASH AND CASH EQUIVALENTS

Rs. Lakhs

	31st March 2018	31st March 2017
Balance with banks in Current Accounts	6,793.40	4,317.79
Cash on hand	158.40	313.13
Remittance in Transit	-	37.00
	6,951.80	**4,667.92**

14B. OTHER BANK BALANCES

Rs. Lakhs

	31st March 2018	31st March 2017
Dividend Accounts *	351.62	397.27
Escrow Accounts/Fractional Share Sale Proceeds Account	0.16	0.17
Deposits with maturity more than 3 months	653.11	-
	1,004.89	**397.44**

* Earmarked for payment of unclaimed dividend

15 CURRENT TAX ASSETS (NET)

Rs. Lakhs

	31st March 2018	31st March 2017
Advance Tax - Income Tax (Net of Provision)	8,143.30	7,541.64
Advance Tax- Fringe Benefit Tax (Net of Provision)	307.76	307.76
	8,451.06	**7,849.40**

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16 OTHER CURRENT ASSETS

Rs. Lakhs

	31st March 2018	31st March 2017
Balance with Government Authorities	1,680.57	504.99
Advances to Suppliers, Service Providers etc.		
Considered Good	2,594.17	2,727.66
Considered Doubtful	103.76	103.76
Less: Allowance for Doubtful Advances	(103.76)	(103.76)
Advance for Employee Benefits [Refer Note 40]	1,826.77	3,287.60
Advance to Employees	728.72	686.43
Recoverable from Director [Refer Note 43 (d)]	263.01	-
Prepaid Expenses	891.10	1,107.51
Subsidies receivable from Government	591.05	370.12
Accrued Duty exemption benefits pertaining to exports	528.65	457.68
Security Deposits	4.91	18.26
Compensation receivable from Government	44.11	1,840.49
	9,153.06	**11,000.74**

17 EQUITY SHARE CAPITAL

Rs. Lakhs

	31st March 2018	31st March 2017
Authorised		
120000000 (31.03.2017 - 120000000) Equity Shares of Rs. 5/- each	6,000.00	6,000.00
Issued, subscribed and paid-up		
109455735 (31.03.2017 - 109455735) Equity Shares of Rs. 5/- each fully paid up	5,472.79	5,472.79
Less: Shares held through trust 17067500 (31.03.2017 -27067500 shares)	(853.38)	(1,353.38)
	4,619.41	**4,119.41**

(a) Rights, preferences and restrictions attached to Shares

The Parent Company has only one class of shares referred to as Equity Shares having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share held and entitle to participate in Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Shareholders holding more than 5 per cent of the Equity Shares in the Parent Company

	As at 31st March, 2018 (No. of Shares)	As at 31st March, 2018 %	As at 31st March, 2017 (No. of Shares)	As at 31st March, 2017 %
Williamson Magor & Co. Limited	11660946	12.62	11660946	14.15
The Nomura Trust & Banking Co. Ltd as the Trustee of Nomura India Stock Mother Fund	6508116	7.04	-	-
Williamson Financial Services Limited	5898725	6.38	5898725	7.16
Edgbaston Asian Equity Trust	5519122	5.97	-	-

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18 RESERVES AND SURPLUS

Rs. Lakhs

	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Reserve	Other Reserve	Revaluation Surplus	Equity Investments through FVTOCI	Foreign Currency Translation Reserve	Total
As at 1 April 2016	11053.58	82295.74	37453.74	201.68	19209.20	35218.10	6640.49	(1190.59)	190881.94
Profit for the year	-	-	5,856.83	-	-		-	-	5,856.83
Transfer on account of depreciation on amount added on Revaluation of Property , Plant & Equipment	-	683.92	-	-	-	(683.92)	-	-	-
									-
Adjustment on account of dividend [Refer Note 50]	-	-	(1,341.36)	-	-	-	-	-	(1,341.36)
Dividend Paid	-	-	458.14	-	-	-	-	-	458.14
Proposed Dividend relating to Minority Interest	-	-	(2,189.11)	-	-	-	-	-	(2,189.11)
Dividend Tax Paid	-	-	(343.37)	-	-	-	-	-	(343.37)
Remeasurements of post-employment defined benefit obligations (net of tax)	-	-	(126.38)	-	-	-	-	-	(126.38)
Changes in Fair Value of equity instruments designated at FVTOCI				-	-	-	(121.41)	-	(121.41)
Amount adjusted during the year				-	-	-	-	(1,311.62)	(1,311.62)
As at 31 March 2017	**11,053.58**	**82,979.66**	**39,768.49**	**201.68**	**19,209.20**	**34,534.18**	**6,519.08**	**(2,502.21)**	**191,763.66**
Profit for the year	-	-	20,791.82	-	-	-	-	-	20,791.82
Transfer from retained earnings to general reserve	-	15,000.00	(15,000.00)	-	-	-	-	-	-
Transfer on account of depreciation on amount added on Revaluation of Property , Plant & Equipment	-	660.44	-	-	-	(660.44)	-	-	-
Adjustment on account of dividend [Refer Note 50]	-	-	67.67	-	-	-	-	-	67.67
Dividend Paid	-	-	(273.64)	-	-	-	-	-	(273.64)
Remeasurements of post-employment benefit obligations	-	-	(2,161.58)	-	-	-	-	-	(2,161.58)
Changes in Fair Value of equity instruments designated at FVTOCI	-	-	-	-	-	-	2,385.06	-	2,385.06
Amount adjusted during the year	-	-	-	-	-	-	-	(456.20)	(456.20)
As at 31 March 2018	**11,053.58**	**98,640.10**	**43,192.76**	**201.68**	**21,103.17**	**33,873.72**	**8,904.14**	**(2,958.41)**	**212,116.79**

Nature and Purpose of Other Reserves

a) Capital Reserve

Represents the amount transferred from the transferor Parent Company pursuant to Scheme of Arrangement effected in earlier years.

b) Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act.,2013

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c) General Reserve

General Reserve is created and utilised in compliance with the provisions of the Act.

d) Other Reserves

Represents the balance amount of reserve which had arisen on transfer of Bulk Tea Division of Eveready Industries India Limited pursuant to scheme of arrangement.

e) Retained Earnings

Retained earnings represent accumulated profits earned by the Group and remaining undistributed as on date and remeasurement of defined benefit plans.

f) Revaluation Surplus

Revaluation Surplus, being the excess of market value over the carrying value of certain assets is transferred from the transferor companies pursuant to the Schemes of Arrangement. The said reserve is utilised for adjustment of depreciation attributable to such excess amount and credited to general reserve.

g) Equity Investments through FVTOCI

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

h) Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

19 NON CURRENT BORROWINGS

Rs. Lakhs

	31st March 2018	31st March 2017
SECURED		
Term Loans from Banks		
ICICI Bank Limited	4,988.93	6,978.82
Less : Current maturities of long term debts	(1,993.13)	(1,989.89)
	2,995.80	**4,988.93**
a) Nature of Security		
Secured by first pari passu charge of certain tea estates by way of mortgage over immovable fixed assets and hypothecation of movable fixed assets of the Parent Company.		
b) Rate of Interest		
Interest is payable on monthly basis at base rate plus 0.40% p.a.		
c) Terms of Repayment		
Ten (31.03.2017-Fourteen) equal quarterly installmentss of Rs. 500 Lakhs each.		
ICICI Bank Limited	8,838.64	-
Less : Current maturities of long term debts	(1,937.75)	-
	6,900.89	**-**

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Rs. Lakhs

		31st March 2018	31st March 2017
a)	Nature of Security		
	Secured by first pari passu charge of certain tea estates by way of mortgage over immovable fixed assets and hypothecation of movable fixed assets of the Parent Company.		
b)	Rate of Interest		
	Interest is payable on monthly basis at 1 year MCLR plus 1.20% p.a		
c)	Terms of Repayment		
	Repayable in eighteen equal quarterly installments of Rs. 500 Lakhs each.		
HDFC Bank Limited		5,988.68	8,974.90
	Less : Current maturities of long term debts	(2,991.63)	(2,986.22)
		2,997.05	**5,988.68**
a)	Nature of Security		
	Secured by extension of exclusive charge over certain tea estates		
b)	Rate of Interest		
	Interest is payable on monthly basis at HDFC bank base rate plus 0.30% p.a.		
c)	Terms of Repayment		
	Eight (31.03.2017 - Twelve) equal quarterly installmentss of Rs. 750 Lakhs each		
ICICI Bank UK Plc		8,009.55	10,570.47
	Less : Current maturities of long term debts	(2,685.79)	(2,655.82)
		5,323.76	**7,914.65**
a)	Nature of Security		
	Secured by a first ranking charge over the shares of a Subsidiary Company and a floating debenture charge over all the assets of a Subsidiary Company excluding investments in Parent undertaking.		
b)	Rate of Interest		
	Interest is payable at 3 Months Dow Jones libor plus 3% .		
c)	Terms of Repayment		
	Repayable in six half yearly equal installments (31.03.2017 - eight)		
HDFC Bank Limited		-	999.41
	Less : Current maturities of long term debts	-	(999.41)
a)	Nature of Security		
	Secured by equitable mortgage of certain tea estates on an exclusive basis		
b)	Rate of Interest		
	Interest is payable on quarterly basis at base rate plus 0.05% p.a.		
c)	Terms of Repayment		
	Nil (31.03.2017 - Two) equal quarterly installmentss of Rs. 500 Lakhs each		
RBL Bank		9,960.44	-
	Less : Current maturities of Long term debt	(3,960.44)	-
		6,000.00	**-**
a)	Nature of Security		
	Subservient charge by way of hypothecation/mortgage over the fixed assets of the company both present and future.		
b)	Rate of Interest		
	Interest is payable on monthly basis at RBL Bank's 1 year MCLR plus 1.10%		
c)	Terms of Repayment		
	Repayable in ten equal quarterly installments commencing from April ,2018 of Rs. 100 Lakhs each		

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Rs. Lakhs

		31st March 2018	31st March 2017
Yes Bank		**4,898.96**	**-**
	Less : Current maturities of Long term debt	(898.89)	-
a)	Nature of Security	4,000.07	-
	Exclusive charge by way of equitable mortgage on certain tea estates and subservient charge on entire current assets and movable fixed assets of the Parent Company.		
b)	Rate of Interest		
	Interest is payable on monthly basis at 1 year MCLR plus 1.15%		
c)	Terms of Repayment		
	Repayable in sixteen equal quarterly installments commencing from August ,2018 of Rs. 312.50 lakhs each		
Yes Bank		2,391.18	-
	Less : Current maturities of Long term debt	-	-
		2,391.18	**-**
a)	Nature of Security		
	Exclusive charge by way of equitable mortgage on certain tea estates and subservient charge on entire current assets and movable fixed assets of the Parent Company.		
b)	Rate of Interest		
	Interest is payable on monthly basis at 1 year MCLR.		
c)	Terms of Repayment		
	Repayable in fourteen equal quarterly installments commencing from February ,2022 of Rs. 178.50 lakhs each		
Yes Bank		7,324.24	-
	Less : Current maturities of Long term debt	(493.65)	-
		6,830.59	**-**
a)	Nature of Security		
	Exclusive charge by way of equitable mortgage on certain tea estates and subservient charge on entire current assets and movable fixed assets of the Parent Company.		
b)	Rate of Interest		
	Interest is payable on monthly basis at 1 year MCLR plus 1.15%		
c)	Terms of Repayment		
	Repayable in twenty eight equal quarterly installments commencing from December ,2018 of Rs. 267.80 lakhs each		
Term Loan from Others			
Housing Development Finance Corporation Limited		3,744.27	4,575.29
	Less : Current maturities of Long term debt	(918.77)	(832.81)
		2,825.50	3,742.48
a)	Nature of Security		
	Secured by mortgage of property at Registered Office,Kolkata and certain tea estates.		
b)	Rate of Interest		
	Interest is payable on monthly basis at HDFC CPLR minus 6.75% p.a.		
c)	Terms of Repayment		
	Forty two (31.03.2017 - Fifty four) equated monthly installments (including interest) of Rs. 108.46 Lakhs each.		

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Rs. Lakhs

	31st March 2018	31st March 2017
Barclays Loan	646.77	-
Less : Current maturities of long term debts	(121.27)	-
a) Nature of Security	525.50	-
Secured by mortgage of land pertaining to certain tea estates in Uganda		
b) Rate of Interest		
3 month's LIBOR plus base rate		
c) Terms of Repayment		
Repayment of loan will commencing from 4th October, 2018 by way of five quarterly installments of USD 187,500.00 and six (i.e last) instalment of USD 62500.00 which is payable on 4th January, 2020		
	40,790.34	**22,634.74**

20 EMPLOYEE BENEFIT OBLIGATIONS

Rs. Lakhs

	31st March 2018		31st March 2017	
	Current	Non-Current	Current	Non-Current
Provision for Employee Benefits [Refer Note 40]	3,400.13	5,506.06	1,621.09	4,606.54
	3,400.13	**5,506.06**	**1,621.09**	**4,606.54**

21 DEFERRED TAX LIABILITIES (NET)

Rs. Lakhs

	31st March 2018	31st March 2017
Deferred Tax Liability		
The balance comprises temporary differences attributable to:		
i) Property, Plant and Equipment and Other Intangible Assets	31,154.22	31,258.02
ii) Financial Assets at Fair Value through Profit or Loss	-	102.88
iii) Other Items	322.10	26.94
Deferred Tax Liabilities (A)	**31,476.32**	**31,387.84**
Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
i) Losses under Agricultural Income Tax	8,624.15	5,748.63
ii) Items allowed for tax purpose on payment	2,512.36	1,825.31
iii) Allowance for Doubtful Debts, Advances etc.	1,448.08	1,356.19
iv) Minimum Alternate Tax Credit Entitlement	3,078.54	3,608.19
v) Other Items	647.52	340.26
Deferred Tax Assets (B)	**16,310.65**	**12,878.58**
Net Deferred Tax Liabilities (A-B)	**15,165.67**	**18,509.26**

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Movement in Deferred tax liabilities

Particulars	Property , Plant and Equipment	Losses under Agricultural Income Tax	Items Allowed for tax purpose on payment	Provision for Doubtful debts, Advances etc.	Other items	Financial Assets at FVTOCI	Financial Assets at FVTPL	Total
At 1st April 2016	30373.55	(1940.84)	(1520.11)	(1387.94)	(45.19)	69.89	87.8	25637.16
Charged /(credited)								
- to profit or loss*	884.47	(3807.79)	(247.21)	31.75	(268.13)	(69.89)	15.08	(3461.72)
- to other comprehensive income	-	-	(57.99)	-	-	-	-	(57.99)
At 31st March 2017	**31258.02**	**(5748.63)**	**(1825.31)**	**(1356.19)**	**(313.32)**	**-**	**102.88**	**22117.45**
Less: Minimum Alternate Tax Credit Entitlement								(3,608.19)
Net Deferred Tax Liabilities								18509.26
At 1st April 2017	31258.02	(5748.63)	(1825.31)	(1356.19)	(313.32)	-	102.88	22117.45
Charged /(credited)								
- to profit or loss	(103.80)	(2875.52)	285.92	(91.89)	(12.1)	-	(102.88)	(2900.27)
- to other comprehensive income			(972.97)					(972.97)
At 31st March 2018	**31154.22**	**(8624.15)**	**(2512.36)**	**(1448.08)**	**(325.42)**	**-**	**-**	**18244.21**
Less: Minimum Alternate Tax Credit Entitlement								(3,078.54)
Net Deferred Tax Liabilities								**15,165.67**

* Includes Rs. 69.26 lakhs (31.03.2017 - Rs. 150.93 lakhs) on account of foreign exchange adjustments.

22 OTHER NON-CURRENT LIABILITES

Rs. Lakhs

	31st March 2018	31st March 2017
Deferred Revenue arising from Government Grants	534.40	373.88
	534.40	**373.88**

23 CURRENT BORROWINGS

Rs. Lakhs

	31st March 2018	31st March 2017
Secured Loans repayable on demand from Banks		
Cash Credit, Packing Credit and Demand Loans	26,285.76	51,977.92
Nature of Security		
Secured by equitable first mortgage by way of deposit of title deeds of immovable properties of certain tea estates ranking pari passu and hypothecation of tea crop, movable properties and book-debts, present and future of the Company.		
Secured Loans - Short Term - Axis Bank	10,000.00	-
Nature of Security		
Exclusive charge by way of equitable mortgage on certain tea estates		
Unsecured		
Short-term Loan from a bank	16,000.00	9,500.00
	52,285.76	**61,477.92**

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24 TRADE PAYABLES

Rs. Lakhs

	31st March 2018	31st March 2017
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises [Refer Note 54]	-	-
b) Total outstanding dues other than micro enterprises and small enterprises	12,661.06	11,661.54
	12,661.06	**11,661.54**

25 OTHER FINANCIAL LIABILITIES

Rs. Lakhs

	31st March 2018		31st March 2017	
	Current	Non-Current	Current	Non-Current
Current maturities of long-term debts	16,001.33	-	9,464.15	-
Interest accrued but not due on borrowings	163.55	-	129.52	-
Unpaid Dividends [Refer (a) below]	351.62	-	397.27	-
Unclaimed Fractional Share Sale Proceeds	0.16	-	0.17	-
Deposits Received from Agents	108.09	-	123.09	-
Employee Benefits Payable	10,659.20	-	8,792.12	331.62
Capital Liabilities	89.24	-	8.80	-
Payable for Bill Discounting	1,458.25	-	1,619.65	-
Derivative not designated as hedges	332.52	-	34.28	-
Sitting fees payable to Non- Executive Directors	3.00	-	-	-
	29,166.96	**-**	**20,569.05**	**331.62**

(a) There are no amounts due for payment to the Investor Education and Protection Fund as at the year end

26 PROVISIONS

Rs. Lakhs

	31st March 2018	31st March 2017
Provision for Tax on Proposed Dividend [Refer Note 52 (b)]	344.77	344.77
	344.77	**344.77**

27 CURRENT TAX LIABILITIES (NET)

Rs. Lakhs

	31st March 2018	31st March 2017
Provision for Income Tax (Net of Advance Tax)	4,485.36	3,219.86
	4,485.36	**3,219.86**

28 OTHER CURRENT LIABILITIES

Rs. Lakhs

	31st March 2018	31st March 2017
Advances from Customers / Selling Agents	29.03	363.15
Statutory Liabilities	840.56	1,371.51
	869.59	**1,734.66**

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29 REVENUE FROM OPERATIONS

Rs. Lakhs

	31st March 2018	31st March 2017
Sale of Products - Tea	202,200.40	177,643.31
Other Operating Revenues		
Consultancy Fees	300.17	348.54
Government Gransts		
Subsidy on Orthodox Tea	146.02	106.68
Replantation Subsidy	386.78	761.27
Transport Subsidy	326.47	245.11
Subsidy- Capital Items	27.65	18.68
Profit on Compulsory acquisition of Leasehold Land by Government	494.79	6,762.74
Accrued duty exemption entitlement and other benefits relating to exports	1,647.03	1,195.80
	205,529.31	**187,082.13**

Government grants are related to certain incentives being made available by the Government of India for Tea Industry. There are certain grants which relate to the period prior to 1st April 2016. There are no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of government assistance.

30 OTHER INCOME

Rs. Lakhs

	31st March 2018	31st March 2017
Interest Income from Financial assets carried at amortised cost		
On Deposits	614.75	456.79
On Loans	13,534.94	9,264.78
Interest Income on Tax Refunds	58.82	157.06
Dividend income from equity investments measured at fair value through other comprehensive income	16.96	33.60
Insurance Claims	248.79	199.23
Sundry Income [Refer (a) below]	1,442.30	5,366.45
Profit on Disposal of Property, Plant and Equipment (Net)	0.47	1,729.15
Profit on Sale of Investments [Refer (b) below]	19,881.74	*
Allowance for bad and doubtful accrued interest no longer required written back	349.74	-
Liabilities no Longer Required Written Back	53.08	136.48
Net Gain on Foreign Currency Transaction and Translation	2,981.82	167.76
Fair Value Gain on Derivatives (Net)	-	866.33
	39,183.41	**18,377.63**

(a) Sundry Income includes Rs. 1108.00 lakhs (31.03.2017 Rs.4824.24 lakhs) being receivables written off by predecessor companies now recovered.

(b) Profit on sale of shares of the parent company, held through a trust by a wholy-owned foreign subsidiary

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

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31 COST OF MATERIALS CONSUMED

Rs. Lakhs

	31st March 2018	31st March 2017
Green Leaf (Consumed)	28,884.46	27,465.50
	28,884.46	**27,465.50**

32 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Rs. Lakhs

	31st March 2018	31st March 2017
Stock of Tea at the beginning of the year	14,349.43	13,899.22
Less: Stock of Tea at the end of the year	(13,822.43)	(14,349.43)
Decrease/(Increase)	**527.00**	**(450.21)**

33 EMPLOYEE BENEFITS EXPENSE

Rs. Lakhs

	31st March 2018	31st March 2017
Salaries and Wages	71,882.34	66,526.03
Contribution to Provident and Other Funds	8,822.64	8,081.18
Staff Welfare Expenses	9,970.23	9,370.00
	90,675.21	**83,977.21**

34 FINANCE COSTS

Rs. Lakhs

	31st March 2018	31st March 2017
Interest Expense		
On financial liabilities measured at amortised cost	17,111.34	6,073.45
Other borrowing cost	926.14	7,516.09
	18,037.48	**13,589.54**

35 DEPRECIATION AND AMORTISATION EXPENSE

Rs. Lakhs

	31st March 2018	31st March 2017
Depreciation on Property, Plant and Equipment	9,775.48	9,876.99
Amortisation of Other Intangible Assets	446.90	476.20
	10,222.38	**10,353.19**

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36 OTHER EXPENSES

Rs. Lakhs

	31st March 2018	31st March 2017
Consumption of Stores and Spare Parts	8,540.97	9,031.92
Consumption of Packing Materials	1,931.55	1,846.75
Power and Fuel	22,582.32	20,799.11
Rent	130.94	167.94
Lease Rent	78.66	109.68
Repairs - Buildings	2,410.15	1,929.07
- Machinery	4,672.36	4,066.72
- Others	1,913.33	1,665.92
Insurance	1,034.60	1,008.83
Rates and Taxes	923.34	598.05
Cess on Tea	104.12	432.13
Green Leaf Cess	1,163.09	1,077.03
Travelling	1,484.35	1,318.21
Legal and Professional Fees	1,840.30	1,457.18
Freight, Shipping and Selling Expenses	9,753.06	9,464.91
Brokerage on Sales	875.30	849.69
Selling Agents' Commission	254.88	477.31
Expenditure towards Corporate Social Responsibility (CSR) activities [Refer Note 56]	17.94	197.93
Loss on disposal of Property Plant and Equipment (Net)	971.48	-
Prov. For Diminution In value of Investment	-	76.51
Allowance for Doubtful Debts	138.81	-
Fair Value Loss on Derivatives (Net)	1,469.61	-
Changes in Fair Value of Biological Assets	(193.01)	26.39
Miscellaneous Expenses	4,486.47	3,927.35
	66,584.62	**60,528.63**

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37 INTEREST IN OTHER ENTITIES

(a) Interest in Subsidiaries

The Group's subsidiaries at 31st March, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

	Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non controlling interests		Principal Activities
			31st March 2018	31st March 2017	31st March 2018	31st March 2017	
			%	%	%	%	
i)	Borelli Tea Holdings Limited (BTHL)	United Kingdom	100	100	-	-	Investment
ii)	Phu Ben Tea Company Limited (Phu Ben)	Vietnam	100	100	-	-	Cultivation and Manufacturing of Tea
iii)	Rwenzori Tea Investments Limited (RTIL) (Amalgamated with McLeod Russel Uganda Limited during the year 2016-17)	Uganda	-	-	-	-	Investment
iv)	McLeod Russel Uganda Limited (MRUL)	Uganda	100	100	-	-	Cultivation and Manufacturing of Tea
v)	Gisovu Tea Company Limited (GTCL)	Rwanda	60	60	40	40	Cultivation and Manufacturing of Tea
vi)	McLeod Russel Middle East DMCC (MRME)	United Arab Emirates	100	100	-	-	Trading in Black Tea
vii)	McLeod Russel Africa Limited (MRAL)	Kenya	100	100	-	-	Trading in Black Tea
viii)	Pfunda Tea Company Limited (PTCL)	Rwanda	90	90	10	10	Cultivation and Manufacturing of Tea

(b) Interest in Associate

Set out below is the associate of the Group as at 31st March, 2018, which has share capital consisting solely of equity shares and are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. The associate has incurred losses in the current year and previous reporting periods. The amount of investment held by the Group has been fully impaired in the past. Hence, no further accounting under equity method has been done in the Consolidated Financial Statements.

	Name of entity	Place of business/country of incorporation	Proportion of Ownership		Carrying Amount	
			31st March 2018	31st March 2017	31st March 2018	31st March 2017
			%	%	Rs. Lakhs	Rs. Lakhs
i)	D1 Williamson Magor Bio Fuel Limited	India	34.30%	34.30%	-	-

(c) Changes in Group Structure

During the previous year ended 31st March, 2017, the following changes in Group Structure have taken place and the same have been appropriately dealt with in the Consolidated Financial Statements:

By virtue of a 'Scheme of Amalgamation' filed on 16th March 2016 which was certified by the Registrar of Companies Rwanda, Rwenzori Tea Investments Limited (subsidiary of Borelli Tea Holdings Limited) was amalgamanted with its subsidiary McLeod Russel Uganda Limited.

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38. SCHEMES OF AMALGAMATION/SCHEME OF ARRANGEMENT GIVEN EFFECT TO IN EARLIER YEARS

Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Schemes, such assets and liabilities remain included in the books of the Parent Company under the name of the transferor companies (including other companies which were amalgamated with the transferor companies from time to time).

39. EMPLOYEE BENEFITS

I. Provident Fund and Other Plans

During the year an amount of Rs 7096.68 lakhs (31st March 2017 - Rs. 6622.81 lakhs) has been recognised as expenditure towards Defined Contribution plans of the Group.

Provident Fund:

Contributions towards provident funds are recognised as expense for the year. The Parent Company has set up Provident Fund Trusts in respect of certain categories of employees which is administered by Trustees. Both the employees and the parent Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Parent Company.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the balance sheet date as per the principle laid down in Ind AS 19 issued by Ministry of corporate affairs and guidelines GN26 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Parent Company as at the balance sheet date. Further during the year, the Parent Company's contribution of Rs. 393.33 lakhs (31st March 2017 – Rs. 366.44 lakhs) to the Provident Fund Trust has been expensed under the 'Contribution to Provident and Other Funds'. Disclosures given hereunder are restricted to the information available as per the Actuary's report.

II. Post Employment Defined Benefit Plans:

a) Gratuity (Funded)

The Parent Company's gratuity scheme, a defined benefit plan is as per the Payment of Gratuity Act, 1972, covers the eligible employees and is administered through certain gratuity fund trusts. Such gratuity funds, whose investments are managed by insurance companies/ trustees themselves, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit of Rs. 20.00 lakhs. Vesting occurs upon completion of five years of service. The amount of gratuity payable is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

b) Superannuation (Funded)

The Parent Company's Superannuation scheme, a Defined Benefit plan, is administered through trust funds and covers certain categories of employees. Investments of the funds are managed by insurance companies /trustees themselves. Benefits under these plans had been frozen in earlier years with regard to salary levels then prevailing. Upon retirement, death or cessation of employment, Superannuation Funds purchase annuity policies in favour of vested employees or their spouses to secure periodic pension. Such superannuation benefits are based on respective employee's tenure of employment and salary.

c) Staff Pension – Type A (Funded)

The Parent Company's Staff Pension Scheme – Type A, a Defined Benefit plan, is administered through a trust fund and covers certain categories of employees. Investments of the fund are

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managed by Life Insurance Corporation of India. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

d) Staff Pension – Type B (Unfunded)

The Parent Company's Staff Pension Scheme – Type B, a Defined Benefit plan, covers certain categories of employees. Pursuant to the scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death or cessation of service based on the respective employee's salary and tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service.

e) Medical Insurance Premium Re-imbursement (Unfunded)

The Parent Company has a scheme of re-imbursement of medical insurance premium to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit. The Parent Company has introduced a scheme of re-imbursement of medical expenses to a certain category of employees up to a certain monetary limit. The scheme is in the nature of Defined Benefit plan.

f) Expatriate Pension (Unfunded)

The Parent Company has an informal practice of paying pension to certain categories of retired expatriate employees and in certain cases to their surviving spouses. The scheme is in the nature of Defined Benefit plan.

g) Gratuity Plan (Unfunded) in respect of MRUL, a subsidiary company:

MRUL's terms and conditions of employment provide for a gratuity to Ugandan nationals employed by the company. The gratuity is payable after completion of five years' service upon resignation, retirement or termination and on condition that the employee leaves honourably. The gratuity is calculated at twenty working days per year of service for employees with five to ten years service and thirty working days per year of service for those with more than ten years service. The provision takes account of service rendered by employees up to the balance sheet date and is based on actuarial valuation.

h) Gratuity Plan (Unfunded) in respect of MRME, a subsidiary company:

Provision is made for end-of-service gratuity payable to the staff at the balance sheet date in accordance with United Arab Emirates labour law.

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The following tables set forth the particulars in respect of aforesaid Defined Benefit plans of the Company for the year ended 31st March 2018 and corresponding figures for the previous year:

Rs. Lakhs

	For the year ended 31st March, 2018						
	Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)	Gratuity Fund (MRUL) (Unfunded)
I Components of Employer Expense							
- Recognised in Profit or Loss							
1 Current Service Cost	1,283.45	-	96.38	958.16	-	-	29.41
2 Past Service Cost	247.31	-	-	-	-	-	-
3 Net Interest Cost	(254.39)	(98.39)	48.56	328.12	34.80	0.92	42.49
4 Total expense recognised in the Statement of Profit and Loss	1,276.37	(98.39)	144.94	1,286.28	34.80	0.92	71.90
- Re-measurements recognised in Other Comprehensive Income							
5 Return on plan assets (excluding amounts included in Net interest cost)	290.45	14.45	(2.29)	-	-	-	-
6 Effect of changes in demographic assumptions	-	-	-	-	-	-	-
7 Effect of changes in financial assumptions	(290.39)	(15.32)	(23.82)	(44.66)	(6.92)	(2.50)	42.01
8 Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-
9 Effect of experience adjustments	2,465.87	(53.82)	(73.15)	773.66	(0.62)	14.72	75.26
10 Total re-measurements included in Other Comprehensive Income	2,465.93	(54.69)	(99.26)	729.00	(7.54)	12.22	117.27
11 **Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)**	**3,742.30**	**(153.08)**	**45.68**	**2,015.28**	**27.26**	**13.14**	**189.17**

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Rs. Lakhs

		For the year ended 31st March, 2017						
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)	Gratuity Fund (MRUL) (Unfunded)
I	**Components of Employer Expense - Recognised in Profit or Loss**							
1	Current Service Cost	1,266.87	-	81.95	872.44	-	-	23.76
2	Past Service Cost	-	-	-	-	-	-	-
3	Net Interest Cost	(204.98)	(92.39)	27.73	269.29	32.37	1.43	44.19
4	Total expense recognised in the Statement of Profit and Loss	1,061.89	(92.39)	109.68	1,141.73	32.37	1.43	67.95
	- Re-measurements recognised in Other Comprehensive Income							
5	Return on plan assets (excluding amounts included in Net interest cost)	(469.13)	(93.86)	0.37	-	-	-	-
6	Effect of changes in demographic assumptions	-	-	-	-	-	-	-
7	Effect of changes in financial assumptions	311.57	24.48	44.61	96.18	10.05	3.30	(21.32)
8	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-
9	Effect of experience adjustments	380.53	49.94	94.17	(334.48)	21.21	6.98	58.28
10	Total re-measurements included in Other Comprehensive Income	222.97	(19.44)	139.15	(238.30)	31.26	10.28	36.96
11	**Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)**	**1,284.86**	**(111.83)**	**248.83**	**903.43**	**63.63**	**11.71**	**104.91**

Rs. Lakhs

		As on 31st March, 2018						
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Unfunded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)	Gratuity Fund (MRUL) (Unfunded)
II	**Net Asset/(Liability) recognised in Balance Sheet**							
1	Present Value of Defined Benefit Obligation	16,810.00	1,441.00	688.92	6,151.92	464.23	17.94	397.79
2	Fair Value of Plan Assets	17,689.99	2,850.39	11.00	-	-	-	-
3	Status [Surplus/(Deficit)]	879.99	1,409.39	(677.92)	(6,151.92)	(464.23)	(17.94)	(397.79)
4	Restrictions on Asset Recognised	-	-	-	-	-	-	-

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Rs. Lakhs

		As on 31st March, 2017						
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Unfunded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)	Gratuity Fund (MRUL) (Unfunded)
II	**Net Asset/(Liability) recognised in Balance Sheet**							
1	Present Value of Defined Benefit Obligation	14,345.74	1,451.26	643.47	4,385.91	466.89	19.29	331.62
2	Fair Value of Plan Assets	16,708.42	2,703.70	11.23	-	-	-	-
3	Status [Surplus/(Deficit)]	2,362.68	1,252.44	(632.24)	(4,385.91)	(466.89)	(19.29)	(331.62)
4	Restrictions on Asset Recognised	-	-	-	-	-	-	-

Rs. Lakhs

		For the year ended 31st March, 2018						
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)	Gratuity Fund (MRUL) (Unfunded)
III	**Change in Defined Benefit Obligation (DBO)**							
1	Present Value of DBO at the beginning of the year	14,345.74	1,451.26	643.47	4,385.91	466.89	19.29	331.62
2	Current Service Cost	1,283.45	-	96.38	958.16	-	-	29.41
3	Past Service Cost	247.31	-	-	-	-	-	-
4	Interest Cost	1,017.63	109.78	49.42	328.12	34.79	0.92	42.49
5	**Remeasurement gains / (losses):**							
a.	Effect of changes in demographic assumptions	-	-	-	-	-	-	-
b.	Effect of changes in financial assumptions	(290.39)	(15.32)	(23.82)	(44.66)	(6.92)	(2.50)	42.01
c.	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-
d.	Effect of experience adjustments	2,465.87	(53.82)	(73.15)	773.66	(0.62)	14.72	75.26
6	Curtailment Cost / (Credits)	-	-	-	-	-	-	-
7	Settlement Cost / (Credits)	-	-	-	-	-	-	-
8	Liabilities assumed in business combination	-	-	-	-	-	-	-
9	Exchange difference on foreign plans	-	-	-	-	-	-	-
10	Benefits Paid	(2,259.61)	(50.90)	(3.38)	(249.27)	(29.91)	(14.49)	(123.00)
11	**Present Value of DBO at the end of the year**	**16,810.00**	**1,441.00**	**688.92**	**6,151.92**	**464.23**	**17.94**	**397.79**

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Rs. Lakhs

		For ther year ended 31st March, 2017						
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)	Gratuity Fund (MRUL) (Unfunded)
III	**Change in Defined Benefit Obligation (DBO)**							
1	Present Value of DBO at the beginning of the year	13,287.99	1,463.48	420.15	3,698.51	431.79	30.59	297.85
2	Current Service Cost	1,266.87	-	81.95	872.44	-	-	23.76
3	Past Service Cost	-	-	-	-	-	-	-
4	Interest Cost	928.00	102.65	30.47	269.29	32.37	1.43	44.19
5	**Remeasurement gains / (losses):**							
a.	Effect of changes in demographic assumptions	-	-	-	-	-	-	
b.	Effect of changes in financial assumptions	311.57	24.48	44.61	96.18	10.05	3.30	(21.32)
c.	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-
d.	Effect of experience adjustments	380.53	49.94	94.17	(334.48)	21.21	6.98	58.28
6	Curtailment Cost / (Credits)	-	-	-	-	-	-	-
7	Settlement Cost / (Credits)	-	-	-	-	-	-	-
8	Liabilities assumed in business combination	-	-	-	-	-	-	-
9	Exchange difference on foreign plans	-	-	-	-	-	-	-
10	Benefits Paid	(1,829.22)	(189.29)	(27.88)	(216.03)	(28.53)	(23.01)	(71.14)
11	**Present Value of DBO at the end of the year**	**14,345.74**	**1,451.26**	**643.47**	**4,385.91**	**466.89**	**19.29**	**331.62**

Rs. Lakhs

		As at 31st March, 2018	As at 31st March, 2017
IV	**Best Estimate of Employers' Expected Contribution for the next year**		
	- Gratuity	2,437.21	2,035.31
	- Superannuation	4.22	3.86
	- Staff Pension Fund	-	-

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Rs. Lakhs

		For the year ended 31st March, 2018						
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)	Gratuity Fund (MRUL) (Unfunded)
V	**Change in Fair Value of Assets**							
1	Plan Assets at the beginning of the year	16,708.42	2,703.70	11.23	-	-	-	-
2	Asset acquired in Business Combination	-	-	-	-	-	-	-
3	Interest Income	1,272.02	208.17	0.86	-	-	-	-
4	Remeasurement Gains / (Losses) on plan assets	(290.45)	(14.45)	2.29	-	-	-	-
5	Actual Company Contributions	2,259.61	3.87	-	-	-	-	-
6	Benefits Paid	(2,259.61)	(50.90)	(3.38)	-	-	-	-
7	**Plan Assets at the end of the year**	**17,689.99**	**2,850.39**	**11.00**	**-**	**-**	**-**	**-**

Rs. Lakhs

		For ther year ended 31st March, 2017						
		Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)	Gratuity Fund (MRUL) (Unfunded)
V	**Change in Fair Value of Assets**							
1	Plan Assets at the beginning of the year	15,106.31	2,600.53	36.74	-	-	-	-
2	Asset acquired in Business Combination	-	-	-	-	-	-	-
3	Interest Income	1,132.98	195.04	2.74	-	-	-	-
4	Remeasurement Gains / (Losses) on plan assets	469.13	93.86	(0.37)	-	-	-	-
5	Actual Company Contributions	1,829.22	3.56	-	-	-	-	-
6	Benefits Paid	(1,829.22)	(189.29)	(27.88)	-	-	-	-
7	**Plan Assets at the end of the year**	**16,708.42**	**2,703.70**	**11.23**	**-**	**-**	**-**	**-**

		As at 31st March, 2018		As at 31st March, 2017	
		Discount Rate (%)	Return on Plan Assets (%)	Discount Rate (%)	Return on Plan Assets (%)
VI	**Actuarial Assumptions**				
1	Gratuity	7.70	7.70	7.50	7.50
2	Superannuation	7.70	7.70	7.50	7.50
3	Staff Pension Type A	7.70	7.70	7.50	7.50
4	Staff Pension Type B	7.70	-	7.50	-
5	Medical Benefit Liability	7.70	-	7.50	-
6	Expatriate Pension	7.70	-	7.50	-
7	Gratuity Fund (MRUL)	15.41	-	16.85	-

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

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	As at 31st March, 2018		As at 31st March, 2017	
	Amount (Rs. Lakhs)	%	Amount (Rs. Lakhs)	%
VII Major Category of Plan Assets as a % of the Total Plan Assets				
1 Government Bonds	45.11	0.22	44.49	0.23
2 Investment with Life Insurance Corporation of India	3,086.28	15.02	2,866.22	14.76
3 Investment with Other Insurance Companies	17,339.22	84.37	16,418.16	84.53
4 Cash and Cash Equivalents	80.77	0.39	94.48	0.48
Total	20,551.38	100.00	19,423.35	100.00

Plan assets represent investment in various categories. The return on amounts invested with LIC is declared annually by them. Return on amounts invested with Insurance companies, other than LIC, is mostly by way of Net Asset Value declared on units purchased, with some schemes declaring returns annually. Investment in Bonds and Special Deposit carry a fixed rate of interest. The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risk of asset management and other relevant factors.

VIII. Sensitivity Analysis

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

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

	Impact on Defined Benefit Obligations As on 31st March, 2018					
	Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
	%	%	%	%	%	%
Increase in Assumption by 0.50%						
1 Discount Rate	(3.09)	(1.38)	(1.45)	(2.32)	(1.56)	(1.69)
2 Salary Growth Rate	3.43	-	1.11	2.45	0.08	-
3 Attrition Rate	0.15	-	0.15	0.07	0.05	-
Decrease in Assumption by 0.50%						
1 Discount Rate	3.30	1.45	1.56	2.46	1.63	1.62
2 Salary Growth Rate	(3.23)	-	(0.89)	(2.33)	(0.08)	-
3 Attrition Rate	(0.15)	-	(0.15)	(0.07)	(0.05)	-

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	Impact on Defined Benefit Obligations As on 31st March, 2017					
	Gratuity (Funded)	Superannuation (Funded)	Staff Pension Type A (Funded)	Staff Pension Type B (Unfunded)	Medical Benefit Liability (Unfunded)	Expatriate Pension (Unfunded)
	%	%	%	%	%	%
Increase in Assumption by 0.50%						
1 Discount Rate	(3.53)	(1.28)	(1.62)	(2.05)	(1.46)	(1.85)
2 Salary Growth Rate	3.53	-	0.27	0.51	1.16	-
3 Attrition Rate	0.10	-	1.03	1.53	0.15	-
Decrease in Assumption by 0.50%						
1 Discount Rate	3.80	1.37	1.70	2.16	1.53	1.56
2 Salary Growth Rate	(3.28)	-	(0.27)	(0.51)	(1.05)	-
3 Attrition Rate	(0.10)	-	(0.75)	(1.46)	(0.15)	-

Gratuity Fund of MRUL

	Change in Assumption		Impact on Defined Benefit Obligations: Increase in Assumption		Decrease in Assumption	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
	%	%	%	%	%	%
Discount Rate	1.00	1.00	6.64	5.78	(8.54)	(5.89)

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

Asset volatility
The plan liabilities are calculated using a discount rate set with reference to bond yields: if plan assets underperform this yield, this will create a deficit. The plan asset investments is in bonds, special deposit, LIC and other insurance companies. The Group has a risk management strategy where the aggregate amount of risk exposure on a portfolio is maintained at a fixed range. Any deviation from the range are corrected by rebalancing the portfolio. The Group intends to maintain the above investment mix in the continuing years.

Changes in yields
A decrease in yields will increase plan liabilities.

Life Expectancy
The pension and medical plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in the increase in the plans liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefits plans. Within this framework, the group's ALM objective is to match assets to the pension obligations by investing in long-term securities with maturities that match the benefit payments as they fall due.

The group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The group has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

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The average duration of liabilities for all the funds is as follows :

Particulars	31st March 2018 No. of Years	31st March 2017 No. of Years
Defined benefit obligation		
Gratuity Fund (Funded)- Parent Company		
McLeod Russel India Limited Employees Gratuity Fund	15	15
The Moran Tea Company India Limited Employees Gratuity Fund	19	17
George Williamson (Assam) Limited Employees Group Gratuity Fund	17	17
Doom Dooma Tea Employees Gratuity Fund	15	15
The Bisnauth Tea Company Limited Employees Group Gratuity fund	16	16
Gratuity Fund (Unfunded)- Subsidiary		
McLeod Russel Uganda Limited	6	5
Superannuation Fund (Funded)		
Doom Dooma Tea Management Employees Pension Fund	6	6
George Williamson (Assam) Limited Superannuation Fund	3	3
Williamson Magor & Company Limited Superannuation Fund	5	5
McLeod Russel India Limited Superannuation Fund	5	5
Staff Pension Fund Type A (Funded)		
Doom Dooma India Limited Staff Pension Fund	7	10
Staff Pension Fund Type B (Unfunded)		
McNeil & Magor and McLeod Russel Group	10	10
Moran Tea Company Limited.	10	10
Medical Benefit Liability (Unfunded)		
McLeod Russel India Limited	5	10
Expatriate Pension (Unfunded)		
McLeod Russel India Limited	6	6

Notes

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The expected maturity analysis of undiscounted pension, gratuity and post-employment medical benefits is as follows:

Rs. Lakhs

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31st March 2018					
Defined benefit obligation					
Funded					
Gratuity Fund - Parent Company	4,006.78	1,838.86	5,142.92	25,666.82	36,655.38
Superannuation Fund	944.33	165.69	262.97	423.27	1,796.26
Staff Pension Fund Type A	241.48	69.19	154.99	600.24	1,065.90
Unfunded					
Gratuity Fund - Subsidiary	33.29	32.34	177.93	17,381.77	17,625.33
Staff Pension Fund Type B	1,871.52	679.68	1,974.01	4,844.46	9,369.67
Medical Benefit Liability	247.78	216.23	583.29	1,049.82	2,097.12
Expatriate Pension	3.60	1.11	3.16	11.98	19.85
	7,348.78	**3,003.10**	**8,299.27**	**49,978.36**	**68,629.51**
31st March 2017					
Defined benefit obligation					
Funded					
Gratuity Fund - Parent Company	3,525.39	1,537.26	4,499.97	26,919.66	36,482.28
Superannuation Fund	924.91	180.18	412.40	668.45	2,185.94
Staff Pension Fund Type A	210.51	52.30	176.43	564.89	1,004.13
Unfunded					
Gratuity Fund - Subsidiary	31.26	24.37	163.00	19,449.97	19,668.60
Staff Pension Fund Type B	731.59	219.98	641.23	4,402.66	5,995.46
Medical Benefit Liability	84.59	15.89	84.12	292.48	477.08
Expatriate Pension	3.78	1.16	3.32	12.59	20.85
	5,512.03	**2,031.14**	**5,980.47**	**52,310.70**	**65,834.34**

40 CLASSIFICATION OF PROVISION/ADVANCE FOR EMPLOYEE BENEFITS

Rs. Lakhs

	Classified as Non-Current		Classified as Current	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Provision for Employee Benefits				
- Staff Pension	4,348.55	3,680.30	2,481.29	1,337.85
- Medical Benefit	225.47	436.22	238.76	30.67
- Expatriate Pension	14.48	15.64	3.46	3.65
- Gratuity Fund (MRUL)	397.79	331.62	-	-
- Other Employee Benefits	519.77	142.76	676.62	248.92
	5,506.06	**4,606.54**	**3,400.13**	**1,621.09**
Advance for Employee Benefits				
- Gratuity Fund	-	-	879.99	2,362.68
- Superannuation Fund	465.06	327.52	944.33	924.92
- Others	-	-	2.45	-
	465.06	**327.52**	**1,826.77**	**3,287.60**

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41. CONTINGENT LIABILITIES

a) Claims against the group not acknowledged as debts : -

Rs. Lakhs

	31st March 2018	31st March 2017
Electricity Dues	53.38	91.62
Excise Duty	10.75	10.75
Income Tax	97.88	97.88
Service Tax	1,010.58	1,010.58
Land Revenue	9.65	9.65
Disputed Labour Claims	51.27	27.27
Others	9.15	34.34

b) Bank Guarantees Rs.181.33 lakhs (31st March 2017 - Rs. 164.46 lakhs)

It is not practicable for the group to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the same.

The group does not expect any reimbursement in respect of the above contingent liabilities.

42. CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Rs. Lakhs

	31st March 2018	31st March 2017
Property, Plant and Equipment		
Commitment (Gross)	1,748.46	1,680.12
Advances against above commitments [Refer Note 10]	529.38	1,333.42
Commitment (Net)	1,219.08	346.70

43. RELATED PARTY DISCLOSURES AS PER IND AS-24

(a) Associate

D1 Williamson Magor Bio Fuel Limited

(b) Key Management Personnel

Mr. Brij Mohan Khaitan (BMK)	Chairman
Mr. Aditya Khaitan (AK)	Managing Director
Mr. Rajeev Takru (RT)	Wholetime Director
Mr. Azam Monem (AM)	Wholetime Director
Mr. Kamal Kishore Baheti (KKB)	Wholetime Director
Mr. Amritanshu Khaitan (AAK)	Non-Executive Director
Dr. Raghavachari Srinivasan (RAS)	Non-Executive Director
Mr. Bharat Bajoria (BB)	Non-Executive Director
Mr. Ranabir Sen (RS)	Non-Executive Director
Mr. Utsav Parekh (UP)	Non-Executive Director
Mrs. Ramni Nirula (RN)	Non-Executive Director
Mr. Padam Kumar Khaitan (PKK)	Non-Executive Director

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(c) Relatives of Key Management Personnel with whom transactions took place during the year.

Mr. Deepak Khaitan (DK) (died on 9th March, 2015)	Brother of Mr. Aditya Khaitan
Mrs. Kavita Khaitan (KK)	Wife of Mr. Aditya Khaitan
Mrs. Zubeena Monem (ZM)	Wife of Mr. Azam Monem

(d) Transactions with Key Management Personnel:

(i) Key Management Personnel Compensation:

Rs. Lakhs

	31st March 2018	Excess Recoverable (*)	Net	31st March 2017	Excess Recovered (**)	Net
Short- term employment benefits						
AK	384.98	263.01	121.97	369.89	375.18	(5.29)
RT	187.03	-	187.03	187.63	-	187.63
AM	186.97	-	186.97	186.97	-	186.97
KKB	186.23	-	186.23	186.66	-	186.66
	945.21	**263.01**	**682.20**	**931.15**	**375.18**	**555.97**
Post-employment benefits						
AK	27.00	-	27.00	27.00	-	27.00
RT	10.80	-	10.80	10.80	-	10.80
AM	10.80	-	10.80	10.80	-	10.80
KKB	10.80	-	10.80	10.80	-	10.80
	59.40	**-**	**59.40**	**59.40**	**-**	**59.40**
Total compensation	**1,004.61**	**263.01**	**741.60**	**990.55**	**375.18**	**615.37**

(*) In view of inadequacy of profit during the year 2016-17, the Department of Company Affairs (Government Of India) in response to Company's application, vide its letter dated 15th May 2018 has sanctioned remuneration of Rs. 133.88 lakhs for the Managing Director. The Company vide it's letter dated 23rd May 2018 has made a representation to the Government to reconsider the sanctioned remuneration stating that a special resolution was passed by the shareholders on 9th August 2017 approving the remuneration paid to him as well as waiving recovery for the excess remuneration. Pending disposal of the Company's appeal by the Central Government, the amount paid in excess over the sanctioned amount is being 'held in trust' [as per section 197(9) of the Companies Act 2013] by him and will be adjusted / recovered accordingly.

(**) In view of inadequacy of profit during the year 2015-16, the Department of Company Affairs (Government Of India) had passed order to recover the amount of Rs 375.18 lakhs which was subsequently recovered in 2016-17.

(ii) Dividends paid to Key Management Personnel

Rs. Lakhs

	31st March 2018	31st March 2017
BMK	0.09	0.73
AK	0.04	0.35
RT	*	0.02
AM	*	0.01
KKB	0.01	0.10
Total	**0.14**	**1.21**

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

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(e) Transactions / Balances with associate:

Rs. Lakhs

	31st March 2018	31st March 2017
Balance of investment at year end*	-	-

* (Cost - Rs.2184.35 lakhs, fully impaired)

(f) Transactions with relatives of Key Management Personnel:

Rs. Lakhs

	31st March 2018	31st March 2017
Dividend Paid		
DK's Estate/Successor	-	0.24
Others (KK and ZM)	*	0.05

(g) Transactions with Non-Executive Directors:

Rs. Lakhs

	31st March 2018	31st March 2017
Sitting Fees		
BMK	1.60	2.00
AAK	1.60	2.00
RAS	2.80	3.80
BB	3.20	3.60
RS	3.40	4.60
UP	2.00	2.40
RN	2.00	2.00
PKK	1.20	0.80
	17.80	**21.20**
Sitting Fees payable		
RAS	0.40	-
BB	0.60	-
RS	0.60	-
UP	0.60	-
RN	0.40	-
PKK	0.40	-
	3.00	**-**
Dividend Paid		
AAK	0.04	0.30
BB	*	0.04
RS	*	*
PKK	*	0.03
	0.04	**0.37**

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

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44. EVENT OCCURRING AFTER THE REPORTING PERIOD

Refer to Note 50(b) for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing Annual General Meeting.

45. NON-CANCELLABLE OPERATING LEASES

The Group has entered into non-cancelable operating lease agreements for certain land areas and factories for various tenures. The lease rents are change in Statement of Profit and Loss ; and future lease commitments are:-

Rs. Lakhs

	31st March 2018	31st March 2017
Within one year	92.15	94.92
Later than one year but not later than five years	316.63	141.85
Later than five years	779.62	819.20
	1,188.40	**1,055.97**

46. EARNINGS PER SHARE

Rs. Lakhs

	31st March 2018	31st March 2017
Earnings per share has been computed as under:		
(a) Profit for the year Profit attributable to owners' of Parent Company [Rs. in lakhs]	20,791.82	5,856.83
(b) Weighted average number of Equity shares		
Outstanding for the purpose of basic earnings per share	85730701	82388235
(c) Earnings per share on profit for the year [Face Value Rs. 5.00 per share]		
Basic and Diluted [(a)/(b)] (Rs.)	24.25	7.11

47. SEGMENT INFORMATION

The Group is primarily engaged in the business of cultivation, manufacture and sale of tea across various geographical locations with different political and economic environments, risks and returns etc. and accordingly operating segments have been identified based on their geographical locations. The chief operating decision maker uses a measure of segment results, depreciation and amortisation to assess the performance of operating segments.

The geographical segments have been identified as India, Vietnam, Uganda, Rwanda, UK and Others

Rs. Lakhs

	31st March 2018	31st March 2017
Segment Revenue		
India	159,386.75	148,264.18
Vietnam	6,835.78	5,907.60
Uganda	21,109.36	17,537.89
Rwanda	11,830.98	8,314.63
UK	234.83	319.37
Others	6,131.61	6,738.46
Total	**205,529.31**	**187,082.13**

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Rs. Lakhs

	31st March 2018	31st March 2017
Segments Results		
India	(7,906.19)	(543.38)
Vietnam	(1,350.28)	(1,630.57)
Uganda	7,229.00	5,063.92
Rwanda	5,161.28	2,553.38
UK	21,028.22	(1,509.62)
Others	992.75	1,519.42
Profit before Taxation and Minority Interest	**25,154.78**	**5,453.15**
Less :		
- Current Tax	(6,070.31)	(2,319.14)
- Deferred Tax	2,831.01	3,310.79
Profit for the year	**21,915.48**	**6,444.80**

Rs. Lakhs

	31st March 2018	31st March 2017
Segment Assets		
India	307,234.72	273,208.38
Vietnam	11,857.68	12,933.98
Uganda	19,835.98	17,254.13
Rwanda	10,148.00	8,787.50
UK	33,021.60	30,814.01
Others	2,185.06	2,192.89
Total	**384,283.04**	**345,190.89**

Rs. Lakhs

	31st March 2018	31st March 2017
Segment Liabilities		
India	148,756.61	127,418.81
Vietnam	3,075.21	2,717.25
Uganda	3,955.29	2,513.99
Rwanda	821.72	743.46
UK	8,297.14	13,501.88
Others	304.13	189.54
Total	**165,210.10**	**147,084.93**

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Rs. Lakhs

	31st March 2018	31st March 2017
Capital Expenditure relating to Segments		
India	8,081.76	11,131.87
Vietnam	21.45	556.86
Uganda	1,796.47	1,421.25
Rwanda	296.11	406.73
UK	-	-
Others	4.01	0.89
Total	**10,199.80**	**13,517.60**

Rs. Lakhs

	31st March 2018	31st March 2017
Depreciation and Amortisation relating to Segments		
India	8,268.14	8,252.19
Vietnam	529.75	527.56
Uganda	884.48	854.52
Rwanda	475.46	652.15
UK	59.19	60.66
Others	5.36	6.11
Total	**10,222.38**	**10,353.19**

Note :

i) The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

ii) Segment assets and liabilities are measured in the same way as in the consolidated financial statements.

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48. FAIR VALUE MEASUREMENTS
Financial instruments by category

Rs. Lakhs

	31st March 2018					31st March 2017				
	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Total Fair Value	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets										
Investments										
- Equity Instruments	-	9,610.06	-	9,610.06	9,610.06	-	7,224.99	-	7,224.99	7,224.99
Trade Receivables	-	-	12,599.62	12,599.62	12,599.62	-	-	10,890.67	10,890.67	10,890.67
Loans	-	-	64,695.59	64,695.59	64,695.59	-	-	28,705.91	28,705.91	28,705.91
Cash and Cash Equivalents	-	-	6,951.80	6,951.80	6,951.80	-	-	4,667.92	4,667.92	4,667.92
Other Bank Balances	-	-	1,004.89	1,004.89	1,004.89			397.44	397.44	397.44
Other Financial Assets	-	-	20,528.51	20,528.51	20,528.51	-	-	21,646.05	21,646.05	21,646.05
Derivative assets	-	-	-	-	-	895.69	-	-	895.69	895.69
Total Financial assets	**-**	**9,610.06**	**105,780.41**	**115,390.47**	**115,390.47**	**895.69**	**7,224.99**	**66,307.99**	**74,428.67**	**74,428.67**
Financial liabilities										
Borrowings	-	-	109,240.98	109,240.98	109,240.98	-	-	93,706.33	93,706.33	93,706.33
(including interest accrued but not due)										
Derivative Liability	332.52	-	-	332.52	332.52	34.28	-	-	34.28	34.28
Trade payables	-	-	12,661.06	12,661.06	12,661.06	-	-	11,661.54	11,661.54	11,661.54
Other Financial Liabilities	-	-	12,669.56	12,669.56	12,669.56	-	-	11,272.72	11,272.72	11,272.72
Total Financial liabilities	**332.52**	**-**	**134,571.60**	**134,904.12**	**134,904.12**	**34.28**	**-**	**116,640.59**	**116,674.87**	**116,674.87**

(i) Fair value hierarchy

(a) Financial Instruments

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3.

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The fair value of trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There are no transfers between level 1, level 2 and level 3 during the year.

Rs. Lakhs

Financial assets and liabilities measured at fair value-recurring fair value measurements at 31st March 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investment at FVTOCI					
Quoted Equity Investments	7	9,609.35	-	-	9,609.35
Total Financial assets		**9,609.35**	**-**	**-**	**9,609.35**
Financial liabilities					
Derivatives not designated as hedges	25	-	332.52	-	332.52
Total Financial liabilities		**-**	**332.52**	**-**	**332.52**

Rs. Lakhs

Financial assets which are measured at amortised cost for which fair values are disclosed at 31st March 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets *					
Loans	8	-	-	2.43	2.43
Other financial assets	9	-	-	3,398.95	3,398.95
Total Financial assets		**-**	**-**	**3,401.38**	**3,401.38**
Financial liabilities *					
Borrowings	19	-	-	40,790.34	40,790.34
Total Financial liabilities		**-**	**-**	**40,790.34**	**40,790.34**

* Represents fair value of Non-current financial instruments

Financial assets and liabilities measured at fair value- recurring fair value measurements at 31st March 2017

Rs. Lakhs

Financial assets and liabilities measured at fair value-recurring fair value measurements at 31st March 2017	Notes	Level 1	Level 2	Level 3	Total
Financial Investments at FVTPL					
Derivatives not designated as hedges - Forward Contracts	9		895.69	-	895.69
Financial investment at FVTOCI					
Quoted Equity Investments	7	7,224.28	-	-	7,224.28
Total Financial assets		**7,224.28**	**895.69**	**-**	**8,119.97**
Financial liabilities					
Derivatives not designated as hedges	25	-	34.28	-	34.28
Total Financial liabilities		**-**	**34.28**	**-**	**34.28**

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Rs. Lakhs

Financial assets which are measured at amortised cost for which fair values are disclosed at 31st March 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets *					
Loans	8	-	-	14.18	14.18
Other financial assets	9	-	-	932.08	932.08
Total Financial assets		**-**	**-**	**946.26**	**946.26**
Financial liabilities *					
Borrowings	19	-	-	22,634.74	22,634.74
Other financial liabilities	25	-	-	331.62	331.62
Total Financial liabilities		**-**	**-**	**22,966.36**	**22,966.36**

* Represents fair value of Non-current financial instruments

(b) Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the Consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its biological assets other than bearer plants into level 2 in the fair value hierarchy, since no significant adjustments need to be made to the prices obtained from the local markets.

Rs. Lakhs

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed at 31st March, 2018	Notes	Level 1	Level 2	Level 3	Total
Unharvested tea leaves	12	-	682.52	-	682.52
Total		**-**	**682.52**	**-**	**682.52**

Rs. Lakhs

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed at 31st March, 2017	Notes	Level 1	Level 2	Level 3	Total
Unharvested tea leaves	12	-	494.23	-	494.23
Total		**-**	**494.23**	**-**	**494.23**

49. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the group, the group has risk management policies as described below :-

(A) Credit risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The group is exposed to credit risk for receivables, cash and cash equivalents, other bank balances, financial guarantees and derivative financial instruments. None of the financial instruments of the Company result in material concentration of credit risks.

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Credit risk on receivables is minimum since sales through different mode (eg. auction, consignment, private - both domestic and export) are made after judging credit worthiness of the customers, advance payment or against letter of credit by banks. The history of defaults has been minimal and outstanding receivables are regularly monitored. For credit risk on the loans to parties including subsidiary, the Group is not expecting any material risk on account of non-performance by any of the parties.

For derivative and financial instruments, the group manage its credit risks by dealing with reputable banks and financial institutions.

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The carrying value of the financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 48.

(B) Liquidity risk

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

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

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

i all non-derivative financial liabilities, and

ii derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

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

Rs. Lakhs

Contractual maturities of financial liabilities as at 31st March 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest accrued but not due)	68,647.80	17,520.67	19,249.49	4,466.60	109,884.56
Trade Payables	12,661.06	-	-	-	12,661.06
Other financial liabilities	12,669.56	-	-	-	12,669.56
Total non-derivative financial liabilities	**93,978.42**	**17,520.67**	**19,249.49**	**4,466.60**	**135,215.18**
Derivatives not designated as hedges	332.52	-	-	-	332.52
Total derivative financial liabilities	**332.52**	**-**	**-**	**-**	**332.52**

Rs. Lakhs

Contractual maturities of financial liabilities as at 31st March 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest accrued but not due)	75,297.69	9,734.82	12,138.36	2,292.73	99,463.60
Trade Payables	11,661.54	-	-	-	11,661.54
Other financial liabilities	11,272.72	-	-	-	11,272.72
Total non-derivative financial liabilities	**98,231.95**	**9,734.82**	**12,138.36**	**2,292.73**	**122,397.86**
Derivatives not designated as hedges	34.28	-	-	-	34.28
Total derivative financial liabilities	**34.28**	**-**	**-**	**-**	**34.28**

(C) Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Group, as risk management policy, hedges foreign currency transactions to mitigate the risk exposure and reviews periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed.

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The following table sets forth information relating to foreign currency exposure as at 31st March 2018

Rs. Lakhs

	USD	EUR	GBP	Total
Financial Assets (a)				
Cash & Cash equivalent	4,348.60	0.39	95.92	4,444.91
Trade Receivable	2,218.57	-	-	2,218.57
	6,567.17	**0.39**	**95.92**	**6,663.48**
Financial Liabilities (b)				
Trade Payable	372.19	-	-	372.19
Borrowing	3,561.63	-	-	3,561.63
	3,933.82	**-**	**-**	**3,933.82**
Net Exposure in Foreign Currency (a-b)	**2,633.35**	**0.39**	**95.92**	**2,729.66**

10 % appreciation / depreciation of the respective foreign currencies with respect to functional currency (holding all other variables constant) of the Group would result in increase / decrease in the Group's profit before tax by approximately Rs.666.35 lakhs for financial assets and decrease / increase in the Group's profit before tax by approximately Rs. 393.38 lakhs for financial liabilities.

The following table sets forth information relating to foreign currency exposure as at 31st March 2017

Rs. Lakhs

	USD	EUR	GBP	Total
Financial Assets (a)				
Cash & Cash equivalent	3,646.03	-	497.41	4,143.44
Trade Receivable	3,706.75	-	42.13	3,748.88
	7,352.78	**-**	**539.54**	**7,892.32**
Financial Liabilities (b)				
Borrowing	11,858.39	-	-	11,858.39
	11,858.39	**-**	**-**	**11,858.39**
Net Exposure in Foreign Currency (a-b)	**(4,505.61)**	**-**	**539.54**	**(3,966.07)**

10 % appreciation / depreciation of the respective foreign currencies with respect to functional currency (holding all other variables constant) of the Group would result in increase / decrease in the Group's profit before tax by approximately Rs.789.23 lakhs for financial assets and decrease / increase in the Group's profit before tax by approximately Rs.1185.84 lakhs for financial liabilities.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets bear fixed rates of interest, wherever applicable. Therefore, there is no risk of interest rate volatility.

The Group's main interest rate risk arises from short term and long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During 31st March 2018 and 31st March 2017, the Group's borrowings at variable rate were mainly denominated in INR.

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

The exposure of the Group's financial assets and financial liabilities as at 31st March 2018 and 31st March 2017 to interest rate risk is as follows:

Rs. Lakhs

	31st March 2018		31st March 2017	
	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate
Financial assets	-	70,867.82	-	42,311.25
Financial liabilities	106,487.56	2,697.96	89,962.22	9,060.03
	106,487.56	**73,565.78**	**89,962.22**	**51,371.28**

Increase /decrease of 50 basis points (holding all other variables constant) in interest rates at the balance sheet date would result in an impact (decrease/increase in case of net income) of Rs. 532.44 lakhs and Rs. 449.81 lakhs on profit before tax for the year ended 31st March 2018 and 31st March 2017 respectively.

(iii) Price risk

The Group is not an active investor in equity markets; it continues to hold certain investments in equity for long term stragic purpose which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31st March, 2018 is Rs. 9,610.06 lakhs (31st March, 2017 - Rs. 7,224.99 lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

(D) Agricultural Risk

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

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

i Sufficient inventory levels of agro chemicals, fertilizers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.

ii Slightly higher level of consumable stores viz packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.

iii Forward contracts are made with overseas customers as well as domestic private customers, in order to mitigate the financial risk in fluctuation of selling price of tea.

iv Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

50. CAPITAL MANAGEMENT

(a) Risk Management

The group's objectives when managing capital are to

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

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

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the group monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the group.

Net debt implies total borrowings of the group as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the group.

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

Rs. Lakhs

	Notes	31st March 2018	31st March 2017
(i) Total Debt			
Borrowings - Non-Current	19	40,790.34	22,634.74
- Current	23	52,285.76	61,477.92
Current Maturities of Long Term Debt	25	16,001.33	9,464.15
		109,077.43	**93,576.81**
Less : Cash and Cash Equivalents	14A	6,951.80	4,667.92
Net Debt		**102,125.63**	**88,908.89**
(ii) Equity attributable to Shareholders		216736.20	195883.07
(iii) Net debt to equity ratio		0.47	0.45

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

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

(b) Dividend

Rs. Lakhs

	31st March 2018	31st March 2017
(i) Equity Shares		
Final dividend for the year ended 31st March 2017 of Rs. 0.25 /- lakhs (31st March 2016 - Rs. 2.00/-lakhs) per fully paid share		
	273.64	2,189.11
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of Rs 0.50/- per fully paid equity share (31st March 2017 - Rs 0.25/-). This proposed dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting.	**547.28**	**273.64**

51. ADJUSTMENT ON ACCOUNT OF DIVIDEND

Adjustment on account of dividend represents paid during the year by the Parent Company on Equity Share held by its subsidiary Rs. 67.67 lakhs (31st March 2017 - Rs. 458.14 lakhs).

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52. (a) In connection with an overseas acquisition of a subsidiary in 2005, the Income Tax Authority had raised a demand of Rs.5278 lakhs during the year 2009-10 on the Parent Company on account of alleged non-deduction of tax at source and interest thereon pertaining to the transaction. The Parent Company challenged the said demand before the appropriate authorities and the matter is pending. Further, the Parent Company has obtained a stay against the said demand from the Hon'ble High Court of Calcutta. The Parent Company deposited Rs. 700.00 lakhs during the year 2011-12 with Income Tax Authority under protest [Refer Note 10]. In any event, as per the related Share Purchase Agreement, Capital Gain tax or other tax, if any, relating to sale of shares etc. is to be borne by the seller and not the Parent Company.

(b) The Hon'ble Supreme Court vide its judgement dated 20.09.2017 held that the provisions of Rule 8 of Income Tax Act, 1961 is not applicable while making payment of dividend distribution tax as per section 115-O of the Income Tax Act, 1961. No fresh proceedings/demands has been initiated /raised by the tax authorities in response to the aforesaid judgement passed by the Hon'ble Court. The Group has made full provision in the financial statements in earlier years [Refer Note 26].

53. Revenue Expenditure on Research and Development Rs. 204.74 lakhs (31st March 2017 - Rs. 177.30 lakhs) represent subscription to Tea Research Association.

54. There are no outstanding dues of Micro and Small Enterprises (MSEs) based on information available with the Parent Company.

55. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

Name of the Entity in the Group	Net Assets (total assets minus liabilities)		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % Consolidated Net Assets	Amount (Rs. Lakhs)	As a % Consolidated Profit or Loss	Amount (Rs. Lakhs)	As a % Consolidated Other Comprehensive Income	Amount (Rs. Lakhs)	As a % Consolidated Total Comprehensive Income	Amount (Rs. Lakhs)
Parent								
McLeod Russel India Limited								
31 March 2018	79.68%	174,567.08	-43.36%	(9,502.67)	-33.98%	312.37	-43.77%	(9,190.30)
31 March 2017	84.59%	167,582.13	30.67%	1,976.74	14.81%	(220.88)	35.45%	1,755.86
Subsidiaries (Group's Share)								
Borelli Tea Holding Limited & its Subsidiaries								
31 March 2018	19.25%	42,169.12	138.23%	30,294.49	83.52%	(767.85)	140.63%	29,526.64
31 March 2017	14.29%	28,300.94	60.21%	3,880.09	89.75%	(1,338.53)	51.31%	2,541.56
Associates								
D1 Williamson Magor Bio Fuel Limited								
31 March 2018	-	-	-	-	-	-	-	-
31 March 2017	-	-	-	-	-	-	-	-
Non-Controlling Interest								
31 March 2018	1.07%	2,336.74	5.13%	1,123.66	50.46%	(463.89)	3.14%	659.77
31 March 2017	1.12%	2,222.89	9.12%	587.97	-4.56%	68.03	13.24%	656.00
Total								
31 March 2018	**100.00%**	**219,072.94**	**100.00%**	**21,915.48**	**100.00%**	**(919.37)**	**100.00%**	**20,996.11**
31 March 2017	**100.00%**	**198,105.96**	**100.01%**	**6,444.80**	**100.00%**	**(1,491.38)**	**100.00%**	**4,953.42**

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56. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(a) Gross amount required to be spent by the Company during the year : Rs. Nil (31.03.2017 - Rs. 196.22 lakhs)

(b) Amount spent during the year on :

Rs. Lakhs

CSR project or activity identified		31st March 2018			31st March 2017		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-	180.00	-	180.00
(ii)	On purposes other than (i) above	17.94	-	17.94	17.93	-	17.93

57. INCOME TAX EXPENSE

Rs. Lakhs

		31st March 2018	31st March 2017
(a)	**Income tax recognised in profit or loss**		
	Current Tax		
	Current tax for the year	6,070.31	2,237.82
	Adjustments for current tax of prior periods	-	81.32
	Total Current Tax	**6,070.31**	**2,319.14**
	Deferred Tax		
	Deferred tax for the year	(2831.01)	(3,310.79)
	Total deferred tax	(2,831.01)	(3,310.79)
	Total	**3,239.30**	**(991.65)**

Rs. Lakhs

		31st March 2018	31st March 2017
(b)	**Amount recognised in other comprehensive income**		
	Deferred Tax		
	Income Tax relating to items that will not be reclassified to profit or loss	972.97	57.99
	Total	**972.97**	**57.99**

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Rs. Lakhs

		31st March 2018	31st March 2017
(c)	**Reconciliation of effective tax rate:**		
	Profit before tax	25,154.78	5453.15
	Income tax expense calculated at an average rate	9,465.13	3261.87
	Effect of expenses that are not deductible in determining taxable profit	1,706.69	438.17
	Effect of additional deduction under Income tax Act'1961	(53.14)	(446.59)
	Effect of income that is exempt from taxation	(1,457.30)	(4,888.81)
	Effect of adjustment in respect of different tax rates*	643.35	770.81
	Effect of different tax rate on certain incomes	(6,543.87)	(127.10)
	Reversal of previously recognised tax loss to increase deferred tax expense	831.56	-
	Other items	(1,353.12)	-
	Income tax recognised in profit or loss	**3,239.30**	**(991.65)**

The tax rate used is the corporate tax rate payable on taxable profits under the Income Tax Act, 1961.
*The Parent Company's agricultural income is subject to lower tax rates @ 30% under the respective state tax laws.

For and on behalf of the Board of Directors

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

Kolkata, 30th May 2018

FORM AOC - I

Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

Statement Containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A" : SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in Rs. Lakhs)

Sl.No.	1	2	3	4	5	6	7
Name of the Subsidiary	**Borelli Tea Holdings Limited**	**Phu Ben Tea Company Limited**	**McLeod Russel Uganda Limited**	**Gisovu Tea Company Limited**	**Pfunda Tea Company Limited**	**McLeod Russel Africa Limited**	**McLeod Russel Middle East DMCC**
Reporting Currency	British Pound	Vietnamese Dong	Uganda Shillings	Rwandan Franc	Rwandan Franc	Kenya Shillings	US Dollars
	(GBP)	(VND)	(Ushs)	(RWF)	(RWF)	(KSHs)	(USD)
Reporting period for the subsidiary concerned	Year Ended 31st March 2018	Year Ended 31st December 2017	Year Ended 31st December 2017	Year Ended 31st December 2017	Year Ended 31st December 2017	Year Ended 31st December 2017	Year Ended 31st December 2017
Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	91.71000	0.00287	0.01781	0.07729	0.07729	0.65409	65.50714
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
Share Capital	331.99	5,381.28	7,413.27	1,641.14	0.77	0.65	35.70
Reserves and Surplus	35,856.85	(6,224.31)	13,100.15	3,795.64	4,664.23	(135.41)	(104.34)
Total Assets	50,281.85	12,123.27	24,864.88	5,847.69	5,086.54	1,594.19	689.06
Total Liabilities(including Shareholders' Fund)	50,281.85	12,123.27	24,864.88	5,847.69	5,086.54	1,594.19	689.06
Non Current Investments	35,501.49	-	-	-	-	-	-
Turnover	1,455.31	6,972.34	20,769.32	6,623.04	4,939.93	3,834.24	2,437.92
Profit before Taxation	27,310.79	(1,396.80)	7,553.71	2,814.54	1,669.09	(70.86)	130.88
Provision for Taxation	984.18	-	9.97	443.08	253.91	(4.04)	-
Profit after Taxation	26,326.61	(1,396.80)	7,543.75	2,371.45	1,415.18	(66.82)	130.88
Final Dividend paid for last year	663.98	-	-	695.63	231.88	-	-
Interim Dividend paid for the current year	15,935.53	-	3,561.46	695.63	386.46	-	-
Proposed Dividend for the current year	#	-	-	#	#	-	-
% of Shareholding	100%	100%	100%	60%	90%	100%	100%
Country	United Kingdom	Vietnam	Uganda	Rwanda	Rwanda	Kenya	Dubai

#The Board of Directors of Borelli Tea Holdings Ltd. has recommended a dividend of GBP 724000 .

#The Board of Directors of Gisovu Tea Company Ltd. has recommended a dividend of RWF 700 million .

#The Board of Directors of Pfunda Tea Company Ltd. has recommended a dividend of RWF 300 million .

However, as per Accounting Standards provision for the same has not been made in their books of accounts.

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	**D1 Williamson Magor Bio Fuel Ltd**
1. Latest audited Balance Sheet Date	31st March 2018
2. Shares of Associate held by the Company on the year end	
No.	7281201
Amount of Investment in Associates/Joint Venture (Rs. in lakhs)	2184.36
Extent of Holding %	34.30%
3. Description of how there is significant influence	Because of Shareholding
4. Reason why the associate is not consolidated	Financial Statements are consolidated
5. Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs. in lakhs)	8.55
6. Loss for the year (Rs. in lakhs)	0.23
i. Considered in Consolidation (Rs. in lakhs)	Nil (Note-3 below)
ii. Not Considered in Consolidation (Rs. in lakhs)	0.23

Notes:

1. Names of the Associates or Joint Ventures which are yet to be commence operations - Nil.
2. Names of the Associates or Joint Ventures which have been liquidated or sold during the year - Nil.
3. Cost of Investment has been fully written-down as on 1st April 2015 in compliance with Ind-As

For and on behalf of the Board of Directors

Kolkata
Date : 30th May 2018

A. Khaitan
Managing Director

K. K. Baheti
Wholetime Director & CFO

A. Guha Sarkar
Company Secretary

A MEMBER OF WILLIAMSON MAGOR GROUP