



32nd
ANNUAL REPORT
2017-18

ASIAN TEA & EXPORTS LIMITED



This Annual Report is available online at www.asianteaexports.com

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Shri H.R.Garg, Managing Director Shri Sunil Garg, Chairman Shri Manash Kumar Banerjee Smt. Rama Garg Shri Sushil Kr. Nevatia Shri Ram Narayan Bansal
COMPANY SECRETARY	:	Miss Rashi Nagori
CHIEF FINANCIAL OFFICER	:	Sri Rajesh Garg
AUDITORS'	:	Kaushal Surana & Co. Chartered Accountants 224, A.J.C. Bose Road Krishna Building, 5th Floor, Room No- 504 Kolkata- 700 017
BANKERS'	:	State Bank of India
REGISTERED OFFICE	:	"Sikkim Commerce House" 5th Floor, 4/1, Middleton Street Kolkata- 700071
ISIN	:	INE822B01017
WEBSITE	:	www.asianteaexports.com
E-MAIL	:	info@asianteaexports.com
REGISTRAR & TRANSFER AGENT	:	S.K. Infosolutions Pvt Ltd. 34/1A, Sudhir Chatterjee Street, Kolkata- 700 006.

NOTICE

NOTICE is hereby given that the Thirty-Second Annual General Meeting of the members of Asian Tea & Exports Limited will be held on Saturday, the 29th September, 2018 at 10.00 A.M at 7, Convent Road, Kolkata-700 014 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss for the year ended on that date and the Report of the Directors and Auditors' thereon.
2. To appoint a Director in place of Smt. Rama Garg (DIN: 00471845) who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify appointment of M/s Kaushal Surana & Co., Chartered Accountants (Registration No.329248E), as Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 40 of the Companies (Amendment) Act, 2017 read together with Section 139 of the Companies Act, 2013 (as amended) and other applicable provisions, if any, and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in partial modification of the resolution passed by the members of the Company at the 31st Annual General Meeting held on 16th September, 2017, the Company hereby dispenses with the requirement of ratification of the appointment of M/s Kaushal Surana & Co, Chartered Accountants (Registration No.329248E), as the Statutory Auditors of the Company.

SPECIAL BUSINESS

4. **To Extend Corporate Guarantee to M/s Asian Tea Company Private Limited**

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

“RESOLVED THAT pursuant to Section 185(2) and other applicable provision of the Companies Act, 2013 approval of the shareholders be and is hereby given to the Board of Directors for extending its Corporate Guarantee to secure the credit facilities, aggregating ₹ 37,00,00,000.00 (Rupees Thirty Seven Crores only), granted by State Bank of India, Overseas Branch, Kolkata to M/s Asian Tea Company Private Ltd, on such terms and conditions as may be specified by the Bank.”

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

“RESOLVED THAT Shri Ashok Chamaria (DIN:00445605), who is appointed as an Additional Director of the company by the Board of Directors w.e.f. 14th August 2018 in terms of Section 161(1) of the Companies Act, 2013 and whose term of the office expires at the annual general meeting and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Section 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including and statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, who shall office from the date of this Annual General Meeting till the conclusion of 37th Annual General Meeting and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation.”

6. **To consider the ratification of appointment of Shri Ram Narayan Bansal as an Independent Director and in this regard to consider and thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to continuation of the appointment of Shri Ram Narayan Bansal (DIN: 00708983), Independent Director of the Company, who

Notice (Contd.)

has attained the age of 78 years for the remaining term of his tenure of office i.e. till the conclusion of 37th Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

7. **To consider the ratification of appointment of Shri Manash Kumar Banerjee as an Independent Director and in this regard to consider and thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to continuation of the appointment of Shri Manash Kumar Banerjee (DIN: 07168868), Independent Director of the Company, who has attained the age of 76 years for the remaining term of his tenure of office i.e. upto 31st March, 2020.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board

Place: Kolkata

Date: 14th August, 2018

RASHI NAGORI
(Company Secretary)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies etc, must be supported by an appropriate resolution / authority, as applicable.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.
3. Members are requested to bring their copies of Annual Report at the time of attending the Annual General Meeting and send their queries relating to the accounts at least 10 days before the Annual General Meeting.
4. Members/Proxies attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
5. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar.

Details under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting forms an integral part of the Notice.

Notice (Contd.)

6. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday the 23rd September, 2018 to Saturday 29th September, 2018 (both days inclusive).
7. Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting (in pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Name of the Director	Smt. Rama Garg
Date of Birth	03-10-1967
Date of Appointment	21-07-2014
Expertise in specific functional area	Expertise in Marketing & Operation
Qualification	B.Com
Outside Directorship held	8
Chairman/Member of the Committee of the Board of Directors of the Company	Yes
No. of shares	175000

Name of the Director	Shri Ashok Chamaria
Date of Birth	31.07.1954
Date of Appointment	14.08.2018
Expertise in specific functional area	Expertise in Tea Sector
Qualification	B.Com
Outside Directorship held	2
Chairman/Member of the Committee of the Board of Directors of the Company	Nil
No. of shares	Nil

8. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Registrar & Transfer Agent or to the Company at its registered Office quoting reference of their folio numbers or their Client ID number with DP-ID number, as the case may be.
9. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through the electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository participants and in respect of shares held in physical form with the Company or its Transfer Agent.
10. Electronic copy of the Notice of the 32nd Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with Attendance Slip and proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their email address, physical copies of the Notice indicating the process and manner of e-voting along with Attendance Slip and proxy form is being sent in the permitted mode. **Members who have not yet registered their email ID or holding shares in physical form are requested to register their email ID with their DP and/or RTA.**
11. **Voting through electronic means**
 - i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 (1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting

Notice (Contd.)

(AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26th September, 2018 (9:00 am) and ends on 28th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - [Login](#)
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "ASIAN TEA & EXPORTS LTD".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to manojshaw2003@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

Notice (Contd.)

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdل.com or call on toll free no.: 1800-222-990.
- VI. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
*NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdل.com.
In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).*
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2018.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdل.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Manoj Prasad Shaw, Practicing Company Secretary (Membership No. FCS 5517 has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.asianteaexports.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Notice (Contd.)

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

ITEM NO.4

The Chairman informed the Board that M/s Asian Tea Company Private Limited, has requested M/s Asian Tea & Exports Limited to extend its Corporate Governance for the various credit facilities, aggregating ₹37,00,00,000.00 (Rupees Thirty Seven Crores only), granted by State Bank Of India , Overseas Branch, Kolkata, to them, vide the Bank's Sanction Letter No. OBK/ AMT-I/ 2017-18/1622 dated 9th day of February, 2018.

Since, Asian Tea Company Private Limited is our Associate Company and we have synergy of business operation which in turn beneficial for the parent company and in view of provisions of section 185 of the Companies Act, 2013, it is recommended to obtain special resolution from Shareholders. After consideration thereof it was decided ASIAN TEA & EXPORTS LIMITED will extend its Corporate Guarantee to secure the credit facilities, aggregating ₹ 37,00,00,000.00 (Rupees Thirty Seven Crores only), granted by State Bank Of India to M/s Asian Tea Company Private Limited, on such terms and conditions as mentioned in the aforesaid sanction letter.

Except Sunil Garg none of the KMPs & other directors are concerned or interested in the resolution set out at the Item No. 4.

The directors recommended passing of the aforesaid Special Resolution.

ITEM NO.5

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Companies Act, Mr. Ashok Chamaria as an Additional Director of the Company w.e.f. 14th August, 2018.

In terms of the provisions of Section 161(1) of the Act, Mr. Ashok Chamaria would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ashok Chamaria for the office of Director of the Company.

Accordingly in compliance to Section 149,150,151, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. Ashok Chamaria being eligible and offering himself for appointment, is proposed to be appointed as an independent Director of the Company who shall hold office from the of this Annual General Meeting till 37th Annual General Meeting.

In the opinion of the Board, Mr. Ashok Chamaria fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his vast experience and knowledge would be immense benefit to the Company and it is desirable to appointment Mr. Ashok Chamaria as an Independent Director for the approval of the Shareholders of the Company.

Except Mr. Ashok Chamaria being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives id concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

The directors recommended passing of the aforesaid Special Resolution.

ITEM NO.6

Shri Ram Narayan Bansal was appointed as an Independent Director of the Company w.e.f. 10th August, 2018 in terms of the provisions of Sections 149 and 161 of the Act and Article 137 of the Articles of Association of the Company for a term till the conclusion of 37th Annual General Meeting.

Notice (Contd.)

The Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, notified on 9th May, 2018, provides that the shareholders shall pass a Special Resolution in their General Meeting to appoint or continue the appointment of a Non-Executive Director who has attained the age of 75 years. Shri Ram Narayan Bansal is at present 78 years of age and therefore, the consent of shareholders of the Company, by way of Special Resolution is hereby sought.

The Nomination and Remuneration Committee at its meeting held on 30th May 2018, on the basis of the performance evaluation of Shri Ram Narayan Bansal, given his background, experience and contributions made by him during his tenure has recommended his appointment as Non-Executive Director (Category: Independent) of the Company.

The Company has also received declarations from Shri Ram Narayan Bansal that he met the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

None of the KMP or their relatives or Directors are concerned or interested in the resolution set out at the Item No. 6.

The Directors recommend passing of the aforesaid Special Resolution.

ITEM NO.7

Shri Manash Kumar Banerjee was appointed as an Independent Director of the Company w.e.f. 27th April, 2015 in terms of the provisions of Sections 149 and 161 of the Act and Article 137 of the Articles of Association of the Company for a term till 31st March, 2020 for five consecutive years.

The Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, notified on 9th May, 2018, provides that the shareholders shall pass a Special Resolution in their General Meeting to appoint or continue the appointment of a Non-Executive Director who has attained the age of 75 years. Shri Manash Kumar Banerjee is at present 76 years of age and therefore, the consent of shareholders of the Company, by way of Special Resolution is hereby sought.

The Nomination and Remuneration Committee at its meeting held on 30th May 2018, on the basis of the performance evaluation of Shri Manash Kumar Banerjee, given his background, experience and contributions made by him during his tenure has recommended his appointment as Non-Executive Director (Category: Independent) of the Company.

The Company has also received declarations from Shri Manash Kumar Banerjee that he met the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

None of the KMP or their relatives or Directors are concerned or interested in the resolution set out at the Item No. 7.

The Directors recommend passing of the aforesaid Special Resolution.

By order of the Board

Place: Kolkata
Date: 14th August, 2018

RASHI NAGORI
(Company Secretary)

THE BOARD OF DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the Thirty Second Annual Report and the audited accounts for the year ended 31st March, 2018.

Particulars	Financial Year 2017-18	Financial Year 2016-17
Revenue from operation including other income	114742768	205285784
Profit before depreciation, interest and provision for exceptional items	7010730	8443443
Less: Financial charges	5601498	5467722
Less: Depreciation	372760	451971
Operating Profit before Exceptional Items	1036472	2523750
Add: profit on sale of land & structures	0	0
Profit Before Taxation	1036472	2523750
Less: Provision for Tax- Current Tax	310000	750000
Deferred Tax	538486	111342
Profit After Taxation	187986	1662408
Balance as per Balance Sheet	86830098	86642112

REVIEW OF OPERATIONS

During the year under review the company has recorded a turnover of ₹1058.836 Lacs as compared to ₹2011.89 Lacs in the Previous Year. The Company has recorded a net profit to the tune of ₹ 1.88 lacs as compared to ₹ 16.62 lacs in the previous year.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith and the weblink for it is <http://www.asiateaexports/investor-corner/mgt-9-2017-18.pdf>

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

During the period under review the company has not carried out any manufacturing activities, hence the disclosures required under the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with regard to energy and technology absorption are not applicable to the company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Sl.	Particulars	2017-18	2016-17
1	Activities relating to export taken to increase exports	Co-ordinating Procured orders from new buyers	Co-ordinating Procured orders from new buyers
2	Total Foreign Exchange Earnings (₹ In Lac)	211.69	105.59
3	Used (Rs. In Lacs)	406.09	83.35

Note: Total Foreign exchange earnings during the year were of USD 0.17 millions.

SHARE CAPITAL

The Paid up Share Capital as on 31st March 2018 was ₹10,00,00,000 comprising 1,00,00,000 equity shares of ₹10 each. During the year under review, the Company has not issued any equity shares with differential voting rights. The Company has neither issued shares for employees' stock options nor as sweat equity and does not have any scheme to fund its employees to purchase the shares of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to

Director's Report

the company yet the Company has been over the years pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

BUSINESS RISK MANAGEMENT

The company has been following the principle of risk minimization since very long, thus required modification has been done as per Companies Act, 2013.

Therefore, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for developing, implementing and monitoring the risk management policy for the company.

The policy consists of identification of risk elements which may threaten the company such as Business risk, financial risk, fidelity risk, legal risk and many more and thus establishes a pro-active approach in structuring Risk Management policy so as to guide decision on risk related issues.

INTERNAL CONTROL AND THEIR ADEQUACY

The Internal control of the company lies with the Senior Management & Internal auditor who checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, includes an Ethics & Compliance Task Force comprising senior executives of the Company. In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior of the company has adopted a vigil mechanism policy. This policy can be accessed on the Company's Website at the link: <http://www.asianteaexports.com/whistle-blower-policy.pdf>.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per provisions of Section 152 of the Companies Act, 2013, Mrs. Rama Garg (DIN 00471845) retires by rotation and being eligible offers herself for reappointment.

The independent directors have submitted the declaration of independence as required under Section 149 of the Companies Act, 2013 and the Board is of the opinion that they are independent within the meaning of the said requirement of the Act.

The Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, notified on 9th May, 2018, provides that the shareholders shall pass a Special Resolution in their General Meeting to appoint or continue the appointment of a Non-Executive Director who has attained the age of 75 years. Shri Ram Narayan Bansal is at present 78 years of age and Shri Manash Kumar Banerjee is at present 76 years of age and therefore, the consent of shareholders of the Company, by way of Special Resolution is hereby sought.

A brief profile of Shri Ram Narayan Bansal and Shri Manash Kumar Banerjee, who are to be reappointed, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, is furnished in the Notice of the ensuing Annual General Meeting (AGM).

Shri Ram Narayan Bansal and Shri Manash Kumar Banerjee are not disqualified from being appointed as a Director as specified in terms of Section 164 of the Companies Act, 2013.

The Board of Directors of the Company had appointed Mr. Ram Narayan Bansal on 10th of August 2017 as an Additional Director of the Company w.e.f. 10th of August 2017. His appointment was regularized by the shareholders at the 31st Annual General Meeting of the Company held on the 16th of September 2017.

Mr. C.S. Surana tendered his resignation from the post of Non-Executive Director w.e.f. 16th November, 2017, due to his personal reasons and the same was accepted by the Board of Directors in its meeting held on 16th November, 2017.

Director's Report *(Contd.)*

None of the Directors of the Company suffers from any disqualification under Section 164(2) of the Companies Act, 2013 and rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

There was no change in the Key Managerial Personnel of the Company.

BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

MEETINGS

During the year four Board Meetings and three meeting of independent directors' were held. The details of which are given in Corporate Governance Report. The Provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were adhered to while considering the time gap between meetings.

AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

Name	Status	Category
Shri Ram Narayan Bansal	Member	Non-Executive & Independent Director
Shri Sunil Garg	Member	Executive Director
Shri Sushil Kr. Nevatia	Chairman	Non-Executive & Independent Director

NOMINATION AND REMUNERATION COMMITTEE

Name	Status	Category
Shri Ram Narayan Bansal	Member	Non-Executive & Independent Director
Shri Manash Kumar Banerjee	Chairman	Non-Executive & Independent Director
Shri Sushil Kr. Nevatia	Member	Non-Executive & Independent Director

STAKEHOLDERS RELATIONSHIP COMMITTEE

Name	Status	Category
Shri Sushil Kr. Nevatia	Chairman	Non-Executive & Independent Director
Shri Sunil Garg	Member	Executive Director
Shri Hariram Garg	Member	Executive Director

SHARE TRANSFER & INVESTOR GRIEVANCE COMMITTEE

Name	Status	Category
Shri Sushil Kr. Nevatia	Chairman	Non-Executive & Independent Director
Shri Sunil Garg	Member	Executive Director
Shri Hariram Garg	Member	Executive Director

Director's Report *(Contd.)*

ANNUAL EVALUATION OF BOARD OF DIRECTORS, COMMITTEES OF THE BOARD AND INDEPENDENT DIRECTORS:

The evaluation framework for assessing the performance of Directors comprises the following key areas:

- i. Attendance at Board Meetings and Committee Meetings;
- ii. Quality of contribution to Board deliberations;
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance;
- iv. Providing perspectives and feedback going beyond information provided by the management;
- v. Commitment to shareholder and other stakeholder interests.

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

The Directors expressed their satisfaction over the evaluation process.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 134(1) (c) of the Companies Act, 2013, your Directors confirm that:

1. In preparation of the Annual Accounts, for the year ended 31st March 2018, the applicable Accounting Standards have been followed and that there are no material departures.
2. The Directors have, in the selection of Accounting Policies, consulted the statutory Auditor and have 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 as on 31st March 2018 and of the Profit and Loss for the financial year ended 31st March, 2018.
3. The Directors have 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 detecting fraud and irregularities.
4. The Directors have prepared the Annual Accounts on Going Concern basis.
5. Proper Internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All material related party transactions that were entered into during the financial year were on an arm's length and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS & SECURITIES

Particulars of loans, investments, guarantees & securities are provided in the standalone financial statements (Please refer to Note 11, 13, & 17).

AUDITORS

Statutory Auditors

M/S Kaushal Surana & CO, Chartered Accountants have been appointed as Statutory Auditors of the company at the 31st Annual General Meeting held on 16th September, 2017 to hold office from the conclusion of the ensuing Annual General Meeting till the Conclusion of 36th Annual General Meeting of the company at a remuneration to be fixed by the Board, which we recommend.

Director's Report (Contd.)

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Saha Tanmay And CO. (CP No.: 11918, FCS 8847), Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith.

Internal Auditor

M/s Dava and Associates, Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee & Board of Directors from time to time.

CORPORATE GOVERNANCE

In terms of Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, reports on Corporate Governance together with the Auditors Certificate regarding the compliance of conditions of corporate governance are annexed.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATION

The Company continues to maintain cordial relationship with its employees and at the same time also thrive towards ensuring Human Resource Development. Number of employees of the Company during the year under review was 7.

The Company has adequate systems in place for prevention, prohibition and redressal of complaints / grievances on the sexual harassment of women at work places. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF EMPLOYEE

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- a) Employed throughout the year Nil
- b) Employed for part of the year Nil

Details Pertaining to Remuneration as required U/S 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. No	Name of the Director/ KMP	Remuneration of Director/KMP for FY 2017-18 (₹ in Lacs)	% increase in Remuneration in FY 2017-18	Ratio of remuneration of each director/to the median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the company
1	Hariram Garg, Managing Director	15.00	-	7.35	Profit after tax decreased by 88.69 % in FY 2017-18.
2	Rajesh Garg, Chief Financial Officer	2.64	-	1.29	
3	Rashi Nagori, Company Secretary	2.73	-	1.34	

Director's Report *(Contd.)*

- (i) The median remuneration of employees of the company during the financial year was ₹ 2.04 Lacs.
- (ii) There were 7 employees on the rolls of the company as on 31.03.2018.

The remuneration paid to all Key Managerial personnel was in accordance with remuneration policy adopted by the company.

STOCK EXCHANGE

The Company's securities are listed at The Calcutta Stock Exchange Limited and BSE Ltd. Annual listing fees for the FY 2017-18 has been paid to them.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Companies Act, 2013, the Company is not required to transfer any amount to Investor Protection and Education Fund as the Company has not declared any Dividend and as such there is no amount of dividend which was due and payable and remained unclaimed and unpaid for a period of seven years.

SECRETARIAL STANDARDS

The Board of Directors of the Company hereby confirms that your Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

APPRECIATION

Your Directors place on record their deep appreciation for the continued assistance, support and co-operation extended to the Company by the Banks, Government departments, other agencies and employees at all levels.

Your Directors thank you, our esteemed shareholders, for your continued support.

Place: Kolkata
Date: 14th August, 2018

For and on behalf of the Board
SUNIL GARG
(CHAIRMAN)

Annexure to the Director's Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L24219WB1987PLC041876
ii	Registration Date	11th February, 1987
iii	Name of the Company	ASIAN TEA & EXPORTS LIMITED
iv	Category/Sub-category of the Company	Public Company / Limited by shares
v	Address of the Registered office & contact details	4/1, MIDDLETON STREET, SIKKIM COMMERCE HOUSE, 5TH FLOOR, KOLKATA-700 071 PHONE NO- 033 40063601/3602 EMAIL-anand@asianteaexports.com Website: www.asianteaexports.com
vi	Whether listed Company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	S.K.INFOSOLUTIONS PVT. LTD. 34/1A, SUDHIR CHATTERJEE STREET, Kolkata-700001 Phone: 033-22194815, 22196797 Email-skcdilip@gmail.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

Manufacturing of insulated wires and cables

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Sale of Tea	902	25.69%
2	Sale of Fibre Boards	44111	10.21%
3	Sale of Yellow Peas	7131000	54.32%
4	Sale of Elevator	84281011	9.78%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S. NO	Name And Address Of The Company	CIN	Holding/ Subsidiary	% Of Shares Held	Applicable
1	Kesavatsapur Tea Company Private Limited	U01132AS1999PTC005919	Associate	40.79	2(6)
2	Asian Tea Company Private Limited	U15549WB2011PTC161819	Associate	40.43	2(6)
3	Hurdeodass Company Private Limited	U51909WB1932PTC007337	Associate	25.88	2(6)
4	HRG Health Care (P) Ltd	U85190WB2011PTC159997	Associate	16.62	2(6)
5	Inspire Tie Up (P) Ltd	U52100WB2010PTC146100	Associate	5.43	2(6)

Annexure to the Director's Report (Contd.)

	Name And Address Of The Company	CIN	Holding/ Subsidiary	% Of Shares Held	Applicable
6	Sriram Thokharam Realtors (P) Ltd	U70102WB2011PTC159998	Associate	12.83	2(6)
7	TH Infracon (P) Ltd	U45400WB2010PTC147893	Associate	10.72	2(6)
8	Indong Tea Company Private Limited	U01122WB1990PTC050506	Associate	32.07	2(6)
9	Greenol Laboratories Private Limited	U33125WB1987PTC041872	Subsidiary	100	2(87)(ii)
10	Sarita Nupur Vyapaar Private Limited	U51909WB2004PTC100218	Subsidiary	100	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 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	2824043	0	2824043	28.2400	2829475	0	2829475	28.2900	0.0500
b) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Bodies Corp.	3715146	0	3715146	37.1500	3720452	0	3720452	37.2000	0.0500
e) Banks/Fi	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Any other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (A)(1)	6539189	0	6539189	65.3900	6549927	0	6549927	65.4900	0.1000
(2) Foreign									
a) NRIs - Individuals	0	0							
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	6539189	0	6539189	65.3900	6549927	0	6549927	65.4900	0.1000
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	14500	14500	0.1500	0	14500	14500	0.1500	0.0000
b) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
g) FIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total(B)(1):-	0	14500	14500	0.1500	0	14500	14500	0.1500	0.0000

Annexure to the Director's Report (Contd.)

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

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/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	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	604212	15900	620112	6.2000	599213	15900	615113	6.1500	-0.0500
ii) Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1361369	903693	2265062	22.6500	1277116	890402	2167518	21.6800	-0.9800
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	457745	0	457745	4.5800	550786	0	550786	5.5100	0.9300
c) Others (Specify)									
Non Resident Indians/ OCB	0	0	0	0.0000	0	0	0	0.0000	0.0000
Clearing Member	103392	0	103392	1.0300	102156	0	102156	1.0200	-0.0100
Trust	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total(B)(2):-	2526718	919593	3446311	34.4600	2529271	906302	3435573	34.3600	0.0000
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2526718	934093	3460811	34.6100	2529271	920802	3450073	34.5100	0.0000
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.0000	0	0	0	0.0000	0.0000
Grand Total (A+B+C)	9065907	934093	10000000	100.0000	9079198	920802	10000000	100.0000	0.0000

Annexure to the Director's Report (Contd.)
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 share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	SUNIL GARG	634998	6.3500	0.0000	634998	6.3500	0.0000	0.0000
2	HARIRAM GARG	794287	7.9400	0.0000	801719	8.0200	0.0000	0.0800
3	RAMA GARG	175000	1.7500	0.0000	175000	1.7500	0.0000	0.0000
4	RAJESH GARG	320000	3.2000	0.0000	320000	3.2000	0.0000	0.0000
5	SITA GARG	521972	5.2200	0.0000	521972	5.2200	0.0000	0.0000
6	NISHA GARG	300100	3.0000	0.0000	300100	3.0000	0.0000	0.0000
7	HARIRAM SUNIL KUMAR (HUF)	14161	0.1400	0.0000	14161	0.1400	0.0000	0.0000
8	HARIRAM GARG & OTHERS (HUF)	12335	0.1200	0.0000	12335	0.1200	0.0000	0.0000
9	HARIRAM RAJESH KUMAR (HUF)	32652	0.3300	0.0000	32652	0.3300	0.0000	0.0000
10	SUNIL GARG & SONS (HUF)	14014	0.1400	0.0000	14014	0.1400	0.0000	0.0000
11	ASIAN CAPITAL MARKET LIMITED	1631833	16.3200	0.0000	1637139	16.3700	0.0000	0.0500
12	KANCHAN WOOD PRODUCTS PVT LTD	593401	5.9300	0.0000	593401	5.9300	0.0000	0.0000
13	MAHARAJA BARTER PVT LTD	259000	2.5900	0.0000	259000	2.5900	0.0000	0.0000
14	GREENEX CHEMICALS PVT LTD	658480	6.5800	0.0000	658480	6.5800	0.0000	0.0000
15	ASIAN HOUSING & INFRASTRUCTURE LTD	288980	2.8900	0.0000	288980	2.8900	0.0000	0.0000
16	CARAVAN VINIMAY PVT LTD	283452	2.8300	0.0000	283452	2.8300	0.0000	0.0000
	TOTAL	6534665	65.3300	0.0000	6547403	65.4600	0.0000	0.1300

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

Sl No	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	HARIRAM GARG				
	At the beginning of the year	7,94,287	7.94	801719	8.02
	Increase / (Decrease) in Promoters Share holding during the year.	Increase in no. of shares - 7432			
	At the End of the year	801719	8.02		
2	ASIAN CAPITAL MARKET LIMITED				
	At the beginning of the year	16,31,833	16.32	1637139	16.37
	Increase / (Decrease) in Promoters Share holding during the year.	Increase in no. of shares - 5306			
	At the End of the year	1637139	16.37		

Annexure to the Director's Report (Contd.)

iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Pathik Agencies Limited				
	AT THE BEGINNING OF THE YEAR	154716	1.5500		
	CHANGES DURING THE YEAR	NO CHANGES DURING THE YEAR			
	AT THE END OF THE YEAR			154716	1.5500
2	Adyamaa Tracom Pvt. Ltd				
	AT THE BEGINNING OF THE YEAR	76110	0.7600		
	CHANGES DURING THE YEAR	NO CHANGES DURING THE YEAR			
	AT THE END OF THE YEAR			76110	0.7600
3	Chirag Singal				
	AT THE BEGINNING OF THE YEAR	100000	1.0000		
	CHANGES DURING THE YEAR	NO CHANGES DURING THE YEAR			
	AT THE END OF THE YEAR			100000	1.0000
4	Deluxe Dealcomm Private Limited				
	AT THE BEGINNING OF THE YEAR	90000	0.9000		
	CHANGES DURING THE YEAR	NO CHANGES DURING THE YEAR			
	AT THE END OF THE YEAR			90000	0.9000
5	Hooghly Ispat Limited				
	AT THE BEGINNING OF THE YEAR	90000	0.9000		
	CHANGES DURING THE YEAR	NO CHANGES DURING THE YEAR			
	AT THE END OF THE YEAR			90000	0.9000
6	Mohan Tradecom Co. Pvt Ltd.				
	AT THE BEGINNING OF THE YEAR	72737	0.7300		
	CHANGES DURING THE YEAR			Sell-12000	
	AT THE END OF THE YEAR			60737	0.6100
7	Shekhar Savadekar				
	AT THE BEGINNING OF THE YEAR	46600	0.4700		
	CHANGES DURING THE YEAR	NO CHANGES DURING THE YEAR			
	AT THE END OF THE YEAR			46600	0.4700
8	Shekhar Shashikumar Savadekar				
	AT THE BEGINNING OF THE YEAR	44000	0.4400		
	CHANGES DURING THE YEAR	NO CHANGES DURING THE YEAR			
	AT THE END OF THE YEAR			44000	0.4400

Annexure to the Director's Report (Contd.)

SI No	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Rishabh R Roongta				
	AT THE BEGINNING OF THE YEAR	0	0.0000		
	CHANGES DURING THE YEAR			Purchases-78042	
	AT THE END OF THE YEAR			78042	0.7800
10	Satish Chandra Agarwal				
	AT THE BEGINNING OF THE YEAR	0	0.0000		
	CHANGES DURING THE YEAR			Purchases-48299	
	AT THE END OF THE YEAR			48299	0.4800

(v) Shareholding of Directors & KMP

SI. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	HARIRAM GARG				
	At the beginning of the year	794287	7.94		
	Add/Less: No change during the Year	-	-	7432	0.08
	At the end of the year			801719	8.02
2	SUNIL GARG				
	At the beginning of the year	634998	6.35		
	Add/Less: No change during the Year	-	-	-	-
	At the end of the year			634998	6.35
3	SUSHIL KUMAR NEVATIA				
	At the beginning of the year	NIL	NIL		
	Add/Less: No change during the Year	-	-	-	-
	At the end of the year	NIL	NIL	NIL	NIL
4	MANASH KUMAR BANERJEE				
	At the beginning of the year	NIL	NIL		
	Add/Less: No change during the Year	-	-	-	-
	At the end of the year	NIL	NIL	NIL	NIL
5	RAMA GARG				
	At the beginning of the year	175000	1.75		
	Add/Less: No change during the Year	-	-	-	-
	At the end of the year			175000	1.75
6	RAJESH GARG				
	At the beginning of the year	320000	3.2		
	Add/Less: No change during the Year	-	-	-	-
	At the end of the year			320000	3.2

Annexure to the Director's Report (Contd.)

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
7	RAM NARAYAN BANSAL	—	—	—	—
	At the beginning of the year	0	0		
	Add/Less: No change during the Year	-	-	-	-
	At the end of the year			0	0
8	RASHI NAGORI	—	—	—	—
	At the beginning of the year	0	0		
	Add/Less: No change during the Year	-	-	-	-
	At the end of the year			0	0

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,55,35,102	0	0	2,55,35,102
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2,55,35,102	0	0	2,55,35,102
Change in Indebtedness during the financial year				
Additions	6,82,929	2,27,03,757	0	2,33,86,686
Reduction	34,30,655	0	0	34,30,655
Net Change	-27,47,726	2,27,03,757	0	1,99,56,031
Indebtedness at the end of the financial year				
i) Principal Amount	2,27,87,376	2,27,03,757	0	4,54,91,133
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2,27,87,376	2,27,03,757	0	4,54,91,133

Annexure to the Director's Report (Contd.)
VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole time Director and/or Manager:

Sl. No	Particulars of Remuneration	Name of the Managing Director-	TOTAL
		HARIRAM GARG	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.		15,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-
2	Stock option		-
3	Sweat Equity		-
4	Commission		-
	as % of profit		-
5	Others, Allowances		-
	Total (A)		15,00,000
	Ceiling as per the Act	₹ 30,00,000 p.a. (In accordance with Section II of Part II of Schedule V of Companies Act, 2013)	

B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Total
1	Independent Directors: Please refer to Corporate Governance Report for details	
	(a) Fee for attending Board and Committee meetings	7500
	(b) Commission	0
	(c) Others, please specify	0
	Total (1)	7500
2	Other Non Executive Directors: Please refer to Corporate Governance Report for details	
	(a) Fee for attending Board Committee meetings	6000
	(b) Commission	0
	(c) Others, please specify.	0
	Total (2)	6000
	Total (B)=(1+2)	13500
	Total Managerial Remuneration	
	Overall Ceiling as per the Act.	₹ 1 lakh per meeting of the Board or Committee thereof

Annexure to the Director's Report (Contd.)

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CFO (Rajesh Garg)*	Company Secretary (Ms.Rashi Nagori)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	264000	2,73,000	5,37,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others, Allowances	-	-	-
	Total	264000	2,73,000	5,37,000

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

Annexure to the Director's Report *(Contd.)*

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 Personnel) Rules, 2014]

To
The Members,
M/s. Asian Tea & Exports Limited
Sikkim Commerce House,
4/1, Middleton Street, 5th Floor
Kolkata – 700 071

1. I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Asian Tea & Exports Limited [CIN : L24219WB1987PLC041876] (hereinafter called 'the Company') during the financial year ended 31st March, 2018. Secretarial Audit was conducted on test check basis, in the manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.
2. On the basis of aforesaid verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, as shown to me during the said audit and also based on the information provided by the Company, its officers, agents authorised representatives during the conduct of the aforesaid secretarial audit and relying on the representations made by the Company and its officers, I hereby report that in my opinion and to the best of my understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and the Company also has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. I further report that compliance with applicable laws in the responsibility of the Company and my report constitutes an independent opinion. My report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.
4. (I) I have examined the secretarial compliance best on the books, papers, minutes books, forms and return filed and other records maintained by M/s. Asian Tea & Export Limited for the financial year ended on 31st March, 2018 and as shown to me during my audit, according to the provisions of the following laws:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and by laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments and External Commercial Borrowings;
 - (v) The Regulations Guidelines prescribed under the Securities and Exchange Board of Indian Act, 1992 ('SEBI Act') viz.
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

Annexure to the Director's Report (Contd.)

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, to the extent as applicable.
 - e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; to the extent as applicable.
- (II) I have also examined the secretarial compliance on test check basis of the books, papers, forms and returns, if any, filed and other records maintained by M/s. Asian Tea & Exports Limited for the financial year ended on 31st March, 2018, according to the provisions of the following laws specifically applicable to the Company and represented to me during my audit, as also referred in above paragraphs of this report;
- a) West Bengal Shops & Establishment Act, 1963
 - b) The Payment of Wages Act, 1936
 - c) The Payment of Bonus Act, 1965
 - d) Employees' State Insurance Act, 1948
 - e) Employees' State Insurance (Central) Rules, 1950
 - f) Trade Marks Act, 1999
5. I have also examined compliance with the applicable clauses of the following:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.
6. That on the basis of the audit as referred above on test check basis, to the best of my knowledge, understanding and belief, I am of the view that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above in Paragraph 4(I), Paragraph 4(II) and Paragraph 5 of this report, save and except the following:
- (i) That the relevant form MGT-14 in respect of borrowing limit approved in the Board Meeting dated 12/03/2018 is yet to be filed. The Company has confirmed that the same would be regularized soon.
7. I have checked the compliance with the provisions of the Standard Listing Agreement entered by the Company with the following Stock Exchange in India and also with the provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, during the period under review and to the best of my knowledge, belief and understanding, I am of the view that the Company has complied with the Secretarial functions and board processes to comply with the applicable provision thereof, during the aforesaid period under review.
- (i) Bombay Stock Exchange Limited (BSE)
 - (ii) The Calcutta Stock Exchange Limited (CSE)

However, the Board of Directors of the Company at their meeting held on August 10, 2017 inter alia has taken the following decisions:

- a. Approval received from the Board of Directors for voluntary delisting of its Equity Shares from the Calcutta Stock Exchange Limited pursuant to Regulation 6 of the SEBI (Delisting of Equity Shares) Regulations, 2009 & continue its Listing in Bombay Stock Exchange Limited.
- b. Approval received from the Board of Directors for Appointment of M/s Finshore Management Services Limited, as Merchant Banker for the purpose of voluntary delisting of the Company from Calcutta Stock Exchange Limited.

Annexure to the Director's Report (Contd.)

The Company has applied for delisting of its shares to The Calcutta Stock Exchange Limited (CSE). The matter of delisting is still pending before the concerned Stock Exchange.

8. I further report, to the best of my understanding that,
 - a) The Board of Directors of the Company is duly constituted as per the provisions of the Companies Act, 2013 and of the Stock Exchanges Standard Listing Agreement, as applicable for the time being. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - b) Adequate notices were given to all directors for the Board and Committee Meetings. Agenda and notes on agenda were sent in advance and further information and clarifications on the agenda items were provided for meaningful participation at the meeting.
 - c) All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committee of the Board, as the case may be.
9. I further report that there are adequate system 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, such as laws relate to taxation, local laws applicable to the area of operation of business and other laws generally applicable to Company, subject to the following observation as mentioned here in below:
 - i. As per the information available at the website of the Calcutta Stock Exchange, as on 13th August, 2018, the status of the Company is "Suspended". However, I am not able to form an opinion as to whether the said suspension was also applicable on the Company during the period under review, or not. However, the management of the Company has represented that the Company is in compliance with all the requirements of the Standard Listing Agreements of the Stock Exchanges and that the Company shall take up the matter with the Calcutta Stock Exchange Limited (CSE), seeking rectification of the said status.

However, the Company has applied for delisting of its shares from The Calcutta Stock Exchange Limited (CSE). The matter of delisting is still pending before the concerned Stock Exchange.

10. This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this Report.

Tanmay Kumar Saha
Company Secretary

Place : Kolkata
Date : 14.08.2018

FCS 8847
CP No. 11918

Annexure to the Director's Report *(Contd.)*

'Annexure A'

(To the Secretarial Audit Report of M/s. Asian Tea & Exports Limited for the financial year ended 31/03/2018)

To
The Members,
M/s. Asian Tea & Exports Limited
Sikkim Commerce House,
4/1, Middleton Street, 5th Floor
Kolkata – 700 071

My Secretarial Audit Report for the financial year ended 31/03/2018 of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers and agents of the Company during the said audit.
2. I have followed the audit practices and processes as were appropriate, to the best of my understanding, to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. I have relied on the said representation in respect of various compliances including related party transactions, managerial remuneration etc. while making this report.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of compliance procedures on test basis. I would not be liable for any business decision or any consequences arising thereof, made on the basis of my report.
6. The Secretarial Audit Report is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

Tanmay Kumar Saha
Company Secretary

Place : Kolkata
Date : 14.08.2018

FCS 8847
CP No. 11918

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to practice good corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. Sound governance process consists of a combination of business practices which result in enhanced shareholder value and enable the company to fulfill its obligations to customers, employees, financiers and to the society in general. The Company further believes and focuses on attaining the highest levels of core values of transparency, empowerment, accountability, independent monitoring and environment consciousness. The Company makes its best endeavour to uphold and nurture these core values across all aspects of its operations

BOARD OF DIRECTORS

(A) Composition of the Board

The Company has 6 Directors out of which 3 are Executive directors and one of them is a woman director, and 3 are Non-Executive and Independent Director. The Board is headed by the Executive Chairman, Shri Sunil Garg and comprises of persons with considerable professional experience in their respective fields. Fifty percent of the Board consists of Non- Executive Directors and Three out of Six are Independent Directors. Therefore the composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchange.

The Composition of the Board of Directors and also the number of other Boards or Board Committees of which he is a member or chairperson are as under:

Name of the Director	Executive/Non-Executive/ Independent	No. of other Directorship (s)		No. of outside Committee positions held	
		Public	Private	Member	Chairman
Shri Sunil Garg	Chairman- Executive	-	15	-	-
Shri H.R.Garg	Executive	-	16	-	-
Shri Ram Narayan Bansal	Non Executive Independent	-	7	-	-
Shri Sushil Kr. Nevatia	Non Executive Independent	-	5	-	-
Shri Manash Kr. Banerjee	Non Executive Independent	-	1	-	-
Smt Rama Garg	Executive	-	7	-	-

(B) Details of Board Meetings and attendance

The Board met 6 times during the year under review on 30/05/2017, 10/08/2017, 14/09/2017, 16/11/2016, 14/02/2018, 12/03/2018 and the agenda papers were circulated well in advance of each meeting of the Board of Directors. The Company placed before the Board, the working of the organization and statements containing the status of the various matters pursuant to Corporate Governance practices as required by Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The attendance of each of the Directors at the meeting during the year and at the last Annual General Meeting is as follows:

Name of the Director	No. of Board Meetings Attended	Attendance at last AGM
Shri H.R.Garg	6	Yes
Shri Sunil Garg	6	Yes
Shri Ram Narayan Bansal	4	Yes
Shri Sushil Kr. Nevatia	5	Yes
Shri Manash Kr. Banerjee	2	Yes
Smt. Rama Garg	3	Yes

Report on Corporate Governance (Contd.)

Code of Conduct for Board Members and Senior Management

In line with the provisions contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, the Board hereby adopts the Code of Business Conduct & Ethics for Board Members and Senior Management Personnel of Asian Tea & Exports Limited.

Asian Tea & Exports Limited endeavours to set a high standard of conduct for its Board members and senior management personnel. It aims to achieve its objectives by establishing a sound framework of Corporate Governance based on the pillars of ethical practices and transparency. This Code of Conduct intends to establish yardsticks, which should be followed to ensure that the Vision, Mission and Values of the company are followed in spirit. The purpose of the Code is to continually enhance ethical and transparent processes in managing the affairs of the company. Every Director and Senior Management personnel of the company has a responsibility to work on the principles of fairness, honesty, integrity and transparency in their quest for achieving organizational goals.

BOARD COMMITTEES

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has Three Committees i.e. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance are provided below:

AUDIT COMMITTEE

(A) Terms of reference

The audit committee was reconstituted in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at a board meeting held on 30/05/2017. The audit committee oversees the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditor and fixation of their remuneration, to review and discuss with the Auditor about internal control systems, the scope of audit including the observations of the Auditor, adequacy of the internal audit system, major accounting policies, practices and entries, compliance with accounting standards and Listing Agreements, and other legal requirements concerning financial statements and related party transactions, if any, and to review the financial statements before they are submitted to the Board of Directors.

Other duties such as:

- 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.
- Discussion with internal auditors of any significant findings and follow up thereon.
- To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.

(B) Composition of the Committee, Meetings and Attendance

The Audit Committee of the Company comprises of three Directors, of which two are Independent and one is executive. The Chairman of the Committee is an independent Director. The Company Secretary acts as the Secretary to the Committee. The Statutory auditor of the company is a permanent invitee at the meetings of the Committee.

The Constitution of the Audit Committee is as follows:

Shri Ram Narayan Bansal	Member	Non-Executive & Independent Director
Shri Sunil Garg	Member	Executive Director
Shri Sushil Kr. Nevatia	Chairman	Non-Executive & Independent Director

The Committee met 5 (five) times during the year on 30/05/2017, 10/08/2017, 14/09/2017, 16/11/2017, 14/02/2018 and was attended by all the members of the committee.

The Company Secretary acts as the secretary to the committee.

Report on Corporate Governance (Contd.)**NOMINATION & REMUNERATION COMMITTEE****Terms of Reference**

The committee was renamed and reconstituted as Nomination & Remuneration Committee in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at a board meeting held on 30/05/2017.

The Company has formed a remuneration committee which is a part of non- mandatory requirement of the Code. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practices and the requirements of law. The Company does not have stock option plan or performance linked incentives for its Directors.

The Constitution of the Remuneration Committee is as follows:

Shri Ram Narayan Bansal	Member	Non-Executive & Independent Director
Shri Manash Kumar Banerjee	Chairman	Non-Executive & Independent Director
Shri Sushil Kr. Nevatia	Member	Non-Executive & Independent Director

There have been meetings of the members of the Nomination & Remuneration Committee of the Company, on 30/05/2017, 10/08/2017, 16/11/2017, 14/02/2018, for the period under review.

The detail of Directors' remuneration is as follows:

Name of Directors	Salary	Benefits	Sitting Fees	Total
Shri H.R.Garg	1500000	-	-	1500000
Shri Sushil Kr. Nevatia	-	-	3750	3750
Shri Manash Kr. Banerjee	-	-	1500	1500
Smt Rama Garg	-	-	2250	2250
Shri Sunil Garg	-	-	3750	3750
Shri Ram Narayan Bansal	-	-	2250	2250

STAKEHOLDERS RELATIONSHIP COMMITTEE**(A) Terms of reference**

The committee was reconstituted in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at a board meeting held on 30/05/2017.

The Committee looks into issues relating to share, including transfer /transmission of shares, issue of duplicate share certificates, non- receipt of dividend, annual reports etc. The Committee meets to review status of investor grievances, ratify share transfers, approve transmission of shares and issue duplicate share certificates from time to time. Besides, officers of the Company have been authorized to approve issue of share certificates, approve transfers/ transmission of shares, consolidation, sub-division, split of share certificate.

The Committee performs the following functions:

- Transfer/ Transmission of Shares.
- Issue of Duplicate Share Certificate.
- Review of Share dematerialization and rematerialization.
- Monitoring the expeditious Redressal of Investor Grievances.
- All other matters related to the shares.

(B) Composition, Meetings and Attendance

The committee consists of the following members:

Shri Sushil Kr. Nevatia	Chairman	Non-Executive & Independent Director
Shri Sunil Garg	Member	Executive Director
Shri Hariram Garg	Member	Executive Director

Report on Corporate Governance (Contd.)

There have been meetings of the members of Stakeholders Relationship Committee of the Company, on 30/05/2017, 10/08/2017, 16/11/2017, 14/02/2018 for the period under review.

(C) Compliance Officer:

The Board has designated Miss Rashi Nagori, the Company Secretary as the Compliance Officer.

(D) Details of Shareholder's Complaints Received

The total number of investor complaints received and replied to the shareholders and during the year ended 31st March, 2018 was 6. There are no investor complaints lying unresolved at the end of the year as on 31st March, 2018. No shares are pending for transfer as on 31st March, 2018.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the independent Directors met on March 31, 2018 inter alia to discuss:

- Review the performance of non-independent directors and the Board as a whole;
- Review the performance of the chairperson of the company, taking into account the views of executive directors and non-executive directors;
- Access the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

GENERAL BOARD MEETINGS

Financial year	Date	Location of the Meeting	Time
2016-17	16 th September, 2017	H4/93A, B.B.T.Road, New Chakmir, Maheshtalla Kolkata-700 141	10.00 A.M.
2015-16	26 th August, 2016	H4/93A, B.B.T.Road, New Chakmir, Maheshtalla Kolkata-700 141	10.00 A.M.
2014-15	28 th August, 2015	H4/93A, B.B.T.Road, New Chakmir, Maheshtalla Kolkata-700 141	10.00 A.M.
2013-14	29 th August, 2014	H4/93A, B.B.T.Road, New Chakmir, Maheshtalla Kolkata-700 141	10.00 A.M.
2012-13	12 th September, 2013	H4/93A, B.B.T.Road, New Chakmir, Maheshtalla Kolkata-700 141	10.00 A.M.

Extra Ordinary Meeting

An extra-ordinary General Meeting of the Shareholders was held on 16th December, 2009 at Calcutta Rowing Club, 15 Rabindra Sarobar, Kolkata- 700029.

SPECIAL RESOLUTIONS

No Special resolutions were passed during last 4 Annual General Meetings, but a special resolution was passed at the Extra Ordinary General Meeting of the Company held on 16th December, 2009 to approve the Preferential Allotment of Convertible Warrants.

POSTAL BALLOT

One special resolutions was passed through postal ballot on 30/01/2015 regarding Issue of further shares to persons (whether or not including existing shareholders or employees) matter containing Preferential allotment of 1,45,00,000 warrants convertible into equity shares as per Chapter V11 of SEBI (ICDR) Regulations 2009.

FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee discuss and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

Report on Corporate Governance (Contd.)

1. Criteria of selection of Non- Executive Directors

- a) The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b) In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c) The Committee shall ensure that the candidate identified for appointment as a director is not disqualified under Section 164 of the Companies Act, 2013.
- d) The Committee shall consider the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Director.
 - i) Qualification, expertise and experience of the Directors in their respective fields;
 - ii) Personal, Professional or business standing;
 - ii) Diversity of the Board.
- e) In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

2. Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board/ Committee meetings and commission as detailed hereunder:

- i) A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee meeting attended by him/her at his/her discretion of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii) The Committee may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board.
- iii) The payment of such commission would be at the discretion of board only and shall not exceed 1% of the net profit of the Company;
- iv) The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

3. Managing Director & Whole Time Director-Criteria for selection/appointment

For the purpose of selection of the Managing Director or Whole Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation if any, received from any member of the Board.

The Committee will ensure that the incumbent fulfills such other criteria with regard to age and other qualification as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Managing Director or Whole Time Director

- i) At the time of appointment or re-appointment, the Managing Director or Whole Time Director may be paid such remuneration as may be mutually agreed between the Company (which includes the nomination & Remuneration Committee and the Board of Directors) and the Managing Director or Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii) The remuneration of the Managing Director or Whole Time Director may be broadly divided into fixed and variable components shall comprise performance bonus.
- iv) In determining the remuneration (including the fixed increment and performance bonus) the Committee shall ensure / consider the following:
 - a) The relationship of remuneration and performance benchmark is clear;
 - b) Balance between fixed and incentive pay reflecting short and long term performance objectives; appropriate to the working of the Company and its goal;

Report on Corporate Governance (Contd.)

- c) Responsibility required to be shouldered by the Managing Director or Whole Time Director, the industry benchmarks and the current trends.

REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES

In determining the remuneration of the Senior Management Employees (i.e. KMPs and senior officers just below the board level) the Committee shall ensure / consider the following:

- a) The relationship of remuneration and performance benchmark is clear;
- b) The balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to working of the Company and its goals;
- c) The remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- d) The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals' performance and current compensation trends in the market.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgement thereby safeguarding the interest of the Company. The performance evaluation of the independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee.

DISCLOSURES

Related party disclosures have been made in Note-37 of Notes to financial statement.

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/strictures were imposed against it during the last three years.

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock Exchanges, the Managing Director and the Executive Director have issued a certificate to the Board, for the Financial Year ended 31st March 2018.

The Board has taken cognizance of the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall consider adopting the same as and when necessary.

The Company has in place a procedure for identification and mitigation of business and commercial risk. The Audit Committee reviews the risk management and mitigation plan from time to time.

Prevention of Insider Trading

The Company has adopted a code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

Compliance with Indian Accounting Standards

In preparation of the financial statements, the Company has followed the Indian Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

MEANS OF COMMUNICATION.

1. Quarterly results and the half-yearly results are published in leading newspaper in English and Bengali.
2. Management Discussion and Analysis Report forms part of the Directors' Report.

APPLIED FOR DELISTING FORM CALCUTTA STOCK EXCHANGE LIMITED

The Company has applied for Delisting form Calcutta Stock Exchange Limited and would continue being listed in Bombay Stock Exchange.

Report on Corporate Governance (Contd.)**GENERAL SHAREHOLDERS INFORMATION.****A) Annual General Meeting****Date & Time: 29th September, 2018 at 10.00 A.M.****Venue: 7, Convent Road, Kolkata-700 014****B) Financial Calendar & Publication of Results (Tentative):**

The financial Year of the Company is April to March.

Results for the quarter ending 30 th June, 2018	Second week of August, 2018
Results for the quarter ending 30 th September, 2018	Third week of November, 2018
Results for the quarter ending 31 st December, 2018	Second week of February, 2019
Results for the quarter ending 31 st March, 2019	Fifth week of May, 2019

C) Book Closure DateThe Register of Members and Share Transfer Books of the Company will remain closed from Sunday the 23rd September, 2018 to Saturday 29th September, 2018 (both days inclusive).**D) Dividend Payment Date**

The Board of Directors of the Company has not recommended any dividend for this year.

E) Listing of Stock Exchanges

The Company's securities are listed at:

i) Calcutta Stock Exchange Association Ltd:

7, Lyons Range, Kolkata- 700 001

ii) BSE Ltd.

Phiroze Jeejeebhoy Towers, Dalal Street, 25th Floor, Mumbai- 400 001**F) Listing Fees**

Listing Fee for the year 2017-2018 has been paid to the above stock exchanges.

G) Stock Code

Calcutta Stock Exchange Association Ltd 011053

BSE Ltd 519532

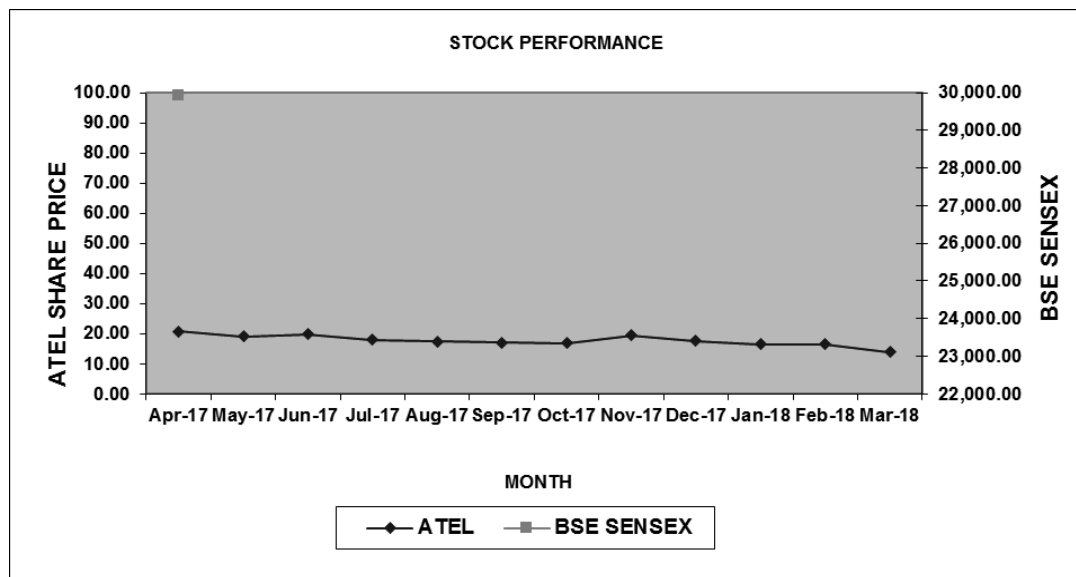
ISIN NO. INE822B01017

H) Stock Price Data

Month	Bombay Stock Exchange Limited	
	High (₹)	Low (₹)
April 2017	21.7	14.16
May 2017	24.5	18
June 2017	20.05	17.1
July 2017	19.35	17.00
August 2017	18	13.95
September 2017	19.5	15.85
October 2017	18	15.80
November 2017	20.35	15.80
December 2017	20.35	16.10
January 2018	19.50	16.20
February 2018	17.90	15.40
March 2018	17.95	13.75

Report on Corporate Governance (Contd.)

I) Stock Performance



J) REGISTRAR & TRANSFER AGENT

S.K. Infosolutions Pvt Ltd

34/1A, Sudhir Chatterjee Street, Kolkata- 700 006

Tel: - (033) 2219-4815/ 6797, Fax: (033) 2219-4815

K) Share Transfer System

The shares received for transfer in physical mode, if in order in all respects are registered and returned within 2 weeks from the date of lodgment.

L) Distribution of Shareholding as on 31.3.18

No of Shares	No of Shareholders	% to total holders	No of Shares	% to total holding
Upto 500	10898	94.68	1238851	12.39
501 to 1000	290	2.52	241973	2.42
1001 to 2000	140	1.29	232252	2.32
2001 to 3000	40	0.35	100451	1.00
3001 to 4000	24	0.21	84035	0.84
4001 to 5000	26	0.23	123630	1.24
5001 to 10000	35	0.30	261767	2.62
10001 to 50000	30	0.26	593195	5.93
50001 to 100000	6	0.05	494889	4.95
100001 and above	13	0.11	6628957	66.29
TOTAL	11510	100	10000000	100

Report on Corporate Governance (Contd.)**M) Categories of shareholders as on 31.03.18**

Category	No of Shares held	% of shareholding
Res Ind	2718304	27.19
Dom Com	615113	6.15
N.R.I	102156	1.02
For Com	-	-
Mutual Funds	14500	0.15
Fin Ins	-	-
Nal Bank	-	-
PROM. COM	3720452	37.20
Dir Relv	2829475	28.29
F.I.I.S	-	-
GRAND TOTAL	10000000	100

N) Dematerialisation of shares

90.80 % of the Shares aggregating to 90,79,198 Shares have been Dematerialized Upto 31st March'2018.

O) There are no outstanding GDR/ Warrants and Convertible Bonds**P) Plant Locations:**

Factory Warehouse: Budge Budge Trunk Road, Rampur, 24 Parganas (South), West Bengal.

Q) Investor Correspondence

S. K. Infosolutions Pvt Ltd.
34/1A, Sudhir Chatterjee Street, Kolkata- 6
Tel: 2219-4815/679
Fax: 2219-4815

OR Rashi Nagori
Company Secretary
Sikkim Commerce House
4/1 Middleton Street, Kolkata 700071
Tel: 4006 3601/3602
E-mail: anand@asianteaexports.com

R) Pan Requirement

SEBI has vide its circular no. MRD/Dop/Cir-05/2009 dated 20-05-2009 made the requirement of PAN Card of all Transferee(s) compulsory in case of all Physical Transfer of Shares.

Independent Auditors' Report

TO THE MEMBERS OF ASIAN TEA & EXPORTS LIMITED

Report on the Standalone Indian Accounting Standard (Ind AS) Financial Statements

We have audited the standalone financial statements of Asian Tea & Exports Limited, ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these standalone 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 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 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 financial statements.

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

Independent Auditors' Report *(Contd.)*

Opinion

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

Emphasis-of-Matter

Without qualifying our opinion, we draw your attention to the following matters:

- a. The Company has non-current investment in unquoted equity shares of Doyapore Tea Industries Pvt. Ltd., Azambad Tea Company Pvt. Ltd. and Prachi Mittal Creations Pvt. Ltd. amounting to Rs. 194.89 Lakhs, Rs. 6.06 lakhs and Rs. 4.89 Lakhs respectively. The said investments are valued at cost. Due to non availability of audited financial statements for the financial year 2017 -2018, the Company has relied on the audited financial statements for the year ended 31st march 2017. Where there is a decline in the value of investment amounting to Rs. 65.92 Lakhs, Rs. 0.95 Lakhs and Rs. 0.83 Lakhs respectively. However, the Company has not made any provision for diminution in value of investment as in the view of management these investments are long term and such diminution is temporary in nature.
- b. The Company had issued a Corporate Guarantee amounting to Rs. 3,700 Lakhs in favor of State Bank of India for Asian Tea Company Pvt. Ltd., being an associate of the Company. As per the management the compliances of the Companies Act will be done in due course.
- c. The Company has long standing advances of Rs. 27.96 Lakhs with Capital first Commodities Limited for which no impairment loss assessment is made in the financial statement as the management is of opinion that this amount is fully recoverable in future.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 st 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

Annexure - A

Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 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 **Kaushal Surana & Co.**
Chartered Accountant

CA Kaushal Kumar Surana
Proprietor

Membership No: 065552
Firm Registration No.: 329248E

Place: Kolkata
Date: 31st May 2018

Annexure “A” to the Independent Auditor’s Report

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 to the Members of Infosys Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of ASIAN TEA & EXPORTS LIMITED (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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, 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 internal financial controls over financial reporting of the Company 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,

Annexure - A (Contd.)

or disposition of the company's assets that could have a material effect on the financial statements.

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

For **Kaushal Surana & Co.**
Chartered Accountant

CA Kaushal Kumar Surana
Proprietor
Membership No: 065552
Firm Registration No.: 329248E

Place: Kolkata
Date: 31st May 2018

Annexure “B” to the Independent Auditor’s Report

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 to the Members of Infosys Limited of even date)

- i. In respect of the Company’s fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner 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, the records examined by us and based on the examination of the conveyance deeds 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 and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to three bodies corporate, 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 overdue amount remaining outstanding as at the year-end.
 - d) 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 Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable. However we would like to draw your attention to the matters that the Company had issued a Corporate Guarantee amounting to Rs. 3,700 Lakhs in favor of State Bank of India for Asian Tea Company Pvt. Ltd., being an associate of the Company, the compliances of the Companies Act are yet to be complied with.
- iv. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- v. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vi. 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, Sales Tax, Service Tax, Goods and Service Tax, Value

Annexure - B (Contd.)

Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- vii. The Company has taken loan from Banking Institution. It has not defaulted in repayment of loans to banks.
- viii. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- ix. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- x. 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 Act.
- xi. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 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 financial statements as required by the applicable Indian Accounting Standards.
- xiii. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xiv. 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 persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Kaushal Surana & Co.**
Chartered Accountant

CA Kaushal Kumar Surana
Proprietor

Membership No: 065552
Firm Registration No.: 329248E

Place: Kolkata
Date: 31st May 2018

Balance Sheet as at 31st March, 2018

[All amounts in ₹ unless otherwise stated]

Particulars	Notes	31st March 2018	31st March 2017	1st April 2016
ASSETS				
Non- Current assets				
(a) Property, Plant and Equipment	2	19,90,591	9,79,208	13,78,354
(b) Investment in Subsidiary and Associates	3	16,37,97,743	15,43,32,480	14,21,79,760
(c) Financial Assets				
Investments	4	2,07,94,439	2,07,81,329	2,07,61,555
(d) Deferred Tax Assets (Net)	5	11,47,123	17,00,291	18,16,774
(e) Other Non Current Assets	6	41,16,521	41,06,521	42,41,237
Total Non Current Assets		19,18,46,417	18,18,99,829	17,03,77,680
Current Assets				
(a) Inventories	7	3,41,64,477	2,48,05,134	4,24,77,602
(b) Financial Assets				
(i) Trade Receivables	8	4,38,85,463	3,25,87,549	2,30,67,385
(ii) Cash & Cash Equivalents	9	22,74,617	29,66,139	6,68,142
(iii) Other Bank Balances	10	10,74,947	1,29,49,311	1,12,43,817
(iv) Other Financial Assets	11	62,72,359	55,33,734	55,33,734
(c) Current Tax Assets (Net)	12	45,22,111	48,35,908	28,08,776
(d) Other Current Assets	13	7,27,11,747	6,23,50,158	2,21,51,789
Total Current Assets		16,49,05,721	14,60,27,933	10,79,51,245
TOTAL ASSETS		35,67,52,138	32,79,27,762	27,83,28,925
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	10,00,00,000	10,00,00,000	10,00,00,000
Other Equity	15	15,11,80,800	15,09,51,028	14,92,88,620
Total Equity		25,11,80,800	25,09,51,028	24,92,88,620
Liabilities				
Non- current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	3,50,01,771	3,72,95,596	-
(b) Employee Benefit Obligations	17	4,05,675	3,54,570	4,18,320
Total Non- current Liabilities		3,54,07,446	3,76,50,166	4,18,320
Current Liabilities				
(a) Financial Liabilities				
Borrowings	18	3,89,95,538	2,55,35,102	1,25,05,202
Trade Payables	19	1,78,25,395	72,16,851	1,47,27,291
Other Financial Liabilities	20	29,76,754	25,06,323	-
(b) Other Current Liabilities	21	93,15,092	30,32,966	3,67,265
(c) Employee Benefit Obligations	22	10,51,113	10,35,326	10,22,227
Total Current Liabilities		7,01,63,892	3,93,26,568	2,86,21,985
TOTAL LIABILITIES		10,55,71,338	7,69,76,734	2,90,40,305
TOTAL EQUITY AND LIABILITIES		35,67,52,138	32,79,27,762	27,83,28,925

This is the Balance Sheet referred to in our report of even date.

The above statement of Balance Sheet should be read in conjunction with the accompanying notes.

For Kaushal Surana & Co.
For & on behalf of the Board
Chartered Accountants
Kaushal Kumar Surana
Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 31.05.2018

(H.R.GARG)
Managing Director

DIN: 00216053

(SUNIL GARG)
Director

DIN: 00216155

(RAJESH GARG)
Chief Financial Officer
(RASHI NAGORI)
Company Secretary

Statement of Profit & Loss for the year ended 31st March, 2018

[All amounts in ₹ unless otherwise stated]

Particulars	Notes	Year ended 31st March 2018	Year ended 31st March 2017
Income:			
Revenue from operations	23	10,58,83,632	20,11,89,053
Other Income	24	88,59,136	40,96,731
Total Income		11,47,42,768	20,52,85,784
Expenses:			
Purchases of stock in trade	25	10,01,41,231	16,88,54,790
Changes in inventories of finished goods	26	(93,59,343)	1,76,72,468
Employee benefits expense	27	38,07,617	33,82,493
Finance Costs	28	56,01,498	54,67,722
Depreciation and Amortization Expense	29	3,72,760	4,51,971
Other expenses	30	1,31,42,533	69,32,590
Total Expenses		11,37,06,296	20,27,62,034
Profit before tax		10,36,472	25,23,750
Income Tax Expense			
(1) Current Tax		3,10,000	7,50,000
(2) Deferred Tax		5,38,486	1,11,342
Total Tax Expense		8,48,486	8,61,342
Profit for the year		1,87,986	16,62,408
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		56,468	12,049
Income tax relating to above items		(14,682)	(3,133)
Other Comprehensive Income for the year, net of tax		41,786	8,916
Total Comprehensive Income for the year		2,29,772	16,71,324
Earning per equity share (Face Value of ₹10 each)	31		
(1) Basic		0.02	0.16
(2) Diluted		0.02	0.16

This is the Balance Sheet referred to in our report of even date.

The above statement of Balance Sheet should be read in conjunction with the accompanying notes.

For Kaushal Surana & Co.

Chartered Accountants

Kaushal Kumar Surana

Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 31.05.2018

(H.R.GARG)
Managing Director
DIN: 00216053

(RAJESH GARG)
Chief Financial Officer

For & on behalf of the Board

(SUNIL GARG)
Director
DIN: 00216155

(RASHI NAGORI)
Company Secretary

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

[All amounts in ₹ unless otherwise stated]

Particulars	As at 31st March 2018	As at 31st March 2017
(A) Cash Flow From Operating Activities		
Profit before Income Tax	10,36,472	25,23,750
Adjustments for		
Fair Value of Financial assets (Net)	(1,735)	(14,633)
Provision for Gratuity- P/L	1,23,360	-
Depreciation and Amortisation Expense	3,72,760	4,51,971
Interest Income Received on Loans	(65,50,356)	(19,52,320)
Finance Costs	56,01,498	54,67,722
Remeasurements of net defined benefit plans (Net)	41,786	
Sundry Balance Written Off (Net)	25,085	
Profit on sale of Fixed Assets	(1,30,518)	-
Operating profit before working capital changes	5,18,352	64,76,490
Adjustments for		
Decrease/(Increase) in Trade Receivables	(1,13,22,999)	(95,20,164)
Decrease/(Increase) in Inventories	(1,88,24,606)	1,76,72,468
Decrease/(Increase) in Other Financial Asset - Current	(7,50,000)	-
Decrease/(Increase) in Other Current Assets	(5,23,11,732)	(10,09,91,395)
Decrease/(Increase) in Other Non Current Asset	(10,000)	1,34,716
Decrease/(Increase) in Other Current Tax Asset	(4,39,867)	(20,27,132)
(Decrease)/Increase in Trade Payable	1,06,08,544	(75,10,440)
(Decrease)/Increase in Other Current Liabilities	62,82,126	26,65,701
(Decrease)/Increase in Employee Benefit Obligations- Non Current	(72,255)	(63,750)
(Decrease)/Increase in Employee Benefit Obligations- Current	15,787	13,099
Cash Generated from Operations	(6,63,06,650)	(9,31,50,407)
Income Tax Paid	4,58,346	(7,50,000)
Cash Flow before Extra Ordinary Items	(6,58,48,304)	(9,39,00,407)
Income/(Expenses) pertaining to previous year	-	-
Net Cash from Operating Activities	(6,58,48,304)	(9,39,00,407)
(B) Cash Flow From Investing Activities		
Payment for Property, Plant & Equipment	(15,03,625)	(52,825)
Proceeds from sale of Property, Plant & Equipment	2,50,000	-
Purchase of Investments	-	(1,21,52,720)
Interest Received on Loan	65,50,357	19,52,320
Loans to Others	4,19,50,143	6,07,93,026
Net Cash Generated From/(Used in) Investing Activities	4,72,46,875	5,05,39,801

Cash Flow Statement for the year ended 31st March, 2018 (Contd.)

[All amounts in ₹ unless otherwise stated]

Particulars	As at	As at
	31st March 2018	31st March 2017
(C) Cash Flow From Financial Activities		
Borrowings (Repaid) / Taken	1,16,37,042	5,28,31,819
Finance Costs	(56,01,498)	(54,67,722)
Net Cash Generated From/(Used in) Financing Activities	60,35,543	4,73,64,097
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(1,25,65,886)	40,03,491
Closing Cash & Cash Equivalents (Refer Note No. 9 & 10)	33,49,564	1,59,15,450

Notes :

(i) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

(ii) Cash and cash equivalents include "Cash and Bank Balances".

(iii) Previous years figures have been re-arranged/re-grouped wherever necessary

This is the Cash Flow Statement referred to in our report of even date.

For Kaushal Surana & Co.

Chartered Accountants

Kaushal Kumar Surana

Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 31.05.2018

For & on behalf of the Board

(H.R.GARG)

Managing Director

DIN: 00216053

(SUNIL GARG)

Director

DIN: 00216155

(RAJESH GARG)

Chief Financial Officer

(RASHI NAGORI)

Company Secretary

STATEMENT OF CHANGES IN EQUITY
A. EQUITY SHARE CAPITAL

	Notes	Amount
As at 1st April 2016		10,00,00,000
Changes in Equity Share Capital	15	-
As at 31st March 2017		10,00,00,000
Changes in Equity Share Capital	15	-
As at 31st March 2018		10,00,00,000

B. OTHER EQUITY

PARTICULARS	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	RETAINED EARNINGS	OTHER RESERVES - OCI	TOTAL
Balance as at 1st April 2016	6,30,00,000	13,00,000	8,49,88,620	-	14,92,88,620
Profit for the year	-	-	16,62,408	-	16,62,408
Other Comprehensive Income for the year	-	-	(8,916)	8,916	-
As at 31st March 2017	6,30,00,000	13,00,000	8,66,42,112	8,916	15,09,51,028
Add: Profit after tax for the year	-	-	1,87,986	-	1,87,986
Other Comprehensive Income for the year	-	-	-	41,786	41,786
As at 31st March 2018	6,30,00,000	13,00,000	8,68,30,098	50,702	15,11,80,800

This is the Statement of Changes in Equity referred to in our report of even date.

The above Statement of Changes In Equity should be read in conjunction with the accompanying notes.

For Kaushal Surana & Co.

For & on behalf of the Board

Chartered Accountants

Kaushal Kumar Surana

Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 31.05.2018

(H.R.GARG)

Managing Director

DIN: 00216053

(SUNIL GARG)

Director

DIN: 00216155

(RAJESH GARG)

Chief Financial Officer

(RASHI NAGORI)

Company Secretary

Notes to Financial Statements as at and for the year ended March 31, 2018

Background:

Asian Tea & Exports Limited is a company limited by shares, incorporated and domiciled in India. The Company is engaged in the Business of sale of made tea, Fibre Boards, Elevators, Yellow Peas, etc.

Note No. 1: SIGNIFICANT ACCOUNTING POLICIES

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

1.1 Basis of Preparation of Financial Statements

1.1.1 Compliance with Ind AS:

These financial statements comply in all material aspects with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

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

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 42 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

1.1.2 Classification of Current and Non-Current:

All the 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 the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be 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 generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) Defined Benefit Plans – Plan Assets measured at fair value.
- ii) Certain Financial Assets and Liabilities which are measured at fair value.
- iii) Assets held for sale - measured at lower of carrying amount or fair value less cost to sell.

1.1.4 Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees as per the requirement of Schedule III, unless otherwise stated.

1.2 Segment Reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

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 recognized in profit or loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Notes to Financial Statements as at and for the year ended March 31, 2018 *(Contd.)*

1.4 Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of tea claims and are net of sales return, sales tax/value added tax/goods and service tax, trade allowances and amount collected on behalf of third parties.

The company recognizes 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 rewards incidental to the sale of products is transferred to the buyer.

1.5 Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. 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 excepted to apply when the related deferred income tax assets 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 off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets/liabilities are not recognized 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 temporary difference can be utilized 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.

Current and deferred tax is recognised in the Statement of Profit and 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.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.6 Cash and Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, 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.

1.7 Trade Receivables:

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

1.8 Inventories:

Inventories are stated at lower of cost and net realizable value. Cost is determined using FIFO method and comprises of the purchase price including duties and taxes, freight inward and other expenditure directly

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

attributable to the acquisition, but excluding trade discount and other rebates.

1.9 Investments in subsidiaries and associates:

Investments in subsidiaries and associates are recognised at cost as per Ind AS 27, except where investments are accounted for at cost in accordance with Ind AS 105.

1.10 Investments and other Financial Assets:

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

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

The classification depend on the company's business model for managing the financial assets and the other contractual terms of cash flows.

1.10.1 Measurement – Equity Instruments:

The Company measures its equity investment other than in subsidiaries and associates at cost. 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, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

1.10.2 Measurement – Mutual Funds:

All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

1.10.3 De-Recognition of Financial Assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

1.11 Financial Liabilities

Initial Recognition and Measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent Measurement

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-Recognition of Financial Liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

1.12 Income Recognition:

Dividends- Dividends are recognized in profit or loss only when the right to receive payment is established.
Interest Income- Interest Income from debt instrument is recognised using the effective interest rate method.

1.13 Property, Plant and Equipment:

All items of Property, Plant and Equipment are stated at historical cost less depreciation. Historical Cost includes expenditure that is directly attributable to the acquisition of the items.

Notes to Financial Statements as at and for the year ended March 31, 2018 *(Contd.)*

Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Transition to IND AS:

On transition to Ind AS, the Company has taken deemed cost on the date of transition to Ind AS. Gross block and Accumulated Depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of all its property, plant and equipment recognized as at 1st April, 2016.

Depreciation methods, estimated useful lives and residual value:

Depreciation on Property, Plant and Equipment is provided as per Written Down Method (WDV). Depreciation for the current year is provided on the basis of useful lives as prescribed in Schedule II to the Companies Act, 2013, which in the view of the management is reasonable based on the life the asset is expected to be used.

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

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

1.14 Equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

1.15 Dividends:

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.16 Earnings per Share:**1.16.1 Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year.

1.16.2 Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.17 Impairment of Financial assets:

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

Trade Receivables

For recognition of impairment loss on Trade Receivable, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if the credit risk has increased significantly impairment loss is provided.

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

Other Financial Assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

1.18 Use of Estimates:

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

1.19 Borrowing:

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

1.20 Borrowing Cost:

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

1.21 Employee Benefits:

Post-employment obligations

Defined benefit plans such as Gratuity:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity fund is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in Other Comprehensive Income in the statement of changes in equity and in the balance sheet.

1.22 Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(Amount in ₹)

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)**2. PROPERTY, PLANT AND EQUIPMENT**

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount As at 31st March, 2017
	Deemed Cost 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	
Tangible Assets							
Office Equipments	19,82,332	25,525	18,49,331	1,58,526	19,72,045	4,766	18,49,331
Furniture & Fixtures	18,39,552	-	5,77,755	12,61,797	13,93,145	1,31,299	5,77,755
Vehicles	64,19,183	-	15,18,238	49,00,945	54,99,772	3,12,881	15,18,238
Computers	8,63,721	27,300	8,18,740	72,281	8,61,472	3,025	8,18,740
Total	1,11,04,788	52,825	47,64,064	63,93,549	97,26,434	4,51,971	47,64,064

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount As at 31st March, 2018
	Original Cost as at 1st April, 2017	Additions during the year	Disposals during the year	As at 31st March, 2018	As at 1st April, 2017	Depreciation for the year	
Tangible Assets							
Office Equipments	1,58,526	45,369	-	2,03,895	1,27,480	13,258	-
Furniture & Fixtures	12,61,797	73,438	-	13,35,235	9,46,689	1,04,139	-
Vehicles	49,00,945	12,85,684	7,08,799	54,77,830	42,94,415	2,34,630	5,89,317
Computers	72,281	-	-	72,281	45,757	15,521	-
Roof & Wall Sheet	-	99,134	-	99,134	-	5,212	-
Total	63,93,549	15,03,625	7,08,799	71,88,375	54,14,341	3,72,760	5,89,317

* Represents deemed cost on the date of transition to Ind AS. Gross block and Accumulated Depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
3 INVESTMENT IN SUBSIDIARY AND ASSOCIATES			
(In Unquoted Equity Shares of Rs. 10/- each fully paid, except otherwise stated)			
Equity Instruments at Cost			
Investment in Equity Instruments - Subsidiary			
Greenol Laboratories Pvt Ltd.	4,06,88,360	4,06,88,360	4,06,88,360
979990 (31.03.17- 979990, 01.04.16- 979990) Shares			
Sarita Nupur Vyapaar Pvt Ltd.	3,54,73,900	3,54,73,900	3,54,73,900
322490 (31.03.17- 322490, 01.04.16- 322490) Shares			
Investment in Equity Instruments - Associate			
Kesavatsapur Tea Co. Pvt Ltd.	3,10,00,000	3,10,00,000	3,10,00,000
3100000 (31.03.2017- 3100000, 01.04.2016- 3100000) Shares			
Asian Tea Co. Pvt Ltd.	2,50,75,000	2,50,75,000	2,50,75,000
198125 (31.03.2017- 198125, 01.04.2016- 198125) Shares			
Hurdeodass Co. Pvt Ltd.	99,42,500	99,42,500	99,42,500
99000 (31.03.2017- 99000, 01.04.2016- 99000) Shares			
Inspire Tie Up Pvt Ltd.	3,00,000	3,00,000	-
30000 (31.03.2017- 30000, 01.04.2016- NIL) Shares			
HRG HealthCare Pvt Ltd.	6,65,000	6,65,000	-
66500 (31.03.2017- 66500, 01.04.2016- NIL) Shares			
Indong Tea Co. Pvt Ltd.	1,98,37,983	1,03,72,720	-
1637798 (31.03.2017- 1037272, 01.04.2016- NIL) Shares			
TH Infracon Pvt Ltd.	6,00,000	6,00,000	-
60000 (31.03.2017- 60000, 01.04.2016- NIL) Shares			
Sriram Tokharam Realtors Pvt Ltd.	2,15,000	2,15,000	-
21500 (31.03.2017- 21500, 01.04.2016- NIL) Shares			
Total	16,37,97,743	15,43,32,480	14,21,79,760

- (i) For the purpose of classification of investment, we have assessed control and significant influence exercised by the company over the investee that exists as on 31st March, 2018. Accordingly, Hurdeodass Co Pvt Ltd., HRG HealthCare Pvt Ltd. and Inspire Tie Up Pvt Ltd. have been classified as associate with effect from date of transition to Ind AS.

4 Non-Current Investments			
(In Equity Shares of ₹ 10/- each fully paid, except otherwise stated)			
A. Equity Investment Designated at Cost			
Investments in Equity Instruments - Others			
Azamabad Tea Co Pvt Ltd.	6,06,625	6,06,625	6,06,625
3800 (31.03.2017- 3800, 01.04.2016- 3800) Shares			
Prachi Mittal Creations Pvt Ltd.	4,88,550	4,88,550	4,88,550
10510 (31.03.2017- 10510, 01.04.2016- 10510) Shares			
Doyapore Tea Industries Pvt Ltd.	1,94,89,235	1,94,89,235	1,94,89,235
191675 (31.03.2017- 191675, 01.04.2016- 191675) Shares			
Mittal Tex Fab Pvt Ltd.	200	200	200
10 (31.03.2017- 10, 01.04.2016- 10) Shares			
Total (A)	2,05,84,610	2,05,84,610	2,05,84,610

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
B. Other Investment Designated at FVTPL			
Investment in Other Instruments			
Gold Coin (9 Pcs)	2,09,829	1,96,719	1,76,945
Total (A+B)	2,07,94,439	2,07,81,329	2,07,61,555
Aggregate amount of unquoted investments	18,43,82,353	17,49,17,090	16,27,64,370
Total Amount of Investments	18,45,92,182	17,51,13,809	16,29,41,315

- (i) Investment in unquoted equity shares of Doyapore Tea Industries Ltd., Azamabad Tea Company Pvt. Ltd. and Prachi Mittal Creations Pvt Ltd. amounting to ₹194.89 lakhs, ₹ 6.06 lakhs and ₹ 4.89 lakhs respectively are valued at cost. Due to non availability of audited financial statements for the financial year 2017 -2018, the Company has relied on the audited financial statements for the year ended 31st March 2017, where there is a decline in the value of investment amounting to ₹ 65.92 lakhs, ₹ 0.95 lakhs and ₹ 0.83 lakhs respectively. However, no provision has been made for diminution in value of investment as these investments are long term and such diminutions are temporary in nature.

Particulars	31st March 2018	31st March 2017	1st April 2016
5 DEFERRED TAX ASSET (NET)			
Deferred tax b/f	17,00,291	18,16,774	18,22,665
Created during the year	(5,38,486)	(1,11,342)	(5,891)
Financial asset at FVTOCI	(14,682)		-
Financial asset at FVTPL	-	(5,141)	-
Total	11,47,123	17,00,291	18,16,774

Particulars	1st April, 2016	Recognised in Statement of Profit and Loss	Recognised in Other Equity	31st March, 2017
Movement in Deferred Tax Assets				
Balance b/f	18,22,665	-	-	18,22,665
Depreciation	(5,891)	(1,11,342)		(1,17,233)
Remeasurements of net defined benefit plans	-	-	-	-
Financial asset at FVTPL	-	-	(5,141)	(5,141)
Total	18,16,774	(1,11,342)	(5,141)	17,00,291

Particulars	1st April, 2017	Recognised in Statement of Profit and Loss	Recognised in Other Equity	31st March 2018
Movement in Deferred Tax Assets				
Balance b/f	17,00,291	-	-	17,00,291
Depreciation	-	(5,38,486)	-	(5,38,486)
Remeasurements of net defined benefit plans		-	(14,682)	(14,682)
Total	17,00,291	(5,38,486)	(14,682)	11,47,123

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars		31st March 2018	31st March 2017	1st April 2016
6	OTHER NON CURRENT ASSETS			
	(Unsecured - considered good unless otherwise stated)			
	Advance with Capital First Commodities Ltd. (Subject to Confirmation)	27,96,362	27,96,362	27,96,362
	Group Gratuity Fund	13,20,159	13,10,159	14,44,875
	Total	41,16,521	41,06,521	42,41,237

Advance with Capital First Commodities Ltd. amounting to ₹ 27.96 lakhs is considered good and is fully recoverable in future. Hence, in view of the management of the company, no provision for the same is required to be made in the books of accounts. The Company is taking appropriate measures for its recovery.

7	INVENTORIES			
	At lower of cost and net realisable value			
	Finished Goods-Stock of Tea	1,23,93,274	1,53,14,871	2,81,55,539
	Stores & Packing Materials	3,07,250	25,000	25,000
	Coal	-	-	54,91,800
	Shares	-	94,65,263	88,05,263
	Yellow Peas	2,14,63,953	-	-
	Total	3,41,64,477	2,48,05,134	4,24,77,602

Particulars		31st March 2018	31st March 2017	1st April 2016
8	TRADE RECEIVABLES			
	Unsecured			
	- Considered Good	4,38,85,463	3,25,87,549	2,30,67,385
	Total	4,38,85,463	3,25,87,549	2,30,67,385

9	CASH AND CASH EQUIVALENTS			
	Balances with Banks in Current Accounts	14,19,158	25,77,569	1,77,957
	Cash on Hand (as certified by management)	8,55,459	3,88,570	4,90,185
	Total	22,74,617	29,66,139	6,68,142

10	OTHER BANK BALANCES			
	Balances with Bank held as Margin Money	8,27,937	24,69,174	14,75,175
	Bank Deposits held as Collateral	-	1,02,47,595	95,36,100
	Other Bank Deposits	2,47,010	2,32,542	2,32,542
	Total	10,74,947	1,29,49,311	1,12,43,817

11	OTHER FINANCIAL ASSETS			
	Security Deposits	55,33,734	55,33,734	55,33,734
	Mutual Funds	7,38,625	-	-
	Total	62,72,359	55,33,734	55,33,734

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
12 CURRENT TAX ASSETS (NET)			
Advance Tax & TDS (net of provision)	40,82,244	48,35,908	24,34,053
Input Tax Credit Account	-	-	3,74,723
Input Receivable - GST	4,39,867	-	-
Total	45,22,111	48,35,908	28,08,776

13 OTHER CURRENT ASSETS			
(Unsecured, considered good)			
Advances to Employees	34,000	77,000	1,18,000
Advance to others	4,19,50,143	6,07,93,026	2,00,49,859
Balances with Revenue Authorities			
(i) Service tax, Entry tax refundable	-	74,427	-
(ii) Export Incentive Receivable	1,40,692	1,40,691	4,60,282
Earnest Money Deposit	2,98,28,500	-	-
Prepaid Expenses	7,58,412	10,53,863	14,40,896
Rent Receivable	-	2,11,151	82,752
Total	7,27,11,747	6,23,50,158	2,21,51,789

Particulars	31st March 2018	31st March 2017	1st April 2016
14 EQUITY SHARE CAPITAL			
Authorised			
3,00,00,000 (31.03.2017- 3,00,00,000 , 1.04.2016- 3,00,00,000) Equity Shares of ₹10/- each	30,00,00,000	30,00,00,000	30,00,00,000
	30,00,00,000	30,00,00,000	30,00,00,000
Issued, Subscribed and Paid-up			
1,00,00,000 (31.03.2017- 1,00,00,000 , 1.04.2016- 1,00,00,000) Equity Shares of ₹10/- each fully paid up	10,00,00,000	10,00,00,000	10,00,00,000
Total	10,00,00,000	10,00,00,000	10,00,00,000

The Reconciliation of the number of shares outstanding is set out below	No. of shares	No. of shares	No. of shares
Equity Shares at the beginning of the year	1,00,00,000	1,00,00,000	1,00,00,000
Add: Issued during the year	-	-	-
Equity Shares at the end of the year	1,00,00,000	1,00,00,000	1,00,00,000

(a) 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 ₹ 10/- per share. Each shareholder is entitled 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.

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

(b) Details of Equity Shares held by Shareholders holding more than 5% shares of the aggregate Equity Shares in the Company

Particulars	No. & % of Equity Shares		
	31st March 2018	31st March 2017	1st April 2016
Asian Capital Market Ltd.	1,637,139 (16.37%)	1,631,833 (16.32%)	1,626,659 (16.27%)
Shri Hariram Garg	801,719 (8.02%)	794,287 (7.94%)	804,290 (8.04%)
Greenex Chemicals Pvt Ltd.	658,480 (6.58%)	658,480 (6.58%)	658,480 (6.58%)
Kanchan Wood Products Pvt Ltd.	593,401 (5.93%)	593,401 (5.93%)	593,401 (5.93%)
Shri Sunil Garg	634,998 (6.35%)	634,998 (6.35%)	634,998 (6.35%)
Smt. Sita Garg	521,972 (5.22%)	521,972 (5.22%)	521,972 (5.22%)

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Other Reserves - OCI	Total
15 OTHER EQUITY					
As at 1st April 2016	6,30,00,000	13,00,000	8,49,88,620		14,92,88,620
Add: Profit for the year	-	-	16,62,408	-	16,62,408
Add: fair value of financial assets adjusted with retained earning	-	-	-	-	-
Remeasurement of post- employment defined benefit obligations (net of tax)	-	-	(12,049)	12,049	-
Less: Items of Other comprehensive Income recognised directly in retained earnings	-	-	-	-	-
Income Tax relating to these items	-	-	3,133	(3,133)	-
As at 31st March 2017	6,30,00,000	13,00,000	8,66,42,112	8,916	15,09,51,028
Add: Profit for the year	-	-	1,87,986	-	1,87,986
Remeasurement of post- employment defined benefit obligations	-	-	-	56,468	56,468
Income Tax relating to these items	-	-	-	(14,682)	(14,682)
As at 31st March 2018	6,30,00,000	13,00,000	8,68,30,098	50,702	15,11,80,800

Nature and Purpose of Other Reserves

a) 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 Act

b) General Reserve

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

c) Retained Earnings

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

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
16 NON CURRENT BORROWINGS			
Secured			
Term Loan from Banks			
Kotak Mahindra Bank	3,72,95,596	3,98,01,919	-
Less: Current Maturities of Long Term Borrowings	(27,61,910)	(25,06,323)	-
	3,45,33,686	3,72,95,596	-
(a) Nature of Security			
Secured Against hypothecation of property of third party			
(b) Rate of Interest			
Interest is payable on monthly basis at Base Rate plus 1.1%			
(c) Terms of Repayment			
120 Equalised Monthly Installments of ₹ 5,23,081 each			
Loan guaranteed by Managing Director, Whole Time Director and Other Third Parties			
HDFC Bank Ltd.	6,82,929	-	-
Less: Current Maturities of Long Term Borrowings	(2,14,844)	-	-
	4,68,085	-	-
(a) Nature of Security			
Secured against hypothecation of Car.			
(b) Rate of Interest			
Interest is payable on monthly basis at 8.76% p.a.			
(c) Terms of Repayment			
36 Equalised Monthly Installments of ₹ 22,182 each			
Total	3,50,01,771	3,72,95,596	-
17 NON-CURRENT EMPLOYEE BENEFIT OBLIGATIONS			
Provision for Gratuity Fund	4,05,675	3,54,570	4,18,320
Total	4,05,675	3,54,570	4,18,320
18 CURRENT BORROWINGS			
Secured Loans repayable on demand from Banks			
<u>State Bank of India</u>			
Cash Credit Account	1,62,91,781	2,55,35,102	1,25,05,202
Nature of Security			
Secured by hypothecation charge on all current assets covering raw material/finished goods at company's godown, procurement centres, goods in transit, goods with company's agent/ representative etc. domestic and export receivable and other current assets present and future and collateral security in the form of equitable mortgage of properties lying in the name of subsidiary concerns and personal guarantee of Managing Director & Whole-time Director and Subsidiary, Greenol Laboratories Pvt Ltd.)			
Unsecured Loans			
Buyers Credit Account from State Bank of India	2,27,03,757	-	-
Total	3,89,95,538	2,55,35,102	1,25,05,202

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
20 TRADE PAYABLES			
Trade Payables			
a) Total outstanding dues of micro enterprises and small enterprises (Refer Note below)			
b) Total outstanding dues other than micro enterprises and small enterprises			
For Goods purchased	1,78,25,395	66,54,220	1,46,10,313
For Services received	-	5,62,631	1,16,978
Total	1,78,25,395	72,16,851	1,47,27,291
Note: There are no outstanding dues of Micro and Small Enterprises (MSEs) based on the information available with the company			
20 OTHER FINANCIAL LIABILITIES			
Current Maturities of Long Term Borrowings for Kotak Mahindra Bank (Refer Note -16)	27,61,910	25,06,323	-
Current Maturities of Long Term Borrowings for HDFC Bank (Refer Note -16)	2,14,844	-	-
Total	29,76,754	25,06,323	-
21 OTHER CURRENT LIABILITIES			
Statutory dues (including Provident Fund and Tax Deducted at Source)	1,28,886	6,53,992	-
Other Payables	91,86,206	23,78,974	3,67,265
Total	93,15,092	30,32,966	3,67,265
22 CURRENT EMPLOYEE BENEFIT OBLIGATIONS			
Provision for Gratuity Fund	10,51,113	10,35,326	10,22,227
Total	10,51,113	10,35,326	10,22,227

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
23 REVENUE FROM OPERATIONS		
(i) SALES OF PRODUCTS		
A. Exports:		
Tea	89,78,820	1,05,59,492
B. High Sea Sales:		
Logs/ Fibre Board	1,08,14,096	85,01,994
Elevators	1,03,54,751	-
C. Domestic:		
Tea	1,82,22,952	7,19,76,179
Iron & Steel	-	4,36,82,377
Garments	-	6,42,90,842
Misc. Items	-	20,90,272
Yellow Peas	5,75,13,013	-
(ii) OTHER OPERATING REVENUES		
Export Incentive	-	87,897
Total	10,58,83,632	20,11,89,053
24 OTHER INCOME		
Interest Income	65,50,357	28,69,314
Gain on Forex fluctuation	9,10,212	1,36,719
Fair Value Gain on Gold (net)	13,110	14,633
Miscellaneous Receipts	4,35,982	2,84,392
Profit on disposal of Property, Plant and Equipment (Net)	1,30,518	-
Rent Received	8,18,957	7,91,673
Total	88,59,136	40,96,731
25 PURCHASES OF STOCK IN TRADE		
Tea	2,15,99,762	5,70,14,375
Iron & Steel	-	4,32,84,567
Logs & Fibre Board	1,06,02,054	83,35,287
Garments	-	6,02,84,606
Coal (Purchase Return)	-	(11,77,200)
Misc. Items	-	11,13,155
Purchase of Yellow Peas	6,70,76,825	-
Elevators	99,68,889	-
Packing Materials	3,58,964	-
Total	10,01,41,231	16,88,54,790
26 CHANGES IN INVENTORIES OF FINISHED GOODS		
Opening Stock	2,48,05,134	4,24,77,602
Less: Closing Stock	3,41,64,477	2,48,05,134
Decrease/(Increase)	(93,59,343)	1,76,72,468
27 EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	33,69,404	29,52,123
Contribution to Provident Funds and Other Funds	3,44,940	4,19,960
Staff Welfare Expenses	93,273	10,410
Total	38,07,617	33,82,493

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
28 FINANCE COSTS		
Loan Processing Fee	58,375	5,95,335
Interest Expenses	52,38,339	46,55,142
Bank Charges	3,04,784	2,17,245
Total	56,01,498	54,67,722
29 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on		
Property, Plant and Equipment	3,72,760	4,51,971
Total	3,72,760	4,51,971
30 OTHER EXPENSES		
Advertisement & Sponsorship	78,294	60,778
Auditor's Remuneration	1,15,000	1,15,000
Blending & Packing Charges	-	1,19,000
Brokerage	43,707	9,85,931
Business Promotion Expenses	6,40,193	3,47,561
Clearing & Forwarding Charges	18,57,598	4,47,193
Consultancy Charges	79,500	22,000
Detention Charges	8,71,425	-
Directors Sitting Fees	13,500	37,500
Electricity Charges	2,48,914	2,24,911
Fair Value of Financial assets (Net)	11,375	-
Filing Fees	39,000	10,800
Freight Expenses	6,94,986	6,63,651
Inspection & testing charges	1,13,709	68,759
Insurance	2,37,744	2,02,817
Legal, Professional & Listing Fees Expenses	8,41,822	11,06,960
Loading and Unloading Charges	4,05,371	-
Membership & Subscription	4,56,830	-
Misc. Expenses	4,01,083	52,125
Office Expenses	2,04,622	2,73,952
Postage & Telegram	23,261	52,087
Printing & stationery	1,64,369	1,62,530
Provision for Gratuity - P/L	1,23,360	-
Rent, Rates & Taxes	7,31,343	4,75,632
Repairs & Maintenance	1,31,998	76,735
Service & Maintenance Charges	3,58,370	5,31,145
Subscription & Donation	3,220	4,95,664
Sundry Balance Written Off (Net)	25,085	-
Telephone Expense	2,01,195	2,29,917
Travelling & conveyance	6,74,242	1,69,942
Warehousing Charges	13,94,067	-
Washout Differences of Pulses	19,57,350	-
Total	1,31,42,533	69,32,590

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
31 EARNINGS PER SHARE(EPS)		
BASIC AND DILUTED EARNINGS PER SHARE		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	1,87,986	16,47,775
ii) Weighted Average number of equity shares	1,00,00,000	1,00,00,000
iii) Basic and Diluted Earning per share attributable to the equity holders of the company (₹)	0.02	0.16
iv) Face Value per equity share (₹)	10	10
32 AUDITORS REMUNERATION		
i) Statutory Audit Fees	86,250	86,250
ii) Tax Audit Fees	28,750	28,750
Total	1,15,000	1,15,000
33 VALUE OF IMPORTS ON CIF BASIS		
Yellow Peas	4,06,09,262	-
Fibre Boards	-	1,00,89,374
Total	4,06,09,262	1,00,89,374
34 EARNINGS IN FOREIGN EXCHANGE		
Export of Goods on FOB Basis	1,08,14,096	1,06,12,468
Total	1,08,14,096	1,06,12,468
35 CONTINGENT LIABILITY NOT PROVIDED FOR		
Corporate Guarantees given on behalf of Asian Tea Company Pvt. Ltd. (Associate)	37,00,00,000	35,00,00,000
Total	37,00,00,000	35,00,00,000

The Company has issued a Corporate Guarantee amounting to ₹ 3,700 Lakhs in favor of State Bank of India for Asian Tea Company Pvt. Ltd., being an associate of the Company. As per the management of the company, the compliances of the Companies Act for the same will be done in due course.

36 EMPLOYEE BENEFITS

As required by Ind AS 19, "Employee Benefits", the disclosures regarding defined benefits is given below:

- a) Provident Fund and Pension Fund are defined contribution schemes and the contribution thereto are charged to Statement of Profit and Loss for the year when the contributions to the respective funds are paid/due.

b) Gratuity

Group Gratuity Fund is defined benefit plan and the cost of providing the benefit is determined using the Projected Unit Credit Method (PUCM) with actuarial valuation being carried out at each reporting date.

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

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 years:

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Present Value of Obligation at beginning of year	13,89,896	14,40,547
Interest Cost	1,07,022	98,305
Current Service Cost	1,17,220	1,06,174
Benefits Paid	-	(2,59,615)
Actuarial (gain)/loss on Obligations-		
a) Due to change in financial assumptions	(7,295)	
b) Due to change in demographic	-	
c) Due to experience adjustment	(1,50,055)	4,485
Present Value of Obligation at end of Year	14,56,788	13,89,896
(ii) Reconciliation of opening and closing balances of Fair Value of Plan Assets		
Fair Value of Plan Assets at beginning of Year	13,10,159	14,44,875
Interest Income on Plan Assets	1,00,882	1,08,366
Benefits Paid	-	(2,59,615)
Contributions	10,000	-
Return on Plan Asset excluding Interest Income	(1,00,882)	16,533
Fair Value of Plan Assets at end of Year	13,20,159	13,10,159
(iii) Reconciliation of Present Value of Obligations and Fair Value of Plan Assets (Amount recognised in Balance Sheet)		
Present Value of Obligation at end of the year	14,56,788	13,89,896
Fair Value of Plan Assets at end of the year	13,20,159	13,10,159
Net Asset/(Liability) Position	(1,36,629)	(79,737)
(iv) Total expense recognised in Statement of Profit and Loss		
Current Service Cost	1,17,220	1,06,174
Interest Cost	1,07,022	98,305
Interest Income on Plan Assets	(1,00,882)	(1,08,366)
Present Value of Obligation at end of Year	1,23,360	96,113
(v) Remeasurement recognised in Other Comprehensive Income		
Actuarial (gain)/loss on Defined Benefit Obligations	(1,57,350)	4,485
Return on Plan Asset excluding Interest Income	(1,00,882)	16,533
Net (Income)/Expense recognised in Other Comprehensive Income	(56,468)	(12,048)

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Significant estimates : Actuarial Assumptions

Particulars	As at 31st March, 2018	As at 31st March, 2017
Discount Rate	7.70% p.a.	7.50% p.a.
Expected Return on Plan Asset		
Future Salary Increase	6.00% p.a.	6.00% p.a.
Average expected future service (Remaining working Life)	9 years	9 years
Average Duration of Liabilities	9 years	9 years
Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
Superannuation at age	60 years	60 years
Early Retirement & Disablement (All Causes Combined)	1% p.a.	1% p.a.

Particulars	As at 31st March, 2018	
	Increase	Decrease
Discount Rate (-/+ 0.5%)	14,39,379	14,75,406
%Change Compared to base due to sensitivity	-1.20%	1.28%
Salary Growth (-/+ 0.5%)	14,75,522	14,39,117
%Change Compared to base due to sensitivity	1.29%	-1.21%
Attrition Rate (-/+ 0.5%)	14,56,671	14,56,905
%Change Compared to base due to sensitivity	-0.01%	0.01%
Mortality Rate (-/+ 10%)	14,56,934	14,56,642
%Change Compared to base due to sensitivity	0.01%	-0.01%

The above sensitivity analyses are 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.

Expected future benefit payments

Year	Amount (₹)
1	10,90,830
2	3,487
3	3,913
4	4,498
5	5,022
6 to 10	5,07,852
More than 10	3,78,876
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	19,94,479
Less Discount For Interest	5,37,691
Projected Benefit Obligation	14,56,788

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

37 RELATED PARTY DISCLOSURES

i) List of Related Parties where control exists with whom transactions have taken place and relationships:

Name of the Party	Nature of Relation
1. Sarita Nupur Vyapaar Pvt Ltd	Wholly Owned Subsidiary
2. Greenol Laboratories Pvt. Ltd	
3. HRG Health Care (P) Ltd	Associate
4. Inspire Tie Up (P) Ltd	
5. Hurdeodass Co. Pvt Ltd	
6. Asian Tea Company Pvt Ltd	
7. Kesavatsapur Tea Company Pvt.	
8. TH Infracon (P) Ltd	
9. Sriram Thokharam Realtors (P)	
10. Indong Tea Co. Pvt. Ltd.	
11. Asian Capital Market Limited	Significant Influence of Key Management Personnel (KMP)
12. HRG Vyapaar (P) Ltd	
13. Bevel Commercial Pvt Ltd	
14. Moonview Marcom Pvt Ltd	
15. Express Devcon Pvt Ltd	
16. Mr. H.R.Garg	Key Management Personnel (KMP)
17. Mr. Sunil Garg	
18. Mr. Rajesh Garg	
19. Smt Rama Garg	
20. Ms. Rashi Nagori	

ii) Transactions during the year and outstanding balance with Related Parties

a) Transactions with Key Management Personnel

Particulars	31st March 2018	31st March 2017
a.i) Remuneration to Key Management Personnel :		
Mr. H.R.Garg	15,00,000	15,00,000
Mr. Rajesh Garg	2,64,000	2,10,000
Mr. Anand Kumar Jha	-	2,70,750
Ms. Rashi Nagori	2,73,053	85,161
a.ii) Advance given to Key Management Personnel :		
Mr. H.R.Garg	-	41,100
b) Transactions / Balances with Subsidiaries		
b.i) Rent Paid:		
Sarita Nupur Vyapaar Pvt Ltd.	3,00,000	3,00,000
Greenol Laboratories Pvt. Ltd.	30,000	30,000
b.ii) Loan Given to Subsidiary - Sarita Nupur Vyapaar Pvt Ltd.		
At the beginning of the year	-	-
Loans advanced during the year	26,50,000	-
Loan repayments received during the year	-	-
Interest charged	1,96,899	-
Interest received (including Tax Deducted at Source)	19,690	-
At the end of the year	28,27,209	-

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

c) Transactions / Balances with Associates

Particulars	31st March 2018	31st March 2017
c.i) Sale of Tea:		
Asian Tea Company Pvt Ltd.	10,50,840	1,74,16,700
Indong Tea Co. Pvt. Ltd.	-	47,69,856
c.ii) Purchase of Tea:		
Asian Tea Company Pvt Ltd.	-	1,70,51,738
Hurdeodass Co. Pvt Ltd	-	37,20,875
Indong Tea Co. Pvt. Ltd.	-	32,156
c.iii) Loan Given to Associate - Indong Tea Co. Pvt. Ltd.		
At the beginning of the year	-	-
Loans advanced during the year	1,92,00,000	-
Loan repayments received during the year	2,67,80,000	-
Advance converted into loan	2,02,37,700	-
Interest charged	13,89,009	-
Interest received (including Tax Deducted at Source)	1,38,901	-
At the end of the year	1,39,07,808	-
c.iv) Advance Given to Associate - Indong Tea Co. Pvt. Ltd.		
Outstanding Advance at the end of the year	-	2,02,37,700

Note: During the current financial year the advance for tea purchase has been converted into loan.

d) Transactions / Balances with Entities over which KMP have Significant Influence

d.i) Sale of Tea:		
HRG Vyapaar (P) Ltd	9,98,340	-
Bevel Commercial Pvt Ltd	19,61,415	-
Moonview Marcom Pvt Ltd	28,14,210	-
Express Devcon Pvt Ltd	1,03,54,751	-
d.ii) Loan Given to Associate - Asian Capital Market Ltd		
At the beginning of the year	1,83,68,076	10,06,555
Loans advanced during the year	1,78,00,000	3,37,50,000
Loan repayments received during the year	3,65,00,000	1,66,50,000
Interest charged	24,93,287	2,90,579
Interest received (including Tax Deducted at Source)	2,49,329	29,058
At the end of the year	19,12,034	1,83,68,076
d.iii) Outstanding Balances:		
HRG Vyapaar (P) Ltd	-	-
Bevel Commercial Pvt Ltd	-	-
Moonview Marcom Pvt Ltd	28,14,210	-
Express Devcon Pvt Ltd	-	-

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

38 SEGMENT INFORMATION

In accordance with Accounting Standard Ind As 108 'Operating Segment' are:

- Domestic
- International

Identification of segments:

The chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of Geographical Area of operations and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer:

Profit or loss on inter segment transfers are eliminated at company level.

Segment Revenue	Domestic	International	Unallocated	Total
Sales	8,47,14,785	2,11,68,847	-	10,58,83,632
	(18,20,39,670)	(1,90,61,486)	-	(20,11,01,156)
Other Income	88,59,136	-	-	88,59,136
	(39,45,379)	(2,39,249)	-	(41,84,628)
Total	9,35,73,921	2,11,68,847	-	11,47,42,768
	(18,59,85,049)	(1,93,00,735)	-	(20,52,85,784)
Segment Expenses	8,40,41,627	2,17,32,915	79,31,754	11,37,06,296
	(18,04,76,263)	(1,07,03,920)	(1,15,81,852)	(20,27,62,034)
Segment Results	95,32,294	(5,64,068)	(79,31,754)	10,36,472
	(55,08,786)	(85,96,815)	1,15,81,852	(25,23,750)
Segment Assets	17,02,05,938	8,06,893	18,57,36,173	35,67,49,004
	(14,38,44,358)	(72,69,304)	(17,68,14,100)	(32,79,27,762)
Segment Liabilities	2,80,69,571	5,27,523	7,69,74,243	10,55,71,337
	(3,96,85,838)	-	(3,72,90,896)	(7,69,76,734)
Segment Capital Employed	14,21,36,367	2,79,370	10,87,61,930	25,11,77,667
	(10,41,58,520)	(72,69,304)	(13,95,23,204)	(25,09,51,028)

The previous year figures are given in brackets

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

39 FINANCIAL INSTRUMENTS
(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are Companied into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments

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 rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial Assets and Liabilities measured at fair value-recurring fair value measurements as at 31st March,2018

	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
<i>Investments at FVTPL</i>					
Gold Coin (69 Gram) - 9 Pcs	4	-	2,09,829	-	2,09,829
<i>Investments at FVTOCI</i>					
Mutual Funds	11	7,38,625			7,38,625
Total Financial Asset		7,38,625	2,09,829	-	9,48,454
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Financial Assets and Liabilities measured at fair value-recurring fair value measurements as at 31st March,2017

	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
<i>Investments at FVTPL</i>					
Gold Coin (69 Gram) - 9 Pcs	4	-	1,96,719	-	1,96,719
<i>Investments at FVTOCI</i>					
Mutual Funds	11	-			-
Total Financial Asset		-	1,96,719	-	1,96,719
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Financial Assets and Liabilities measured at fair value-recurring fair value measurements as at 1st April, 2016

	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
<i>Investments at FVTPL</i>					
Gold Coin (69 Gram) - 9 Pcs	4	-	1,76,945	-	1,76,945
<i>Investments at FVTOCI</i>					
Mutual Funds	11	-			-
Total Financial Asset		-	1,76,945	-	1,76,945
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(ii) Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

40 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 and financial guarantees. None of the financial instruments of the Company result in material concentration of credit risks.

Credit risk on receivables is minimum since sales 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. Before giving loans to parties including subsidiary, the Company assesses the 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.

(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 all non-derivative financial liabilities.

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 as at and for the year ended March 31, 2018 *(Contd.)*
 (Amount in ₹)

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
Financial Liabilities					
Borrowings	4,19,72,292	32,78,003	1,13,56,408	2,03,67,359	7,69,74,062
Trade Payables	1,78,25,395	-	-	-	1,78,25,395
Total	5,97,97,687	32,78,003	1,13,56,408	2,03,67,359	9,47,99,457

(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 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.

(ii) Price risk

The Company's exposure to equity securities price risk arises from unquoted investments held and classified in the balance sheet as Cost. The Company is not expecting high risk exposure from its investment in securities.

(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 :

Sufficient inventory levels maintained so that timely corrective action can be taken in case of adverse weather conditions.

Slightly higher level of consumable stores are maintained in order to mitigate financial risk arising from logistics problems.

Sufficient working-capital-facility is obtained from banks in such a way that procurement and sale of tea is not adversely affected even in times of adverse conditions.

41 CAPITAL MANAGEMENT
(a) Risk Management

The Company's objectives when managing capital are to

- 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
- 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 assets to reduce debt.

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

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.

Particulars	31st March 2018	31st March 2017	1st April 2016
Borrowings - Non-Current	3,50,01,771	3,72,95,596	-
- Current	3,89,95,538	2,55,35,102	1,25,05,202
Current Maturities of Long Term Debt	29,76,754	25,06,323	-
Total Debt	7,69,74,063	6,53,37,021	1,25,05,202
Less : Cash and Cash Equivalents	22,74,617	29,66,139	6,68,142
Other bank balance	10,74,947	1,29,49,311	1,12,43,817
Total	33,49,564	1,59,15,450	1,19,11,959
Net Debt	7,36,24,499	4,94,21,571	5,93,243
Total Equity	25,11,80,800	25,09,51,028	24,92,88,620
Net Debt to Equity Ratio	0.29	0.20	0.00

Under the terms of the major borrowing facilities, the Company has complied with the financial covenants as imposed by the bank.

42 First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the preparation of an opening Ind AS balance sheet at 1st April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and Exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associate.

A.1.2 Prospective application of Ind AS 21 to business combinations

Notes to Financial Statements as at and for the year ended March 31, 2018 *(Contd.)*

The Company has elected to apply this exemption.

A.1.3 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value. The Company does not have any de-commissioning liabilities as on the date of transition and accordingly no adjustment have been made for the same.

A.1.4 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity instruments.

A.1.5 Measurement of investment in subsidiaries and associate

Ind AS 101 allows a first time adopter to measure investment in subsidiaries and associate at cost determined in accordance with Ind AS 27 or at deemed cost i.e. fair value of such investments at the entity's date of transition or previous GAAP carrying amount at the date of transitions.

Accordingly, the Company has adopted previous GAAP carrying amount of investment in subsidiary at cost. However, in respect of associate deemed cost is the fair value at the entity's date of transition. The Company has elected to apply this exemption for its investment in subsidiary and associate.

A.2 Ind AS mandatory exceptions**A.2.1 Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for investment in equity instruments carried at Cost in accordance with Ind AS at the date of transition.

43 RECONCILIATIONS BETWEEN PREVIOUS GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

1 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at April 1, 2016 is as follows:

Description	Note	Per previous GAAP*	Ind AS Adjustments	Ind AS
Non- Current assets				
(a) Property, Plant and Equipment	2	13,78,354	-	13,78,354
(b) Investment in Subsidiary and Associates	3	14,21,79,760	-	14,21,79,760
(c) Financial Assets				
Investments	4	2,07,61,555	-	2,07,61,555
(d) Deferred Tax Assets (Net)	5	18,16,774	-	18,16,774
(e) Other Non Current Assets	6	42,41,237	-	42,41,237
Total Non Current Assets		17,03,77,680	-	17,03,77,680
Current Assets				
(a) Inventories	7	4,24,77,602	-	4,24,77,602
(b) Financial Assets				
(i) Trade Receivables	8	2,30,67,385	-	2,30,67,385
(ii) Cash & Cash Equivalents	9	6,68,142	-	6,68,142
(iii) Other Bank Balances	10	1,12,43,817	-	1,12,43,817
(iv) Other Financial Assets	11	55,33,734		55,33,734
(c) Current Tax Assets (Net)	12	32,68,776	(4,60,000)	28,08,776
(d) Other Current Assets	13	2,21,51,789	-	2,21,51,789
Total Current Assets		10,84,11,245	(4,60,000)	10,79,51,245
		27,87,88,925	(4,60,000)	27,83,28,925
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	10,00,00,000	-	10,00,00,000
Other Equity	15	14,92,88,620	-	14,92,88,620
Total Equity		24,92,88,620	-	24,92,88,620
Liabilities				
Non- current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	-	-	-
(b) Employee Benefit Obligations	17	4,18,320	-	4,18,320
Total Non- current Liabilities		4,18,320	-	4,18,320
Current Liabilities				
(a) Financial Liabilities				
Borrowings	18	1,25,05,202	-	1,25,05,202
Trade Payables	19	1,47,27,291	-	1,47,27,291
Other Financial Liabilities	20	-	-	-
(b) Other Current Liabilities	21	3,67,265	-	3,67,265
Short Term Provision		4,60,000	(4,60,000)	-
(c) Employee Benefit Obligations	22	10,22,227	-	10,22,227
Total Current Liabilities		2,90,81,985	(4,60,000)	2,86,21,985
TOTAL EQUITY AND LIABILITIES		27,87,88,925	(4,60,000)	27,83,28,925

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

2 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at March 31, 2017 is as follows:

Description	Note	Per previous GAAP*	Ind AS Adjustments	Ind AS
Non- Current assets				
(a) Property, Plant and Equipment	2	9,79,208	-	9,79,208
(b) Investment in Subsidiary and Associates	3	15,43,32,480	-	15,43,32,480
(c) Financial Assets				
Investments	4	2,07,61,555	19,774	2,07,81,329
(d) Deferred Tax Assets (Net)	5	17,05,432	(5,141)	17,00,291
(e) Other Non Current Assets	6	41,06,521	-	41,06,521
Total Non Current Assets		18,18,85,196	14,633	18,18,99,829
Current Assets				
(a) Inventories	7	2,48,05,134	-	2,48,05,134
(b) Financial Assets				-
(i) Trade Receivables	8	3,25,87,549	-	3,25,87,549
(ii) Cash & Cash Equivalents	9	29,66,139	-	29,66,139
(iii) Other Bank Balances	10	1,29,49,311	-	1,29,49,311
(iv) Other Financial Assets	11	55,33,734	-	55,33,734
(c) Current Tax Assets (Net)	12	60,45,908	(12,10,000)	48,35,908
(d) Other Current Assets	13	6,23,50,158	-	6,23,50,158
Total Current Assets		14,72,37,933	(12,10,000)	14,60,27,933
		32,91,23,129	(11,95,367)	32,79,27,762
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	10,00,00,000	-	10,00,00,000
Other Equity	15	15,09,36,395	14,633	15,09,51,028
Total Equity		25,09,36,395	14,633	25,09,51,028
Liabilities				
Non- current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	3,72,95,596	-	3,72,95,596
(b) Employee Benefit Obligations	17	3,54,570	-	3,54,570
Total Non- current Liabilities		3,76,50,166	-	3,76,50,166
Current Liabilities				
(a) Financial Liabilities				
Borrowings	18	2,55,35,102	-	2,55,35,102
Trade Payables	19	72,16,851	-	72,16,851
Other Financial Liabilities	20	25,06,323	-	25,06,323
(b) Other Current Liabilities	21	30,32,966	-	30,32,966
Short Term Provision		12,10,000	(12,10,000)	-
(c) Employee Benefit Obligations	22	10,35,326	-	10,35,326
Total Current Liabilities		4,05,36,568	(12,10,000)	3,93,26,568
TOTAL EQUITY AND LIABILITIES		32,91,23,129	(11,95,367)	32,79,27,762

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Notes to Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

3 Reconciliation of the revenue and expenses presented in the statement of profit and loss prepared as per Previous GAAP and as per Ind AS as at March 31, 2017 is as follows:

Description	Note	Per previous GAAP*	Ind AS Adjustments	Ind AS
Income:				
Revenue from operations	23	20,11,89,053	-	20,11,89,053
Other Income	24	40,82,098	14,633	40,96,731
Total Income		20,52,71,151	14,633	20,52,85,784
Expenses:				
Purchases of stock in trade	25	16,88,54,790	-	16,88,54,790
Changes in inventories of finished goods	26	1,76,72,468	-	1,76,72,468
Employee benefits expense	27	33,82,493	-	33,82,493
Finance Costs	28	54,67,722	-	54,67,722
Depreciation and Amortization Expense	29	4,51,971	-	4,51,971
Other expenses	30	69,32,590	-	69,32,590
Total Expenses		20,27,62,034	-	20,27,62,034
Profit before tax		25,09,117	14,633	25,23,750
Income Tax Expense				
(1) Current Tax		7,50,000	-	7,50,000
(2) Deferred Tax		1,11,342	-	1,11,342
Total Tax Expense		8,61,342	-	8,61,342
Profit for the year		16,47,775	14,633	16,62,408
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans		-	12,049	12,049
Income tax relating to above items		-	(3,133)	(3,133)
Other Comprehensive Income for the year, net of tax		-	8,916	8,916
Total Comprehensive Income for the year		16,47,775	23,549	16,71,324

4 Reconciliation of total equity as at 31 March 2017 and 1 April 2016

Particulars	Note	As at 31 March 2017	As at 1 April 2016
Total equity (shareholder's funds) as per previous GAAP	14 & 15	25,09,36,395	24,92,88,620
Adjustments:			
Items of OCI recognised directly in retained earnings	-		
Remeasurement of post-employment defined benefit obligations (net of tax)		(8,916)	-
OTHER RESERVES - OCI		8,916	-
Fair Value Gain on Gold (net)		14,633	-
Deferred tax on Actuarial Gain	-	-	-
Total equity as per Ind AS		25,09,51,028	24,92,88,620

Notes to Financial Statements as at and for the year ended March 31, 2018 *(Contd.)*
(Amount in ₹)

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

Particulars	Note	As at 31 March 2017
Net Profit as per previous GAAP for March 2017		16,47,775
Adjustments:		
Fair Value Gain on Gold		19,774
Deferred tax on above	-	(5,141)
Net Profit as per Ind AS for March 2017		16,62,408
Other comprehensive income		
Actuarial gain/(loss)		12,049
Deferred tax on above		(3,133)
Other comprehensive income		8,916
Total comprehensive income as per Ind AS		16,71,324

Deferred tax

Deferred tax have been recognised on the adjustments made on transition to Ind AS. March 31, 2017 comprises financial assets and liabilities at FVTPL Rs 5,141.

Retained earnings

Retained earnings as at 1 April 2016 has been adjusted consequent to the above Ind AS transition adjustments.

- 44 Previous year figure's have been regrouped/rearranged wherever considered necessary, in line with transition to Ind AS and otherwise as appropriate.

As per our report of even date

For Kaushal Surana & Co.

Chartered Accountants

Kaushal Kumar Surana

Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 31.05.2018

For & on behalf of the Board

(H.R.GARG)

Managing Director

DIN: 00216053

(SUNIL GARG)

Director

DIN: 00216155

(RAJESH GARG)

Chief Financial Officer

(RASHI NAGORI)

Company Secretary

Independent Auditors' Report

TO THE MEMBERS OF ASIAN TEA & EXPORTS LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **ASIAN TEA & EXPORTS 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 March 31, 2018 the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows, 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

Independent Auditors' Report (Contd.)

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of the other auditors on separate financial statements of 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 March 31, 2018 and 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.

Emphasis-of-Matter

Without qualifying our opinion, we draw your attention to the following matters:

- a. The Parent has non-current investment in unquoted equity shares of Doyapore Tea Industries Pvt. Ltd., Azambad Tea Company Pvt. Ltd. and Prachi Mittal Creations Pvt. Ltd. amounting to ₹ 194.89 Lakhs, ₹6.06 lakhs and ₹ 4.89 Lakhs respectively. The said investments are valued at cost. Due to non availability of audited financial statements for the financial year 2017 -2018, the Parent has relied on the audited financial statements for the year ended 31st march 2017. Where there is a decline in the value of investment amounting to ₹ 65.92 Lakhs, ₹ 0.95 Lakhs and Rs. 0.83 Lakhs respectively. However, the Parent has not made any provision for diminution in value of investment as in the view of management these investments are long term and such diminution is temporary in nature.
- b. The Parent had issued a Corporate Guarantee amounting to ₹ 3,700 Lakhs in favor of State Bank of India for Asian Tea Company Pvt. Ltd., being an associate of the Parent. As per the management the compliances of the Companies Act will be done in due course.
- c. The Parent has long standing advances of ₹ 27.96 Lakhs with Capital first Commodities Limited for which no impairment loss assessment is made in the financial statement as the management is of opinion that this amount is fully recoverable in future.

Our opinion is not modified in respect of these matters.

Other Matter

We did not audit the financial information of subsidiaries and associates. 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 associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

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 consideration of the report of other auditors on separate financial information of subsidiaries referred in 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 report of other auditors.

Independent Auditors' Report *(Contd.)*

- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows 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 March 31, 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 March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the 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 Auditor's) 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.
 - 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 Kaushal Surana & Co.
Chartered Accountant

CA Kaushal Kumar Surana
Proprietor

Membership No: 065552
Firm Registration No.: 329248E

Place: Kolkata
Date: 14th August, 2018

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Asian Tea & Exports Limited 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 March 31, 2018 we have audited the internal financial controls over financial reporting of **ASIAN TEA & EXPORTS 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, are 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 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 of the Company 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 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.

Annexure “A” to the Independent Auditor’s Report

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 March 31, 2018 based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note.

For Kaushal Surana & Co.
Chartered Accountant

CA Kaushal Kumar Surana
Proprietor

Membership No: 065552
Firm Registration No.: 329248E

Place: Kolkata
Date: 14th August, 2018

Consolidated Balance Sheet as at 31st March, 2018

[All amounts in ₹ unless otherwise stated]

Particulars	Notes	31st March 2018	31st March 2017	1st April 2016
ASSETS				
Non- Current assets				
(a) Property, Plant and Equipment	2	7,19,85,727	7,47,27,372	7,87,01,975
(b) Capital Work-In-Progress		57,890	-	-
(c) Intangible Assets (Goodwill on Consolidation)		3,32,32,437	3,32,32,437	3,32,32,437
(d) Investment in Associates	3	14,01,73,183	12,16,47,540	9,89,80,739
(e) Financial Assets				
Investments	4	4,14,99,046	4,14,85,936	4,14,56,162
(f) Deferred Tax Assets (Net)	5	21,95,908	31,69,074	18,32,162
(g) Other Non Current Assets	6	41,19,521	41,09,521	42,41,237
Total Non Current Assets		29,32,63,712	27,83,71,880	25,84,44,712
Current Assets				
(a) Inventories	7	3,67,58,227	2,73,98,884	4,39,81,352
(b) Financial Assets				
(i) Trade Receivables	8	4,55,35,463	3,25,87,549	2,34,59,085
(ii) Cash & Cash Equivalents	9	29,12,003	39,04,974	30,26,034
(iii) Other Bank Balances	10	10,74,947	1,29,49,311	1,12,43,817
(iv) Other Financial Assets	11	7,72,359	33,734	33,734
(c) Current Tax Assets (Net)	12	47,25,296	50,59,333	28,64,776
(d) Other Current Assets	13	6,98,84,538	6,23,85,717	2,21,93,353
Total Current Assets		16,16,62,833	14,43,19,502	10,68,02,151
TOTAL ASSETS		45,49,26,545	42,26,91,382	36,52,46,863
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	10,00,00,000	10,00,00,000	10,00,00,000
Other Equity	15	24,25,81,893	23,56,03,523	22,54,31,065
Total Equity		34,25,81,893	33,56,03,523	32,54,31,065
Liabilities				
Non- current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	3,50,01,771	3,72,95,596	-
(ii) Other Financial Liabilities	17	17,25,000	17,25,000	15,00,000
(b) Employee Benefit Obligations	18	4,05,675	3,54,570	4,18,320
Total Non- current Liabilities		3,71,32,446	3,93,75,166	19,18,320
Current Liabilities				
(a) Financial Liabilities				
Borrowings	19	3,91,15,195	2,87,44,521	1,62,21,843
Trade Payables	20	2,26,00,374	1,17,70,453	1,76,28,666
Other Financial Liabilities	21	29,76,754	25,06,323	3,06,987
(b) Other Current Liabilities	22	94,68,770	36,56,070	27,17,755
(c) Employee Benefit Obligations	23	10,51,113	10,35,326	10,22,227
Total Current Liabilities		7,52,12,206	4,77,12,693	3,78,97,478
TOTAL LIABILITIES		11,23,44,652	8,70,87,859	3,98,15,798
TOTAL EQUITY AND LIABILITIES		45,49,26,545	42,26,91,382	36,52,46,863

This is the Consolidated Balance Sheet referred to in our report of even date.

The above statement of Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

For Kaushal Surana & Co.
For & on behalf of the Board
Chartered Accountants
Kaushal Kumar Surana
Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 14.08.2018

(H.R.GARG)
Managing Director

DIN: 00216053

(SUNIL GARG)
Director

DIN: 00216155

(RAJESH GARG)
Chief Financial Officer
(RASHI NAGORI)
Company Secretary

Consolidated Statement of Profit & Loss for the year ended 31st March, 2018

[All amounts in ₹ unless otherwise stated]

Particulars	Notes	Year ended 31st March 2018	Year ended 31st March 2017
Income:			
Revenue from Operations	24	10,58,83,632	20,11,89,053
Other Income	25	2,04,79,281	1,56,74,075
Total Income		12,63,62,913	21,68,63,128
Expenses:			
Purchases of Stock in Trade	26	10,01,41,231	16,99,44,790
Changes in Inventories of Finished Goods	27	(93,59,343)	1,65,82,468
Employee Benefits Expense	28	38,07,617	34,29,525
Finance Costs	29	57,36,937	56,71,068
Depreciation and Amortization Expense	30	12,95,051	15,96,967
Other Expenses	31	1,42,50,831	76,16,823
Total Expenses		11,58,72,324	20,48,41,641
Profit before tax		1,04,90,589	1,20,21,487
Income Tax Expense			
(1) Current Tax		3,45,241	7,50,000
(2) Deferred Tax		9,58,484	(13,42,053)
Total Tax Expense		13,03,725	(5,92,053)
Profit for the year		91,86,864	1,26,13,540
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		56,468	12,049
Income tax relating to above items		(14,682)	(3,133)
Share of Other Comprehensive Income from Associates		33,964	-
Other Comprehensive Income for the year, net of tax		75,750	8,916
Total Comprehensive Income for the year		92,62,614	1,26,22,456
Earning per equity share (Face Value of Rs.10 each)	32		
(1) Basic		0.92	1.26
(2) Diluted		0.92	1.26

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.

For Kaushal Surana & Co.

Chartered Accountants

Kaushal Kumar Surana

Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 14.08.2018

(H.R.GARG)
Managing Director
DIN: 00216053

(RAJESH GARG)
Chief Financial Officer

For & on behalf of the Board

(SUNIL GARG)
Director
DIN: 00216155

(RASHI NAGORI)
Company Secretary

Consolidated Statement of Cash Flow for the year ended 31st March, 2018

[All amounts in ₹ unless otherwise stated]

Particulars	As at 31st March 2018	As at 31st March 2017
(A) Cash Flow From Operating Activities		
Profit as per consolidated statement of Profit & Loss	1,04,90,589	1,20,21,487
Add: Comprehensive Income	33,964	-
Profit before Income Tax	1,05,24,553	1,20,21,487
Adjustments for		
Fair Value of Financial assets (Net)	(1,735)	(14,633)
Provision for Gratuity	1,23,360	-
Depreciation and Amortisation Expense	12,95,051	15,86,346
Preliminary Expenses Amortized	-	10,621
Interest Income Received on Loans	(63,60,228)	(28,71,624)
Finance Costs	57,36,937	56,71,068
Remeasurements of Defined Benefit Plans (Net)	41,786	-
Sundry Balance Written Off (Net)	25,085	-
Share of Profit from Associates	-	(1,05,14,080)
Loss on sale of Investment	-	65,250
Profit on sale of Fixed Assets	(2,04,025)	-
Operating profit before working capital changes	1,11,80,784	59,54,435
Adjustments for		
Decrease/(Increase) in Other Non Current Asset	(10,000)	1,31,716
Decrease/(Increase) in Inventories	1,05,920	1,65,82,468
Decrease/(Increase) in Trade Receivables	(1,29,72,999)	(91,28,464)
Decrease/(Increase) in Other Current Financial Asset	(7,50,000)	-
Decrease/(Increase) in Current Tax Asset (Net)	4,39,867	-
Decrease/(Increase) in Other Current Assets	(4,66,21,755)	(10,09,96,011)
(Decrease)/Increase in Other Non-Current Financial Liabilities	-	2,25,000
(Decrease)/Increase in Non-Current Employee Benefit Obligations	(72,255)	(63,750)
(Decrease)/Increase in Trade Payable	1,08,29,921	(58,58,213)
(Decrease)/Increase in Other Current Financial Liabilities	-	-
(Decrease)/Increase in Other Current Liabilities	58,12,700	9,38,315
(Decrease)/Increase in Current Employee Benefit Obligations	15,787	13,099
Cash Generated from Operations	(3,20,42,030)	(9,22,01,405)
Income Tax Paid	(4,36,389)	(29,39,416)
Cash Flow before Extraordinary Items	(3,24,78,419)	(9,51,40,821)
Income/(Expenses) pertaining to previous year	-	-
Net Cash from Operating Activities	(3,24,78,419)	(9,51,40,821)
(B) Cash Flow From Investing Activities		
Payment for Property, Plant & Equipment	(15,61,515)	(52,825)
Proceeds from sale of Property, Plant & Equipment	8,70,000	-
Purchase of Investments	(2,79,90,906)	(1,22,33,112)
Interest Received on Loan	63,60,228	28,71,624
Loans to Others	3,91,22,934	6,07,93,026
Net Cash Generated From/(Used in) Investing Activities	1,68,00,741	5,13,78,713

Consolidated Statement of Cash Flow for the year ended 31st March, 2018

[All amounts in ₹ unless otherwise stated]

Particulars	As at 31st March 2018	As at 31st March 2017
(C) Cash Flow From Financial Activities		
Borrowings (Repaid) / Taken	85,47,280	5,20,17,610
Finance Costs	(57,36,937)	(56,71,068)
Net Cash Generated From/(Used in) Financing Activities	28,10,343	4,63,46,542
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(1,28,67,335)	25,84,434
Opening Cash & Cash Equivalents (Refer Note No. 9 & 10)	1,68,54,285	1,42,69,851
Closing Cash & Cash Equivalents (Refer Note No. 9 & 10)	39,86,950	1,68,54,285

Notes :

- (i) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- (ii) Cash and cash equivalents include "Cash and Bank Balances".
- (iii) Previous years figures have been re-arranged/re-grouped wherever necessary.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For Kaushal Surana & Co.

Chartered Accountants

Kaushal Kumar Surana

Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 14.08.2018

(H.R.GARG)

Managing Director

DIN: 00216053

(RAJESH GARG)

Chief Financial Officer

(SUNIL GARG)

Director

DIN: 00216155

(RASHI NAGORI)

Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
A. EQUITY SHARE CAPITAL

	Notes	Amount
As at 1st April 2016		10,00,00,000
Changes in Equity Share Capital	15	-
As at 31st March 2017		10,00,00,000
Changes in Equity Share Capital	15	-
As at 31st March 2018		10,00,00,000

B. OTHER EQUITY

Particulars	CAPITAL RESERVE	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	REVALUATION RESERVE	RETAINED EARNINGS	OTHER RESERVES - OCI	TOTAL
Balance as at 1st April 2016	6,14,029	6,30,00,000	13,00,000	3,82,09,585	12,23,07,451	-	22,54,31,065
Addition during the year	-	-	-	-	1,26,13,540	-	1,26,13,540
Deletion during the year	-	-	-	(24,41,082)	(8,916)	8,916	(24,41,082)
As at 31st March 2017	6,14,029	6,30,00,000	13,00,000	3,57,68,503	13,49,12,075	8,916	23,56,03,523
Addition during the year	-	-	-	-	91,86,864	75,750	92,62,614
Deletion during the year	-	-	-	(22,84,244)	-	-	(22,84,244)
As at 31st March 2018	6,14,029	6,30,00,000	13,00,000	3,34,84,259	14,40,98,939	84,666	24,25,81,893

This is the Statement of Changes in Equity referred to in our report of even date.

The above Statement of Changes In Equity should be read in conjunction with the accompanying notes.

For Kaushal Surana & Co.

For & on behalf of the Board

Chartered Accountants

Kaushal Kumar Surana

Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 14.08.2018

(H.R.GARG)

Managing Director

DIN: 00216053

(SUNIL GARG)

Director

DIN: 00216155

(RAJESH GARG)

Chief Financial Officer

(RASHI NAGORI)

Company Secretary

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018

Background:

Asian Tea & Exports Limited (the Parent Company) is a company limited by shares, incorporated and domiciled in India. The Group is engaged in the Business of sale of made tea, Fibre Boards, Elevators, Yellow Peas, etc. The Parent Company, its Subsidiaries and associates are together referred as "The Group".

Note No. 1: SIGNIFICANT ACCOUNTING POLICIES

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

1.1 Basis of Preparation of Financial Statements

1.1.1 Compliance with Ind AS:

These financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies(Indian Accounting Standards) Rules,2015] and other relevant provisions of the Act.

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

These financial statements are the first financial statements of the group under Ind AS. Refer Note 44 for an explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows.

1.1.2 Classification of Current and Non-Current:

All the 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 the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle to be 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 generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) Defined Benefit Plans – Plan Assets measured at fair value.
- ii) Certain Financial Assets and Liabilities which are measured at fair value.
- iii) Assets held for sale - measured at lower of carrying amount or fair value less cost to sell.

1.1.4 Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees as per the requirement of Schedule III, unless otherwise stated.

1.2 Segment Reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

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 recognized in profit or loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

1.4 Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of tea claims and are net of sales return, sales tax/value added tax/goods and service tax, trade allowances and amount collected on behalf of third parties.

The group recognizes 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 rewards incidental to the sale of products is transferred to the buyer.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 *(Contd.)*

1.5 Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. 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 assets 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 off set where the group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets/liabilities are not recognized 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 temporary difference can be utilized 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.

Current and deferred tax is recognised in the Statement of Profit and 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.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the group will pay normal income tax during the specified period.

1.6 Cash and Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, 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.

1.7 Trade Receivables:

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

1.8 Inventories:

Inventories are stated at lower of cost and net realizable value. Cost is determined using FIFO method and comprises of the purchase price including duties and taxes, freight inward and other expenditure directly attributable to the acquisition, but excluding trade discount and other rebates.

1.9 Investments and other Financial Assets:

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

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

The classification depend on the group's business model for managing the financial assets and the other contractual terms of cash flows.

1.9.1 Measurement – Equity Instruments:

The group measures its equity investment other than in subsidiaries and associates at cost. 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

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

1.9.2 Measurement – Mutual Funds:

All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

1.9.3 De-Recognition of Financial Assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the group has transferred its rights to receive cash flows from the asset.

1.10 Financial Liabilities

Initial Recognition and Measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent Measurement

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-Recognition of Financial Liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

1.11 Income Recognition:

Dividends- Dividends are recognized in profit or loss only when the right to receive payment is established.
Interest Income- Interest Income from debt instrument is recognised using the effective interest rate method.

1.12 Property, Plant and Equipment:

All items of Property, Plant and Equipment are stated at historical cost less depreciation. Historical Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Transition to Ind AS:

On transition to Ind AS, the group has taken deemed cost on the date of transition to Ind AS. Gross block and Accumulated Depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of all its property, plant and equipment recognized as at 1st April, 2016. Depreciation methods, estimated useful lives and residual value:

Depreciation on Property, Plant and Equipment is provided as per Written Down Method (WDV). Depreciation for the current year is provided on the basis of useful lives as prescribed in Schedule II to the Companies Act, 2013, which in the view of the management is reasonable based on the life the asset is expected to be used.

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

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

1.13 Equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 *(Contd.)***1.14 Dividends:**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the group, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.15 Earnings per Share:**1.15.1 Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the group
- By the weighted average number of equity shares outstanding during the financial year.

1.15.2 Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.16 Impairment of Financial assets:

In accordance with Ind-AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

Trade Receivables

For recognition of impairment loss on Trade Receivable, the group determines whether there has not been a significant increase in the credit risk since initial recognition and if the credit risk has not increased significantly, no impairment loss is provided.

Other Financial Assets

For recognition of impairment loss on other financial assets and risk exposure, the group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

1.17 Use of Estimates:

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements and actual results could differ from estimates.

1.18 Borrowing:

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

1.19 Borrowing Cost:

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

1.20 Employee Benefits:**Post-employment obligations****Defined benefit plans such as Gratuity:**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity fund is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other comprehensive income in the statement of changes in equity and in the balance sheet.

1.21 Provisions and contingent liabilities:

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

1.22 Principles of consolidation and equity accounting:

1.22.1 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 group combines 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 policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

1.22.2 Associates

Associate is an entity over which the group has significant influence but not control or joint control. Investment in associate are accounted for using the equity method of accounting, after initially being recognised at cost.

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.

1.23 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.

(Amount in ₹)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

2. PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount As at 31st March, 2017
	Deemed Cost 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	
Tangible Assets							
Freehold Land	2,11,53,610	-	-	2,11,53,610	-	-	-
Building	1,78,14,358	-	-	1,78,14,358	35,82,747	6,86,136	42,68,883
Premises - Leasehold	5,51,28,564	-	-	5,51,28,564	1,58,75,135	25,21,959	1,83,97,094
Wells and Tubewells	58,364	-	-	58,364	31,920	5,011	36,931
Tea Plantation	15,17,840	-	-	15,17,840	-	-	-
Office Equipments	22,13,637	25,525	18,49,331	3,89,831	21,19,142	29,254	18,49,331
Furniture & Fixtures	18,39,552	-	5,77,755	12,61,797	13,93,145	1,31,299	5,77,755
Vehicles	91,38,497	-	15,18,238	76,20,259	71,62,607	6,50,744	15,18,238
Computers	8,63,721	27,300	8,18,740	72,281	8,61,472	3,025	8,18,740
Total	10,97,28,143	52,825	47,64,064	10,50,16,904	3,10,26,168	40,27,428	3,02,89,532

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount As at 31st March, 2018
	Original Cost as at 1st April, 2017	Additions during the year	Disposals during the year	As at 31st March, 2018	As at 1st April, 2017	Depreciation for the year	
Tangible Assets							
Freehold Land	2,11,53,610	-	-	2,11,53,610	-	-	-
Building	1,78,14,358	-	-	1,78,14,358	42,68,883	6,53,056	49,21,939
Premises - Leasehold	5,51,28,564	-	-	5,51,28,564	1,83,97,094	23,59,927	2,07,57,021
Wells and Tubewells	58,364	-	-	58,364	36,931	4,062	40,993
Tea Plantation	15,17,840	-	-	15,17,840	-	-	-
Office Equipments	3,89,831	45,369	-	4,35,200	2,99,065	30,625	3,29,690
Furniture & Fixtures	12,61,797	73,438	-	13,35,235	9,46,689	1,04,139	10,50,828
Vehicles	76,20,259	12,85,684	34,28,113	54,77,830	62,95,113	4,06,753	39,39,728
Computers	72,281	-	-	72,281	45,757	15,521	61,278
Roof & Wall Sheet	-	99,134	-	99,134	-	5,212	5,212
Total	10,50,16,904	15,03,625	34,28,113	10,30,92,416	3,02,89,532	35,79,295	3,11,06,689
Capital Work-in-Progress	-	57,890	-	57,890	-	-	-

* Represents deemed cost on the date of transition to Ind AS. Gross block and Accumulated Depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
3 INVESTMENT IN ASSOCIATES ACCOUNTED USING EQUITY METHOD			
(In Unquoted Equity Shares of Rs. 10/- each fully paid, except otherwise stated)			
Investment in Equity Instruments - Associate			
Kesavatsapur Tea Co. Pvt Ltd.	3,14,77,946	3,34,87,637	3,32,88,780
3100000 (31.03.2017- 3100000, 01.04.2016- 3100000) Shares			
Asian Tea Co. Pvt Ltd.	7,58,36,089	6,90,21,181	5,81,79,429
198125 (31.03.2017- 198125, 01.04.2016- 198125) Shares			
Hurdeodass Co. Pvt Ltd.	62,60,159	77,55,456	75,12,530
104000 (31.03.2017- 104000, 01.04.2016- 104000) Shares			
Inspire Tie Up Pvt Ltd.	3,01,011	3,02,242	-
30000 (31.03.2017- 30000, 01.04.2016- NIL) Shares			
HRG HealthCare Pvt Ltd.	6,57,046	6,60,492	-
66500 (31.03.2017- 66500, 01.04.2016- NIL) Shares			
Indong Tea Co. Pvt Ltd.	2,48,31,375	96,05,954	-
1637798 (31.03.2017- 1037272, 01.04.2016- NIL) Shares			
TH Infracon Pvt Ltd.	6,00,346	6,02,292	-
60000 (31.03.2017- 60000, 01.04.2016- NIL) Shares			
Sriram Tokharam Realtors Pvt Ltd.	2,09,211	2,12,286	-
21500 (31.03.2017- 21500, 01.04.2016- NIL) Shares			
Total	14,01,73,183	12,16,47,540	9,89,80,739

For the purpose of consolidation, profits of Kesavatsapur Tea Co. Pvt Ltd. and Hurdeodass Co. Pvt Ltd. have been considered from Audited Financial Statement for the year ended 31st March, 2017.

Particulars	31st March 2018	31st March 2017	1st April 2016
4 Non-Current Investments			
(In Equity Shares of Rs. 10/- each fully paid, except otherwise stated)			
A. Equity Investment Designated at Cost			
Investments in Equity Instruments - Others			
Doyapore Tea Industries Pvt Ltd.	1,94,89,235	1,94,89,235	1,94,89,235
191675 (31.03.2017- 191675, 01.04.2016- 191675) Shares			
IBM Finance & Investment Pvt Ltd	29,19,000	29,19,000	29,19,000
83400 (31.03.2017- 83400, 01.04.2016- 83400) Shares			
Azamabad Tea Co Pvt Ltd.	6,06,625	6,06,625	6,06,625
3800 (31.03.2017- 3800, 01.04.2016- 3800) Shares			
Prachi Mittal Creations Pvt Ltd.	4,88,550	4,88,550	4,88,550
10510 (31.03.2017- 10510, 01.04.2016- 10510) Shares			

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
Mittal Tex Fab Pvt Ltd.	240	240	240
14 (31.03.2017- 14, 01.04.2016- 14) Shares			
Kanchan Wood Products Pvt Ltd	8,00,000	8,00,000	8,00,000
80000 (31.03.2017- 80000, 01.04.2016- 80000) Shares			
Asian Housing & Infrastructure Pvt Ltd	47,43,677	47,43,677	47,43,677
209750 (31.03.2017- 209750, 01.04.2016- 209750) Shares			
Asian Capital Market Ltd	31,75,000	31,75,000	31,75,000
52000 (31.03.2017- 52000, 01.04.2016- 52000) Shares			
Sita Plantations Pvt Ltd	24,00,000	24,00,000	24,00,000
54750 (31.03.2017- 54750, 01.04.2016- 54750) Shares			
ST Buildcon Pvt Ltd	18,00,000	18,00,000	16,00,000
84000 (31.03.2017- 84000, 01.04.2016- 64000) Shares			
Skyview Dealtrade Pvt Ltd	21,75,000	21,75,000	29,00,000
21750 (31.03.2017- 21750, 01.04.2016- 29000) Shares			
Sriram Tokhram Tea Vanijya Pvt Ltd	10,00,000	10,00,000	10,00,000
5000 (31.03.2017- 5000, 01.04.2016- 5000) Shares			
Ultrafocus Developers Pvt Ltd	1,00,000	1,00,000	1,00,000
10000 (31.03.2017- 10000, 01.04.2016- 10000) Shares			
Everlasting Procon Pvt Ltd	2,00,000	2,00,000	2,00,000
20000 (31.03.2017- 20000, 01.04.2016- 20000) Shares			
Upmost Retails Pvt Ltd	1,00,000	1,00,000	1,00,000
10000 (31.03.2017- 10000, 01.04.2016- 10000) Shares			
Ultrashine Marketting Pvt Ltd	1,00,000	1,00,000	1,00,000
10000 (31.03.2017- 10000, 01.04.2016- 10000) Shares			
Moonview Marcom Pvt Ltd	1,00,000	1,00,000	1,00,000
10000 (31.03.2017- 10000, 01.04.2016- 10000) Shares			
Greenex Chemical Pvt Ltd	8,16,890	8,16,890	4,56,890
3600 (31.03.2017- 3600, 01.04.2016- 1800) Shares			
Swati Nippon Pvt Ltd	1,00,000	1,00,000	1,00,000
10000 (31.03.2017- 10000, 01.04.2016- 10000) Shares			
Maharaja Barter Pvt Ltd	1,75,000	1,75,000	-
17500 (31.03.2017- 17500, 01.04.2016- NIL) Shares			
Total (A)	4,12,89,217	4,12,89,217	4,12,79,217
B. Other Investment Designated at FVTPL			
Investment in Other Instruments			
Gold Coin (9 Pcs)	2,09,829	1,96,719	1,76,945
Total (A+B)	4,14,99,046	4,14,85,936	4,14,56,162
Aggregate Value of Unquoted Investments	18,14,62,400	16,29,36,757	14,02,59,956
Total Amount of Investments	18,16,72,229	16,31,33,476	14,04,36,901

- (i) For the purpose of classification of investment, we have assessed control and significant influence exercised by the company over the investee that exists as on 31st March, 2018. Accordingly, Hurdeodass Co Pvt Ltd.,

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

HRG HealthCare Pvt Ltd. and Inspire Tie Up Pvt Ltd. have been classified as associate with effect from date of transition to Ind AS.

- ii) Investment in unquoted equity shares of Azamabad Tea Company Pvt. Ltd. and Prachi Mittal Creations Pvt Ltd. amounting to ₹ 6.06 lakhs and ₹ 4.89 lakhs respectively are valued at cost. Due to non availability of audited financial statements for the financial year 2017 -2018, the Company has relied on the audited financial statements for the year ended 31st March 2017, where there is a decline in the value of investment amounting to ₹ 0.95 lakhs and ₹ 0.83 lakhs respectively. However, no provision has been made for diminution in value of investment as these investments are long term and such diminutions are temporary in nature.

Particulars	31st March 2018	31st March 2017	1st April 2016
5 DEFERRED TAX ASSET (NET)			
Deferred tax b/f	31,69,074	18,32,162	18,62,955
Created during the year	(9,58,484)	13,42,053	(30,793)
Financial asset at FVTOCI	(14,682)	-	-
Financial asset at FVTPL	-	(5,141)	-
Total	21,95,908	31,69,074	18,32,162

Movement in Deferred Tax Assets]

Particulars	1st April, 2016	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	31st March, 2017
Balance b/f	18,62,955	-	-	18,62,955
Depreciation	(30,793)	13,42,053		13,11,260
Remeasurements of net defined benefit plans	-	-	-	-
Financial asset at FVTPL	-	(5,141)	-	(5,141)
Total	18,32,162	13,36,912	-	31,69,074

Movement in Deferred Tax Assets

Particulars	1st April, 2017	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	31st March 2018
Balance b/f	31,69,074	-	-	31,69,074
Depreciation	-	(9,58,484)		(9,58,484)
Remeasurements of net defined benefit plans		-	(14,682)	(14,682)
Total	31,69,074	(9,58,484)	(14,682)	21,95,908

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
6 OTHER NON CURRENT ASSETS			
(Unsecured - considered good unless otherwise stated)			
Advance with Capital First Commodities Ltd. (Subject to Confirmation)	27,96,362	27,96,362	27,96,362
Group Gratuity Fund	13,20,159	13,10,159	14,44,875
Security Deposits	3,000	3,000	-
Total	41,19,521	41,09,521	42,41,237
Advance with Capital First Commodities Ltd. amounting to ₹ 27.96 lakhs is considered good and is fully recoverable in future. Hence, in view of the management of the group, no provision for the same is required to be made in the books of accounts. The group is taking appropriate measures for its recovery.			
Particulars	31st March 2018	31st March 2017	1st April 2016
7 INVENTORIES			
At lower of cost and net realisable value			
Finished Goods-Stock of Tea	1,23,93,274	1,53,14,871	2,81,55,539
Stores & Packing Materials	3,07,250	25,000	25,000
Coal	-	-	54,91,800
Shares	-	94,65,263	1,03,09,013
Yellow Peas	2,14,63,953	-	-
Traded Goods	25,93,750	25,93,750	-
Total	3,67,58,227	2,73,98,884	4,39,81,352
8 TRADE RECEIVABLES			
Unsecured			
- Considered Good	4,55,35,463	3,25,87,549	2,34,59,085
Total	4,55,35,463	3,25,87,549	2,34,59,085
9 CASH AND CASH EQUIVALENTS			
Balances with Banks in Current Accounts	15,30,095	29,26,961	16,24,296
Cash on Hand (as certified by management)	13,81,908	9,78,013	14,01,738
Total	29,12,003	39,04,974	30,26,034
10 OTHER BANK BALANCES			
Balances with Bank held as Margin Money	8,27,937	24,69,174	14,75,175
Bank Deposits held as Collateral	-	1,02,47,595	95,36,100
Other Bank Deposits	2,47,010	2,32,542	2,32,542
Total	10,74,947	1,29,49,311	1,12,43,817
11 OTHER FINANCIAL ASSETS			
Security Deposits	33,734	33,734	33,734
Mutual Funds	7,38,625	-	-
Total	7,72,359	33,734	33,734

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
12 CURRENT TAX ASSETS (NET)			
Advance Tax & TDS (net of provision)	42,41,893	49,68,407	24,90,053
Income Tax paid under Dispute	16,674	90,926	-
MAT Credit Entitlement	26,862	-	-
Input Tax Credit Account	-	-	3,74,723
Input Receivable - GST	4,39,867	-	-
Total	47,25,296	50,59,333	28,64,776
13 OTHER CURRENT ASSETS (Unsecured, considered good)			
Advances to Employees	34,000	77,000	1,18,000
Advance to others	3,91,22,934	6,07,93,026	2,00,49,859
Balances with Revenue Authorities			
(i) Service tax, Entry tax refundable	-	74,427	-
(ii) Export Incentive Receivable	1,40,692	1,40,691	4,60,282
Earnest Money Deposit	2,98,28,500	-	-
Prepaid Expenses	7,58,412	10,89,422	14,71,839
Preliminary Expenses	-	-	10,621
Rent Receivable	-	2,11,151	82,752
Total	6,98,84,538	6,23,85,717	2,21,93,353
14 EQUITY SHARE CAPITAL			
Authorised			
3,00,00,000 (31.03.2017- 3,00,00,000, 1.04.2016- 3,00,00,000) Equity Shares of ₹ 10/- each	30,00,00,000	30,00,00,000	30,00,00,000
	30,00,00,000	30,00,00,000	30,00,00,000
Issued, Subscribed and Paid-up			
1,00,00,000 (31.03.2017- 1,00,00,000, 1.04.2016- 1,00,00,000) Equity Shares of ₹ 10/- each fully paid up	10,00,00,000	10,00,00,000	10,00,00,000
Total	10,00,00,000	10,00,00,000	10,00,00,000
The Reconciliation of the number of shares outstanding is set out below	No. of shares	No. of shares	No. of shares
Equity Shares at the beginning of the year	1,00,00,000	1,00,00,000	1,00,00,000
Add: Issued during the year	-	-	-
Equity Shares at the end of the year	1,00,00,000	1,00,00,000	1,00,00,000

(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 ₹10/- per share. Each shareholder is entitled 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 Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

(b) Details of Equity Shares held by Shareholders holding more than 5% shares of the aggregate Equity Shares in the Parent Company

Particulars	No. & % of Equity Shares		
	31st March 2018	31st March 2017	1st April 2016
Asian Capital Market Ltd.	1,637,139 (16.37)	1,631,833 (16.32)	1,626,659 (16.27)
Shri Hariram Garg	801,719 (8.02)	794,287(7.94)	804,290 (8.04)
Greenex Chemicals Pvt Ltd.	658,480 (6.58)	658,480 (6.58)	658,480 (6.58)
Kanchan Wood Products Pvt Ltd.	593,401 (5.93)	593,401 (5.93)	593,401 (5.93)
Shri Sunil Garg	634,998 (6.35)	634,998 (6.35)	634,998 (6.35)
Smt. Sita Garg	521,972 (5.22)	521,972 (5.22)	521,972 (5.22)

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Revaluation Reserve	Retained Earnings	Other Reserves - OCI	Total
15 OTHER EQUITY							
As at 1st April 2016	6,14,029	6,30,00,000	13,00,000	3,82,09,585	12,23,07,451	-	22,54,31,065
Add: Profit for the year	-	-	-	-	1,26,13,540	-	1,26,13,540
Less: Adjustment of Depreciation on upward revaluation	-	-	-	(24,41,082)	-	-	(24,41,082)
Remeasurement of post-employment defined benefit obligations (net of tax)	-	-	-	-	(12,049)	12,049	-
Income Tax relating to these items	-	-	-	-	3,133	(3,133)	-
As at 31st March 2017	6,14,029	6,30,00,000	13,00,000	3,57,68,503	13,49,12,075	8,916	23,56,03,523
Add: Profit for the year	-	-	-	-	91,86,864	-	91,86,864
Less: Adjustment of Depreciation on upward revaluation	-	-	-	(22,84,244)	-	-	(22,84,244)
Remeasurement of post-employment defined benefit obligations	-	-	-	-	-	56,468	56,468
Income Tax relating to these items	-	-	-	-	-	(14,682)	(14,682)
Share of OCI from Associates						33,964	33,964
As at 31st March 2018	6,14,029	6,30,00,000	13,00,000	3,34,84,259	14,40,98,939	84,666	24,25,81,893

Nature and Purpose of Other Reserves
a) 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 Act.

b) General Reserve

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

c) Retained Earnings

Retained Earnings represent accumulated profits earned by the Group and remaining undistributed as on date.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
16 NON CURRENT BORROWINGS			
Secured			
Term Loan from Banks			
Kotak Mahindra Bank	3,72,95,596	3,98,01,919	-
Less: Current Maturities of Long Term Borrowings	(27,61,910)	(25,06,323)	-
	3,45,33,686	3,72,95,596	-
(a) Nature of Security			
Secured Against hypothecation of property of third party			
(b) Rate of Interest			
Interest is payable on monthly basis at Base Rate plus 1.1%			
(c) Terms of Repayment			
120 Equalised Monthly Installments of ₹ 5,23,081 each			
Loan guaranteed by Managing Director, Whole Time Director and Other Third Parties			
HDFC Bank Ltd.	6,82,929	-	-
Less: Current Maturities of Long Term Borrowings	(2,14,844)	-	-
	4,68,085	-	-
(a) Nature of Security			
Secured against hypothecation of Car.			
(b) Rate of Interest			
Interest is payable on monthly basis at 8.76% p.a.			
(c) Terms of Repayment			
36 Equalised Monthly Installments of ₹ 22,182 each			
Unsecured			
Loans given by Body Corporates	-	-	-
Total	3,50,01,771	3,72,95,596	-
17 OTHER NON-CURRENT FINANCIAL LIABILITIES			
Security Deposits	17,25,000	17,25,000	15,00,000
Total	17,25,000	17,25,000	15,00,000
18 NON-CURRENT EMPLOYEE BENEFIT OBLIGATIONS			
Provision for Gratuity Fund	4,05,675	3,54,570	4,18,320
Total	4,05,675	3,54,570	4,18,320

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
19 CURRENT BORROWINGS			
Secured Loans repayable on demand from Banks			
State Bank of India			
Cash Credit Account	1,62,91,781	2,55,35,102	1,25,05,202
Nature of Security			
Secured by hypothecation charge on all current assets covering raw material/finished goods at parent company's godown, procurement centres, goods in transit, goods with parent company's agent/representative etc. domestic and export receivable and other current assets present and future and collateral security in the form of equitable mortgage of properties and personal guarantee of Managing Director & Whole-time Director.			
Unsecured Loans			
Buyers Credit Account from State Bank of India	2,27,03,757	-	-
Other Parties	1,19,657	32,09,419	37,16,641
Total	3,91,15,195	2,87,44,521	1,62,21,843
20 TRADE PAYABLES			
Trade Payables			
a) Total outstanding dues of micro enterprises and small enterprises (Refer Note below)			
b) Total outstanding dues other than micro enterprises and small enterprises			
For Goods purchased	2,26,00,374	1,12,07,822	1,60,24,513
For Services received	-	5,62,631	16,04,153
Total	2,26,00,374	1,17,70,453	1,76,28,666
Note: There are no outstanding dues of Micro and Small Enterprises (MSEs) based on the information available with the company			
21 OTHER FINANCIAL LIABILITIES			
Current Maturities of Non-Current Borrowings	29,76,754	25,06,323	3,06,987
Total	29,76,754	25,06,323	3,06,987
22 OTHER CURRENT LIABILITIES			
Statutory Dues (including Provident Fund and Tax Deducted at Source)	1,61,872	6,75,134	-
Advances from Customers	1,10,385	5,76,085	8,46,078
Other Payables	91,96,513	24,04,851	18,71,677
Total	94,68,770	36,56,070	27,17,755
23 CURRENT EMPLOYEE BENEFIT OBLIGATIONS			
Provision for Gratuity Fund	10,51,113	10,35,326	10,22,227
Total	10,51,113	10,35,326	10,22,227

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
24 REVENUE FROM OPERATIONS		
(i) SALES OF PRODUCTS		
A. Exports:		
Tea	89,78,820	1,05,59,492
B. High Sea Sales:		
Logs/ Fibre Board	1,08,14,096	85,01,994
Elevators	1,03,54,751	-
C. Domestic:		
Tea	1,82,22,952	7,19,76,179
Iron & Steel	-	4,36,82,377
Garments	-	6,42,90,842
Misc. Items	-	20,90,272
Yellow Peas	5,75,13,013	-
(ii) OTHER OPERATING REVENUES		
Export Incentive	-	87,897
Total	10,58,83,632	20,11,89,053
25 OTHER INCOME		
Interest Income	63,60,228	28,71,624
Gain on Forex fluctuation	9,10,212	1,36,719
Fair Value Gain on Gold	13,110	14,633
Miscellaneous Receipts	6,56,632	4,46,354
Profit on disposal of Property, Plant and Equipment (Net)	2,04,025	-
Rent Received	33,08,657	16,90,665
Share of Profit from Associates	90,26,417	1,05,14,080
Total	2,04,79,281	1,56,74,075
26 PURCHASES OF STOCK IN TRADE		
Tea	2,15,99,762	5,70,14,375
Iron & Steel	-	4,32,84,567
Logs & Fibre Board	1,06,02,054	83,35,287
Garments	-	6,02,84,606
Coal (Purchase Return)	-	(11,77,200)
Misc. Items	-	11,13,155
Purchase of Yellow Peas	6,70,76,825	-
Elevators	99,68,889	-
Packing Materials	3,58,964	-
Traded Goods	-	10,90,000
Shares	(94,65,263)	-
Total	10,01,41,231	16,99,44,790
27 CHANGES IN INVENTORIES OF FINISHED GOODS		
Opening Stock	2,73,98,884	4,39,81,352
Less: Closing Stock	3,67,58,227	2,73,98,884
Decrease/(Increase)	(93,59,343)	1,65,82,468
28 EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	33,69,404	29,99,155
Contribution to Provident Funds and Other Funds	3,44,940	4,19,960
Staff Welfare Expenses	93,273	10,410
Total	38,07,617	34,29,525

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
29 FINANCE COSTS		
Loan Processing Fee	58,375	5,95,335
Interest Expenses	53,71,292	48,51,678
Bank Charges	3,07,270	2,24,055
Total	57,36,937	56,71,068
30 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on		
Property, Plant and Equipment	35,79,295	40,27,428
Less: Adjusted from Revaluation Reserve	(22,84,244)	(24,41,082)
Preliminary Expenses Amortized	-	10,621
Total	12,95,051	15,96,967
31 OTHER EXPENSES		
Advertisement & Sponsorship	78,294	60,778
Auditor's Remuneration	1,29,750	1,50,400
Brokerage	43,707	10,35,931
Business Promotion Expenses	6,40,193	3,47,561
Clearing & Forwarding Charges	18,57,598	4,47,193
Consultancy Charges	79,500	22,000
Detention Charges	8,71,425	-
Directors Sitting Fees	13,500	37,500
Electricity Charges	2,78,214	2,62,601
Fair Value of Financial Assets	11,375	-
Filing Fees	46,900	15,140
Freight Expenses	6,94,986	6,63,651
Inspection & testing charges	1,13,709	68,759
Insurance	2,97,251	2,57,421
Lease Expenses	-	-
Legal, Professional & Listing Fees Expenses	9,33,062	11,44,050
Loading and Unloading Charges	4,05,371	-
Loss on sale of Investment	-	65,250
Membership & Subscription	4,56,830	-
Misc. Expenses	6,37,453	10,21,198
Office Expenses	2,04,622	2,73,952
Postage & Telegram	23,261	52,087
Printing & stationery	1,64,369	1,62,530
Provision for Gratuity	1,23,360	-
Rent, Rates & Taxes	11,32,454	4,75,937
Repairs & Maintenance	2,22,060	1,21,880
Service & Maintenance Charges	4,33,816	5,31,145
Telephone Expense	2,01,195	2,29,917
Travelling & conveyance	8,05,159	1,69,942
Warehousing Charges	13,94,067	-
Washout Differences of Pulses	19,57,350	-
Total	1,42,50,831	76,16,823

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
32 EARNINGS PER SHARE(EPS)		
BASIC AND DILUTED EARNINGS PER SHARE		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	91,86,864	1,26,13,540
ii) Weighted Average number of equity shares	1,00,00,000	1,00,00,000
iii) Basic and Diluted Earning per share attributable to the equity holders of the company (₹)	0.92	1.26
iv) Face Value per equity share (₹)	10	10
33 AUDITORS REMUNERATION		
i) Statutory Audit Fees	1,01,000	1,21,650
ii) Tax Audit Fees	28,750	28,750
Total	1,29,750	1,50,400
34 VALUE OF IMPORTS ON CIF BASIS		
Yellow Peas	4,06,09,262	-
Fibre Boards	-	1,00,89,374
Total	4,06,09,262	1,00,89,374
35 EARNINGS IN FOREIGN EXCHANGE		
Export of Goods on FOB Basis	1,08,14,096	1,06,12,468
Total	1,08,14,096	1,06,12,468
36 CONTINGENT LIABILITY NOT PROVIDED FOR		
Corporate Guarantees given on behalf of Asian Tea Company Pvt. Ltd.	37,00,00,000	35,00,00,000
Total	37,00,00,000	35,00,00,000

The Parent Company had issued a Corporate Guarantee amounting to ₹ 3,700 Lakhs in favor of State Bank of India for Asian Tea Company Pvt. Ltd., being an associate of the Parent Company. The compliances of the Companies Act for the same is yet to be complied with.

37 INTEREST IN OTHER ENTITIES

(i) 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	Ownership interest held by the group		
	31st March 2018	31st March 2017	1st April 2016
Greenol Laboratories Pvt Ltd.	100.00%	100.00%	100.00%
Sarita Nupur Vyapaar Pvt Ltd.	100.00%	100.00%	100.00%

(ii) Interest in Associates

Set out below are the associates 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 Consolidated Financial Statements also include the Group's interest in the following

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Associate Companies accounted for under equity method based on their financial statement.

Name of entity	Ownership interest held by the group		
	31st March 2018	31st March 2017	1st April 2016
Kesavatsapur Tea Co. Pvt Ltd	40.79%	40.79%	40.79%
Asian Tea Co. Pvt Ltd	40.43%	40.43%	40.43%
Hurdeodass Co. Pvt Ltd	27.19%	27.19%	27.19%
Inspire Tie Up Pvt Ltd	5.43%	5.43%	-
HRG HealthCare Pvt Ltd	16.63%	16.63%	-
Indong Tea Co. Pvt Ltd	32.07%	20.31%	-
TH Infracon Pvt Ltd	10.72%	10.72%	-
Sriram Tokharam Realtors Pvt Ltd	12.83%	12.83%	-

38 EMPLOYEE BENEFITS

As required by Ind AS 19, "Employee Benefits", the disclosures regarding defined benefits is given below:

- a) Provident Fund and Pension Fund are defined contribution schemes and the contribution thereto are charged to Statement of Profit and Loss for the year when the contributions to the respective funds are paid/due.

b) Gratuity

Group Gratuity Fund is defined benefit plan and the cost of providing the benefit is determined using the Projected Unit Credit Method (PUCM) with actuarial valuation being carried out at each reporting date.

The following tables set forth the particulars in respect of aforesaid Defined Benefit Plans of the Group for the year ended 31st March 2018 and corresponding figures for the previous years:

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Present Value of Obligation at beginning of year	13,89,896	14,40,547
Interest Cost	1,07,022	98,305
Current Service Cost	1,17,220	1,06,174
Benefits Paid	-	(2,59,615)
Actuarial (gain)/loss on Obligations-		
a) Due to change in financial assumptions	(7,295)	
b) Due to change in demographic	-	
c) Due to experience adjustment	(1,50,055)	4,485
Present Value of Obligation at end of Year	14,56,788	13,89,896
(ii) Reconciliation of opening and closing balances of Fair Value of Plan Assets		
Fair Value of Plan Assets at beginning of Year	13,10,159	14,44,875
Interest Income on Plan Assets	1,00,882	1,08,366
Benefits Paid	-	(2,59,615)
Contributions	10,000	-
Return on Plan Asset excluding Interest Income	(1,00,882)	16,533
Fair Value of Plan Assets at end of Year	13,20,159	13,10,159

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(iii) Reconciliation of Present Value of Obligations and Fair Value of Plan Assets (Amount recognised in Balance Sheet)		
Present Value of Obligation at end of the year	14,56,788	13,89,896
Fair Value of Plan Assets at end of the year	13,20,159	13,10,159
Net Asset/(Liability) Position	(1,36,629)	(79,737)
(iv) Total expense recognised in Statement of Profit and Loss		
Current Service Cost	1,17,220	1,06,174
Interest Cost	1,07,022	98,305
Interest Income on Plan Assets	(1,00,882)	(1,08,366)
Present Value of Obligation at end of Year	1,23,360	96,113
(v) Remeasurement recognised in Other Comprehensive Income		
Actuarial (gain)/loss on Defined Benefit Obligations	(1,57,350)	4,485
Return on Plan Asset excluding Interest Income	(1,00,882)	16,533
Net (Income)/Expense recognised in Other Comprehensive Income	(56,468)	(12,048)

Significant estimates : Actuarial Assumptions

Particulars	As at 31st March, 2018	As at 31st March, 2017
Discount Rate	7.70% p.a.	7.50% p.a.
Expected Return on Plan Asset		
Future Salary Increase	6.00% p.a.	6.00% p.a.
Average expected future service (Remaining working Life)	9 years	9 years
Average Duration of Liabilities	9 years	9 years
Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
Superannuation at age	60 years	60 years
Early Retirement & Disablement (All Causes Combined)	1% p.a.	1% p.a.

Sensitivity Analysis

Particulars	As at 31st March, 2018	
	Increase	Decrease
Discount Rate (-/+ 0.5%)	14,39,379	14,75,406
%Change Compared to base due to sensitivity	-1.20%	1.28%
Salary Growth (-/+ 0.5%)	14,75,522	14,39,117
%Change Compared to base due to sensitivity	1.29%	-1.21%
Attrition Rate (-/+ 0.5%)	14,56,671	14,56,905
%Change Compared to base due to sensitivity	-0.01%	0.01%
Mortality Rate (-/+ 10%)	14,56,934	14,56,642
%Change Compared to base due to sensitivity	0.01%	-0.01%

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

The above sensitivity analyses are 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.

Expected future benefit payments

Year	Amount (₹)
1	10,90,830
2	3,487
3	3,913
4	4,498
5	5,022
6 to 10	5,07,852
More than 10	3,78,876
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	19,94,479
Less Discount For Interest	5,37,691
Projected Benefit Obligation	14,56,788

39 RELATED PARTY DISCLOSURES
i) List of Related Parties where control exists with whom transactions have taken place and relationships:

Name of the Party	Nature of Relation
1. HRG Health Care Pvt Ltd	Associate
2. Inspire Tie Up Pvt Ltd	
3. Hurdeodass Co. Pvt Ltd	
4. Asian Tea Co. Pvt Ltd	
5. Kesavatsapur Tea Co. Pvt Ltd	
6. TH Infracon Pvt Ltd	
7. Sriram Thokharam Realtors Pvt Ltd	
8. Indong Tea Co. Pvt Ltd	
9. Asian Capital Market Ltd	Significant Influence of Key Management Personnel (KMP)
10. HRG Vyapaar Pvt Ltd	
11. Bevel Commercial Pvt Ltd	
12. Moonview Marcom Pvt Ltd	
13. Express Devcon Pvt Ltd	
14. Mr. H.R.Garg	Key Management Personnel (KMP)
15. Mr. Sunil Garg	
16. Mr. Rajesh Garg	
17. Smt. Rama Garg	
18. Ms. Rashi Nagori	

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

ii) Transactions during the year and outstanding balance with Related Parties

a) Transactions with Key Management Personnel

i) Remuneration to Key Management Personnel :

Particulars	31st March 2018	31st March 2017
Mr. H.R.Garg	15,00,000	15,00,000
Mr. Rajesh Garg	2,64,000	2,10,000
Mr. Anand Kumar Jha	-	2,70,750
Ms. Rashi Nagori	2,73,053	85,161

ii) Advance given to Key Management Personnel :

Particulars	31st March 2018	31st March 2017
Mr. H.R.Garg	-	41,100

b) Transactions / Balances with Associates

i) Sale of Tea:

Particulars	31st March 2018	31st March 2017
Asian Tea Company Pvt Ltd	10,50,840	1,74,16,700
Indong Tea Co. Pvt Ltd	-	47,69,856

ii) Purchase of Tea:

Particulars	31st March 2018	31st March 2017
Asian Tea Company Pvt Ltd	-	1,70,51,738
Hurdeodass Co. Pvt Ltd	-	37,20,875
Indong Tea Co. Pvt Ltd	-	32,156

iii) Loan Given to Associate - Indong Tea Co. Pvt. Ltd.

Particulars	31st March 2018	31st March 2017
At the beginning of the year	-	-
Loans advanced during the year	1,92,00,000	-
Loan repayments received during the year	2,67,80,000	-
Advance converted into loan	2,02,37,700	-
Interest charged	13,89,009	-
Interest received (including Tax Deducted at Source)	1,38,901	-
At the end of the year	1,39,07,808	-

iv) Advance Given to Associate - Indong Tea Co. Pvt. Ltd.

Particulars	31st March 2018	31st March 2017
Outstanding Advance at the end of the year	-	2,02,37,700

Note: During the current financial year the advance for tea purchase has been converted into loan.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

c) Transactions / Balances with Entities over which KMP have Significant Influence
i) Sale of Tea:

Particulars	31st March 2018	31st March 2017
HRG Vyapaar Pvt Ltd	9,98,340	-
Bevel Commercial Pvt Ltd	19,61,415	-
Moonview Marcom Pvt Ltd	28,14,210	-
Express Devcon Pvt Ltd	1,03,54,751	-

ii) Loan Given to Associate - Asian Capital Market Ltd.

Particulars	31st March 2018	31st March 2017
At the beginning of the year	1,83,68,076	10,06,555
Loans advanced during the year	1,78,00,000	3,37,50,000
Loan repayments received during the year	3,65,00,000	1,66,50,000
Interest charged	24,93,287	2,90,579
Interest received (including Tax Deducted at Source)	2,49,329	29,058
At the end of the year	19,12,034	1,83,68,076

iii) Outstanding Balances:

Particulars	31st March 2018	31st March 2017
HRG Vyapaar Pvt Ltd	-	-
Bevel Commercial Pvt Ltd	-	-
Moonview Marcom Pvt Ltd	28,14,210	-
Express Devcon Pvt Ltd	-	-

40 SEGMENT INFORMATION

In accordance with Accounting Standard Ind As 108 'Operating Segment' are:

- a. Domestic
- b. International

Identification of segments:

The chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of geographical area of operations and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer:

Profit or loss on inter segment transfers are eliminated at company and group level.

Segment Revenue	Domestic	International	Unallocated	Total
Sales	8,47,14,785 (18,21,27,567)	2,11,68,847 (1,90,61,486)	-	10,58,83,632 (20,11,89,053)
Other Income	2,04,79,281 (1,54,34,826)	- (2,39,249)	-	2,04,79,281 (1,56,74,075)
Total	10,51,94,066 (19,75,62,393)	2,11,68,847 (1,93,00,735)	-	12,63,62,913 (21,68,63,128)
Segment Expenses	8,64,04,554 (18,25,55,870)	2,17,32,915 (1,07,03,920)	77,34,855 (1,15,81,852)	11,58,72,324 (20,48,41,641)
Segment Results	1,87,89,512 (1,50,06,523)	(5,64,068) (85,96,815)	(77,34,855) 1,15,81,852	1,04,90,589 (1,20,21,487)
Segment Assets	27,70,78,722 (25,46,16,527)	8,06,893 (72,69,304)	17,70,40,930 (16,08,05,551)	45,49,26,545 (42,26,91,382)
Segment Liabilities	4,31,70,092 (5,52,93,961)	5,27,523	6,86,47,037 (3,17,93,898)	11,23,44,652 (8,70,87,859)
Segment Capital Employed	23,39,08,630 (19,93,22,566)	2,79,370 (72,69,304)	10,83,93,893 (12,90,11,653)	34,25,81,893 (33,56,03,523)

The previous year figures are given in brackets

41 FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are classified into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments

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 rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial Assets and Liabilities measured at fair value-recurring fair value measurements as at 31st March,2018	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
<i>Investments at FVTPL</i>					
Gold Coin (69 Gram) - 9 Pcs	4	-	2,09,829	-	2,09,829
<i>Investments at FVTOCI</i>					
Mutual Funds	11	7,38,625			7,38,625
Total Financial Asset		7,38,625	2,09,829	-	9,48,454
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Financial Assets and Liabilities measured at fair value-recurring fair value measurements as at 31st March,2017	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
<i>Investments at FVTPL</i>					
Gold Coin (69 Gram) - 9 Pcs	4	-	1,96,719	-	1,96,719
<i>Investments at FVTOCI</i>					
Mutual Funds	11	-			-
Total Financial Asset		-	1,96,719	-	1,96,719
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-
Financial Assets and Liabilities measured at fair value-recurring fair value measurements as at 1st April,2016					
Financial Assets					
<i>Investments at FVTPL</i>					
Gold Coin (69 Gram) - 9 Pcs	4	-	1,76,945	-	1,76,945
<i>Investments at FVTOCI</i>					
Mutual Funds	11	-			-
Total Financial Asset		-	1,76,945	-	1,76,945
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

(ii) Valuation processes

The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the group CFO and the valuation team at least once every three months, in line with the group's quarterly reporting periods.

42 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 and financial guarantees. None of the financial instruments of the Group result in material concentration of credit risks.

Credit risk on receivables is minimum since sales 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. Before giving loans to parties including subsidiary, the Group assesses the 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

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

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.

(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 all non-derivative financial liabilities.

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.

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
Financial Liabilities					
Borrowings	4,20,91,949	3278003.14	1,13,56,408	2,03,67,359	7,70,93,719
Trade Payables	2,26,00,374	-	-	-	2,26,00,374
Total	6,46,92,323	32,78,003	1,13,56,408	2,03,67,359	9,96,94,093

(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 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.

(ii) Price risk

The Group's exposure to equity securities price risk arises from unquoted investments held and classified in the balance sheet as Cost. The Group is not expecting high risk exposure from its investment in securities.

(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 :

Sufficient inventory levels maintained so that timely corrective action can be taken in case of adverse weather conditions.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

Slightly higher level of consumable stores are maintained in order to mitigate financial risk arising from logistics problems.

Sufficient working-capital-facility is obtained from banks in such a way that procurement and sale of tea is not adversely affected even in times of adverse conditions.

43 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
- (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.]

Particulars	31st March 2018	31st March 2017	1st April 2016
Borrowings - Non-Current	3,50,01,771	3,72,95,596	-
- Current	3,91,15,195	2,87,44,521	1,62,21,843
Current Maturities of Long Term Debt	29,76,754	25,06,323	3,06,987
Total Debt	7,70,93,720	6,85,46,440	1,65,28,830
Less : Cash and Cash Equivalents	29,12,003	39,04,974	30,26,034
Other bank balance	10,74,947	1,29,49,311	1,12,43,817
Total	39,86,950	1,68,54,285	1,42,69,851
Net Debt	7,31,06,770	5,16,92,155	22,58,979
Total Equity	34,25,81,893	33,56,03,523	32,54,31,065
Net Debt to Equity Ratio	0.21	0.15	0.01

Under the terms of the major borrowing facilities, the Group has complied with the financial covenants as imposed by the bank.

44 FIRST-TIME ADOPTION OF Ind AS
Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the preparation of an opening Ind AS balance sheet at 1st April 2016 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and Exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

1 Ind AS optional exemptions

(i) Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Group has applied same exemption for investment in associate.

(ii) Prospective application of Ind AS 21 to business combinations

The Group has elected to apply this exemption.

(iii) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 *Intangible Asset*. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value. The Group does not have any de-commissioning liabilities as on the date of transition and accordingly no adjustment have been made for the same.

(iv) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Group has elected to apply this exemption for its investment in equity instruments.

(v) Measurement of investment in subsidiaries and associate

Ind AS 101 allows a first time adopter to measure investment in subsidiaries and associate at cost determined in accordance with Ind AS 27 or at deemed cost i.e. fair value of such investments at the entity's date of transition or previous GAAP carrying amount at the date of transitions.

Accordingly, the Group has adopted previous GAAP carrying amount of investment in subsidiary at cost. However, in respect of associate deemed cost is the fair value at the entity's date of transition. The Group has elected to apply this exemption for its investment in subsidiary and associate.

2 Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for investment in equity instruments carried at Cost in accordance with Ind AS at the date of transition.

45 RECONCILIATIONS BETWEEN PREVIOUS GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

1 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at April 1, 2016 is as follows:

Description	Note	Per previous GAAP*	Ind AS Adjustments	Ind AS
Non- Current assets				
(a) Property, Plant and Equipment	2	7,87,01,975	-	7,87,01,975
(b) Capital Work-In-Progress		-		-
(c) Intangible Assets (Goodwill on Consolidation)		3,32,32,437		3,32,32,437
(d) Investment in Associates	3	9,89,80,739	-	9,89,80,739
(e) Financial Assets				-
Investments	4	4,14,56,162	-	4,14,56,162
(f) Deferred Tax Assets (Net)	5	18,32,162	-	18,32,162
(g) Other Non Current Assets	6	42,41,237	-	42,41,237
Total Non Current Assets		25,84,44,712	-	25,84,44,712
Current Assets				
(a) Inventories	7	4,39,81,352	-	4,39,81,352
(b) Financial Assets				
(i) Trade Receivables	8	2,34,59,085	-	2,34,59,085
(ii) Cash & Cash Equivalents	9	30,26,034	-	30,26,034
(iii) Other Bank Balances	10	1,12,43,817	-	1,12,43,817
(iv) Other Financial Assets	11	33,734	-	33,734
(c) Current Tax Assets (Net)	12	34,24,776	(5,60,000)	28,64,776
(d) Other Current Assets	13	2,21,93,353	-	2,21,93,353
Total Current Assets		10,73,62,151	(5,60,000)	10,68,02,151
		36,58,06,863	(5,60,000)	36,52,46,863
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	10,00,00,000	-	10,00,00,000
Other Equity	15	22,54,31,065	-	22,54,31,065
Total Equity		32,54,31,065	-	32,54,31,065
Liabilities				
Non- current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	-	-	-
(ii) Other Financial Liabilities	17	15,00,000	-	15,00,000
(b) Employee Benefit Obligations	18	4,18,320	-	4,18,320
Total Non- current Liabilities		19,18,320	-	19,18,320
Current Liabilities				
(a) Financial Liabilities				
Borrowings	19	1,62,21,843	-	1,62,21,843
Trade Payables	20	1,76,28,666	-	1,76,28,666
Other Financial Liabilities	21	3,06,987	-	3,06,987
(b) Other Current Liabilities	22	27,17,755	-	27,17,755
Short Term Provision		5,60,000	(5,60,000)	-
(c) Employee Benefit Obligations	23	10,22,227	-	10,22,227
Total Current Liabilities		3,84,57,478	(5,60,000)	3,78,97,478
TOTAL EQUITY AND LIABILITIES		36,58,06,863	(5,60,000)	36,52,46,863

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.) (Amount in ₹)

2 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at March 31, 2017 is as follows:

Description	Note	Per previous GAAP*	Ind AS Adjustments	Ind AS
Non- Current assets				
(a) Property, Plant and Equipment	2	7,47,27,372	-	7,47,27,372
(b) Capital Work-In-Progress		-	-	-
(c) Intangible Assets (Goodwill on Consolidation)		3,32,32,437	-	3,32,32,437
(d) Investment in Associates	3	11,97,98,256	18,49,283	12,16,47,540
(e) Financial Assets			-	-
Investments	4	4,32,46,162	(17,60,227)	4,14,85,936
(f) Deferred Tax Assets (Net)	5	31,74,215	(5,141)	31,69,074
(g) Other Non Current Assets	6	41,06,521	-	41,09,521
Total Non Current Assets		27,82,84,963	83,915	27,83,71,880
Current Assets				
(a) Inventories	7	2,73,98,884	-	2,73,98,884
(b) Financial Assets				
(i) Trade Receivables	8	3,25,87,549	-	3,25,87,549
(ii) Cash & Cash Equivalents	9	39,04,974	-	39,04,974
(iii) Other Bank Balances	10	1,29,49,311	-	1,29,49,311
(iv) Other Financial Assets	11	33,734	-	33,734
(c) Current Tax Assets (Net)	12	62,69,333	(12,10,000)	50,59,333
(d) Other Current Assets	13	6,23,85,717	-	6,23,85,717
Total Current Assets		14,55,29,502	(12,10,000)	14,43,19,502
		42,38,14,465	(11,26,085)	42,26,91,382
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	10,00,00,000	-	10,00,00,000
Other Equity	15	23,55,19,608	83,915	23,56,03,523
Total Equity		33,55,19,608	83,915	33,56,03,523
Liabilities				
Non- current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	3,72,95,596	-	3,72,95,596
(ii) Other Financial Liabilities		17,25,000	-	17,25,000
(b) Employee Benefit Obligations	18	3,54,570	-	3,54,570
Total Non- current Liabilities		3,93,75,166	-	3,93,75,166
Current Liabilities				
(a) Financial Liabilities				
Borrowings	19	2,87,44,521	-	2,87,44,521
Trade Payables	20	1,17,70,451	-	1,17,70,453
Other Financial Liabilities	21	25,06,323	-	25,06,323
(b) Other Current Liabilities	22	36,53,070	-	36,56,070
Short Term Provision		12,10,000	(12,10,000)	-
(c) Employee Benefit Obligations	23	10,35,326	-	10,35,326
Total Current Liabilities		4,89,19,691	(12,10,000)	4,77,12,693
TOTAL EQUITY AND LIABILITIES		42,38,14,465	(11,26,085)	42,26,91,382

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

3 Reconciliation of the revenue and expenses presented in the statement of profit and loss prepared as per Previous GAAP and as per Ind AS as at March 31, 2017 is as follows:

Description	Note	Per previous GAAP*	Ind AS Adjustments	Ind AS
Income:				
Revenue from Operations	24	20,11,89,053	-	20,11,89,053
Other Income	25	1,55,90,159	83,915	1,56,74,075
Total Income		21,67,79,212	83,915	21,68,63,128
Expenses:				
Purchases of Stock in Trade	26	16,99,44,790	-	16,99,44,790
Changes in Inventories of Finished Goods	27	1,65,82,468	-	1,65,82,468
Employee Benefits Expense	28	34,29,525	-	34,29,525
Finance Costs	29	56,71,068	-	56,71,068
Depreciation and Amortization Expense	30	15,96,967	-	15,96,967
Other Expenses	31	76,16,823	-	76,16,823
Total Expenses		20,48,41,641	-	20,48,41,641
Profit before tax		1,19,37,571	83,915	1,20,21,487
Income Tax Expense				
(1) Current Tax		7,50,000	-	7,50,000
(2) Deferred Tax		(13,42,053)	-	(13,42,053)
Total Tax Expense		(5,92,053)	-	(5,92,053)
Profit for the year		1,25,29,624	83,915	1,26,13,540
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans		-	12,049	12,049
Income tax relating to above items		-	(3,133)	(3,133)
Other Comprehensive Income for the year, net of tax		-	8,916	8,916
Total Comprehensive Income for the year		1,25,29,624	92,831	1,26,22,456

4. Reconciliation of total equity as at 31 March 2017 and 1 April 2016

Particulars	Note	As at 31 March 2017	As at 1 April 2016
Total equity (shareholder's funds) as per previous GAAP	14 & 15	33,55,19,608	32,54,31,065
Adjustments:			
Reclassification of Investment as Associate	3	69,282	-
Remeasurement of post-employment defined benefit obligations (net of tax)		(8,916)	-
OTHER RESERVES - OCI	15	8,916	-
Fair Value Gain on Gold (net)	25	14,633	-
Total equity as per Ind AS		33,56,03,523	32,54,31,065

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)

(Amount in ₹)

5. Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Note	As at 31 March 2017
Net Profit as per previous GAAP for March 2017		1,25,29,624
Adjustments:		
Reclassification of Investment as Associate	3	69,282
Fair Value Gain on Gold	25	19,774
Deferred tax on above	5	(5,141)
Net Profit as per Ind AS for March 2017		1,26,13,539
Other comprehensive income		
Actuarial gain/(loss)		12,049
Deferred tax on above		(3,133)
Other comprehensive income		8,916
Total comprehensive income as per Ind AS		1,26,22,455

Deferred tax

Deferred tax have been recognised on the adjustments made on transition to Ind AS. March 31, 2017 comprises financial assets and liabilities at FVTPL ₹ 5,141.

Retained earnings

- i) Retained earnings has been adjusted due to reclassification of investment as associate and accounted for using the equity method amounting to ₹ (69,283) for the period ended 31st March 2017.
- ii) Retained earnings has been adjusted due to remeasurement of investment in other instruments (Gold) accounted for using FVTPL amounting to ₹ 14,633 for the period ended 31st March 2017.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2018 (Contd.)
(Amount in ₹)

46 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

Name of the Entity in the Group	Net Assets (i.e. total assets minus liabilities)		Share in profit and loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Consolidated OCI	Amount	As a % of Consolidated TCI	Amount
Parent								
Asian Tea & Exports Ltd*	26%	8,73,83,055	6%	5,17,986	55%	41,786	6%	5,59,772
Subsidiaries								
Greenol Laboratories Pvt Ltd.	13%	4,41,27,738	0%	31,814	0%	-	0%	31,814
Sarita Nupur Vyapaar Pvt Ltd.	11%	3,76,65,481	-4%	(3,89,351)	0%	-	-4%	(3,89,351)
Associates								
Kesavatsapur Tea Co. Pvt Ltd	9%	3,14,77,946	-22%	(20,09,691)	0%	-	-22%	(20,09,691)
Asian Tea Co. Pvt Ltd	22%	7,58,36,089	74%	67,80,944	45%	33,964	74%	68,14,908
Hurdeodass Co. Pvt Ltd	2%	62,60,159	-16%	(14,95,297)	0%	-	-16%	(14,95,297)
Inspire Tie Up Pvt Ltd	0%	3,01,011	0%	(1,231)	0%	-	0%	(1,231)
HRG HealthCare Pvt Ltd	0%	6,57,046	0%	(3,446)	0%	-	0%	(3,446)
Indong Tea Co. Pvt Ltd	7%	2,48,31,375	63%	57,60,158	0%	-	62%	57,60,158
TH Infracon Pvt Ltd	0%	6,00,346	0%	(1,946)	0%	-	0%	(1,946)
Sriram Tokharam Realtors Pvt Ltd	0%	2,09,211	0%	(3,075)	0%	-	0%	(3,075)
Consolidation Adjustment	10%	3,32,32,436	0%	-	0%	-	0%	-
Total	100%	34,25,81,893	100%	91,86,865	100%	75,750	100%	92,62,615

*Excluding investment in subsidiaries and associates

47 Previous year figures have been regrouped/rearranged wherever considered necessary, in line with transition to Ind AS and otherwise as appropriate.

As per our report of even date

For Kaushal Surana & Co.

Chartered Accountants

Kaushal Kumar Surana

Proprietor

Mem No. 065552

FRN : 329248E

Place : Kolkata

Date : 14.08.2018

For & on behalf of the Board

(H.R.GARG)

Managing Director

DIN: 00216053

(SUNIL GARG)

Director

DIN: 00216155

(RAJESH GARG)

Chief Financial Officer

(RASHI NAGORI)

Company Secretary



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