



## GOODRICKE GROUP LIMITED

Registered Office :  
"Camellia House" 14, Gurusaday Road, Kolkata - 700 019  
Telephone : 2287-3067, 2287-8737, 2287-1816  
Fax No. (033) 2287-2577, 2287-7089  
E-mail : [goodricke@goodricke.com](mailto:goodricke@goodricke.com)  
visit us at : [www.goodricke.com](http://www.goodricke.com)

CIN-L01132WB1977PLC031054

27th July, 2018

To  
The Sr. General Manager  
Dept of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001  
Email: [corp.relations@bseindia.com/](mailto:corp.relations@bseindia.com/)  
Corp. [compliance@bseindia.com](mailto:compliance@bseindia.com)

Uploaded in <http://listing.bseindia.com/>

Scrip Code: 500166

Sub: Annual Report

Dear Sir,

Pursuant to Regulation 34(1) of the SEBI-LODR, 2015 please take on record the Annual Report for the period 2017-18.

Yours faithfully,

**GOODRICKE GROUP LIMITED**

  
**SR. GENERAL MANAGER &  
COMPANY SECRETARY**

Encl: a/a

**ANNUAL REPORT 2017-18**



**GOODRICKE GROUP LIMITED**

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## **BOARD OF DIRECTORS**

Mr. Peter John Field - *Chairman*  
Mr. Arun Narain Singh - *Vice Chairman*  
Mr. Atul Asthana - *Managing Director & CEO*  
Mr. Arjun Sengupta - *Wholetime Director & CFO*  
Mrs. Susan Ann Walker  
Dr. (Mrs.) Sudha Kaul  
Mr. Kantanand Sinha  
Mr. Prodosh Kumar Sen  
Mr. Yashpal Levin

## **BOARD COMMITTEES**

### **Audit Committee**

Mr. Kantanand Sinha - *Chairman*  
Mr. Prodosh Kumar Sen - *Member*  
Mrs. Susan Ann Walker - *Member*

### **Corporate Social Responsibility Committee**

Dr. (Mrs.) Sudha Kaul - *Chairperson*  
Mr. Kantanand Sinha - *Member*  
Mr. Atul Asthana - *Member*

### **Nomination & Remuneration Committee**

Mr. Kantanand Sinha - *Chairman*  
Mr. Peter John Field - *Member*  
Mr. Prodosh Kumar Sen - *Member*  
Dr. (Mrs.) Sudha Kaul - *Member*

### **Stakeholders Relationship Committee**

Dr. (Mrs.) Sudha Kaul - *Chairperson*  
Mr. Kantanand Sinha - *Member*  
Mr. Atul Asthana - *Member*

## **KEY MANAGERIAL PERSONNEL**

Mr. Atul Asthana, *Managing Director & CEO*  
Mr. Arjun Sengupta, *Wholetime Director & CFO*  
Mr. Subrata Banerjee, *Sr. General Manager & Company Secretary*

## **AUDITORS**

Deloitte Haskins & Sells LLP  
Chartered Accountants  
Building - Omega, Bengal Intelligent Park  
Block - EP & GP, Sector - V  
Salt Lake Electronic Complex  
Kolkata 700 091  
(Firm's Registration No. 117366 W / W-100018)

## **SECRETARIAL AUDITORS**

Anjan Kumar Roy & Co.  
DPS Business Centre, 9A Sebak Baidya Street,  
Kolkata 700 029  
(CP No. 4557)

## **BANKERS**

Axis Bank Ltd.  
HDFC Bank Ltd.

## **REGISTRARS & SHARE TRANSFER AGENTS**

C.B. Management Services Pvt. Ltd.  
P-22, Bondel Road, Kolkata 700 019  
Tele No. (033) 4011 6700/6711/6718  
Fax No. (033) 2287 0263/4011 6739  
Email : rta@cbmsl.com  
Website : www.cbmsl.com

## **REGISTERED OFFICE**

"Camellia House", 14 Gurusaday Road  
Kolkata 700 019  
Tele No : (033) 2287 3067/ 8737  
Fax No (033) 2287 2577  
Email: investor@goodricke.com  
Website : www.goodricke.com  
CIN: L01132WB1977PLC031054

## NOTICE

NOTICE is hereby given that the Forty-second Annual General Meeting of the Members of Goodricke Group Limited will be held at the Eastern Zonal Cultural Centre, IB 201, Sector - III, Salt Lake City, Kolkata 700 106 on Friday, the 27th July, 2018 at 10.00 a.m. to transact the following businesses:-

### Ordinary Business

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2018, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mr. P. J. Field, (Holding DIN 02634920) who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"Resolved that** pursuant to the provisions of Section 188, 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Atul Asthana (holding DIN 00631932), be and is hereby appointed as Managing Director and CEO of the Company for a period of 3 (three) years commencing from 1st April, 2018 till 31st March, 2021 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting and approved by the Board of Directors, upon recommendation made by the Nomination and Remuneration Committee of the Board in accordance with Schedule V of the Companies Act 2013 and also approved by the Audit Committee of the Board in accordance with the Policy of the Company on related party transactions."

**"Resolved further that** the Board of Directors, including any Committee thereof, be and is hereby authorized to do and perform all such acts, deeds, matters and things and to take all such steps as may be considered necessary to give effect to the aforesaid resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"Resolved that** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. Arjun Sengupta (holding DIN 00631842), who was appointed as an Additional Director of the Company with effect from 1st September 2017 by the Board of Directors of the Company pursuant to Section 161 (1) of the Companies Act, 2013 and Article 66 of the Articles of Association of the Company 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 a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation;"



**"Resolved further that** pursuant to the provisions of Section 188, 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), and Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 approval of the Company be and is hereby accorded to the appointment of Mr. Arjun Sengupta (holding DIN 00631842) as a Wholtime Director and Chief Financial Officer of the Company for a period of 3 (three) years commencing from 1st September 2017 till 31st August 2020 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting and approved by the Board of Directors, upon recommendation made by the Nomination and Remuneration Committee of the Board in accordance with Schedule V of the Companies Act 2013 and also approved by the Audit Committee of the Board in accordance with the Policy of the Company on related party transactions."

**"Resolved further that** his re-appointment as a Director immediately on retirement by rotation shall not be deemed to constitute a break in his appointment / service as Whole Time Director of the Company;"

**"Resolved further that** the Board of Directors, including any Committee thereof, be and is hereby authorized to do and perform all such acts, deeds, matters and things and to take all such steps as may be considered necessary to give effect to the aforesaid resolution."

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution :

**"RESOLVED that** Mr. Yashpal Levin (holding DIN 07169755) who was appointed as an Additional Director of the Company w.e.f. 1st April, 2018 by the Board of Directors under provision of section 161 of the Companies Act 2013 and pursuant to the Article of Association of the Company and who holds such office upto the date of this Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing from a shareholder under Section 160 of the Companies Act 2013 proposing his candidature for the office of the Director of the Company be and is hereby appointed as a Director of the Company till 31st March 2019."

7. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution :

**"RESOLVED that** Mr. Arun Narain Singh (holding DIN 00620929) who was appointed as a Non-Executive Additional Director of the Company to be designated as Vice Chairman w.e.f. 1st May, 2018 by the Board of Directors under provision of section 161 of the Companies Act 2013 and pursuant to the Article of Association of the Company and who holds such office upto the date of this Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing from a shareholder under Section 160 of the Companies Act 2013 proposing his candidature for the office of the Director of the Company be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation."

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

**"Resolved that** pursuant to the provisions of Regulation 17 (1A) of SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations 2018 notified on 9th May, 2018 and all other applicable provisions if any (including any statutory modification (s) or enactment thereof for the time being in force) approval be

and is hereby accorded to the continuance of Mr. P.K. Sen (DIN 00160160) as Non-executive Independent Director of the Company till the conclusion of his present tenure of appointment."

9. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"Resolved that** in terms of Section 148 of the Companies Act 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration payable to the Cost Auditors namely M/s. Shome & Banerjee, Cost Accountants (Firm Registration No.: 000001) for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the year ending 31st March, 2019 as approved by the Board of Directors based on the recommendation of the Audit Committee, the details of which are given in the Explanatory Statement in respect of this item of business be and is hereby ratified."

**"Resolved further** that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

The Register of Members and Share Transfer books of the Company shall remain closed from Saturday, the 21st July, 2018 to Friday, the 27th July 2018, both days inclusive for payment of dividend.

By Order of the Board

Place : Kolkata  
Dated : 24th May, 2018

S. Banerjee  
*Sr. General Manager &  
Company Secretary*



## NOTES & INFORMATION TO SHAREHOLDERS

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.**

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

2. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of items of Special Business is annexed hereto.
3. The Statutory Auditors were appointed at the 40th Annual General Meeting of the Company for a period of five years subject to ratification in each subsequent Annual General Meeting. Vide the Companies (Amendment) Act 2017 the provision of ratification of appointment in each Annual General Meeting has been omitted.
4. The information as required to be provided in terms of the Listing Regulations with the Stock Exchange regarding the Directors who are proposed to be appointed / re-appointed is annexed.
5. The dividend that may be declared by the Company at the Forty-second Annual General Meeting will be paid on or after 4th August, 2018 (i) to those members holding shares in physical mode whose names appear on the Register of member on 20th July 2018 (ii) In respect of the shares held in electronic form the dividend will be paid to the 'beneficial owners' of the shares at the end of business hours on 20th July, 2018 as per details provided by the Depositories for this purpose.
6. Dividend in respect of shares held in dematerialized form shall be credited to the owner's bank account directly through National Automated Clearing House (NACH), wherever, NACH facility is available subject to availability of bank account details with 9 digit MICR and 11 digit IFS Code. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 has mandated usage of electronic mode for making cash payments such as dividend etc. to the investors of Companies whose securities are listed on the Stock Exchange.

7. Shareholders holding shares in physical form and desirous of having NACH facility, should provide their bank details and 9 digit MICR and 11 digit IFS Code number to the Registrar and Share Transfer Agent of the Company immediately. The shareholders who have already given their bank details should furnish the same only if there is any change.

Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agent quoting their Folio Numbers. Shareholders holding shares in dematerialized form, should intimate change of their address, if any, to their Depository Participant.

8. Under Section 124 of the Companies Act, 2013 the amount of dividend remaining unpaid or unclaimed for a period of 7 years from due date is required to be transferred to the Investors Education and Protection Fund, established



under corresponding Section 125 of the Companies Act, 2013. In accordance with the Notification of the Ministry of Corporate Affairs any amount of dividend which remained unpaid or unclaimed for a period of seven years from the date such dividend became due for payment have been transferred to the investor Education and Protection Fund set up by the Government of India.

The Company has uploaded the details of unpaid or unclaimed amounts lying with the Company as on the date of the last AGM (27th July 2017) on its website [www.goodricke.com](http://www.goodricke.com).

9. Notice regarding dividend lying unclaimed have been sent to all shareholders concerned on 16th January, 2018.
10. Shares in respect of which dividend has been transferred to the Investors Education and Protection Fund ("IEPF") of the Central Government shall also be transferred to IEPF pursuant to Rule 6 of the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund ) Rules 2016 ("Rules") read with Section 124 of the Companies Act, 2013. Intimations have been sent to Shareholders concerned requesting them to encash their unclaimed dividends failing which the Corresponding shares will be transferred to IEPF. The list of Shareholders and the corresponding shares are available on the Company's website [www.goodricke.com](http://www.goodricke.com). in respect of whom such shares have already been transferred to IEPF.
11. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee (s) to furnish copy of PAN Card to the Company/RTAs for registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:-

- (a) Deletion of name of the deceased shareholder (s), where the shares are held in the name of two / more shareholders.
  - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
  - c) Transposition of shares - when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

### **13. Instructions for voting**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and Listing Regulation the company is pleased to provide members holding shares either in physical form or in dematerialized form, the facility to exercise their right to vote on all the resolutions set forth in this notice by electronic means. The process and manner of voting by electronic means, the time schedule including the time period during which the votes may be cast and all other necessary instructions and information in this respect have been given in a separate sheet attached hereto forming part of the notice.

The Company has also made available voting through ballot at the venue of the Annual General Meeting and the members attending the Annual General Meeting, who have not cast their votes through electronic means shall be able to exercise the right at the Annual General Meeting through ballot.



## Explanatory Statements

(Pursuant to Section 102 of The Companies Act, 2013)

### Item No. 4

The Board of Directors of the Company at its meeting held on 13th February, 2018 appointed Mr. Atul Asthana (DIN 00631932), as the Managing Director and CEO for a period of three year from 1st April 2018 to 31st March, 2021, subject to the approval of the members in the General Meeting. He was holding the position of Wholetime Director and Chief Operating Officer of the Company. Mr. Asthana is an Engineer and associated with the Company since 1985 in various positions. As part of the Senior Management Team he was also involved in policy decision at the Corporate level. Considering his wide experience and leadership qualities, the Nomination and Remuneration Committee has recommended his elevation with effect from 1st April, 2018 in terms of remuneration policy of the Company. Since Mr. Asthana is a related party as per Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Audit Committee at their meeting held on 13th February, 2018 endorsed the recommendation of Nomination & Remuneration Committee and recommended his elevation to the Board.

Brief particulars of Mr. Atul Asthana, as required under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 is annexed to this Notice.

Mr. Atul Asthana, is not related to any Director or Key Managerial Personnel of the Company in any way.

The period of service, remuneration payable and other terms and conditions of service of Mr. Atul Asthana, w.e.f. 1st April 2018 are set out below :

### TERMS AND CONDITIONS OF SERVICE

Period	1st April, 2018 to 31st March 2021
Remuneration	Basic Salary :Rs. 4,00,000/- per month. (In the scale of Rs. 4,00,000/- - Rs. 7,00,000/-)
Other Terms	Commission - As may be approved by the Board of Directors subject to the overall limits of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 on recommendation of Nomination & Remuneration Committee.  Special Allowance:Rs. 50,000/- per month.  Perquisites :  a. Fully furnished residential accommodation will be provided by the Company. In case accommodation is not provided by the Company, House Rent Allowance not exceeding 60% of the salary.  b. Gas, electricity, water, medical reimbursement including premium for medical insurance, leave travel concession for self and family once in a year, payment of fees/subscriptions to Clubs, payment of premium on personal accident insurance, provision of car with chauffeur, telephone at residence etc. as per applicable rules of the Company.  c. Education Allowance - as per rules of the Company.

	<p>d. Leave: 35 days for every completed year of service with full pay including perquisites and allowances. Leave accumulated shall be encashed at the end of the appointment as per Company rules.</p> <p>Retirement benefits: Company's contribution to Provident Fund, Pension Fund &amp; Gratuity fund as per rules and regulations of the said funds. Post Retirement Benefits shall be as per rules of the Company.</p>
<b>Minimum Remuneration</b>	In case of loss or inadequacy of profit in any year during the tenure of the Managing Director & CEO he shall be entitled to receive a total remuneration including salary and perquisites etc. not exceeding the applicable ceiling of Part II of Schedule V of the Act or such other modified ceiling as may be notified.
<b>Termination of Appointment</b>	The appointment may be terminated by either party giving six months' prior notice.
<b>Memorandum of Interest</b>	None of the directors except Mr. Atul Asthana is concerned or interested in this appointment.
<b>Duties</b>	Mr. Asthana, will be entrusted with such duties as may be delegated to him by the Board of Directors and the Chairman and he shall exercise the powers of Management and perform such duties under the general superintendence, control and direction of the Board of Directors and the Chairman of the Company.

**NOTE :**

- i) OVERALL LIMIT : The aggregate of the total salary, commission and monetary value of perquisites payable to the Wholtime Directors of the Company shall not exceed 10% of the profits of the Company in accordance with Section 197 of the Act.
- ii) Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such Rule, perquisites shall be evaluated at actual cost.
- iii) Use of Company car with chauffeur for official purposes and telephone at residence (including payment of local calls and long distance official calls) shall not be considered as perquisites.
- iv) The Board, may in its discretion, revise / modify any of the terms from time to time within limits stipulated above.

The above terms as to remuneration have been approved by the Nomination and Remuneration Committee of the Board at its Meeting held on 13th February, 2018 and the particulars of Mr. Atul Asthana namely; age, qualification, past experience and other details are given separately in this notice as per SEBI (LODR) Regulations, 2015.

The terms of appointment of Mr. Atul Asthana pursuant to Section 190 of the Companies Act 2013 shall be open for inspection by any member of the Company on any working day at the Registered Office of the Company except Saturday, Sunday and public holidays, between 10 a.m. and 1:00 p.m. upto the date of AGM.

The Board considers the appointment of Mr. Atul Asthana, on the terms set out above to be in the interest of the Company and therefore recommends that the resolution be adopted by the members.

Except Mr. Atul Asthana, being an appointee, no other Director or Key Managerial Personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in the aforesaid appointment.



## Item No. 5

The Board of Directors of the Company at its meeting held on 7th August, 2017 appointed Mr. Arjun Sengupta (DIN 00631842), as a Wholetime Director and Chief Financial Officer for a period of three year w.e.f. from 1st September 2017 to 31st August, 2020, subject to the approval of the members in the General Meeting. Mr. Arjun Sengupta is appointed pursuant to Article 66 of the Article of Association of the Company read with Section 161 (1) of the Companies Act 2013. The Company has received a Notice in terms of Section 160 of the Companies Act, 2013 from a Member proposing that Mr. Arjun Sengupta be appointed as a Director of the Company.

Mr. Arjun Sengupta is associated with the Company since 1987 and he is a Senior Chartered Accountant. He held various senior positions in the Company and is a member of Senior Management Team. Nomination and Remuneration Committee considering his vast experience and seniority has recommended his appointment as a Wholetime Director & CFO. Since Mr. Arjun Sengupta is a related party as per Companies Act, 2013 and SEBI (LODR) Regulations 2015, the Audit Committee at its meeting held on 7th August 2017 endorsed the recommendation of Nomination and Remuneration Committee and recommended his appointment to the Board.

Brief particulars of Mr. Arjun Sengupta, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Notice.

Mr. Arjun Sengupta, is not related to any Director or Key Managerial Personnel of the Company in any way.

The period of service, remuneration payable and other terms and conditions of service of Mr. Arjun Sengupta, w.e.f. 1st September, 2017 are set out below :-

### TERMS AND CONDITIONS OF SERVICE

Period	1st September 2017 to 31st August 2020
Remuneration	Basic Salary: Rs. 2,25,000/- per month on 1.9.2017 Rs. 2,50,000/- per month from 1.4.2018 (In the scale of Rs. 2,25,000/- - Rs. 4,00,000/-)
Other Terms	Commission - As may be approved by the Board of Directors subject to the overall limits of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 on recommendation of Nomination & Remuneration Committee. Special Allowance:Rs. 25,000/- per month. Perquisites : a. Fully furnished residential accommodation will be provided by the Company. In case accommodation is not provided by the Company, House Rent Allowance not exceeding 60% of the salary. b. Gas, electricity, water, medical reimbursement including premium for medical insurance, leave travel concession for self and family once in a year, payment of fees/subscriptions to Clubs, payment of premium on personal accident insurance, provision of car with chauffeur, telephone at residence etc. as per applicable rules of the Company. c. Education Allowance - as per rules of the Company. d. Leave: 35 days for every completed year of service with full pay including perquisites and allowances. Leave accumulated shall be encashed at the end of the appointment as per Company rules.

	Retirement benefits: Company's contribution to Provident Fund, Pension Fund & Gratuity fund as per rules and regulations of the said funds. Post Retirement Benefits shall be as per rules of the Company.
<b>Minimum Remuneration</b>	In case of loss or inadequacy of profit in any year during the tenure of the Wholetime Director & CFO he shall be entitled to receive a total remuneration including salary and perquisites etc. not exceeding the applicable ceiling of Part II of Schedule V of the Act or such other modified ceiling as may be notified.
<b>Termination of Appointment</b>	The appointment may be terminated by either party giving six months' prior notice.
<b>Memorandum of Interest</b>	None of the directors except Mr. Arjun Sengupta is concerned or interested in this appointment.
<b>Duties</b>	Mr. Sengupta, will be entrusted with such duties as may be delegated to him by the Managing Director & CEO and he shall exercise the powers of Management and perform such duties under the general superintendence, control and direction of the Managing Director & CEO of the Company.

**NOTE :**

- i) **OVERALL LIMIT** : The aggregate of the total salary, commission and monetary value of perquisites payable to the Wholetime Directors of the Company shall not exceed 10% of the profits of the Company in accordance with Section 197 of the Act.
- ii) Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such Rule, perquisites shall be evaluated at actual cost.
- iii) Use of Company car with chauffeur for official purposes and telephone at residence (including payment of local calls and long distance official calls) shall not be considered as perquisites.
- iv) The Board, may in its discretion, revise / modify any of the terms from time to time within limits stipulated above.

The above terms as to remuneration have been approved by the Nomination and Remuneration Committee of the Board at its Meeting held on 7th August, 2017 and the particulars of Mr. Arjun Sengupta, namely; age, qualification, past experience and other details are given separately in this notice as per SEBI (LODR) Regulations 2015.

The terms of appointment of Mr. Arjun Sengupta pursuant to Section 190 of the Companies Act 2013 shall be open for inspection by any member of the Company on any working day at the Registered Office of the Company except Saturday, Sunday and public holidays, between 10 a.m. and 1:00 p.m. upto the date of AGM.

The Board considers the appointment of Mr. Arjun Sengupta, on the terms set out above to be in the interest of the Company and therefore recommends that the resolution be adopted by the members.

Except Mr. Arjun Sengupta, being an appointee, no other Director or Key Managerial Personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in the aforesaid appointment.



#### **Item No. 6**

Mr. Yashpal Levin, (DIN 07169755) aged about 61 years is a Senior Planter.

In terms of the provisions of the Companies Act 2013 ("The Act"), the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors had at its meeting held on 13th February, 2018 appointed Mr. Yashpal Levin, as an additional director of the Company w.e.f. 1st April, 2018. Mr. Yashpal Levin, being an additional director holds office upto the date of this Annual General Meeting and as proposed in the resolution shall hold office upto 31st March, 2019.

Given his vast experience as a planter the Board considers his appointment to be in the interest of the Company and recommends the resolution contained in Item No. 6 of the convening notice for approval of the members as an ordinary resolution.

Since Mr. Yashpal Levin's appointment is upto 31st March 2019 his office shall not be considered to be liable to determination by retirement of directors by rotation. Except Mr. Yashpal Levin none of the Directors, Key Managerial Personnel (KMPs), or relatives of Directors or Key Managerial Personnel are interested or concerned in the said resolution.

The Board recommends that the resolution be adopted by the members.

#### **Item No. 7**

Mr. Arun Narain Singh (DIN 00620929), retired as Managing Director & CEO of the Company on 31st March, 2018. As a mark of recognition of the exceptional leadership provided to the Company the Board of Directors on recommendation of the Nomination and Remuneration Committee on 6th April 2018 appointed Mr. Arun Narain Singh, as a Non-executive Additional Director of the Company to be designated as "Vice Chairman" w.e.f. 1st May, 2018 and who holds office till this Annual General Meeting. The Company has received due notice under Section 160 of the Companies Act 2013 proposing his appointment as a Director of the Company. Except Mr. Arun Narain Singh none of the Directors, Key Managerial Personnel (KMPs), or relatives of Directors or Key Managerial Personnel are interested or concerned in the said resolution.

The Board recommends the resolution be adopted by the members.

#### **Item No. 8**

The Company appointed Mr. P. K. Sen (DIN 00160160), as a Non-executive Independent Director on 30th March, 2015 to discharge the role and functions of an Independent Director in terms of erstwhile Listing Agreement with the Stock Exchange and Companies Act 2013, till the conclusion of the Annual General Meeting to be held in the year 2020. Regulation 17 (1A) of the SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations 2018 notified on 9th May, 2018, stipulates that a special resolution should be passed to appoint or continue with the appointment of a person as a Non Executive Director who has attained the age of 75 years. Mr. P. K. Sen, a Non Executive Independent Director has attained such age.

Mr. P. K. Sen, has the desired qualifications and in depth experience in his respective field and has held very high positions in different renowned organizations. The Board feels that his vast knowledge and practical understanding of the trade will be of immense benefit to the Company.

Accordingly, the Board of Directors, in compliance with the requirement of the said Notification dated 9th May, 2018 issued by SEBI, recommends the resolution for approval of members by way of special resolution

in the forthcoming Annual General Meeting. Mr. P. K. Sen has given consent to continue in office for the remaining period.

Other than Mr. P. K. Sen none of the Directors, key managerial personnel of the company and relatives of directors and key managerial personnel are, in any way concerned or interested, financially or otherwise, in the special resolution set out in Item No.8 of the Notice.

**Item No. 9**

In terms of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 ('the Rule'), the Board of Directors of the Company at its Meeting held on 24th May, 2018 appointed Messrs Shome & Banerjee, Cost Accountants (Firm Registration No. 000001), as the Cost Auditors of the Company for the financial year ending 31st March, 2019 on the recommendation of the Audit Committee of the Company.

The Board, in terms of the Rule, approved the remuneration of the Cost Auditors as recommended by the Audit Committee, which is subject to ratification by the Members of the Company.

The remuneration fixed by the Board is as under :

Cost Auditors	Remuneration
Shome & Banerjee	Rs. 1,85,000/-for auditing the records of the Company

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

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

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



<b>PARTICULARS RELATING TO DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED</b>					
<b>Name of Director</b>	<b>Mr. Peter John Field</b>	<b>Mr. Atul Asthana</b>	<b>Mr. Arjun Sengupta</b>	<b>Mr. Yashpal Levin</b>	<b>Mr. Arun Narain Singh</b>
<b>Date of Birth</b>	25th November, 1950	2nd January, 1962	5th December 1957	18th November 1956	1st July, 1953
<b>Qualification</b>	Banker	Bsc, Mech. Engg.	Chartered Accountant	B.A.	M. Sc.
<b>Expertise</b>	Indepth experience in the field of Banking & Finance of a wide range of Companies in diverse lines of activities ranging from Tea & other plantation, banking & engineering, warehousing and transport etc.	Joined the Company as Asst. Manager at Chulsa T.E. Became Manager in 1999 at Harmutty T.E. and inducted in operations Dept. H.O. in 2000 as Manager Operations. Promoted to Vice President (Operations) in 2014.	Indepth knowledge and experience in the field of Finance & Accounts. Joined the Company in 1987 and become Vice President & CFO from 1st April 2014.	Having varied experience as a Senior Planter and was involved in various operational activities of the Company. He was inducted in Operation department in 2010 and was promoted to Vice President (Operations) in 2014	Joined the Company as Tea Garden Assistant at its inception. In early 2002, was transferred to Head Office and promoted later to Vice President (Operations). He has been Managing Director & CEO from 1st August 2006 to 31st March 2018.
<b>Directorship held in other Companies (excluding foreign Companies)</b>	Stewart Holl (India) Ltd. Amgoorie India Ltd.	Stewart Holl (India) Limited Amgoorie India Limited Borbam Investments Ltd. ABC Tea Workers Welfare Services Elgin Investments & Trading Co. Limited Goodricke Technical & Management Services Ltd.	Stewart Holl (India) Limited Amgoorie India Limited Elgin Investments & Trading Co. Limited Goodricke Technical & Management Services Ltd. Borbam Investments Ltd.	NIL	Stewart Holl (India) Limited Amgoorie India Limited
<b>Committee Memberships, if any, with position</b>	Member, Nomination and Remuneration Committee of Goodricke Group Ltd.	Member - Stakeholders' Relationship Committee and Corporate Social Responsibility Committee, Goodricke Group Limited.	NIL	NIL	NIL
<b>Shareholding in the Company</b>	Nil	6 shares of Rs.10/- each	6 shares of Rs. 10/- each	NIL	180 Shares of Rs. 10/- each

There is no inter-se relationship between the Directors of the Company.



## REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Directors have pleasure in presenting their Forty-second Annual Report and Accounts for the year ended 31st March, 2018.

### FINANCIAL RESULTS

	(Rs. in millions)	
	Year ended (31.3.2018)	Year ended (31.03.2017)
Revenue from Operations	<b>7305.74</b>	6803.69
Profit before taxation	<b>488.55</b>	488.99
Tax Expense	<b>171.33</b>	157.67
Profit for the year	<b>317.22</b>	331.32
Other Comprehensive Income (net of tax)	<b>(50.81)</b>	(44.09)
Total Comprehensive Income	<b>266.41</b>	287.23
Other Equity at year end	<b>2852.25</b>	2702.83

### SHARE CAPITAL

During the year ended 31st March, 2018 there is no change in the issued, subscribed and paid up share capital of the Company. The paid up capital as on 31st March, 2018 stood at Rs. 216 million divided into 21600000 Equity Shares of Rs.10/- each.

### TRANSFER TO RESERVE

Your Directors do not propose to transfer any amount to the General Reserve for the financial year ended 31st March 2018.

### DIVIDEND

Your Directors have recommended a dividend of Rs. 4.50/- per share (45%). On approval at the forthcoming Annual General Meeting, dividend will be paid to those members whose names are recorded in the Register of the Company at the close of business on 20th July, 2018 subject, however to the provision of Section 126 of the Companies Act, 2013. This equity dividend has not been included as a liability in the financial statement.

### INDUSTRY STRUCTURE AND DEVELOPMENT, OPPORTUNITIES & THREATS, OUTLOOK, RISK AND CONCERN

The production of World Tea Crop was 5686 Million kgs (Provisional) in 2017 as compared to 5561 million kgs in 2016. Indian Tea Crop was approx. 1278 Million kgs; against 1267 million kgs. last year, the increase resulting from well distributed rain fall. (source: International Tea Committee)

Global consumption of tea is likely to grow because of growing population and perception of the Consumer towards tea as natural health and wellness beverage.

Tea Industry is cyclic in nature and largely depends on weather conditions. Hence anything that affects tea industry will have its one off effect on the business.

Industry is experiencing rising input cost, rising workers wage and related expenses, which is a challenge. Such increase in cost can only be set off by focused mechanization of estates operations and improving the quality, which will also result in global demand.



There is a continuous process for identifying, evaluating and managing significant risks faced through risk analysis process designed to identify the key risk factors. The role of insurance and other measures used in managing risks is also reviewed. The Audit Committee has continued its monitoring role. During the year no major risks were noticed.

## **OPERATIONS**

The Company recorded a crop of 18.83 million (kgs) which is at the same level of previous year despite prolonged strike in Darjeeling gardens where we lost 0.3 million kgs. crop.

**DOOARS** : An all time record crop of 16 million kgs. was made during the year. With 100% commitment to Quality, producing such high crop was a big achievement. Your Company's long term plan of development work has also helped, as there has been a sustained effort to uproot unproductive areas and replace them with better yielding varieties and clones.

**ASSAM** : Good crop of 2.45 million kgs. was made, this figure also was the highest in the last 8 years. A creditable achievement considering 75 percent crop was converted into good quality Orthodox teas.

**DARJEELING** : The region was rocked by political turbulence as a result of which all estates remained closed for five months from July to November during peak second flush period. Loss in crop to the tune of 0.3 million kgs was incurred. This resulted in substantial loss of revenue by your Company during the period.

**PURCHASED LEAF** : An all time record crop of 5 million kgs was manufactured during the year, which added to the Company's profits. A new Bought leaf factory of 1 million kg capacity was commissioned during the year at your Danguajhar Tea Garden. We are now planning to expand this capacity by adding more machinery to produce 2 million kgs in 2018.

**INSTANT TEA PLANT** : The Instant Tea Plant at Aibheel Tea estate is now consistently performing well and contributing to over 335 MT per year in exports alone.

**BRANDED TEA** : Driving the branded business through Company's consumer division continues to be a priority and all efforts have been made to expand retail distribution and improve the profits earned by the division. Besides popular CTC category the Company has registered impressive growth in Ultra premium Darjeeling category of teas. Company has acquired the tea business of cigarette major Godfrey Phillips in October 2017 that is expected to provide a wider reach through multiple brands under the "Tea City" umbrella across all price points and by this addition we expect significant growth in volumes which will increase profitability.

## **SEGMENTWISE OR PRODUCTWISE PERFORMANCE**

### **DOMESTIC**

The domestic sales for this year is 31.70 million kgs compared to previous year's 28.71 million kgs.

Consumer Division of the Company dealing with branded retail business registered a positive growth of 15% in value off take and 12% in volume off take in the packet tea category and maintained its market share. The main brand of the business "Goodricke Chai" grew by 17%. In the Darjeeling category where major consumption is in Kolkata Metro, Goodricke registered growth of 10% and continued to be the market leader with an impressive market share of 56%. Company continues to be preferred supplier of its teas to AIR India, Jet Airways, Spicejet airline, Costa Coffee, Tirupati Temple besides premium luxury hotels in the country.

## **EXPORT**

Total exports for the year stood at 5.33 million kgs as compared to 5.59 million kgs in the previous year due to lower Darjeeling segment exports.

Volume of Instant Tea grew 22.93% over the corresponding period of last year and overall exports increased by 62932 kgs. Newer markets in Ireland and Australia have been tapped and supplies have started in these new areas. Markets remain very protective and competitive and the plant continues to look at areas where cost can be reduced.

## **FINANCIAL WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Company maintained healthy profit and production level in line with the previous year.

Export sales of bulk tea and instant tea continued to contribute to the growth of the Company's business alongwith an improved margin in branded teas.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Internal Control System of the Company is adequate and commensurate with its size of operation. The systems are regularly reviewed for effectiveness.

The Internal Audit is carried out by firms of Chartered Accountants alongwith the Chief Internal Auditor.

The Audit Committee of the Board looks into the Audit reviews which is deliberated upon and corrective actions taken therein are reviewed.

## **CHANGE IN NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of business and the Company continues to concentrate on its own business with growth plans in short to medium terms.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. A.N. Singh was the Managing Director and CEO of the Company since 2006, relinquished office on 31st March, 2018. Mr. A.N. Singh at the helm of affairs of the Company has provided exceptional leadership which resulted in the all round growth of the Company during his tenure.

The Board wishes to place on record its deep sense of appreciation for the services rendered by Mr. A. N. Singh. Thereafter, considering his vast experience the Board appointed Mr. Singh as an Additional Director on 6th April 2018 to be designated as Vice Chairman of the Company with effect from 1st May, 2018.

Mr. Atul Asthana, the Wholetime Director & Chief Operating Officer of the Company was elevated by the Board at their meeting held on 13th February, 2018 as Managing Director & CEO for a period of three years with effect from 1st April 2018.

Mr. Arjun Sengupta, Vice President & CFO, was appointed by the Board at their meeting held on 7th August, 2017 as Wholetime Director & CFO of the Company for a period of three years w.e.f. 1st September 2017.

In terms of Section 161 of the Companies Act 2013 Mr. Yashpal Levin was inducted by the Board as an Additional Director in the capacity of Non-Executive Director for a period of 1 year w.e.f. 1st April, 2018.

The following persons are the Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013.



- (a) Mr. A. Asthana, Managing Director & CEO
- (b) Mr. A. Sengupta, Wholetime Director and CFO
- (c) Mr. S. Banerjee, Sr. General Manager & Company Secretary

Mr. P. J. Field retires by rotation and being eligible offer himself for re-appointment.

Mr. P. K. Sen was appointed as an Independent non-executive director by the Shareholders till conclusion of the Annual General Meeting of 2020. SEBI (LODR) (Amendment) Regulations 2018 vide notification dated 9th May, 2018 has prescribed the maximum age limit for non-executive Directors to 75 years and they may continue in office by passing a special resolution. Since Mr. Sen has attained such age and consented to continue in office, hence a resolution to that effect has been proposed.

#### **STATEMENT OF DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS**

All the Independent Directors have given declaration as per Section 149 (7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act 2013.

#### **REPORT ON CORPORATE GOVERNANCE**

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013 and as stipulated in Listing Regulations. A Report on Corporate Governance alongwith the Auditor's Certificate regarding Compliance of Corporate Governance are attached as Annexure I and Annexure II respectively, forming part of this Report.

#### **DETAILS OF BOARD MEETINGS**

The Board of Directors met 5 (five) times during the year on various dates as given herein below:

<b>Sl. No.</b>	<b>Date of the meeting</b>	<b>No. of Directors attended the meeting</b>
1.	23rd May, 2017	6
2.	7th August, 2017	6
3.	17th October, 2017	3
4.	10th November, 2017	8
5.	13th February, 2018	8

Further details on Board of Directors are provided in the Corporate Governance Report.

#### **COMMITTEES OF THE BOARD**

##### **a. Audit Committee**

<b>Sl. No.</b>	<b>Name</b>	<b>Category of Director</b>	<b>Chairman/Members</b>
1.	Mr. K. Sinha	Non-Executive- Independent	Chairman
2.	Mr. P. K. Sen	Non-Executive - Independent	Member
3.	Mrs. S. A. Walker	Non-Executive - Non-Independent	Member

Further details of Audit Committee are given in the Corporate Governance Report.

The Company has established a vigil mechanism / whistle blower mechanism which oversees through the Audit Committee and addresses the genuine concerns expressed by the employees and other Directors. The Company has also made provisions for adequate safeguards against victimisation of its employees and Directors who express their concerns. The Chairman of the Audit Committee can be directly accessed by any employee for reporting issues which need to be brought to the notice of the Board.

The vigil mechanism / whistle blower policy of the Company has been uploaded on the website of the Company and can be accessed at Company's weblink [www.goodricke.com/corporate/Goodricke-whistle-blower-policy](http://www.goodricke.com/corporate/Goodricke-whistle-blower-policy).

The details of Programme for familiarization of Independent Directors with the Company, nature of Industry and other related matters are available on the weblink : [www.goodricke.com/corporate/familiarisation-program-for-independent-directors](http://www.goodricke.com/corporate/familiarisation-program-for-independent-directors)

**b. Nomination & Remuneration Committee**

Sl. No.	Name	Category of Director	Chairman/Members
1.	Mr. K. Sinha	Non-Executive - Independent	Chairman
2.	Mr. P.J. Field	Non-Executive	Member
3.	Mr. P. K. Sen	Non-Executive - Independent	Member
4.	Dr. (Mrs.) S. Kaul	Non-Executive -Independent	Member

Further details of Nomination and Remuneration Committee are given in the Corporate Governance Report.

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

**c. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee of the Board has been re-constituted as follows :

Sl. No.	Name	Category of Director	Chairman/Members
1	Dr.(Mrs.) Sudha Kaul	Non Executive - Independent	Chairperson
2	Mr. K. Sinha	Non-Executive - Independent	Member
3	Mr. A. Asthana	Managing Director & CEO	Member

The role of the CSR committee inter-alia includes :

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy;
- b) To recommend the amount of expenditure to be incurred on the activities undertaken.
- c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- d) Review the performance of the Company in the areas of Corporate Social Responsibility activities.
- e) Review the Companies decisions on Corporate Social Responsibility matters.



The Committee has framed and the Board has approved the Company's Corporate Social Responsibility Policy relating to the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and the expenditure thereon, excluding activities undertaken in the normal course of business of the Company. The said CSR policy is available at the company's weblink [www.goodricke.com/corporate/Corporate-Social-Responsibility](http://www.goodricke.com/corporate/Corporate-Social-Responsibility). The details about the policy developed and implemented by the Company on CSR initiatives undertaken during the year are enclosed as Annexure-III to the Board's Report, forming part of this Annual Report.

During the year under review, the CSR Committee met once i.e. on 23rd May, 2017.

All the members of the Committee were present.

**d. Stakeholders Relationship Committee**

Sl. No.	Name	Chairperson/Members
1.	Dr. (Mrs.) S. Kaul	Chairperson
2.	Mr. K. Sinha	Member
3.	Mr. A. Asthana	Member

Further details of Stakeholders Relationship Committee are available in the Report on Corporate Governance.

**ANNUAL PERFORMANCE EVALUATION**

A Board Evaluation Framework was adopted as per guidance note issued by SEBI dated 5th January, 2017 for evaluating the performance of the Board as a whole, Committees of the Board and also performance of the Individual Directors.

As per the said Evaluation Framework, the Directors evaluated the performance of the Board, as a whole its Committees and each other for the year 2017-18. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors, based on the criteria such as attendance and participation in the meetings, preparedness on the issues to be discussed, suggestions on how risk factors may be handled etc. In addition, the chairman was also evaluated on the above aspects by the Independent Directors.

The Independent Directors also carried out the performance evaluation in terms of Part VII (3) (c) of Schedule IV of the Companies Act 2013 in their Meeting held on 24th May 2018.

**ANNUAL RETURN**

A copy of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 forming a part of this Report, attached as Annexure IV.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Clause (c) of sub section 3 of Section 134 of the Companies Act 2013 your Directors confirm that :

- (a) in the preparation of the annual accounts, for the year ended 31st March 2018, the applicable accounting standards have been followed alongwith the proper explanations relating to material departure, if any.
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended 31st March 2018 and of the profit and loss of the Company for that period;

- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **AUDITORS AND AUDIT REPORT**

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on 28th July, 2016 subject to ratification in each year in terms of Section 139 of the Companies Act 2013 till the conclusion of the Annual General Meeting to be held in 2021, subsequently vide the Companies (Amendment) Act 2017 the provision for ratification of appointment has been omitted.

The Statutory Audit Report does not contain any qualification, reservation or adverse remarks.

#### **COST AUDITORS**

In terms of Sub Section (3) of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, M/s. Shome & Banerjee, Cost Accountants (Firm Registration No. 000001) has been appointed by the Board of Directors in its meeting held on 24th May, 2018 as the Cost Auditor of the Company for the financial year 2018-19 based on the recommendation of the Audit Committee. The remuneration to be ratified by the Members in the ensuing Annual General Meeting.

The Cost Audit Report for the year ended 31st March, 2017 does not contain any qualification, reservation or adverse remarks.

#### **SECRETARIAL AUDIT**

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. A. K. Roy & Co., Practicing Company Secretaries FCS 5684, CP No. 4557 had been appointed Secretarial Auditors of the Company for the year ended 31st March, 2018. The report of the Secretarial Auditors is enclosed as Annexure-V to this report. The Report does not contain any qualification, reservation or adverse remark or disclaimer, which requires any further comments or explanations.

#### **DISCLOSURE AS PER SECRETARIAL STANDARD (SS-1)**

In terms of the requirement of Secretarial Standard (SS-I) at the meetings of the Board of Directors it is confirmed that the Company has complied with applicable Secretarial Standards.

#### **PARTICULARS OF COMPLIANCE OF CONTRACTS OR ARRANGMENTS MADE WITH RELATED PARTIES**

The related party transactions entered during the year were in ordinary course of business and also on arm's length basis in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict of interest with the Company at large. All related party transactions are presented to the Audit Committee and the Board, if required for approval. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the web link: [www.goodricke.com/policy-on-related-party-transactions](http://www.goodricke.com/policy-on-related-party-transactions)



Accordingly, disclosures of related party transactions in terms of Clause (h) of sub section (3) of Section 134 of Companies Act 2013 read with Rule 8 (2) of the Companies (Accounts) Rules 2014 in Form AOC - 2, is not applicable. Transactions with related parties, as per requirements of Accounting Standard are disclosed in the notes to the accounts annexed to the financial statements.

#### **LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans, guarantees or investments made under section 186 of the Companies Act 2013 are covered in the notes of the financial statement for the year ended 31st March, 2018.

#### **HUMAN RESOURCES DEVELOPMENT**

Tea Industry is highly labour intensive. Your Company has employed over 23400 personnel at its tea estates and other establishments in India.

There were no disruptions at work at the garden except for the bandh in Darjeeling hills, which kept your Badamtam, Barnesbeg and Thurbo Tea gardens closed for 5 months.

Employee relations remained satisfactory and the Company would like to record the dedication and support received from the employees at all level in maintaining smooth functioning during the said period.

In terms of requirements of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formed Internal Complaints Committee for its workplaces. During the year, no complaint regarding sexual harassment was received by the said Committee.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

There is no significant or material order passed by any Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

#### **TRANSFER OF SHARES & DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company transferred all shares in respect of which dividend lying unpaid or unclaimed for seven or more consecutive years to the Investor Education and Protection Fund (IEPF) alongwith the respective dividend amount.

#### **DEPOSITS**

Your Company has not accepted any deposits from public in terms of provisions contained in Chapter V of the Companies Act, 2013.

#### **PARTICULARS OF EMPLOYEES**

The ratio of the remuneration of each Director to the median employees' remuneration and other particulars or details of employees pursuant to Section 197(12) of the Companies Act, 2013 alongwith the names of top 10 employees in terms of remuneration drawn read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are attached to this Report as Annexure VII.

#### **POLICY ON PREVENTION OF INSIDER TRADING**

Your Company has adopted a code of conduct for Prevention of Insider Trading with a view to regulate trading in Equity Shares of the Company by the Directors and designated employees of the Company.

The said regulation is available at Company's weblink [www.goodricke.com /Corporate/ Prohibition -of-insider-trading](http://www.goodricke.com/Corporate/Prohibition-of-insider-trading).



**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

<b>(a) Conservation of energy</b>	
(i) The steps taken or impact on conservation of energy	<ul style="list-style-type: none"> <li>i) Installation of low voltage LED lights to reduce Power Consumption.</li> <li>ii) Installation of Automatic Milling machines to reduce running hours and to reduce cost.</li> <li>iii) Installation of (Variable Frequency Drier) in machinery R. V. &amp; Irrigation to reduce cost.</li> <li>iv) Installation of higher efficiency CTC machines with energy efficient motors.</li> <li>v) Installation of energy efficient DG Sets</li> <li>vi) Installation of self propelling ventilator fans.</li> </ul>
(ii) The steps taken by the company for utilizing alternate sources of energy	<ul style="list-style-type: none"> <li>i) Effective usage of firewood in boilers of Gandrapara &amp; Aibheel to reduce dependence on fossil fuel.</li> <li>ii) Effective running of CPC Solar unit in ITP.</li> <li>iii) Proposed installation of 100 KW Hydel Project in Badamtam T.G. in 2019.</li> </ul>
(iii) The capital investment on energy conservation equipments	<ul style="list-style-type: none"> <li>i) Proposed installation of 100 KW Hydel Project in 2019 at Badamtam - 20 million</li> <li>ii) Installation of LED lights - 0.3 million</li> <li>iii) Installation of energy efficient motors &amp; CTC machines - 6.5 million</li> <li>iv) Installation of Pollution Control Devices - 5 million.</li> <li>v) Proposed installation of Gas firing in lieu of coal in Thurbo/Barnesbeg - Cleaner &amp; cheaper fuel - 3 million</li> </ul>
<b>(b) Technology absorption</b>	
(i) The efforts made towards technology absorption	<ul style="list-style-type: none"> <li>a) Introduction of VFD in Rotorvane and Irrigation.</li> <li>b) Dependence on Hydro Electric Plant to run factories.</li> <li>c) Installation of high efficiency humidification system.</li> <li>d) Usage of low voltage LED lights.</li> <li>e) Usage of self propelling ventilator fans.</li> </ul>
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> <li>a) Reduction of Pollution of Air.</li> <li>b) Reduction in Power Cost.</li> <li>c) With the introduction of efficient humidification system, the better quality of teas could be produced.</li> <li>d) With the introduction of VFD, in Rotorvane, Irrigation, Power cost could be reduced.</li> <li>e) With the introduction of Energy efficient DG Set, the consumption of HSD could be reduced.</li> </ul>



(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year). (a) the details of technology imported (b) the year of import; (c) whether the technology been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	a) Condaire humidification system from UK b) 2017 c) Yes fully absorbed
(iv) the expenditure incurred on Research and Development	Rs. 15.24 million

**(c) Foreign exchange earnings and Outgo**

During the year, the foreign exchange outgo was Rs 43.83 Million and the foreign exchange earning was Rs. 1078.11 million.

**MATERIAL CHANGES AND COMMITMENTS**

Your Directors confirm that there are no material changes and commitments, affecting the financial position of the company which has occurred between the end of the financial year of the company and the date of this report.

**CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied due to factors beyond control.

**ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the business associates, shareholders and other stakeholders of the Company for their continued support.

On behalf of the Board

A.Asthana  
Managing Director & CEO  
(DIN 00631932)

A. Sengupta  
Wholetime Director & CFO  
(DIN 00631842)

K. Sinha  
Director  
(DIN 00123811)

Place : Kolkata  
Dated : 24th May, 2018

## **ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS**

### **REPORT ON CORPORATE GOVERNANCE**

[In terms of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 read with Schedule V of the said Regulations)

#### **1. Company's Philosophy on Code of Governance:**

Goodricke Group Limited believes that transparency in the form of disclosures, presence of strong Board with adequate composition of Independent Directors and being accountable ensure good Corporate Governance without hindering with the shareholders, faith in the Company.

The Company's core business is cultivation and production of tea and it is among the top three producers in India.

#### **2. Board of Directors**

##### **2.1 Composition and Category of Directors**

The Board of Directors of the Company comprises of an optimum combination of Executive, Non-Executive and Independent Directors, which is in conformity with the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015. The Chairman of the Board is a non-executive Director. Particulars as on 31st March, 2018 are given below:

<b>Director</b>	<b>DIN</b>	<b>Category of Directors</b>
Mr. P. J. Field	02634920	Chairman - Non Executive
Mr. A. N. Singh	00620929	Managing Director & CEO
Mrs. S. A. Walker	07225692	Non Executive
Mr. A. Asthana	00631932	Wholetime Director & COO
Mr. A. Sengupta	00631842	Wholetime Director & CFO
Dr. (Mrs.) S. Kaul	00150593	Non Executive - Independent
Mr. K. Sinha	00123811	Non Executive - Independent
Mr. P. K. Sen	00160160	Non Executive - Independent

There is no inter-se relationship between the Directors of the Company.

##### **2.2 Attendance of each Director at the Board Meetings held during the year and the last AGM.**

During the year under review, 5 Board Meetings were held on 23rd May 2017, 7th August, 2017, 17th October, 2017, 10th November 2017 and 13th February 2018.

The last AGM was held on 27th July, 2017.



## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

Details of attendance:

Director	No. of Board Meetings Attended	Whether attended last AGM
Mr. P.J. Field	4	Yes
Mr. A.N.Singh	4	Yes
Mrs. S. A. Walker	4	Yes
Dr. (Mrs.) S.Kaul	5	Yes
Mr. K.Sinha	4	Yes
Mr. P.K.Sen	4	Yes
Mr. A. Asthana	4	Yes
Mr. A. Sengupta	2	No

### 2.3 Separate Meeting of Independent Directors

A separate meeting of the Independent Directors of the Company was held on 24th May, 2018, without the attendance of Non-Independent Directors.

### 2.4 Number of other Boards or Board Committees in which he/she is a member or Chairperson :

None of the Directors acts as an Independent Director in more than 7 Listed Companies. Further, none of the Director act as a member of more than 10 committees or act as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director.

The details of the Directorships, Chairmanships and the Committee memberships in other Companies (excluding Private Limited Companies, Foreign Companies and Section 8 Companies) held by the Directors as on 31st March , 2018, are given below:

Director	Member of Board	No of Companies Board Committees	
		Chairman	Member
Mr. P.J. Field	2	—	—
Mr. A. N. Singh	2	2	—
Mrs. S. A. Walker	4	—	1
Mr. K. Sinha	2	—	—
Dr. (Mrs.) S. Kaul	—	—	—
Mr. P. K. Sen	1	—	—
Mr. A. Asthana	5	—	1
Mr. A. Sengupta	5	—	—

## **ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

### REPORT ON CORPORATE GOVERNANCE

#### **2.5 Familiarization programme for Independent Directors:**

Each newly appointed Independent Director is taken through a formal induction programme including the presentation from the Managing Director as well as various Business Heads on the Company's production, marketing, finance and other important aspects. The Company Secretary briefs the Directors about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Directors, Business and Functional Heads, Visit to the Tea Estates/ plant/ site etc.

The details of Programme for familiarization of Independent Directors with the Company , nature of Industry and other related matters are available on the weblink : [www.goodricke.com/corporate/familiarisation-program-for-independent-directors](http://www.goodricke.com/corporate/familiarisation-program-for-independent-directors)

#### **2.6 Evaluation of the Board's Performance:**

Pursuant to the guidance note issued by SEBI on Board evaluation, the Board evaluated its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Non- Executive Chairman, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, etc.

#### **2.7 Code of Conduct:**

The Company has laid down a Code of Conduct for its Board Members and all the employees in the Senior Management grade of the Company which is available on the Company's website.

All the Board Members and Senior Management personnel have confirmed compliance with the code. A declaration under Regulation 34 (3) of SEBI (LODR) Regulations, 2015 signed by the Managing Director & Chief Executive Officer is attached and forms part of this Annual Report.

### **3. Audit Committee:**

#### **3.1 Brief Description and composition**

The Audit Committee of the Company is constituted in terms of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations, 2015.

The Audit committee comprises of three non-executive Directors of whom the Chairman and one member are Independent Directors.

The committee has been meeting at regular intervals. The Chairman and other members of the Audit committee has in-depth knowledge in the areas of Finance and Accounts.

The Audit Committee of the Company is comprised of the following Directors :-

Sl. No.	Name	Category of Director	Chairman/Members
1.	Mr. K. Sinha	Non Executive - Independent	Chairman
2.	Mrs. S. A. Walker	Non Executive	Member
3.	Mr. P. K. Sen	Non Executive - Independent	Member



## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

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#### 3.2 Terms of reference

The terms of reference of the Audit Committee broadly covers SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and are briefly described below:

- 3.2.1 To oversee the Company's financial reporting process and the disclosures of its financial information and ensure that the financial statement is correct, sufficient and credible;
- 3.2.2 To recommend the appointment, remuneration and terms of appointment of the Statutory Auditors, Cost Auditors and Internal Auditors of the Company;
- 3.2.3 Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- 3.2.4 Reviewing, with the Management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement in the Board's Report in terms of clause (c) of Sub-Section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft Audit Report, if any.
- 3.2.5 To review with management, the quarterly financial statements before submission to the Board for taking the same on record;
- 3.2.6 Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in the matter;
- 3.2.7 To review and monitor the Auditor's Independence, performance and effectiveness of the Audit Process;
- 3.2.8 Approval or any subsequent modification of transactions of the Company with related parties;
- 3.2.9 Scrutiny of Inter-corporate loans and Investments;
- 3.2.10 Valuation of undertakings or assets of the Company, wherever it is necessary;
- 3.2.11 Evaluation of internal financial controls and risk management systems;
- 3.2.12 Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 3.2.13 Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 3.2.14 Discussion with internal auditors of any significant findings and follow up there on;
- 3.2.15 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 3.2.16 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;

## **ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

### REPORT ON CORPORATE GOVERNANCE

- 3.2.17 To look into the reasons for substantial defaults in the payment to shareholders (in case of non-payment of declared dividends) and creditors;
- 3.2.18 To review the functioning of the Whistle Blower/ Vigil mechanism;
- 3.2.19 Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 3.2.20 The Audit committee also reviews the following information:
- a) Management discussion and analysis of financial condition and results of operations;
  - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
  - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) Internal audit reports relating to internal control weaknesses;
  - e) Approval of appointment of CFO after assessing the qualification, experience and back ground etc. of the candidate; and
  - f) The appointment, removal and terms of remuneration of the Chief Internal Auditor.

### **3.3 Meetings and attendance during the year**

During the year under review, 4 Meetings of the Audit Committee were held on 23rd May, 2017, 7th August, 2017, 10th November 2017 and 13th February, 2018.

The composition and attendance of the members at the Audit Committee Meetings are as follows:

<b>Name</b>	<b>No. of Audit Committee Meetings Attended</b>
Mr. K. Sinha	4
Mrs. S. A. Walker	4
Mr. P. K. Sen	4

The Company Secretary acts as the Ex-Officio Secretary to the Committee. Statutory Auditors, Cost Auditors and Internal Auditors attend the Meeting whenever required. The Chairman, Managing Director and other Senior Executives are also invited to attend and deliberate in the Meetings.

## **4. NOMINATION AND REMUNERATION COMMITTEE**

### **4.1 Brief description and Composition :**

The Board has duly constituted Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and regulation 19 of SEBI (LODR) Regulations, 2015. The said committee comprises of one Non-Executive and three Non Executive- Independent Directors as follows:

<b>Sl. No.</b>	<b>Name</b>	<b>Category of Director</b>	<b>Chairman/Members</b>
1.	Mr. K. Sinha	Non Executive - Independent	Chairman
2.	Mr. P. J. Field	Non Executive	Member
3.	Mr. P. K. Sen	Non Executive - Independent	Member
4.	Dr. (Mrs.) S. Kaul	Non Executive - Independent	Member



## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

#### 4.2 Terms of reference :

The Committee is empowered :-

- 4.2.1 To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of Directors, Key Managerial Personnel and other employees;
- 4.2.2 To formulate criteria for evaluation/ performance appraisal of Independent Directors and the Board;
- 4.2.3 To devise policy on Board diversity;
- 4.2.4 To Identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel.

#### 4.3 Remuneration Policy :

The Company follows a policy on remuneration of Directors and Senior Management Employees as formulated by the Nomination and Remuneration Committee detailed hereunder:

- 4.3.1 The remuneration of an individual shall depend upon the following parameters concerning an individual:
  - a) Qualifications,
  - b) Experience,
  - c) Core Competence,
  - d) Career advancement,
  - e) Special Skill, if any
  - f) Performance in the context of the duties and responsibilities assigned,
  - g) Industry Criteria,
  - h) Other relevant factors.
- 4.3.2 The level and composition of remuneration for each individual shall be reasonable and sufficient to attract, retain and motivate the person concerned, whether as Director or Key Managerial Personnel of the quality required to run the Company successfully;
- 4.3.3 Relationship of remuneration to performance should be clear and meets appropriate performance benchmarks as may be set up from time to time;

#### 4.4 Meeting and attendance during the year :

During the year under review, three Meetings of the Nomination and Remuneration Committee were held on 23rd May, 2017, 7th August 2017 and 13th February, 2018.

Name	No. of Nomination and Remuneration Committee Meetings Attended
Mr. K.Sinha	3
Mr. P.J. Field	2
Dr. (Mrs.) S.Kaul	3
Mr. P.K.Sen	2



## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

#### 4.5 The details of remuneration paid to Executive and Non-executive Director are as follows :

Name of Director	Salary and Allowance	Commission	Retirement Benefits	Value of Perquisites	Total
Mr. A.N.Singh, Managing Director & CEO (Retired w.e.f. 31.03.2018)	91,50,000	55,00,000	2,15,00,500	28,39,100	3,89,89,600
Mr. A. Asthana, Wholetime Director & COO (Appointed w.e.f. 1.6.2017)	41,00,000	10,00,000	20,72,500	2,42,091	74,14,591
Mr. A. Sengupta, Wholetime Director & CFO. (Appointed w.e.f. 01.09.2017)	26,95,000	6,00,000	17,56,417	1,41,268	51,92,685

The Company has entered into separate agreements with the Executive Directors.

The Non-executive Directors do not have any pecuniary relationship or have not entered into any transaction with the Company apart from receiving the following Sitting Fees for the year 2017-18 and their shareholding in the Company are as under :

Non-Executive Directors	Board Fees	Committee Fees	Total	Commission	No. of shares held
Dr. (Mrs.) S.Kaul	100000	38000	138000	N.A.	-
Mr. K.Sinha	80000	110000	190000	N.A.	-
Mr. P.K.Sen	80000	72000	152000	N.A.	-

Note: The above Fees excludes Service Tax/GST.

There are no stock option plans of the Company.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

### Brief description and composition

This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. During the year the Committee was reconstituted.

The Committee consists of two Non-Executive Independent Directors and the Managing Director & CEO, as under

Sl. No.	Name	Category of Director	Chairperson/ Members
1	Dr. (Mrs.) Sudha Kaul	Non Executive - Independent	Chairperson
2	Mr. K. Sinha	Non-Executive - Independent	Member
3	Mr. A. Asthana	Managing Director & CEO	Member

Name and designation of Compliance Officer :

Mr. S. Banerjee, Sr. General Manager & Company Secretary



## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

During the year under review, this Committee had 19 meetings held on 17th April 2017, 28th April, 2017, 16th May, 2017, 2nd June, 2017, 9th June, 2017, 30th June, 2017, 21st July, 2017, 16th August, 2017, 11th September, 2017, 6th October, 2017, 20th October, 2017, 3rd November, 2017, 20th November, 2017, 8th December, 2017, 21st December, 2017, 10th January, 2018, 28th January, 2018, 19th February, 2018 and 16th March, 2018.

All the members of the Committee were present in the respective meetings.

The detailed particulars of Investors' Complaints handled by the Company and its Registrar & Share Transfer Agent during the year are as under :

a) No. of complaints as on 1.04.2017	NIL
b) No. of complaints received during the year	3
c) No. of complaints resolved	3
d) No. of complaints pending unresolved as on 31.03.2018	NIL

Shareholders' grievances are resolved expeditiously. There is no grievance pending as on date.

#### 6. General Body Meetings:

(a) Location and time where last three AGMs were held:

Date	Location	Time
30th March 2015	Eastern Zonal Cultural Centre 1B, 201, Sector- III, Salt Lake City, Kolkata - 700 106	10.00 AM
28th July 2016	- Do -	10.00 AM
27th July 2017	- Do -	10.00 AM

In the last Annual General Meeting held on 27th July 2017 all the resolutions were adopted by electronic voting.

(b) Special Resolution passed in the previous three AGMs

AGM held on	Special Resolution passed
30th March 2015	None
28th July, 2016	A Special Resolution pursuant to Section 14 of the Companies Act, 2013 for adoption of new set of Articles of Association.
27th JULY 2017	None

#### 7. OTHER DISCLOSURES

##### 7.1 Related party transactions :

Disclosures on materially significant related party transactions:

The Company has not entered into any transactions of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company.

Names of related parties with whom transaction have taken place during the year have been disclosed in Note 32 to the Financial Statements for the year ended 31st March, 2018.

## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

The Board, on recommendation of the Audit Committee, has adopted Company's Policy on Related Party Transactions, at its meeting held on 14th November 2014. The said policy is available at Company's weblink [www.goodricke.com/corporate/policy-on-related-party-transactions](http://www.goodricke.com/corporate/policy-on-related-party-transactions)

- 7.2 No penalties / strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority for non compliance of any laws on any matter related to capital markets, during the last three years.

#### 7.3 Whistle Blower Policy - Vigil Mechanism

The Company has duly established vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethics policy. The Audit Committee of the Board monitors and oversees such Vigil Mechanism of the Company. It is also confirmed that no personnel has been denied access to the Audit Committee during the year under review.

A detailed policy related to the Whistle Blower - Vigil Mechanism is available at Company's weblink [www.goodricke.com/corporate/goodricke-whistle-blower-policy](http://www.goodricke.com/corporate/goodricke-whistle-blower-policy).

### 8. DETAILS OF MANDATORY AND NON-MANDATORY CORPORATE GOVERNANCE REQUIREMENTS

- 8.1 The Company has complied with all the mandatory requirement under Schedule II of SEBI (LODR) Regulation 2015.
- 8.2 Other non-mandatory requirements shall be adopted as and when considered appropriate.

### 9. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

- 9.1 The Company has complied with all the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (LODR) Regulations 2015.
- 9.2 During the year under review there are no shares in the demat suspense account or unclaimed suspense account of the Company.

### 10. DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. All the Directors and Senior Management personnel affirm compliance with the said Code of Conduct on an annual basis. The Code of Conduct has been posted on the website of the Company, [www.goodricke.com](http://www.goodricke.com). A declaration to this effect signed by the Managing Director & CEO is given at the end of this Report.

### 11. CODE FOR PREVENTION OF INSIDER TRADING

Securities and Exchange Board of India, vide its notification dated 15th January, 2015, has notified SEBI (Prohibition of Insider Trading) Regulations, 2015, to enforce with effect from 120th day from the date of its notification. In terms of the said regulation, Company has formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prohibition of Insider Trading. The Board has adopted both the Codes at its meeting held on 12th May, 2015.

In terms of the regulation, Board has appointed Mr. S. Banerjee, Sr. General Manager & Company Secretary, as the Compliance Officer under the Code to deal with dissemination and disclosures of unpublished price sensitive information. The said regulation is available at company's weblink [www.goodricke.com/corporate/prohibition-of-insider-trading](http://www.goodricke.com/corporate/prohibition-of-insider-trading).



## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

#### 12. MEANS OF COMMUNICATION

- 12.1 Quarterly results and the half-yearly results are published in leading newspapers such as Business Standard and Aajkal (Bengali) and posted in the Website of the Company, www.goodricke.com. The Shareholding Pattern at the end of each quarter is also posted on the said Website. The Financial Results as well as the Shareholding Pattern are uploaded on the website of Bombay Stock Exchange.
- 12.2 Company's e-mail address: goodricke@goodricke.com;
- 12.3 Management discussion and Analysis Report forms a part of the Directors' Report.
- 12.4 No presentation was made to any Institutional Investor or Analyst during the year.
- 12.5 Remote e-voting shall commence on Tuesday, the 24th July 2018 at 9:00 a.m. and close on Thursday, the 26th July, 2018 at 5:00 p.m.
- 12.6 Relevant official news are displayed in the Company's website.

#### 13. GENERAL SHAREHOLDERS' INFORMATION

##### 13.1 (a) AGM date, time and venue :

**Friday, the 27th July, 2018 at 10:00 A.M.**

Eastern Zonal Cultural Centre  
1B, 201, Sector- III, Salt Lake City,  
Kolkata - 700 106

##### (b) Dividend payment Date

The Dividend, if declared will be paid within 30 days from the date of the Annual General Meeting.

##### 13.2 Financial calendar for 2018 :

The Financial Year of the Company is April to March.

Publication of Results will be as follows:

Period	Approval by the Board of Directors
Unaudited first quarter financial results	August, 2018
Unaudited second quarter financial results	November, 2018
Unaudited third quarter financial results	February 2019
Audited Annual Results	May 2019

##### 13.3 Book Closure period :

Saturday, the 21st July, 2018 to Friday, the 27th July, 2018 (both days inclusive)

##### 13.4 Listing on Stock Exchange

The Company's securities are listed at :

##### **BSE Ltd.**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

Listing Fees as prescribed have been paid to the aforesaid Stock Exchange upto the financial year 2018-19.

**Scrip Code :** BSE Ltd, 500166

## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

#### 13.5 Stock Price Data:

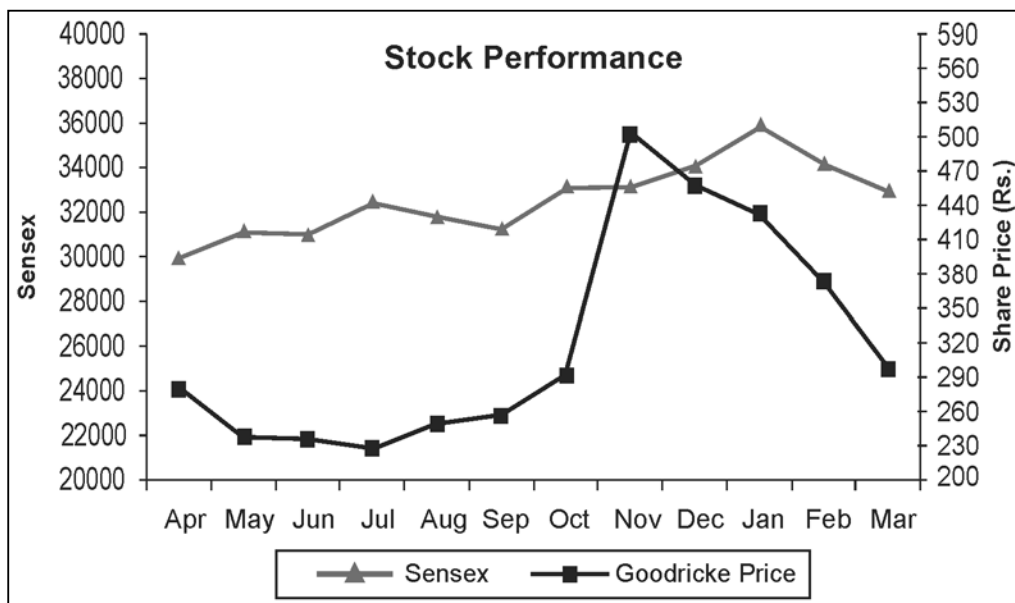
Year 2017-18

(Rs.)

Month	The Bombay Stock Exchange Ltd. (BSE)	
	High	Low
Apr-17	305.00	272.50
May-17	287.00	230.10
Jun-17	267.00	231.00
Jul-17	259.90	224.10
Aug-17	258.00	221.10
Sep-17	280.00	236.05
Oct-17	300.00	255.25
Nov-17	530.00	273.00
Dec-17	545.00	422.00
Jan-18	484.00	404.95
Feb-18	451.00	370.10
Mar-18	380.00	295.10

#### 13.6 Stock Performance:

Company's Share Price in relation to BSE Sensex:  
(April 2017 to March 2018)





## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

### REPORT ON CORPORATE GOVERNANCE

#### 13.7 Share Transfer System:

The Company's shares are compulsorily traded in the demat form with effect from 21st March 2000. All transfers are routed through the respective Accounts maintained with the Depository Participants (DPs) of the Investor.

**Code No. allotted by NSDL/CDSL: (ISIN) INE 300A01016**

#### 13.8 Registrars and Share Transfer Agents :

CB Management Services Private Limited, Kolkata are acting as the Registrars and Share Transfer Agents, including Depository Registrars for the Equity Shares of the Company.

#### 13.9 Dematerialisation of Shares:

As on 31st March, 2018 . 21291120 Nos. of Equity Shares, representing 98.57% of the Equity Capital have been held in dematerialised form with NSDL and CDSL.

#### 13.10 Distribution of shareholding as on 31st March, 2018

##### (A) Distribution of Shareholding as on 31.03.2018.

Range (No. of Shares)	No. of Shareholders	% of shareholders	No. of shares held	% of Shares
1-500	13808	91.36	1533683	7.10
501-1000	631	4.18	488055	2.26
1001-2000	311	2.06	458034	2.12
2001-3000	116	0.77	293300	1.36
3001-4000	68	0.45	242592	1.12
4001-5000	46	0.30	214784	1.00
5001-10000	74	0.49	525963	2.44
10001 -50000	52	0.34	1033045	4.78
50001-100000	3	0.02	257689	1.19
And Above	5	0.03	16552855	76.63
<b>TOTAL</b>	<b>15114</b>	<b>100.00</b>	<b>21600000</b>	<b>100.00</b>

##### (B) Shareholding Pattern as on 31.03.2018

Category	No. of Shareholders	No. of Shares held	% of Shareholding
Foreign Promoter(Body Corporate)	2	15984000	74.00
FI/Bank*	4	1131	0.01
Mutual Fund	5	1120	0.00
Bodies Corporate	292	403550	1.87
Directors/ Relatives	1	180	0.00
Resident Individual ( upto Rs 2 Lakhs)	14623	3911515	18.11
Resident Individual ( Above Rs 2 Lakhs)	17	1058906	4.90
Non- Resident Indians	138	114067	0.53
Clearing Member/Corporates	31	41547	0.19
IEPF Share transfer	1	83984	0.39
<b>Grand Total(A+B+C)</b>	<b>15114</b>	<b>21600000</b>	<b>100.00</b>

\* FI includes Insurance Company and other Banks

## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS *(Contd.)*

### REPORT ON CORPORATE GOVERNANCE

<b>Total Number of Equity Shares</b>	21600000	100%
<b>Number of shares held by Promoter Group*</b>	15984000	74%
<b>Number of Shares held by Public</b>	5616000	26%

\*Not pledged or encumbered in any manner

- 13.11** (a) Outstanding GDR/ADR/Warrants or any convertible instruments : Not applicable  
 (b) Commodity price risk or foreign exchange risk and hedging activities. - Subject to usual market risks. No hedging activities undertaken.

**13.12 Plant Locations:**

The Company operates within seventeen Tea Gardens each having its own processing factory, one Instant Tea Plant and four Tea Blending Unit.

**DOOARS (NORTH BENGAL) - IN JALPAIGURI DISTRICT**

Aibheel  
 Chalouni  
 Chulsa  
 Danguajhar  
 Gandrapara  
 Hope  
 Jiti  
 Kumargram  
 Lakhipara  
 Leesh River  
 Meenglas  
 Sankos

**ASSAM - IN UDALGURI DISTRICT (BTAD)**

Nonaipara  
 Orangajuli

**DARJEELING DISTRICT**

Badamtam  
 Barnesbeg  
 Thurbo

**Note:** Particulars of area under Tea, Crop & others given later in the Report.

**INSTANT TEA PLANT - IN JALPAIGURI DISTRICT**

At Aibheel, Dooars



## **ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

### REPORT ON CORPORATE GOVERNANCE

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#### **COMPANY HAS GOT FOUR BLENDING UNITS AS FOLLOWS**

1. Central Packaging Unit, Dewas, Madhya Pradesh
2. Unity Tea Warehouse & Blending, Kolkata
3. Northern Packaging Unit, Rajpura, Punjab
4. Eastern Packaging Unit, Kolkata

#### **13.13 Address for correspondence: (Registrars & Share Transfer Agents & Depository Registrar)**

C.B.Management Services Pvt. Ltd.  
P-22, Bondel Road, Kolkata - 700 019  
Tel: 4011 6700/715/724/729  
EMail: rta@cbmsl.com

Note: In case of continuing difficulty, the Compliance Officer at the Registered Office to be intimated at e-mail: **subrata@goodricke.com**

#### **Compliance Officer**

Mr. S. Banerjee  
Goodricke Group Limited  
'Camellia House'  
14 Gurusaday Road  
Kolkata - 700 019  
Tel : 2287 3067/2287 8737  
Fax No.: 2287 2577/ 2287 7089  
Email : subrata@goodricke.com

On behalf of the Board

A.Asthana  
Managing Director & CEO  
(DIN 00631932)

A. Sengupta  
Wholetime Director & CFO  
(DIN 00631842)

K. Sinha  
Director  
(DIN 00123811)

Place : Kolkata  
Dated : 24th May, 2018



## **CEO AND CFO CERTIFICATION**

We, Atul Asthana, Managing Director & CEO and A. Sengupta, Wholetime Director & CFO certify that:-

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2018 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards and applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2018 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference;
  - ii) The Company has voluntarily adopted IndAs from 1st April, 2016 and accordingly complied with the relevant accounting policies and disclosures as per the accounting standards.
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
Dated : 24th May, 2018

**A.Asthana**  
(DIN 00631932)  
Managing Director & CEO

**A. Sengupta**  
(DIN 00631842)  
Wholetime Director & CFO

### **ANNUAL CERTIFICATE UNDER REGULATION 34 (3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

#### **DECLARATION**

As required under Regulation 34 (3) read with part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, I hereby declare that all Members of the Board of Directors of the Company and the Senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2018.

Place : Kolkata  
Dated : 24th May 2018

**A.Asthana**  
(DIN 00631932)  
Managing Director & CEO



## ANNEXURE II TO THE REPORT OF THE BOARD OF DIRECTORS

### INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members  
M/s. Goodricke Group Limited  
Camellia House, 14, Gurusaday Road,  
Kolkata - 700 019

1. This certificate is issued in accordance with the terms of our engagement letter dated 1st August, 2017.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Goodricke Group Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

#### Managements' Responsibility

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

#### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2018.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Kolkata, 24th May, 2018

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)  
**A. Bhattacharya**  
(Partner)  
(Membership No. 054110)

## ANNEXURE III TO THE REPORT OF THE BOARD OF DIRECTORS

### REPORT ON CSR ACTIVITIES / INITIATIVES

[Pursuant to Section 135 of the Act read with Companies (CSR Policy) Rules, 2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and it is placed on the Company's website and the weblink for the same is <a href="http://www.goodricke.com/corporate/corporate-social-responsibility-policy">http://www.goodricke.com/corporate/corporate social responsibility policy</a>
2. The Composition of the CSR Committee.	i) Dr.(Mrs.) S. Kaul, Chairperson (Independent Director) ii) Mr. K. Sinha, Member (Independent Director) iii) Mr. A.Asthana, Member (Managing Director & CEO)
3. Average net profit of the company for last three financial years	Rs. 269.60 million
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs . 5.39million
5. Details of CSR activities/projects undertaken during the year : a) total amount to be spent for the financial year b) amount un-spent, if any c) manner in which the amount spent during financial year	Rs. 5.39 million NIL The manner in which the amount spent is given below :-

1	2	3	4	5	6	7	8
Sl. No.	CSR Project/activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area/others 2.Specify the state/district (name of the District/s, State/s where project/ programme was undertaken)	Amount outlay (budget) project/ programme wise (Rs. In million)	Amount spent on the project/ programme (Rs. In million)	Cumulative spend upto the reporting period (Rs. In million)	Amount Spent : Direct/ through implementing agency
1.	Goodricke School for Special Education	Special Education for differently abled children	Siliguri, West Bengal	3.70	3.70	3.70	Through Trust
2.	Interlink	-do-	Kolkata	0.50	0.50	0.50	Direct
3.	Green Centre School	Environment sustainability	Jalpaiguri	1.24	1.23	1.23	Direct

6. In case the Company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report. N.A.

#### 7. Responsibility Statement

The Chairperson of the CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place : Kolkata  
Date : 24th May, 2018

S. Kaul  
Chairperson, CSR Committee  
(DIN 00150593)



## ANNEXURE IV TO THE REPORT OF THE BOARD OF DIRECTORS

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

For the year ended 31st March, 2018

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

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	L01132WB1977PLC031054
2	Registration Date	14-06-77
3	Name of the Company	GOODRICKE GROUP LTD
4	Category/Sub-category of the Company	Company limited by Shares/Non-govt company
5	Address of the Registered office & contact details	"CAMELLIA HOUSE" 14, GURUSADAY ROAD KOLKATA 700019, WB, subrata@goodricke.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	C.B Management Services Pvt. Ltd P-22 Bondel Road, Kolkata 700 019 Contact Persons: Mr. Rana Roychowdhury Telephone: +91-33- 40116700/11/18 & 40116723

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Cultivation Manufacturing and sale of teas	1271	100%

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

As per the provisions of Section 2(46), 2(87) and 2(6) of the Companies Act 2013, the Company does not have any holding, subsidiary or associate companies. The Promoters of the Company namely Assam Dooars Investments Limited and Western Dooars Investments Limited collectively hold 74% of the paid up share capital of the Company. The same has been disclosed later in serial No IV(ii) of this Annexure to the Report.

## ANNEXURE IV TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

<b>IV. SHARE HOLDING PATTERN</b> (Equity share capital breakup as percentage of total equity)									
<b>(i) Category-wise Share Holding</b>									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF			-	0.00%			-	0.00%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.			-	0.00%			-	0.00%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp	15,984,000	-	15,984,000	74.00%	15,984,000	-	15,984,000	74.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
<b>Sub Total (A) (2)</b>		15,984,000	-	15,984,000	74.00%	15,984,000	15,984,000	74.00%	0.00%
<b>TOTAL (A)</b>	15,984,000	-	15,984,000	74.00%	15,984,000	-	15,984,000	74.00%	0.00%
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	1,735	1,735	0.01%	-	400	400	0.00%	-76.95%
b) Banks / FI	120	1,995	2,115	0.01%	120	1,731	1,851	0.01%	-12.48%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs		50	50	0.00%		-	-	0.00%	-100.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	120	3,780	3,900	0.02%	120	2,131	2,251	0.01%	-42.28%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	480,180	5,960	486,140	2.25%	397,275	4,985	402,260	1.86%	-17.25%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	3,741,106	402,126	4,143,232	19.18%	3,610,782	269,629	3,880,411	17.96%	-6.34%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	810,912	-	810,912	3.75%	1,058,906	30,720	1,089,626	5.04%	34.37%
c) Others (specify)									
Non Resident Indians	157,127	1,250	158,377	0.73%	113,567	500	114,067	0.53%	-27.98%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members	13,439	-	13,439	0.06%	41,547	-	41,547	0.19%	209.15%
Trusts			-	0.00%	100	-	100	0.00%	0.00%
IEPF			-	0.00%	83,984	-	83,984	0.39%	0.00%
LLP			-	0.00%	1,190	-	1,190	0.01%	0.00%
Employees			-	0.00%		384	384	0.00%	0.00%
Directors or Director's Relatives			-	0.00%	180	-	180	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>5,202,764</b>	<b>409,336</b>	<b>5,612,100</b>	<b>25.98%</b>	<b>5,307,531</b>	<b>306,218</b>	<b>5,613,749</b>	<b>25.99%</b>	<b>0.03%</b>
<b>Total Public (B)</b>	<b>5,202,884</b>	<b>413,116</b>	<b>5,616,000</b>	<b>26.00%</b>	<b>5,307,651</b>	<b>308,349</b>	<b>5,616,000</b>	<b>26.00%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	<b>0.00%</b>			-	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>21,186,884</b>	<b>413,116</b>	<b>21,600,000</b>	<b>100.00%</b>	<b>21,291,651</b>	<b>308,349</b>	<b>21,600,000</b>	<b>100.00%</b>	<b>0.00%</b>



## ANNEXURE IV TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

<b>(ii) Shareholding of Promoter</b>								
SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in
1	Western Dooars Investments Ltd.	5,594,400	25.90%	-	5594400	0	0	0.00%
2	Assam Dooars Investments Ltd.	10,389,600	48.10%	-	10389600	0	0	0.00%

<b>(iii) Change in Promoters' Shareholding (please specify, if there is no change)</b>							
SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	At the beginning of the year	01.04.2017		15,984,000	1	15,984,000	74.00%
2	Changes during the year	no change during the year					
3	At the end of the year	31.03.2018		15,984,000	1	15,984,000	74.00%

<b>(iv) Shareholding Pattern of top ten Shareholders</b> (Other than Directors, Promoters and Holders of GDRs and ADRs):							
SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares

1	<b>KALYANI P JAIN</b>						
a	At the beginning of the year	01-04-17		235251	1.09	235251	1.09
b	Changes during the year	14-04-17	Allot	2000	0.01	237251	1.10
		16-06-17	Allot	8872	0.04	246123	1.14
		13-10-17	Allot	11340	0.05	257463	1.19
		01-12-17	Allot	10800	0.05	268263	1.24
		12-01-18	Allot	1100	0.01	269363	1.25
c	At the end of the year	31-03-18				269363	1.25

2	<b>DR RAMESH CHIMANLAL SHAH</b>						
a	At the beginning of the year	01-04-17		148950	0.69	148950	0.69
b	Changes during the year	12-05-17	Transfer	1767	0.01	147183	0.68
		19-05-17	Transfer	500	0.00	146683	0.68
		16-06-17	Transfer	1683	0.01	145000	0.67
		30-06-17	Transfer	1591	0.01	143409	0.66
		07-07-17	Transfer	3909	0.02	139500	0.65
		14-07-17	Transfer	172	0.00	139328	0.65
		15-09-17	Transfer	1292	0.01	138036	0.64
		29-09-17	Transfer	2000	0.01	136036	0.63
		20-10-17	Transfer	6036	0.03	130000	0.60
		17-11-17	Allot	30000	0.14	160000	0.74
		24-11-17	Allot	10000	0.05	170000	0.79
		01-12-17	Allot	2000	0.01	172000	0.80
		08-12-17	Allot	3000	0.01	175000	0.81
		05-01-18	Transfer	5000	0.02	170000	0.79
12-01-18	Transfer	2000	0.01	168000	0.78		
	At the end of the year	31-03-18				168000	0.78

## ANNEXURE IV TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

<b>(iv) Shareholding Pattern of top ten Shareholders (Contd.)</b> (Other than Directors, Promoters and Holders of GDRs and ADRs):							
SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>3</b>	<b>PRAKASH JAIN</b>						
a	At the beginning of the year	01-04-17		119342	0.55	119342	0.55
b	Changes during the year	14-04-17	Allot	2000	0.01	121342	0.56
		13-10-17	Allot	5050	0.02	126392	0.59
		01-12-17	Allot	5000	0.02	131392	0.61
		12-01-18	Allot	100	0.00	131492	0.61
c	At the end of the year	31-03-18				131492	0.61
<b>4</b>	<b>STATUS CAPITALS PVT LTD</b>						
a	At the beginning of the year	01-04-17		79676	0.37	79676	0.37
b	Changes during the year	no change during the year					
c	At the end of the year	31-03-18				79676	0.37
<b>5</b>	<b>SATISH KUMAR BHASIN</b>						
a	At the beginning of the year	01-04-17		58000	0.27	58000	0.27
b	Changes during the year	14-04-17	Transfer	5000	0.02	53000	0.25
		21-04-17	Transfer	1000	0.00	52000	0.24
		12-05-17	Transfer	2000	0.01	50000	0.23
		19-05-17	Transfer	3000	0.01	47000	0.22
		10-11-17	Transfer	1000	0.00	46000	0.21
		17-11-17	Transfer	4000	0.02	42000	0.19
		24-11-17	Transfer	6000	0.03	36000	0.17
		01-12-17	Transfer	11800	0.05	24200	0.11
c	At the end of the year	08-12-17	Transfer	1200	0.01	23000	0.11
		31-03-18				23000	0.11
<b>6</b>	<b>PAN EMAMI COSMED LTD</b>						
a	At the beginning of the year	01-04-17		50000	0.23	50000	0.23
b	Changes during the year	24-11-17	Transfer	11140	0	38860	0.18
		01-12-17	Transfer	19538	0.09	19322	0.09
		01-12-17	Transfer	19322	0.09	0	0.00
c	At the end of the year	31-03-18				0	0.00
<b>7</b>	<b>PRANAV KUMARPAL PAREKH</b>						
a	At the beginning of the year	01-04-17		47664	0.22	47664	0.22
b	Changes during the year	no change during the year					
c	At the end of the year	31-03-18				47664	0.22



## ANNEXURE IV TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

<b>(iv) Shareholding Pattern of top ten Shareholders (Contd.)</b> (Other than Directors, Promoters and Holders of GDRs and ADRs):							
SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>8</b>	<b>HARIKISHAN JAMANDASS MUNDHRA</b>						
a	At the beginning of the year	01-04-17		43491	0.20	43491	0.20
b	Changes during the year	27-10-17	Transfer	1940	0.01	41551	0.19
		17-11-17	Transfer	2400	0.01	39151	0.18
		24-11-17	Transfer	1000	0.00	38151	0.18
		08-12-17	Transfer	1000	0.00	37151	0.17
c	At the end of the year	31-03-18				37151	0.17
<b>9</b>	<b>BASANT SINGHATWADIA</b>						
a	At the beginning of the year	01-04-17		32450	0.15	32450	0.15
b	Changes during the year	no change during the year					
c	At the end of the year	31-03-18				32450	0.15
<b>10</b>	<b>ASHISH MODI</b>						
a	At the beginning of the year	01-04-17		31000	0.14	31000	0.14
b	Changes during the year	21-04-17	Allot	5000	0.02	36000	0.17
		26-05-17	Allot	3000	0.01	39000	0.18
		17-11-17	Transfer	5000	0.02	34000	0.16
		24-11-17	Transfer	12000	0.06	22000	0.10
		01-12-17	Transfer	17000	0.08	5000	0.02
		08-12-17	Transfer	2000	0.01	3000	0.01
c	At the end of the year	31-03-18				3000	0.01
<b>11</b>	<b>SHAIL BHUSHAN MEHTA</b>						
a	At the beginning of the year	01-04-17		16611	0.08	16611	0.08
b	Changes during the year	07-04-17	Allot	6339	0.03	22950	0.11
		14-04-17	Allot	2700	0.01	25650	0.12
		21-04-17	Transfer	569	0.00	25081	0.12
		28-04-17	Allot	1020	0.00	26101	0.12
		02-06-17	Allot	178	0.00	26279	0.12
		09-06-17	Allot	569	0.00	26848	0.12
		11-08-17	Allot	13	0.00	26861	0.12
		01-09-17	Transfer	1535	0.01	25326	0.12
		08-09-17	Allot	1900	0.01	27226	0.13
		15-09-17	Allot	80	0.00	27306	0.13
		06-10-17	Allot	1350	0.01	29106	0.13
		13-10-17	Allot	1935	0.01	31041	0.14
		27-10-17	Allot	99	0.00	31140	0.14
		10-11-17	Allot	376	0.00	31516	0.15
		17-11-17	Allot	13187	0.06	44703	0.21
		24-11-17	Allot	21969	0.10	66672	0.31
		01-12-17	Allot	3150	0.01	69822	0.32
		08-12-17	Allot	1890	0.01	71712	0.33
		15-12-17	Allot	1620	0.01	73332	0.34
		05-01-18	Allot	730	0.00	74062	0.34
26-01-18	Allot	2645	0.01	76707	0.36		
09-02-18	Allot	1125	0.01	77832	0.36		
02-03-18	Allot	900	0.00	78732	0.36		
09-03-18	Allot	3150	0.01	81882	0.38		
16-03-18	Allot	4747	0.02	86629	0.40		
23-03-18	Allot	1700	0.01	88329	0.41		
30-03-18	Allot	5700	0.03	94029	0.44		
c	At the end of the year	31-03-18				94029	0.44



## ANNEXURE IV TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

<b>(iv) Shareholding Pattern of top ten Shareholders (Contd.)</b> (Other than Directors, Promoters and Holders of GDRs and ADRs):							
SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>12</b>	<b>ASHOK BHARADIA</b>						
a	At the beginning of the year	01-04-17		0	0.00	0	0.00
b	Changes during the year	23-03-18	Allot	45000	0.21	45000	0.21
c	At the end of the year	31-03-18				45000	0.21
<b>13</b>	<b>BHUSHAN C MEHTA</b>						
a	At the beginning of the year	01-04-17		14025	0.06	14025	0.06
b	Changes during the year	14-04-17	Allot	3300	0.02	17325	0.08
		08-09-17	Allot	6000	0.03	23325	0.11
		03-11-17	Allot	2000	0.01	25325	0.12
		10-11-17	Allot	5500	0.03	30825	0.14
		24-11-17	Allot	34	0.00	30859	0.14
		08-12-17	Allot	2000	0.01	32859	0.15
		15-12-17	Allot	1000	0.00	33859	0.16
		02-02-18	Allot	200	0.00	34059	0.16
		09-02-18	Allot	1000	0.00	35059	0.16
c	At the end of the year	31-03-18				35059	0.16



## ANNEXURE IV TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

<b>(v) Shareholding of Directors and Key Managerial Personnel:</b>							
SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>MR P.J. FIELD</b>						
	At the beginning of the year	01-04-17		—	—	—	0.00%
	Changes during the year			—	—	—	0.00%
	At the end of the year	31-03-18		—	—	—	0.00%
2	<b>MS. S.A. WALKER</b>						
	At the beginning of the year	01-04-17		—	—	—	0.00%
	Changes during the year			—	—	—	0.00%
	At the end of the year	31-03-18		—	—	—	0.00%
3	<b>MR. A.N. SINGH</b>						
	At the beginning of the year	01-04-17		180	0.0001	180	0.00%
	Changes during the year			—	—	—	0.00%
	At the end of the year	31-03-18		—	—	180	0.00%
4	<b>DR S KAUL</b>						
	At the beginning of the year	01-04-17		—	—	—	0.00%
	Changes during the year			—	—	—	0.00%
	At the end of the year	31-03-18		—	—	—	0.00%
5	<b>MR K SINHA</b>						
	At the beginning of the year	01-04-17		—	—	—	0.00%
	Changes during the year			—	—	—	0.00%
	At the end of the year	31-03-18		—	—	—	0.00%
6	<b>MR P.K SEN</b>						
	At the beginning of the year	01-04-17		—	—	—	0.00%
	Changes during the year			—	—	—	0.00%
	At the end of the year	31-03-18		—	—	—	0.00%
7	<b>MR A SEGUPTA</b>						
	At the beginning of the year	01-04-17		6	0.00003	6	0.00%
	Changes during the year			—	—	—	0.00%
	At the end of the year	31-03-18		—	—	6	0.00%
8	<b>MR S BANERJEE</b>						
	At the beginning of the year	01-04-17		6	0.00003	6	0.00%
	Changes during the year			—	—	—	0.00%
	At the end of the year	31-03-18		—	—	6	0.00%
9	<b>MR A ASTHANA</b>						
	At the beginning of the year	01-04-17	6	0.00003		6	0.00%
	Changes during the year			-	-	-	0.00%
	At the end of the year	31-03-18				6	0.00%

<b>V. INDEBTEDNESS</b>				
Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Amt. Rs./Lacs)				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	—	—	—	—
<b>Change in Indebtedness during the financial year</b>				
* Addition	6182.98	2630.56	—	8813.54
* Reduction	6182.98	690.00	—	6872.98
<b>Net Change</b>	—	1940.56	—	1940.56
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	—	1910.00	—	1910.00
ii) Interest due but not paid	—	30.56	—	30.56
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	—	1940.56	—	1940.56

## ANNEXURE IV TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>					
<b>A. Remuneration to Managing Director, Whole-time Directors and/or Manager:</b>					
SN.	Particulars of Remuneration	A. N SINGH	A ASTHANA	ARJUN SENGUPTA	(Rs/Lac)
		MANAGING DIRECTOR	WHOLETIME DIRECTOR & COO	WHOLETIME DIRECTOR & CFO	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	91.5 28.39 0	41 2.42 0	26.95 1.41 0	159.45 32.22 -
2	Stock Option	0	0	0	-
3	Sweat Equity	0	0	0	-
4	Commission - as % of profit - others, specify	55	10	6	71.00 - -
5	Others,(Retirement Benefit)	215	20.72	17.56	353.28
	<b>Total (A)</b>	<b>389.89</b>	<b>74.14</b>	<b>51.92</b>	<b>515.95</b>
	Ceiling as per the Act				540.39
<b>B. Remuneration to other Directors</b>					
SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors	<b>S KAUL</b>	<b>K SINHA</b>	<b>P K SEN</b>	
	Fee for attending board committee meetings	1.38	1.90	1.52	4.80
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1.38	1.90	1.52	4.80
	Other Non-Executive Directors	<b>P J FIELD</b>	<b>S A WALKER</b>	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	1.38	1.90	1.52	4.80
	<b>Total Managerial Remuneration</b>				<b>520.75</b>
	Overall Ceiling as per the Act				594.43
<b>C. Remuneration to Key Managerial Personnel other than MD/Manager/WTDs</b>					
SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs/Lac)	
		A SENGUPTA CFO	S BANERJEE CS		
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
		26.95	19.80	46.75	
		1.41	3.09	4.50	
		-	-	-	
2	Stock Option	0		-	
3	Sweat Equity	0		-	
4	Commission - as % of profit - others, specify	6	4.81	10.81 - -	
5	Others,(Retirement Benefit)	17.56	10.12	27.68	
	<b>Total</b>	<b>51.92</b>	<b>37.82</b>	<b>89.74</b>	

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

There were no Penalties/ punishment/ compounding of offence for Breach of any provisions of the Companies Act, 2013, against the Company or its Directors or other officers in default, during the year.



## **ANNEXURE V TO THE REPORT OF THE BOARD OF DIRECTORS**

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### **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2018  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of  
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,  
The Members,  
Goodricke Group Limited  
Camellia House,  
14, Gurusaday Road,  
Kolkata - 700 019**

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Goodricke Group Limited (hereinafter called 'the Company') during the financial year ended 31st March, 2018. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our 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 us during the said audit and also based on the information provided by the company, its officers, agents and authorized representatives during the conduct of the aforesaid secretarial audit, we hereby report that in our opinion and to the best of our 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 also the company has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We further report that compliance with applicable laws is the responsibility of the company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the company nor a confirmation of efficient management by the company.
4. (I) We have examined the secretarial compliance on test check basis of the books, papers, minute books, forms and returns filed and other records maintained by M/s. Goodricke Group Limited for the financial year ended on 31st March, 2018, according to the provisions of the following laws and as shown to us during our audit, as also referred in above paragraphs of this report;
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

## **ANNEXURE V TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

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- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India 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;
  - 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.
- (II) We have also examined the secretarial compliance on test check basis of the books, papers, minute books, forms and returns filed and other records maintained by M/s Goodricke Group Limited for the financial year ended on 31st March, 2018, according to the provisions of the following laws specifically applicable to the company and as shown to us during our audit, as also referred in above paragraphs of this report;
- a) The Tea Act, 1953 (No. 29 of 1953);
  - b) The Tea Rules, 1954;
  - c) The Tea Board Bye laws, 1955;
  - d) The Tea (Distribution & Export) Control Order, 1957, now being amended by the Tea (Distribution & Export) Control Order, 2005;
  - e) The Tea (Waste) Control Order, 1959;
  - f) The Tea (Regulations of Export Licensing) Order, 1984;
  - g) The Tea (Marketing) Control Order, 1984, Tea (Marketing) Control Order, 2003 & (Amendment) Order, 2015, & Order, 2017.
  - h) The Tea Warehouses (Licensing) Order, 1989.
5. We have also examined compliance with the applicable clauses of the following:
- i. 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, to the best of our knowledge, understanding and belief, we are 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.
7. We have checked the standard listing agreement entered by the company with the following Stock Exchange in India and to the best of our understanding, we are of the view that the company has adequately complied with the secretarial functions and board processes to comply with the applicable provision thereof, during the aforesaid period under review.



## **ANNEXURE V TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

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- i. Bombay Stock Exchange Limited (BSE)
8. We further report that,
  - a) The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the applicable provisions of the Act.
  - b) Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - c) Majority decision is carried through and recorded as part of the minutes.
9. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, such as laws related to taxation, local laws applicable to the area of operation of business and other laws generally applicable to company.
10. This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

Place : Kolkata  
Date : 24th May, 2018

For, ANJAN KUMAR ROY & CO.  
Company Secretaries  
ANJAN KUMAR ROY  
Proprietor  
FCS No. 5684  
CP. No. 4557

## **ANNEXURE V TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

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### **'Annexure A'**

(To the Secretarial Audit Report of M/s. Goodricke Group Limited for the financial year ended 31/03/2018)

**To,  
The Members,  
M/s. Goodricke Group Limited  
Camellia House, 14, Gurusaday Road,  
Kolkata - 700 019**

Our 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. Our responsibility is limited to expressing an opinion on existence of adequate board process and compliance management system, commensurate to the size of the company, based on the secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers and agents of the company during the said audit.
2. We have followed the audit practices and processes as were appropriate, to the best of our understanding, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to check as to whether correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. and we have relied on such representation, in forming our opinion.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of compliance procedures on test basis. We would not be liable for any business decision or any consequences arising thereof, made on the basis of our report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the company.

For, **ANJAN KUMAR ROY & CO.**  
Company Secretaries

**ANJAN KUMAR ROY**  
Proprietor  
FCS No. 5684  
CP. No. 4557  
Place: Kolkata  
Date: 24th May, 2018



## **ANNEXURE VI TO THE REPORT OF THE BOARD OF DIRECTORS**

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### **REMUNERATION POLICY**

#### **1.0 INTRODUCTION**

- 1.1 This Remuneration Policy is based on the requirements of section 178 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement (effective from October 1, 2014) and approved by the Board of Directors of the Company at its meeting held on November 14, 2014.
- 1.2 Remuneration at Goodricke Group Limited ("the Company") is based on the principles of performance, equitableness and competitiveness. This Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company successfully.
- 1.3 This Remuneration Policy applied to the Board of Directors, Key Management Personnel (KMP) Senior Management Personnel of the Company.
- 1.4 This Remuneration Policy shall be effective from November 14, 2014.

#### **2.0 OBJECTIVES**

- 2.1 The objectives of this Remuneration Policy are :
  - (a) Formulation of the criteria for determining qualifications, positive attributes of Directors, KMP and Senior Management Personnel and also independence of independent Directors.
  - (b) Aligning the remuneration of Directors, KMP and Senior Management Personnel with the Company's financial position, remuneration paid by its industry peers etc.;
  - (c) Performance evaluation of the Board, its Committee and Directors including Independent Directors;
  - (d) Ensuring Board diversity;
  - (e) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down;
  - (f) Directors' induction and continued training.

#### **3.0 DEFINITIONS**

- 3.1 "Act" means the Companies Act, 2013.
- 3.2 "Board" means Board of Directors of the Company.
- 3.3 "Director" means Director as defined under Section 2(34) of the Companies Act, 2013.
- 3.4 "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time in accordance with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement.
- 3.5 "Company" means Goodricke Group Limited (GOODRICKE).
- 3.6 "Independent Director" means a director referred to in Section 149(6) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement.
- 3.7 "Key Managerial Personnel" means :



## **ANNEXURE VI TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

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- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013.

3.8 "Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

### **4.0 GUIDING PRINCIPLES**

- 4.1 The Company shall follow the following guiding principles in order to attract, motivate and retain talent in the Company.
- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to Directors, KMP and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### **5.0 GENERAL**

This Policy is divided in five parts :

Part-A covers criteria for determining qualifications, positive attributes of Directors, KMP and Senior Management Personnel and also independence of Independent Directors.

Part-B covers Induction and Training of Directors

Part-C covers Performance Evaluation of Board, its Committees and Directors including Independent Directors

Part-D covers Remuneration of Directors, KMP and Senior Management Personnel

Part-E covers Board Diversity

### **6.0 PART-A**

Criteria for determining qualifications, positive attributes of Directors, KMP and Senior Management Personnel and also independence of Independent Directors.

1. The Nomination and Remuneration Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, KMP or Senior Management Personnel and recommend to the Board his / her appointment.
2. A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment as a Director. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient/satisfactory for the



## **ANNEXURE VI TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

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concerned position and are in accordance with the provisions of the Act and Clause 49 of the Listing Agreement.

3. The Committee shall ensure that a person proposed to be appointed as an Independent Director satisfies the criteria laid down under the Act read the Clause 49 of the Listing Agreement.
4. The appointment and tenure of Directors, Independent Directors and KMP shall be in accordance with the provisions of the Act read with Clause 49 of the Listing Agreement.

### **7.0 PART-B**

Induction and Training of Directors

1. On appointment, Directors shall receive a letter of Appointment setting out in detail, the terms of appointment, duties, roles and responsibilities. Each newly appointed Director will be taken through a formal induction programme.
2. The induction process should be designed to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company etc.
3. It shall be ensured that the Directors are updated as and when required of their roles, responsibilities and liabilities.
4. The Company may organize garden visits for Directors from time to time.

### **8.0 PART-C**

Performance Evaluation of Board, its Committees and Directors

The evaluation of the performance of the Board, its Committees and Directors shall be carried out on an annual basis. The performance of the Board and Committees thereof shall be evaluated against their terms of reference. Evaluation of the performance of Directors shall include consideration of their skills, performance and contribution to the Board, Company strategy and Board Committees, their availability and attendance at Board and Committee Meeting.

### **9.0 PART-D**

Remuneration of Directors, KMP and Senior Management Personnel

1. The remuneration of the Executive Directors, KMP and Senior Management Personnel should be based on Company's financial position, industrial trends, remuneration paid by peer companies. The remuneration should be reasonable and sufficient to attract retain and motivate the aforesaid persons.
2. Remuneration to Executive Directors shall be paid by way of salary, perquisites and retirement benefits, based on recommendation of the Committee and approval of the Board and shareholders. The overall managerial remuneration shall be within the ceilings stipulated under Section 197 read with Schedule V of the Act.
3. The non-executive directors shall be paid remuneration by way of sitting fee for attending the meetings of the Board and Committees thereof.

## **ANNEXURE VI TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)**

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4. The KMP shall be paid remuneration approved by the Board of Directors. The Senior Management Personnel shall be paid remuneration in line with the Company's internal HR Policy.
5. Increments in the existing remuneration of Executive Directors and KMP shall be approved by the Committee within the limits prescribed under the Act. Increments in the remuneration of Senior Management Personnel shall be as per Company's HR Policy.

### **10.0 PART-E**

#### Board Diversity

Board appointments will be based on merit and candidates will be considered on the basis of their skills, knowledge, experience and background, gender and other distinguishing qualities, having due regard to the effectiveness of the Board. It will be ensured that the Board possesses a balance of skills appropriate for the requirements of the business of the Company. The Directors should have a mix of finance, legal, academic and management backgrounds that taken together provide the Company with considerable experience in a range of activities including varied industries, education, government, banking, plantation, investment and other professions.

### **11.0 APPLICABILITY OF THE REMUNERATION POLICY**

This Remuneration Policy shall apply to all future appointments of Directors, KMP and Senior Management Personnel.

### **12.0 AMENDMENT**

Any modification/amendment in this Remuneration Policy may be carried out by the Board on the recommendation of the Nomination and Remuneration Committee. This policy will be subject to change as per amendment in the Companies Act, 2013, the Listing Agreement, or any other applicable Rules, Regulations and Guidelines.



## ANNEXURE VII TO THE REPORT OF THE BOARD OF DIRECTORS

### Particulars of Employees

FOR THE YEAR ENDED ON MARCH 31, 2018

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name	Age	No. of shares held	Designation	Remuneration (Rs.)	Qualification	Experience (years)	Date of commencement of employment	Previous employment & position held
Top ten employees in terms of remuneration employed during the year and employees in respect of remuneration, aggregating to Rs. 1,02,00,000/- per annum or more.								
Atul Asthana	56	6	Wholetime Director & COO	82,97,535	BSc & Mech. Engg.	32	04.06.1985	—
Talat Ahmed	57	—	Dy. General Manager	30,66,731	B. Com	37	28.02.1981	—
Subrata Banerjee	64	6	Sr. General Manager & CS	37,82,354	B.Com (H), L.L.B A.C.S	42	01.06.2013	Stewart Holl (India) Limited
Shiv Bhasin	51	50	Sr. General Manager (Mktng)	39,52,342	B. Com (H), MBA	27	01.09.2000	Assam Company Ltd.
Vikram Singh Gulia	52	106	Vice President (Branded Tea)	46,24,681	B. Com (H)	31	11.12.1986	—
P. T. Krishnan	58	6	Sr. General Manager (Fin)	36,98,372	B. Com (H), ACA	31	03.01.2005	Duncan Industries Ltd.
Yashpal Levin	61	—	Vice President (retd. w.e.f 31.12.2017)	55,94,086	BA	38	10.11.1979	—
Arun Narain Singh	65	180	Managing Director & CEO (retd. w.e.f 31.03.2018)	3,89,89,600	M.Sc	42	15.07.1975	Duncan Brothers & Co. Ltd.
Arjun Sengupta	60	6	Wholetime Director & CFO	78,93,979	BA, Eco (H), ACA	34	15.07.1987	Furminite Nicco Investments Ltd.
Surya Narain Singh	59	-	Sr. Manager (retd. w.e.f. 31.03.2018)	40,24,874	B.E (Agri)	34	21.11.1959	—

- Notes :
1. Nature of Employment and duties : Contractual and in accordance with terms and conditions as per Company's rules.
  2. Remuneration received includes salary, allowances, retirement benefits and monetary value of other perquisites computed on the basis of the Income Tax Act and Rules.
  3. No employee is a relative of any Director or Key Managerial Personnel of the Company, Rule 5 (2) (iii) of the captioned Rules is not applicable to any employee.

## ANNEXURE VII TO THE REPORT OF THE BOARD OF DIRECTORS (Contd.)

Statement of Particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Requirement of Rule 5 (1)	Particulars																		
(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	<p>Mr. A. N. Singh, Managing Director &amp; CEO</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Ratio of remuneration of each Director to median Remuneration of employees for</td> <td style="width: 50%;">Ratio of remuneration of each Director to median remuneration of executive grade employees.</td> </tr> <tr> <td style="text-align: center;">2016-17 = 333.80:1</td> <td style="text-align: center;">25.26:1</td> </tr> <tr> <td style="text-align: center;">2017-18 = 369.69:1</td> <td style="text-align: center;">25.74:1</td> </tr> </table> <p>Mr. A. Asthana, Wholetime Director &amp; COO</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Ratio of remuneration of each Director to median Remuneration of employees for</td> <td style="width: 50%;">Ratio of remuneration of each Director to median remuneration of executive grade employees .</td> </tr> <tr> <td style="text-align: center;">2016-17 = N.A.</td> <td style="text-align: center;">N.A.</td> </tr> <tr> <td style="text-align: center;">2017-18 = 114.02:1</td> <td style="text-align: center;">7.94:1</td> </tr> </table> <p>Mr. A. Sengupta, Wholetime Director &amp; CFO</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Ratio of remuneration of each Director to median Remuneration of employees for</td> <td style="width: 50%;">Ratio of remuneration of each Director to median remuneration of executive grade employees .</td> </tr> <tr> <td style="text-align: center;">2016-17 = N.A.</td> <td style="text-align: center;">N.A.</td> </tr> <tr> <td style="text-align: center;">2017-18 = 74 :1</td> <td style="text-align: center;">5.15:1</td> </tr> </table> <p>The non-executive Independent directors are entitled to sitting fees only. The non-executive, non-independent directors are not paid any fees. The details of remuneration are provided in Corporate Governance Report.</p>	Ratio of remuneration of each Director to median Remuneration of employees for	Ratio of remuneration of each Director to median remuneration of executive grade employees.	2016-17 = 333.80:1	25.26:1	2017-18 = 369.69:1	25.74:1	Ratio of remuneration of each Director to median Remuneration of employees for	Ratio of remuneration of each Director to median remuneration of executive grade employees .	2016-17 = N.A.	N.A.	2017-18 = 114.02:1	7.94:1	Ratio of remuneration of each Director to median Remuneration of employees for	Ratio of remuneration of each Director to median remuneration of executive grade employees .	2016-17 = N.A.	N.A.	2017-18 = 74 :1	5.15:1
Ratio of remuneration of each Director to median Remuneration of employees for	Ratio of remuneration of each Director to median remuneration of executive grade employees.																		
2016-17 = 333.80:1	25.26:1																		
2017-18 = 369.69:1	25.74:1																		
Ratio of remuneration of each Director to median Remuneration of employees for	Ratio of remuneration of each Director to median remuneration of executive grade employees .																		
2016-17 = N.A.	N.A.																		
2017-18 = 114.02:1	7.94:1																		
Ratio of remuneration of each Director to median Remuneration of employees for	Ratio of remuneration of each Director to median remuneration of executive grade employees .																		
2016-17 = N.A.	N.A.																		
2017-18 = 74 :1	5.15:1																		
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	<p>a) Mr. A. N. Singh, Managing Director &amp; CEO - 4.75%                      b) *Mr. A. Asthana - Wholetime Director &amp; COO - 67.40%                      c) *Mr. A. Sengupta - Wholetime Director &amp; CFO - 59.80%                      d) Mr. S. Banerjee -CS - 17.60%.</p> <p>*Increase on the higher side since they were inducted in the Board during the year.</p>																		
(iii) The percentage increase in the median remuneration of employees in the financial year.	The percentage increase for all employees (-) 5.41% and for executives 2.79%																		
iv) The number of permanent employees on the rolls of company.	23428 Employees as on 31st March, 2018.																		
(viii) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentage increase in the salaries of employees other than the Managerial Personnel, in the Financial Year 2017-18 ranged between 13 to 20%.																		
(xii) Affirmation that the remuneration is as per the remuneration policy of the company.	YES																		

On behalf of Board of Directors

A. Asthana  
 Managing Director & CEO  
 (DIN 00631932)

A. Sengupta  
 Wholetime Director & CFO  
 (DIN 00631842)

K. Sinha  
 (DIN 00123811)  
 Director

Place : Kolkata  
 Date : 24th May, 2018



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOODRICKE GROUP LIMITED

## Report on the Financial Statements

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

## Management's Responsibility for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under and the Order issued under section 143(11) of the Act.

We conducted our audit of the 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and

give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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

1. As required by Section 143(3) of the Act, we report, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 30.1(a);
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

Kolkata, 24th May, 2018



## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

We have audited the internal financial controls over financial reporting of **Goodricke Group Limited** ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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



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

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

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

### **Opinion**

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

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

Kolkata, 24th May, 2018



## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment 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) With respect to immovable properties of land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories other than stocks lying with third parties (which have substantially been confirmed) were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and had no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax, which have not been deposited as on 31st March, 2018 on account of disputes are given below:

<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Forum where Dispute is Pending</b>	<b>Period to which the Amount Relates</b>	<b>Amount (Rs. in Millions)</b>
Income-tax Act, 1961	Central Income -tax	Commissioner of Income-tax (Appeals)	2001-2005, 2006-2011	71.41
Bengal Agricultural Income Tax, 1944	Bengal Agricultural Income Tax	Commissioner of Agricultural	1984-1985,	16.40
		Income Tax, West Bengal	1989-1990	
		The West Bengal Commercial Taxes Appellate and Revision Board	1990-1991	13.33
		Agricultural Income Tax officer, West Bengal	2001-2003	5.36
Central Excise Act, 1944	Excise duty	The Customs, Excise and Service Tax Appellate Tribunal	2010-2016	314.12
		Commissioner, Customs, Central Excise and CGST, Siliguri	2016-2018	33.90
		Commissioner (Appeals), CGST and Central Excise, Siliguri	2016-2018	0.53
The West Bengal Value Added Tax Act, 2003	VAT	The West Bengal Commercial Taxes Appellate And Revisional Board	2007-2008	0.32
The Central Sales Tax Act, 1956	Sales tax	The West Bengal Commercial Taxes Appellate And Revisional Board	2007-2008	1.18
		The Appellate Authority, Additional Commissioner, Commercial Tax, Indore	2015-2016	2.98



- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of the term loans during the year for the purposes for which they were raised, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable. The Company does not have any subsidiary and associate companies.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)  
**A.Bhattacharya**  
(Partner)  
(Membership No. 054110)

Kolkata, 24th May, 2018

## BALANCE SHEET as at 31st March 2018

	Notes	As at 31st, March 2018 (Rs. in Millions)		As at 31st, March 2017 (Rs. in Millions)
<b>ASSETS</b>				
<b>Non Current Assets</b>				
(a) Property, Plant and Equipment	5A	2,298.44		2,165.71
(b) Capital work-in-progress	5B	398.01		370.64
(c) Other Intangible assets	5C	204.14		1.61
(d) Biological Assets other than bearer plants	6	0.84		1.40
(e) Financial Assets				
(i) Investments	7	—		—
(ii) Loans	8	13.31		18.37
(iii) Others	9	4.57	17.88	4.48
(f) Non-current Tax Assets (Net)	10	28.94		38.29
(g) Other non-current assets	11	48.81		51.92
<b>Current Assets</b>				
(a) Biological Assets other than bearer plants	6	25.85		18.59
(b) Inventories	12	1,428.65		1,316.27
(c) Financial Assets				
(i) Investments	13	—		142.85
(ii) Trade receivables	14	737.53		304.32
(iii) Cash and cash equivalents	15	88.62		167.62
(iv) Other Bank Balances	16	43.78		21.14
(v) Loans	8	6.92		3.96
(vi) Others	9	179.41	1,056.26	86.51
(d) Other current assets	11	114.50		101.02
<b>Total Assets</b>		<b>5,622.32</b>		<b>4,814.70</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	17	216.00		216.00
(b) Other Equity		2,852.25	3,068.25	2,702.83
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	142.00		—
(b) Provisions	19	143.77		117.93
(c) Deferred tax liabilities (Net)	20	502.74		460.30
(d) Other non-current liabilities	21	33.27		33.93
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Trade payables	22	1,413.80		971.74
(ii) Other financial liabilities	23	72.82	1,486.62	69.67
(b) Other current liabilities	21	109.65		132.75
(c) Provisions	19	136.02		109.55
<b>Total Equity and Liabilities</b>		<b>5,622.32</b>		<b>4,814.70</b>

See accompanying notes 1 to 37 to the financial statements

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

On behalf of the Board

A. ASTHANA  
*Managing Director &  
Chief Executive Officer*  
DIN: 00631932

K. SINHA  
*Director*  
DIN: 00123811

A. BHATTACHARYA  
*Partner*  
Kolkata, 24th May, 2018

A. SENGUPTA  
WholeTime Director &  
Chief Financial Officer  
DIN: 00631842

S. BANERJEE  
Senior General Manager  
& Company Secretary



## STATEMENT OF PROFIT & LOSS for the Year ended 31st March, 2018

	Notes	For the year ended 31st March, 2018 (Rs. in Millions)	For the year ended 31st March, 2017 (Rs. in Millions)
I Revenue From Operations	24	7,305.74	6,803.69
II Other Income	25	210.61	144.41
<b>III Total Income (I+II)</b>		<b>7,516.35</b>	<b>6,948.10</b>
<b>IV EXPENSES</b>			
Cost of materials consumed		1,905.83	1,852.43
Purchases of Stock-in-Trade		636.40	493.53
Changes in inventories of finished goods		61.01	77.07
Employee benefits expense	26	2,370.78	2,136.33
Finance costs	27	21.24	13.38
Depreciation and amortization expense		147.03	136.80
Other expenses	28	1,885.51	1,749.57
<b>Total expenses (IV)</b>		<b>7,027.80</b>	<b>6,459.11</b>
<b>V Profit before tax (III- IV)</b>		<b>488.55</b>	<b>488.99</b>
<b>VI Tax expense:</b>			
Current tax	29	105.00	143.00
Deferred tax	29	66.33	14.67
<b>VII Profit for the year (V-VI)</b>		<b>317.22</b>	<b>331.32</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss:			
- Remeasurements of defined benefit plans	30.5.1	(74.70)	(64.69)
- Income tax relating to items that will not be reclassified to profit or loss	29	23.89	20.60
<b>VIII Total Other Comprehensive Income (i+ii)</b>		<b>(50.81)</b>	<b>(44.09)</b>
<b>IX Total Comprehensive Income for the year/period (VII+VIII)</b>		<b>266.41</b>	<b>287.23</b>
X Earnings per equity share:	30.2		
(1) Basic (in Rs.)		14.69	15.34
(2) Diluted (in Rs.)		14.69	15.34

See accompanying notes 1 to 37 to the financial statements

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

On behalf of the Board

A. ASTHANA  
Managing Director &  
Chief Executive Officer  
DIN: 00631932

K. SINHA  
Director  
DIN: 00123811

A. BHATTACHARYA  
Partner  
Kolkata, 24th May, 2018

A. SENGUPTA  
WholeTime Director &  
Chief Financial Officer  
DIN: 00631842

S. BANERJEE  
Senior General Manager  
& Company Secretary

## Statement of changes in equity for the year ended 31st March, 2018

### A. Equity Share Capital\*

(Rs. in Millions)

	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
For the year ended 31st March, 2017	216.00	-	216.00
For the year ended 31st March, 2018	216.00	-	216.00

\*Also refer note 17

### B. Other Equity

(Rs. in Millions)

	Reserves and Surplus						Total
	Capital Reserve	Development Rebate Reserve	Development Allowance Reserve	Investment Allowance (Utilised) Reserve	General Reserve	Retained Earnings	
<b>Balance as at 1st April, 2016</b>	<b>13.56</b>	<b>0.99</b>	<b>0.98</b>	<b>0.90</b>	<b>1,655.34</b>	<b>847.82</b>	<b>2,519.59</b>
Profit for the year	-	-	-	-	-	331.32	331.32
Other Comprehensive Income (net of tax)	-	-	-	-	-	(44.09)	(44.09)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>287.23</b>	<b>287.23</b>
Dividends							
- Ordinary Dividend [Rs. 4.00 per share]	-	-	-	-	-	(86.40)	(86.40)
Income tax on Dividend paid	-	-	-	-	-	(17.59)	(17.59)
<b>Balance as at 31st March, 2017</b>	<b>13.56</b>	<b>0.99</b>	<b>0.98</b>	<b>0.90</b>	<b>1,655.34</b>	<b>1,031.06</b>	<b>2,702.83</b>
Profit for the year	-	-	-	-	-	317.22	317.22
Other Comprehensive Income (net of tax)	-	-	-	-	-	(50.81)	(50.81)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>266.41</b>	<b>266.41</b>
Dividends							
- Ordinary Dividend [Rs. 4.50 per share]	-	-	-	-	-	(97.20)	(97.20)
Income tax on Dividend paid	-	-	-	-	-	(19.79)	(19.79)
<b>Balance as at 31st March, 2018</b>	<b>13.56</b>	<b>0.99</b>	<b>0.98</b>	<b>0.90</b>	<b>1,655.34</b>	<b>1,180.48</b>	<b>2,852.25</b>

The directors recommended a dividend of Rs. 4.50 per share (for the year ended 31st March, 2017 - Rs. 4.50 per share) be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 97.20 Millions (for the year ended 31st March, 2017 - Rs. 97.20 Millions). Income tax on proposed dividend being Rs. 19.98 Millions (for the year ended 31st March, 2017 - Rs. 19.79 Millions) has also not been included as a liability in these financial statements.

#### Nature and Purpose of Reserves and Surplus:

- A. Capital Reserve: This reserve represents the excess of net assets taken over by the Company over the consideration paid for business combinations. This includes Rs. 3.88 Millions on account of pre-acquisition profit.
- B. Development Rebate Reserve: Transferred from pre-merger reserves.
- C. Development Allowance Reserve: Transferred from pre-merger reserves.
- D. Investment Allowance (Utilised) Reserve: Transferred from pre-merger reserves.
- E. General Reserve: This reserve represents appropriations of profits made from retained earnings and can be distributed / utilized by the Company in accordance with the Companies Act, 2013.
- F. Retained Earnings: This reserve represents the cumulative profits as well as rereasurement of defined benefit plans and can be distributed / utilized by the Company in accordance with the Companies Act, 2013.

See accompanying notes 1 to 37 to the financial statements

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

On behalf of the Board

A. ASTHANA  
Managing Director &  
Chief Executive Officer  
DIN: 00631932

K. SINHA  
Director  
DIN: 00123811

A. BHATTACHARYA  
Partner  
Kolkata, 24th May, 2018

A. SENGUPTA  
WholeTime Director &  
Chief Financial Officer  
DIN: 00631842

S. BANERJEE  
Senior General Manager  
& Company Secretary



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

	For the year ended 31st March, 2018 (Rs. in Millions)	For the year ended 31st March, 2017 (Rs. in Millions)
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
PROFIT BEFORE TAX	488.55	488.99
ADJUSTMENTS FOR :		
Depreciation and amortization expense	147.03	136.80
Finance costs	21.24	13.38
Allowance for Doubtful Receivables & Advances	4.30	0.70
Interest Income on financial assets at Amortised Cost	(4.28)	(4.41)
Other non-operating income (Liabilities no longer required written back)	(3.52)	(2.53)
Gain on disposal of investments carried at fair value through profit or loss	(2.36)	(0.16)
Net Gain arising on financial assets mandatorily measured at FVTPL	-	(2.84)
Net Loss arising on financial assets designated at FVTPL	-	0.02
(Gain) / Loss on disposal of property, plant and equipment	1.96	0.89
Unrealised Foreign Exchange (Gain) / Loss - Net	(0.37)	1.47
Changes in fair value of biological assets - non-current	0.53	0.87
	<b>164.53</b>	<b>144.19</b>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<b>653.08</b>	<b>633.18</b>
ADJUSTMENTS FOR :		
Trade Receivables, Loans, Other Financial Assets and Other assets	(559.76)	(11.33)
Inventories	(112.38)	174.85
Trade Payables, Other Financial Liabilities, Provisions and Other liabilities	350.61	(99.58)
	<b>(321.53)</b>	<b>63.94</b>
CASH GENERATED FROM OPERATIONS	<b>331.55</b>	<b>697.12</b>
Income taxes paid	(95.65)	(93.94)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>235.90</b>	<b>603.18</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for Property, Plant and Equipment, Intangibles, etc	(501.07)	(278.32)
Proceeds from disposal of Property, Plant and Equipment	4.96	0.93
Restricted deposits with banks (placed)/realised	(22.72)	14.34
Purchase of Current Investments	(170.00)	(445.00)
Sale of Current Investments	315.21	305.16
Interest Received	3.50	5.15
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(370.12)</b>	<b>(397.74)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from non-current borrowings	200.00	-
Repayment of non-current borrowings	(9.00)	-
Interest Paid	(18.16)	(13.38)
Dividend Paid	(97.83)	(86.16)
Income Tax on Dividend Paid	(19.79)	(17.59)
<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>55.22</b>	<b>(117.13)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(79.00)</b>	<b>88.31</b>
<b>OPENING CASH AND CASH EQUIVALENTS (Note 15)</b>	<b>167.62</b>	<b>79.31</b>
<b>CLOSING CASH AND CASH EQUIVALENTS (Note 15)</b>	<b>88.62</b>	<b>167.62</b>

See accompanying notes 1 to 37 to the financial statements

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

On behalf of the Board

A. ASTHANA  
*Managing Director &  
Chief Executive Officer*  
DIN: 00631932

K. SINHA  
*Director*  
DIN: 00123811

A. BHATTACHARYA  
*Partner*  
Kolkata, 24th May, 2018

A. SENGUPTA  
WholeTime Director &  
Chief Financial Officer  
DIN: 00631842

S. BANERJEE  
Senior General Manager  
& Company Secretary



## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. Company Overview**

Goodricke Group Limited is engaged in the manufacture and cultivation of tea. The Company operates within 17 tea estates spread across West Bengal and Assam and sells bulk tea both in domestic and international markets. The Company also produces Instant Tea at its plant located in Dooars, West Bengal primarily for the international market and has got a strong presence in Packet Tea domestic market through its various Brands. The Company is listed on the Bombay Stock Exchange (BSE).

### **2. Statement of Compliance**

These financial statements, for the year ended 31st March 2018, have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016. The Company adopted Ind AS from 1st April, 2016.

### **3. Significant Accounting Policies**

#### **A. Basis of Preparation and presentation**

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

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

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

#### **B. Operating Cycle**

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

#### **C. Property, Plant and Equipment**

##### **(i) Tangible Assets (Other than Bearer Plants)**

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes deemed cost as at 1st January, 2015 measured as per the previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. Cost is inclusive of incidental expenses related to acquisition. Borrowing costs attributable to the construction or production of qualifying assets are capitalised. Expenses for the repair of Property, Plant and Equipment are charged against income when incurred.

Land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, are on the same basis as other property assets, and commences when the assets are ready for their intended use.



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

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

Buildings	30-60 years
Plant and equipment	5-18 years
Furniture and fixtures	10 years
Vehicles	6-8 years

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

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

#### **(ii) Bearer Plants**

Bearer plants comprising of mature tea bushes and shade trees are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes deemed cost as at 1st January, 2015. The Company recognised bearer plants for the first time at fair value as of 1st January, 2015 (transition date to Ind AS) and used such fair value as deemed cost.

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

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

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

Estimated useful lives of the bearer plants has been determined to be 46 years.

#### **D. Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less impairment losses.

Cost includes deemed cost as at 1st January, 2015 measured as per the previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licences, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite.

Intangible assets of the Company with finite useful lives comprise acquired computer software. Cost of software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and cost of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use and is amortised across a period not exceeding 5 years. Expenses incurred on upgradation / enhancements is charged off as revenue expenditure unless they bring similar significant additional benefits.

Indefinite life intangibles mainly consist of brands/trademarks. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

**E. Research and Development**

Research and Development expenditure of revenue nature is written off in the Statement of Profit and Loss as incurred. Such expenditure is capitalised as intangible assets only if it meets the criteria of an intangible asset. Internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

**F. Impairment of Assets**

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

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If impairment is no longer justified in future periods due to a recovery in assets' fair value or value in use, the impairment reserve is reversed.

**G. Biological Assets and Agricultural Produce**

**(i) Biological Assets**

Biological assets of the Company comprises of unharvested green tea leaves that are classified as current biological assets and livestock for breeding purpose, classified as non-current biological assets. The Company recognises biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

**(ii) Agricultural Produce**

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

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

**H. Inventories**

Inventories are stated at the lower of cost and net realisable value. Finished goods produced from agricultural produce are valued at lower of cost arrived at by adding the cost of conversion to the fair value of agricultural produce and the net realisable value. Net realisable value represents the estimated selling price for inventories less all selling costs. Provision is made for obsolete, slow moving and defective inventories, whenever necessary.

**I. Foreign Currency Transactions**

The presentation currency of the Company is Indian Rupees. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Monetary transactions remaining unsettled are translated at the rate of exchange ruling at the end of the year. Exchange gain or loss arising on settlement/translation is recognised in the Statement of Profit and Loss.



## J. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

### (i) Financial Assets

#### Recognition and Classification

The financial assets are classified at initial recognition in the following measurement categories as:

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

#### Subsequent Measurement

- Financial assets measured at amortised cost - Financial assets which are held within the business model of collection of contractual cash flows and where those cash flows represent payments solely towards principal and interest on the principal amount outstanding are measured at amortised cost. A gain or loss on a financial asset that is measured at amortised cost and is not a part of hedging relationship is recognised in profit or loss when the asset is derecognised or impaired.
- Financial assets measured at fair value through other comprehensive income - Financial assets that are held within a business model of collection of contractual cash flows and for selling and where the assets' cash flow represents solely payment of principal and interest on the principal amount outstanding are measured at fair value through OCI. Movements in carrying amount are taken through OCI, except for recognition of impairment gains or losses. When a financial asset, other than investment in equity instrument, is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss.
- Classification of equity instruments, not being investments in subsidiaries, associates and joint arrangements, depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI. When investment in such equity instrument is derecognised, the cumulative gains or losses recognised in OCI is transferred within equity on such derecognition.
- Financial assets measured at fair value through profit or loss - Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Movements in fair value of these instruments are taken in profit or loss.

#### Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Impairment losses are recognised in the profit or loss where there is an objective evidence of impairment based on reasonable and supportable information that is available without undue cost or effort. For all financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company recognises loss allowances on trade receivables when there is objective evidence that the Company will not be able to collect all the due amounts depending on product categories and the payment mechanism prevailing in the industry.

#### Income recognition on financial assets

Interest income from financial assets is recognised in profit or loss using effective interest rate method, where applicable. Dividend income is recognised in profit or loss only when the Company's right to receive payments is established and the amount of dividend can be measured reliably.

**(ii) Financial Liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Financial liabilities are classified, at initial recognition, as subsequently measured at amortised cost unless they fulfill the requirement of measurement at fair value through profit or loss. Where the financial liability has been measured at amortised cost, the difference between the initial carrying amount of the financial liabilities and their redemption value is recognised in the Statement of Profit and Loss over the contractual terms using the effective interest rate method. Financial liabilities at fair value through profit or loss are carried at fair value with changes in fair value recognised in the finance income or finance cost in the Statement of Profit and Loss.

**(iii) Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**(iv) Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**K. Revenue from sale of products**

Revenue is measured at the fair value of the consideration received or receivable and is net off returns and discounts.

Revenue from the sale of goods includes excise and other duties which the Company pays as principal but excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue from the sale of goods is recognised in the income statement when the goods are delivered to customers for domestic sales or when delivered to a carrier for export sales, which is when title and risks and rewards of ownership pass to the customer.

**L. Government Grant**

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

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to the profit or loss on a systematic and rational basis over the useful lives of the related assets.

**M. Employee Benefits**

The Company operates defined contribution schemes like Provident Fund and defined Contribution Pension Schemes. The Company makes regular contribution to provident funds which are fully funded and administered by Government and are independent of Company's finance. Contributions are recognised in Statement of Profit and Loss on an accrual basis. The Company operates a non-contributory defined contribution pension scheme for certain employees. The Company contributes 15% of the employees' current salary to the above contribution fund which is recognised in the Statement of Profit and Loss.

The Company also operates defined benefit Provident Fund Schemes for certain employees which are fully funded and administered by trustees and are independent of the Company's finance. The Company makes regular contributions to the fund and shortfall if any, determined by annual actuarial valuation, is recognised in the Statement of Profit and Loss.

Defined Benefit Gratuity Plan is maintained by the company for all its eligible employees. The Company also operates a Non Contributory Defined Benefit Pension Scheme for certain employees. The Company contributes to such funds on the basis of actuarial valuation at the end of each year after setting off any net asset in respect of either fund. Both



the Pension Fund and gratuity fund are administered by the Trustees and is independent of the Company's finance.

For Schemes where recognised funds have been set up annual contributions determined as payable in the actuarial valuation report are contributed. Gain or Loss on account of remeasurements are recognised immediately through Other Comprehensive Income in the period in which they occur.

Post-retirement medical benefits are provided by the Company for certain category of employees. Liability is determined through independent year end actuarial valuation and recognised in the Statement of Profit and Loss. Provision is made for leave encashment benefit payable to employees on the basis of independent actuarial valuation, at the end of each year and charge is recognised in the Statement of Profit and Loss.

#### **N. Leases**

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### **O. Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

#### **P. Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation.

#### **Q. Operating Segments**

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

#### **4. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future and other key sources of estimating uncertainty as at the balance sheet date that may have a significant risk of causing a material adjustment to the carrying amounts of assets

and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**A. Useful lives of property, plant and equipment**

The Company has adopted the useful lives as specified in Schedule II of the Companies Act, 2013 for Property, Plant and Equipment other than for bearer plants. For bearer plants, it has determined the useful life to be 46years. The Company reviews the estimated useful lives at the end of each reporting period. Such useful lives depend upon various factors such as usage, maintenance practices etc. and can involve estimation uncertainty. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Company's Property, Plant and Equipment at the balance sheet date is disclosed in Note 5A to the financial statements.

**B. Impairment of property, plant and equipment**

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The value in use calculation is based on a discounted cash flow model and requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

**C. Fair value measurements and valuation processes**

Some of the Company's assets are measured at fair value for financial reporting purposes. Significant estimates are used in fair valuation of agricultural produce (harvested green leaves) and biological assets (unharvested green leaves).

For harvested or unharvested green leaves, since there is no active market, the fair value is arrived at based on the observable market prices of made tea adjusted for manufacturing costs and plucking costs, as applicable.

**D. Employee Defined Benefit Plans**

The determination of Company's liability towards defined benefit obligations to employees is made through independent actuarial valuation including determination of amounts to be recognised in the income statement and in the other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, promotion and other relevant factors such as supply and demand factors in the employment market. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.





## Notes to the Financial Statements

(Rs in Millions)

Particulars	Gross Block					Depreciation and Amortisation					Net Book Value				
	As at 1st April, 2016	Additions	Disposals and adjustments	As at 31st March, 2017	Additions	Disposals and adjustments	Upto 1st April, 2016	For the period upto 31st March, 2017	On Disposal and adjustments	Upto 31st March, 2017	For the year upto 31st March, 2018	On Disposal and adjustments	Upto 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018
<b>5A. Property, plant and equipment</b>															
Land	0.37	—	—	0.37	—	—	—	—	—	—	—	—	—	0.37	0.37
Buildings	529.27	37.82	—	567.09	39.44	—	24.91	24.91	—	76.84	27.32	—	104.16	502.37	490.25
Plant and Equipment	485.58	35.50	—	521.08	75.77	4.62	41.00	41.00	—	113.32	43.12	0.68	155.76	436.47	407.76
Furniture and Fixtures	15.60	2.16	0.01	17.75	4.14	0.14	4.39	1.95	0.01	6.33	2.16	0.04	8.45	13.30	11.42
Vehicles	66.79	13.35	1.51	78.63	11.39	1.48	12.21	9.57	0.64	21.14	10.72	0.86	31.00	57.54	57.49
Office equipment	7.22	1.28	—	8.50	3.03	—	2.30	1.50	—	3.80	1.67	—	5.47	6.06	4.70
Bearer Plants	1,192.88	124.68	4.44	1,313.12	152.44	2.82	65.41	57.48	3.49	119.40	61.57	0.56	180.41	1,282.33	1,193.72
<b>Total</b>	<b>2,297.71</b>	<b>214.79</b>	<b>5.96</b>	<b>2,506.54</b>	<b>286.21</b>	<b>9.06</b>	<b>208.56</b>	<b>136.41</b>	<b>4.14</b>	<b>340.83</b>	<b>146.56</b>	<b>2.14</b>	<b>485.25</b>	<b>2,298.44</b>	<b>2,165.71</b>
<b>5B. Capital work-in-progress</b>															
<b>5C. Other Intangible Assets (acquired)</b>															
Computer Software	1.70	0.64	—	2.34	—	—	0.34	0.39	—	0.73	0.47	—	1.20	1.14	1.61
Brands / Trademarks	—	—	—	—	203.00	—	—	—	—	—	—	—	—	203.00	—
<b>Total</b>	<b>1.70</b>	<b>0.64</b>	<b>—</b>	<b>2.34</b>	<b>203.00</b>	<b>—</b>	<b>0.34</b>	<b>0.39</b>	<b>—</b>	<b>0.73</b>	<b>0.47</b>	<b>—</b>	<b>1.20</b>	<b>204.14</b>	<b>1.61</b>

### Notes:

1. The amount of expenditure recognised in the carrying amount in the course of construction is Rs. 39.44 millions (2017 - Rs. 37.82 millions).
2. Brands / Trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law.
3. The amortisation expense of other intangible assets have been included under 'Depreciation and amortization expense' in Statement of Profit and Loss.



**Notes to the Financial Statements**

**6. Biological Assets other than bearer plants**

	As at 31st March, 2018 (Rs. in millions)		As at 31st March, 2017 (Rs. in millions)	
	Current	Non-current	Current	Non-current
<b>As at Opening date</b>	<b>18.59</b>	<b>1.40</b>	22.52	2.27
Increase due to purchases / physical changes	<b>25.85</b>	—	18.59	—
Decreases due to harvest / physical changes	<b>(18.59)</b>	—	(22.52)	—
Decreases due to sales / write off	—	<b>(0.03)</b>	—	—
Net change in fair value less estimated costs to sell	—	<b>(0.53)</b>	—	(0.87)
<b>As at Closing date</b>	<b>25.85</b>	<b>0.84</b>	18.59	1.40

**7. Non-current investments**

	As at 31st March, 2018 (Rs. in millions)		As at 31st March, 2017 (Rs. in millions)	
	Quoted	Unquoted	Quoted	Unquoted
<b>INVESTMENT IN EQUITY INSTRUMENTS</b> (at fair value through profit or loss)				
ABC Tea Workers Welfare Services 20000 Equity Shares of Rs. 10 each, fully paid (Cost Rs 0.20 millions; PV Rs Nil)	—	—	—	—
Duncan Industries Limited 442 Equity Shares of Rs. 10 each, fully paid (Cost Rs 0.66 millions; PV Rs Nil)	—	—	—	—
<b>Aggregate amount of quoted and unquoted Investments</b>	—	—	—	—
<b>TOTAL</b>		—		—
Aggregate market value of quoted investments	—		—	

**8. Loans**

	As at 31st March, 2018 (Rs. in millions)		As at 31st March, 2017 (Rs. in millions)	
	Current	Non-current	Current	Non-current
<b>Other Loans</b>				
Loans to employees - Unsecured, considered good	<b>6.92</b>	<b>13.31</b>	3.96	18.37
<b>TOTAL</b>	<b>6.92</b>	<b>13.31</b>	3.96	18.37



## Notes to the Financial Statements

### 9. Other Financial assets

	As at 31st March, 2018 (Rs. in millions)		As at 31st March, 2017 (Rs. in millions)	
	Current	Non-current	Current	Non-current
(A) Margin Money deposits with more than 12 months maturity*	—	4.57	—	4.48
(B) Other Financial assets				
Deposits with NABARD	20.00	—	37.48	—
Other deposits	20.42	—	15.55	—
Interest accrued on Loans, Deposits etc.	7.48	—	6.70	—
Other Receivables#	131.51	—	26.78	—
<b>TOTAL</b>	<b>179.41</b>	<b>4.57</b>	<b>86.51</b>	<b>4.48</b>

\* Kept with banks for issuing bank guarantee

# Others comprise gratuity recoverable from fund and export benefits receivable.

### 10. Non-current Tax Assets (Net)

	As at 31st March, 2018 (Rs. in millions)	As at 31st March, 2017 (Rs. in millions)
Advance taxation (net of provisions Rs. 2050.66 Millions (2017- Rs. 1945.66 Millions))	28.94	38.29
<b>TOTAL</b>	<b>28.94</b>	<b>38.29</b>

### 11. Other Assets

	As at 31st March, 2018 (Rs. in millions)		As at 31st March, 2017 (Rs. in millions)	
	Current	Non-current	Current	Non-current
Capital Advances	—	9.24	—	24.19
Advances to suppliers other than capital advances	50.92	—	46.08	—
Security Deposits	—	35.16	—	27.73
Other Advances (including advances with statutory authorities, prepaid expenses, employee etc.)	63.58	4.41	54.94	—
<b>TOTAL</b>	<b>114.50</b>	<b>48.81</b>	<b>101.02</b>	<b>51.92</b>

## Notes to the Financial Statements

### 12. Inventories

(At lower of cost and net realisable value)

	<b>As at 31st March, 2018 (Rs. in millions)</b>	As at 31st March, 2017 (Rs. in millions)
Raw materials	<b>585.98</b>	497.90
Finished goods	<b>479.12</b>	540.13
Packing materials	<b>102.93</b>	81.97
Stores and Spares	<b>260.62</b>	196.27
<b>TOTAL</b>	<b>1,428.65</b>	1,316.27
<b>The above includes goods in transit as under:</b>		
Raw materials	<b>4.75</b>	1.65
<b>TOTAL</b>	<b>4.75</b>	1.65

The cost of inventories recognised as an expense is Rs. 6235.06 Millions (during 2016-17: Rs. 5806.56 Millions) and includes Rs. 13.69 Millions (during 2016-2017: Rs 13.33 Millions) in respect of write-downs of inventory to net realisable value.

### 13. Current investments (at fair value through profit or loss)

	<b>As at 31st March, 2018 (Rs. in millions)</b>	As at 31st March, 2017 (Rs. in millions)
	<b>Unquoted</b>	Unquoted
<b>INVESTMENT IN MUTUAL FUNDS</b>		
SBI Premier Liquid Fund - Direct Plan - Growth Nil Units (2017 - 55967) of Rs. 2552 each	—	142.85
<b>GRAND TOTAL</b>	—	142.85

### 14. Trade Receivables

	<b>As at 31st March, 2018 (Rs. in millions)</b>	As at 31st March, 2017 (Rs. in millions)
Unsecured, considered good	<b>737.53</b>	304.32
Doubtful	<b>12.96</b>	9.66
	<b>750.49</b>	313.98
Less: Allowance for doubtful receivables	<b>12.96</b>	9.66
<b>TOTAL</b>	<b>737.53</b>	304.32

### 15. Cash and cash equivalents

	<b>As at 31st March, 2018 (Rs. in millions)</b>	As at 31st March, 2017 (Rs. in millions)
Balances with Banks		
Current accounts	<b>79.56</b>	133.62
Margin Money deposits#	—	10.76
Cash on hand	<b>9.06</b>	23.24
<b>TOTAL</b>	<b>88.62</b>	167.62

Cash and cash equivalents include cash on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

# kept with bank for issuing bank guarantee.



## Notes to the Financial Statements

### 16. Other bank balances

	<b>As at 31st March, 2018 (Rs. in millions)</b>	As at 31st March, 2017 (Rs. in millions)
Earmarked balances		
Margin Money deposits*	38.83	15.56
For unpaid dividend	4.95	5.58
<b>TOTAL</b>	<b>43.78</b>	21.14

\* Represents deposits kept with bank for issuing bank guarantee with original maturity of more than 3 months having remaining maturity of less than 12 months from the balance sheet date.

### 17. Equity share capital

	As at 31st March, 2018 (No. of Shares)	As at 31st March, 2018 (Rs in Millions)	As at 31st March, 2017 (No. of Shares)	As at 31st March, 2017 (Rs in Millions)
<b>Authorised</b>				
Equity Shares of Rs. 10.00 each	22,000,000	220.00	22,000,000	220.00
<b>Issued and Subscribed</b>				
Equity Shares of Rs. 10.00 each, fully paid	21,600,000	216.00	21,600,000	216.00
<b>A) Reconciliation of number of 'Equity Shares outstanding'</b>				
As at beginning and at the end of the year	21,600,000	216.00	21,600,000	216.00

#### B) Shareholders holding more than 5% of the Equity Shares in the Company

	As at 31st March, 2018 (No. of Shares)	As at 31st March, 2018 %	As at 31st March, 2017 (No. of Shares)	As at 31st March, 2017 %
Assam Dooars Investment Limited*	10,389,600	48.10	10,389,600	48.10
Western Dooars Investment Limited*	5,594,400	25.90	5,594,400	25.90

\*Subsidiaries of Camellia Plc, the ultimate holding Company

#### C) Rights, preferences and restrictions attached to the Ordinary Shares

The Company has only one class of shares referred to as Equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. 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.

### 18. Non-current Borrowings

	<b>As at 31st March, 2018 (Rs. in millions)</b>	As at 31st March, 2017 (Rs. in millions)
<b>Unsecured - at amortised cost</b>		
Loans from related parties (refer note 32.4)	191.00	-
Less: Current maturities of long-term debt (Refer Note 23)	49.00	-
<b>TOTAL</b>	<b>142.00</b>	-

Represents term loans from Iebong Investments Private Limited (Fellow subsidiary company) at interest rate of 8% p.a-

- (a) Rs 171.00 Millions, repayable in 19 quarterly instalments of Rs. 0.90 millions from the Balance Sheet date
- (b) Rs 20.00 Millions, repayable in 20 quarterly instalments of Rs. 0.10 millions from the Balance Sheet date

**Notes to the Financial Statements**

**19. Provisions**

	As at 31st March, 2018 (Rs. in millions)		As at 31st March, 2017 (Rs. in millions)	
	Current	Non-current	Current	Non-current
Provision for employee benefits				
-Retirement Benefits				
Gratuity	71.55	—	93.56	—
Pension	52.57	—	—	—
Medical	5.98	113.73	5.29	92.85
Provident Fund	5.09	—	5.22	—
-Other benefits				
Leave encashment	0.83	30.04	5.48	25.08
<b>TOTAL</b>	<b>136.02</b>	<b>143.77</b>	109.55	117.93

**20. Deferred tax liabilities (Net)**

	As at 31st March, 2018 (Rs. in millions)	As at 31st March, 2017 (Rs. in millions)
Deferred tax liabilities	<b>606.33</b>	542.40
Deferred tax assets	<b>(103.59)</b>	(82.10)
Total	<b>502.74</b>	460.30

**Movement in deferred tax (liabilities) / assets balances**

(Rs in Millions)

2017-18	Opening Balance as on 1st April, 2017	Recognized in profit or loss	Recognized in OCI	Closing Balance as on 31st March, 2018
<b>Deferred Tax (liabilities)/assets in relation to:</b>				
On fiscal allowances on property, plant and equipment, etc.	(526.45)	(56.95)	—	(583.40)
On fair value movement of investments	(0.90)	0.90	—	—
On biological asset fair value	(6.37)	(2.17)	—	(8.54)
On Inventory fair value disallowance	(8.68)	(5.71)	—	(14.39)
<b>Total deferred tax liabilities</b>	<b>(542.40)</b>	<b>(63.93)</b>	—	<b>(606.33)</b>
On employee benefits etc	69.33	(3.21)	23.89	90.01
On provision for doubtful debts/advances	3.08	1.08	—	4.16
Other timing differences	9.69	(0.27)	—	9.42
<b>Total deferred tax assets</b>	<b>82.10</b>	<b>(2.40)</b>	<b>23.89</b>	<b>103.59</b>
<b>Deferred tax liabilities (Net)</b>	<b>(460.30)</b>	<b>(66.33)</b>	<b>23.89</b>	<b>(502.74)</b>
2016-17	Opening Balance as on 1st January, 2016	Recognized in profit or loss	Recognized in OCI	Closing Balance as on 31st March, 2017
Deferred Tax (liabilities)/assets in relation to:				
On fiscal allowances on property, plant and equipment, etc.	(460.69)	(65.76)	—	(526.45)
On fair value movement of investments	—	(0.90)	—	(0.90)
On biological asset fair value	(7.53)	1.16	—	(6.37)
On Inventory fair value disallowance	(37.58)	28.90	—	(8.68)
<b>Total deferred tax liabilities</b>	<b>(505.80)</b>	<b>(36.60)</b>	—	<b>(542.40)</b>
On employee benefits etc	28.76	19.97	20.60	69.33
On provision for doubtful debts/advances	3.57	(0.49)	—	3.08
Other timing differences	7.24	2.45	—	9.69
<b>Total deferred tax assets</b>	<b>39.57</b>	<b>21.93</b>	<b>20.60</b>	<b>82.10</b>
<b>Deferred tax liabilities (Net)</b>	<b>(466.23)</b>	<b>(14.67)</b>	<b>20.60</b>	<b>(460.30)</b>



## Notes to the Financial Statements

### 21. Other Liabilities

	As at 31st March, 2018 (Rs. in millions)	As at 31st March, 2017 (Rs. in millions)
<b>Non Current</b>		
Deferred income related to Government Grants	28.51	29.47
Deposits from Employees	4.76	4.46
<b>Total Non-Current liabilities</b>	<b>33.27</b>	33.93
<b>Current</b>		
Statutory tax liabilities	54.82	38.04
Advances received from customers	43.35	82.29
Deferred income related to Government Grants	0.96	0.97
Other payables	10.52	11.45
<b>Total Current liabilities</b>	<b>109.65</b>	132.75

### 22. Trade Payables

	As at 31st March, 2018 (Rs. in millions)	As at 31st March, 2017 (Rs. in millions)
Trade payable for goods and services*	1,413.80	971.74
<b>TOTAL</b>	<b>1,413.80</b>	971.74

\* Also refer Note 30.6

### 23. Other Financial liabilities

	As at 31st March, 2018 (Rs. in millions)	As at 31st March, 2017 (Rs. in millions)
<b>Current</b>		
Current maturities of long-term debt (Refer Note 18)	49.00	—
Interest accrued	3.06	—
Unpaid dividend	4.95	5.58
Deposits	5.84	6.04
Other Payables		
Payable towards purchase of property, plant and equipment	9.97	9.43
Others	—	48.62
<b>TOTAL</b>	<b>72.82</b>	69.67

**Notes to the Financial Statements**

**24. Revenue from operations**

	<b>As at 31st March, 2018 (Rs. in millions)</b>	As at 31st March, 2017 (Rs. in millions)
Sale of Products* (including excise duty and cess Rs. 3.09 millions; 2017 - Rs 16.54 millions)	<b>7,305.74</b>	6,803.69
<b>TOTAL</b>	<b>7,305.74</b>	6,803.69

\* Net of sales returns.

**25. Other income**

	<b>For the year ended 31st March, 2018 (Rs in Millions)</b>	For the year ended 31st March, 2017 (Rs in Millions)
Interest income on Financial Assets at Amortised Cost	<b>4.28</b>	4.41
Government Grants#	<b>166.43</b>	108.27
Other non-operating income	<b>36.97</b>	33.97
Other gains and losses*	<b>2.93</b>	(2.24)
<b>TOTAL</b>	<b>210.61</b>	144.41

#Government Grants represents grants received on account of subsidy from tea board and other export incentive schemes.

<b>*Other gains and losses</b>		
Net Foreign Exchange Gains / (Loss)	<b>3.06</b>	(3.46)
Net Gain / (Loss) on disposal of investments carried at fair value through profit or loss	<b>2.36</b>	0.16
Net Gain / (Loss) arising on financial assets mandatorily measured at FVTPL	<b>—</b>	2.84
Net Gain / (Loss) arising on financial assets designated at FVTPL	<b>—</b>	(0.02)
Net Gain / (Loss) on disposal of property, plant and equipment	<b>(1.96)</b>	(0.89)
Changes in fair value of biological assets - non-current	<b>(0.53)</b>	(0.87)
<b>TOTAL</b>	<b>2.93</b>	(2.24)

**26. Employee benefits expense**

	<b>For the year ended 31st March, 2018 (Rs in Millions)</b>	For the year ended 31st March, 2017 (Rs in Millions)
Salaries and wages	<b>1,882.94</b>	1,680.66
Contribution to Provident and other funds	<b>270.15</b>	244.34
Workmen and Staff welfare expenses	<b>217.69</b>	211.33
<b>TOTAL</b>	<b>2,370.78</b>	2,136.33



## Notes to the Financial Statements

### 27. Finance costs

	For the year ended 31st March, 2018 (Rs in Millions)	For the year ended 31st March, 2017 (Rs in Millions)
Interest costs		
- Interest on bank loans	13.79	10.54
- Interest on loans from related parties (refer note 32.4)	6.61	2.48
Interest expense for financial liabilities not classified as FVTPL	20.40	13.02
Interest on Income Tax, etc	0.84	0.36
<b>TOTAL</b>	<b>21.24</b>	13.38

### 28. Others Expenses

	For the year ended 31st March, 2017 (Rs in Millions)	For the year ended 31st March, 2017 (Rs in Millions)
Consumption of Stores and Spare Parts	359.44	330.37
Power and Fuel	549.79	500.65
Excise Duty and Cess	3.09	16.54
Insurance	13.48	14.59
Rent	35.47	28.11
Rates and Taxes	13.24	22.89
Repairs to Buildings	30.80	30.70
Repairs to Machinery	51.88	49.73
Advertisement	43.10	25.70
Sales Promotion	98.01	94.62
Brokerage and Commission	67.41	89.81
Warehousing and Packing Charges	122.70	96.87
Freight and Shipping Charges	173.84	176.35
Other Selling Expenses	9.97	22.47
Directors Fees	0.48	0.46
Contributions towards Corporate Social Responsibility (See Note 30.4)	5.44	5.50
Allowance for Doubtful Receivables and Advances	4.30	0.70
Miscellaneous Expenses	303.07	243.51
<b>TOTAL</b>	<b>1,885.51</b>	1,749.57
<b>Miscellaneous expenses include :</b>		
Auditor's remuneration and expenses *		
For audit	1.88	1.65
For Tax audit	0.50	0.50
For other services (including for limited reviews)	2.35	2.35
For reimbursement of expenses	0.09	0.11

\* Excluding taxes.



**Notes to the Financial Statements**

**29. Income Tax Expenses**

	<b>For the year ended 31st March, 2018 (Rs in Millions)</b>	For the year ended 31st March, 2017 (Rs in Millions)
<b>A. Amount recognized in profit and loss</b>		
<b>Current tax</b>		
Income tax for the year		
Current tax	<b>105.00</b>	143.00
<b>Total Current Tax</b>	<b>105.00</b>	143.00
<b>Deferred tax</b>		
Deferred tax for the year	<b>66.33</b>	14.67
<b>Total Deferred Tax</b>	<b>66.33</b>	14.67

**B. Amount recognised in other comprehensive income**

The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:

	<b>For the year ended 31st March, 2018 (Rs in Millions)</b>	For the year ended 31st March, 2017 (Rs in Millions)
<b>Deferred tax</b>		
On items that will not be reclassified to profit or loss		
Remeasurements losses on defined benefit plans	<b>23.89</b>	20.60
<b>TOTAL</b>	<b>23.89</b>	20.60

**C. Reconciliation of effective tax rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

	<b>For the year ended 31st March, 2018 (Rs in Millions)</b>	For the year ended 31st March, 2017 (Rs in Millions)
<b>Profit before tax</b>	<b>488.55</b>	488.99
Income Tax expense calculated at 34.608% (2017- 34.608%)	<b>169.08</b>	169.23
Effects of:		
– Expenses that are not deductible in determining taxable profit	<b>4.29</b>	3.51
– Additional deduction under Income-tax Act, 1961	<b>(15.36)</b>	(22.03)
– Income that is exempt from taxation	<b>(1.02)</b>	(1.21)
– Adjustment in respect of tax rates*	<b>0.52</b>	(6.14)
– Minimum Alternate Taxes in relation to Assam Agricultural tax (No credit taken)	<b>5.63</b>	-
Others	<b>8.19</b>	14.31
<b>Income Tax recognised in profit or loss</b>	<b>171.33</b>	157.67

The tax rate used above for the year 2016-17 and 2017-18 is the corporate tax rate payable on taxable profits under the Income Tax Act, 1961.

\*The Company's agricultural income is subject to lower tax rates @ 30% under the respective state tax laws.



### 30. Additional Notes to the Financial Statements

#### 30.1 Contingent liabilities and commitments :

##### (a) Contingent liabilities

##### i) Claims against the Company not acknowledged as debts:

(Rs. in Millions)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Income Tax Matters (without considering concomitant liability in respect of Agricultural Income Tax)	77.42	77.42
Central Excise Matters	361.29	325.32
Sales Tax / Entry Tax Matters	23.41	1.50
Disputed Claims	2.52	2.52

Income-tax matters relates to amounts disputed by the Company in relation to issues of disallowances/additions in computing total income under Income-tax Act, 1961.

Central Excise, Sales Tax and Entry Tax matters relates to amounts disputed by the Company in relation to issues of applicability, classification and determination, as applicable.

Disputed Claims relates to third party claims arising from disputes relating to contracts.

Future cash flows if any, in respect of above cannot be determined at this stage

- (ii) Consequent upon the vesting of the Indian undertakings on 1st January 1978 of the eight Sterling Company's under the scheme of amalgamation, the title in respect of certain tea estates acquired under such scheme, are to be transferred in the name of the Company. The Company has been legally advised that the notification issued by the Government of West Bengal in 1994 for payment of salami for such transfer does not apply to the Company. The matter is subjudice at present. Pending resolution of the same and on the basis of the intimation received from Government of West Bengal, Land & Land Reforms and R.R. & R Department, during the year, the Company has agreed to deposit the salami amount in an agreed manner in order to allow the normal functioning of the estates without prejudice to the Company's stand on applicability of such salami. The sum in dispute stands at Rs. 121.21 Millions (2017 - Rs. Nil) as on date. In the event Company's position on Salami is upheld by the court, the sums agreed to be paid by way of deposit will be refunded to the company.

##### (b) Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for Rs.16.71Millions (2017 - Rs.16.18 Millions).

#### 30.2 Earnings per share

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Earnings per share has been computed as under:		
(a) Profit/(Loss) for the year/period (Rs in Millions)	<b>317.22</b>	331.32
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic/diluted earnings per share (Nos)	<b>21,600,000</b>	21,600,000
(c) Earnings per share on profit for the year/period (Face Value Rs 10.00 per share)		
- Basic and Diluted [(a)/(b)] (Rs.)	<b>14.69</b>	15.34

30.3 Research and Development expenses for the year charged to revenue amounts to Rs.15.24 Millions (2017 - Rs. 13.50 Millions).

30.4 Corporate Social Responsibility (CSR) - As per Section 135 of the Companies Act, 2013, the Company needs to spend at least 2% of the average net profit earned during the immediately preceding 3 years on CSR activities. The areas for CSR activities identified by the Company are special education for differently abled children, solar project, vocational training for livelihood and environment sustainability.

(a) Gross amount required to be spent by the Company during the year is Rs. 5.39 Millions (2017 Rs.5.43 Millions)

(b) Amount spent during the year is Rs. 5.44 Millions (2017 Rs.5.50 Millions)

### **30.5 Employee Benefit Plans:**

#### **Defined Contribution Plans**

The Company operates defined contribution schemes like provident fund and pension schemes for all qualifying employees. For these schemes, contributions are made by the Company, based on current salaries, to recognised funds maintained by the Company and for certain employees' contributions are made to State Plans.

An amount of Rs. 155.69 Millions (2017 - Rs. 157.54 Millions) has been charged to the Statement of Profit and Loss on account of defined contribution schemes.

#### **Defined Benefit Plans**

The Company also operates defined benefit schemes in respect of gratuity, pension, provident fund and post-retirement medical benefit towards its employees. These schemes offer specified benefits to the employees on retirement. The pension benefits and medical benefits are restricted to certain categories of employees. The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method as at year end. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required based on actuarial valuation.

Provident Fund, Pension and Gratuity Benefits are funded and Post-Retirement Medical Benefits are unfunded in nature. The funds are administered through approved Trusts, which operate in accordance with the Trust Deeds, Rules and applicable Statutes. The concerned Trusts are managed by Trustees who provide strategic guidance with regard to the management of their investments and liabilities and also periodically review their performance.

#### **Risk Management**

The above benefit plans expose the company to actuarial risks such as follows-

- (a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- (b) Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation
- (c) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

These Plans have a relatively balanced mix of investments in order to manage the above risks. The investment strategy is designed based on the interest rate scenario, liquidity needs of the Plans and pattern of investment as prescribed under various statutes. The Trustees regularly monitor the funding and investments of these Plans. Robust risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and investments do not pose any significant risk of impairment. Pension obligation of the employees is secured by purchasing annuities thereby de-risking the Plans from future payment obligation.



	For the year ended 31st March, 2018 (Rs in Millions)				For the fifteen months period ended 31st March, 2017 (Rs in Millions)			
	Gratuity	Pension	Provident Fund	Medical	Gratuity	Pension	Provident Fund	Medical
	Funded			Unfunded	Funded			Unfunded
<b>I Components of Employer Expense - Recognised in Profit or Loss</b>								
1 Current Service Cost	56.04	8.29	29.39	3.27	49.04	9.04	25.67	2.65
2 Past Service Cost	17.68	-	-	-	-	-	-	-
3 Net Interest Expense	3.39	(0.68)	0.35	6.92	1.92	0.80	0.33	6.90
<b>4 Total expense recognised in the Statement of Profit and Loss</b>	<b>77.11</b>	<b>7.61</b>	<b>29.74</b>	<b>10.19</b>	<b>50.96</b>	<b>9.84</b>	<b>26.00</b>	<b>9.55</b>
<b>- Re-measurements recognised in Other Comprehensive Income</b>								
5 (Return) on plan assets (excluding amounts included in Net interest cost)	(10.64)	(5.38)	-	-	(0.63)	0.92	-	-
6 Effect of changes in demographic assumptions	-	-	-	-	-	-	-	-
7 Effect of changes in financial assumptions	(49.71)	(10.05)	(0.18)	(7.58)	44.24	8.27	(0.13)	5.36
8 Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-	-
9 Effect of experience adjustments	54.85	78.82	0.11	24.46	22.00	(12.44)	0.79	(3.69)
<b>10 Total re-measurements included in OCI</b>	<b>(5.50)</b>	<b>63.39</b>	<b>(0.07)</b>	<b>16.88</b>	<b>65.61</b>	<b>(3.25)</b>	<b>0.66</b>	<b>1.67</b>
<b>11 Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)</b>	<b>71.61</b>	<b>71.00</b>	<b>29.67</b>	<b>27.07</b>	<b>116.57</b>	<b>6.59</b>	<b>26.66</b>	<b>11.22</b>

The current service cost and net interest expense for the year pertaining to Gratuity, Pension and Provident Fund have been recognised in "Contribution to Provident and other funds" and Medical in "Workmen & Staff welfare expenses" under Note 26. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income in Statement of Profit and Loss.

	For the year ended 31st March, 2018 (Rs in Millions)				For the year ended 31st March, 2017 (Rs in Millions)			
	Gratuity	Pension	Provident Fund	Medical	Gratuity	Pension	Provident Fund	Medical
	Funded			Unfunded	Funded			Unfunded
<b>II Actual Returns</b>	73.73	30.75	31.22	-	61.48	23.30	28.34	-
<b>III Net Asset/(Liability) recognised in Balance Sheet</b>								
1 Present Value of Defined Benefit Obligation	(1029.47)	(432.53)	(402.27)	(119.71)	(949.56)	(350.29)	(372.49)	(98.14)
2 Fair Value of Plan Assets	957.92	379.96	397.18	-	856.00	350.83	367.27	-
3 Status [Surplus/(Deficit)]	(71.55)	(52.57)	(5.09)	(119.71)	(93.56)	0.54	(5.22)	(98.14)
4 Restrictions on Asset Recognised	-	-	-	-	-	-	-	-

5. Net Asset/(Liability) recognised in Balance Sheet	For the year ended 31st March, 2018 (Rs.in Millions)		For the year ended 31st March, 2017 (Rs. in Millions)	
	Current	Non-current	Current	Non-current
- Pension	(52.57)	—	0.54	—
- Gratuity	(71.55)	—	(93.56)	—
- Provident fund	(5.09)	—	(5.22)	—
- Medical	(5.98)	(113.73)	(5.29)	(92.85)

	For the year ended 31st March, 2018 (Rs in Millions)				For the year ended 31st March, 2017 (Rs in Millions)			
	Gratuity	Pension	Provident Fund	Medical	Gratuity	Pension	Provident Fund	Medical
<b>IV Change in Defined Benefit Obligation (DBO)</b>								
1 Present Value of DBO at the beginning of the year	949.56	350.29	372.49	98.14	848.56	325.42	329.03	91.32
2 Current Service Cost	56.04	8.29	29.39	3.27	49.04	9.04	25.67	2.65
3 Interest Cost	66.47	24.70	31.57	6.92	62.77	25.02	28.67	6.90
4 Past service cost - plan amendments	17.68	—	—	—	—	—	—	—
5 Acquisitions (credit)/cost	—	—	(3.98)	—	—	—	2.32	—
6 Remeasurement gains / (losses):								
Effect of changes in demographic assumptions	—	—	—	—	—	—	—	—
Effect of changes in financial assumptions	(49.71)	(10.05)	(0.18)	(7.58)	44.24	8.27	(0.13)	5.36
Changes in asset ceiling (excluding interest income)	—	—	—	—	—	—	—	—
Effect of experience adjustments	54.85	78.82	0.11	24.46	22.00	(12.44)	0.79	(3.69)
7 Curtailment Cost / (Credit)	—	—	—	—	—	—	—	—
8 Settlement Cost / (Credits)	—	—	—	—	—	—	—	—
9 Liabilities assumed in business combination	—	—	—	—	—	—	—	—
10 Exchange difference on foreign plans	—	—	—	—	—	—	—	—
11 Benefits Paid	(65.42)	(19.53)	(27.13)	(5.50)	(77.05)	(5.02)	(13.86)	(4.40)
12 Present Value of DBO at the end of the year	1029.47	432.52	402.27	119.71	949.56	350.29	372.49	98.14

(Rs. in Million)

V. Expected Contribution to the Plan for the next year	As at 31st March, 2018	As at 31st March, 2017
- Gratuity	71.55	93.56
- Pension	52.57	7.87
- Provident Fund	5.09	5.22



	For the year ended 31st March, 2018 (Rs in Millions)				For the year ended 31st March, 2017 (Rs in Millions)			
	Gratuity	Pension	Provident Fund	Medical	Gratuity	Pension	Provident Fund	Medical
<b>VI Change in Fair Value of Plan Assets</b>								
1 Plan Assets at the beginning of the year	856.00	350.83	367.27	—	775.87	297.30	323.98	—
2 Acquisition Adjustment	—	—	(3.98)	—	—	—	2.32	—
3 Interest Income on Plan Assets	63.08	25.38	31.22	—	60.85	24.22	28.34	—
4 Actual Company Contributions	93.62	17.89	29.80	—	95.70	35.25	26.49	—
5 Return on Plan Assets Greater/(lesser) than discount rate	10.64	5.38	—	—	0.63	(0.92)	—	—
6 Benefits Paid	(65.42)	(19.53)	(27.13)	—	(77.05)	(5.02)	(13.86)	—
7 <b>Plan Assets at the end of the year</b>	<b>957.92</b>	<b>379.95</b>	<b>397.18</b>	<b>—</b>	<b>856.00</b>	<b>350.83</b>	<b>367.27</b>	<b>—</b>

VII Actuarial Assumptions	As at 31st March, 2018		As at 31st March, 2017	
	Discount Rate (%)	Salary Escalation Rate (%)	Discount Rate (%)	Salary Escalation Rate (%)
1 Gratuity	7.75%	3.00% to 7.00%	7.25%	3.00% to 7.00%
2 Pension	7.75%	6.00%	7.25%	6.00%
3 Provident fund	7.75%	—	7.25%	—
4 Medical	7.75%	6.00%	7.25%	6.00%

The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

VIII Major Categories of Fair Value of Plan Assets	As at 31st March, 2018			As at 31st March, 2017		
	Gratuity	Pension	Provident fund	Gratuity	Pension	Provident fund
1 Government of Indian Securities (Central and State)	94.00%	80.74%	94.09%	91.15%	89.38%	92.40%
2 Mutual Funds	4.17%	3.04%	2.16%	4.18%	3.35%	1.69%
3 Property	—	—	—	—	0.02%	—
4 Others	1.83%	16.22%	3.75%	4.67%	7.25%	5.91%

The fair value of the above equity instruments are determined based on quoted market prices in active markets.

### IX. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Rs. In Millions)

	DBO as at 31st March, 2018 Increase/(Decrease)				DBO as at 31st March, 2017 Increase/(Decrease)			
	Gratuity	Pension	Provident Fund	Medical	Gratuity	Pension	Provident Fund	Medical
1 Discount Rate + 100 basis points	<b>(88.36)</b>	<b>(18.78)</b>	<b>(0.34)</b>	<b>(13.84)</b>	(85.05)	(16.16)	(0.31)	(10.24)
2 Discount Rate - 100 basis points	<b>103.64</b>	<b>20.58</b>	<b>0.38</b>	<b>16.04</b>	100.33	17.77	0.36	12.42
3 Salary Increase Rate + 1%	<b>102.65</b>	<b>20.11</b>	—	<b>1.91</b>	98.26	17.82	—	1.16
4 Salary Increase Rate - 1%	<b>(89.24)</b>	<b>(18.66)</b>	—	<b>(1.10)</b>	(85.02)	(16.49)	—	(1.06)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

### X. Maturity profile of the defined benefit obligation

	As at 31st March, 2018 (Rs in Millions)			As at 31st March, 2017 (Rs in Millions)		
	Gratuity	Pension	Medical	Gratuity	Pension	Medical
Within 1 year	<b>75.89</b>	<b>113.73</b>	<b>6.20</b>	70.14	23.03	5.48
1-2 Year	<b>69.88</b>	<b>16.84</b>	<b>6.57</b>	64.67	111.33	5.79
2-3 Year	<b>81.98</b>	<b>65.34</b>	<b>7.16</b>	64.01	10.86	6.07
3-4 Year	<b>83.07</b>	<b>22.32</b>	<b>7.55</b>	76.83	54.03	6.67
4-5 Year	<b>85.57</b>	<b>22.15</b>	<b>8.06</b>	74.10	18.36	6.83
5-10 Years	<b>533.66</b>	<b>295.07</b>	<b>45.59</b>	453.48	180.69	40.08

#### 30.6 Micro, Small and Medium scale business entities:

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding during the year and also as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

30.7 The Company's significant leasing arrangements are in respect of operating leases for premises and tea estates. These leasing arrangements are not non-cancellable range between 11 months and 30 years generally, or longer, and are usually renewable by statute or mutual consent on mutually agreeable terms as applicable. The aggregate lease rentals payable are charged as 'Rent' under Note 28.



### 31. Segment Information

31.1 The Company has identified one operating segment viz, "Tea" which is consistent with the internal reporting provided to the chief executive officer, who is the chief operating decision maker.

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

### 31.3 Geographical Information

(Rs in millions)

	<b>For the year ended 31st March, 2018</b>	For the year ended 31st March, 2017
1. Revenue from external customers		
- India	5,764.50	5,074.79
- Outside India	1541.24	1,728.90
<b>Total</b>	<b>7305.74</b>	<b>6,803.69</b>
	<b>As at 31st March, 2018</b>	As at 31st March, 2017
2. Non-Current Assets*		
- India	2979.19	2,629.57
- Outside India	—	—
<b>Total</b>	<b>2979.19</b>	<b>2629.57</b>

\* excludes financial assets, deferred tax assets, post-employment benefit assets.

31.4 The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

### 32. Related Party Disclosures

#### 1. Parent information

Western Dooars Investment Limited and Assam Dooars Investment Limited together hold 74% of the Equity Share Capital of the Company. Camellia Plc is the ultimate holding company.

#### 2 Key Managerial Personnel (KMP):

Arun Narain Singh - Managing Director and CEO (ceased w.e.f. 01.04.2018)

Atul Asthana\* - Wholetime Director and COO w.e.f. 01.06.17

Arjun Sengupta- Wholetime Director and CFO (Wholetime Director w.e.f. 01.09.17)

Subrata Banerjee- Company Secretary

\*Managing Director & CEO w.e.f. 01.04.2018



**3 Other related parties with whom transactions have taken place during the year/period:**

**a) Fellow Subsidiary Companies:**

Stewart Holl (India) Limited  
Angoorie India Limited  
Koomber Properties & Leasing Company Private Limited  
Goodricke Technical & Management Services Limited  
Borbam Investments Limited  
Koomber Tea Company Private Limited  
Lebong Investments Private Limited  
Elgin Investments & Trading Company Limited

**b) Post employment benefit plan:**

Goodricke Group Limited Gratuity Fund  
Goodricke Group Limited Executive Staff Pension Fund  
Goodricke Group Limited Executive Staff Provident Fund  
Goodricke Group Limited Employees Provident Fund



### 32. Related Party Disclosures (Contd.)

#### 4. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS AT 31ST MARCH, 2018

##### A. RELATED PARTY TRANSACTIONS SUMMARY

(Rs. in Millions)

	Parent		Fellow subsidiaries		Key Management Personnel		Total	
	For the year ended 31st March 2018	For the year ended 31st March 2017	For the year ended 31st March 2018	For the year ended 31st March 2017	For the year ended 31st March 2018	For the year ended 31st March 2017	For the year ended 31st March 2018	For the year ended 31st March 2017
<b>1 Sale of Goods</b>	-	-	<b>1.56</b>	<b>0.87</b>	-	-	<b>1.56</b>	<b>0.87</b>
Amgoorie India Limited	-	-	1.48	0.79	-	-	1.48	0.79
Koomber Tea Company Private Limited	-	-	0.08	0.08	-	-	0.08	0.08
<b>2 Purchase of Goods/ Services</b>	-	-	<b>824.35</b>	<b>871.54</b>	-	-	<b>838.50</b>	<b>871.54</b>
Amgoorie India Limited	-	-	325.75	394.73	-	-	337.73	394.73
Stewart Holl (India) Limited	-	-	392.08	393.51	-	-	391.14	393.51
Koomber Tea Company Private Limited	-	-	97.88	76.37	-	-	100.99	76.37
Goodricke Technical & Management Services Limited	-	-	8.64	6.93	-	-	8.64	6.93
<b>3 Sale of Property, Plant and Equipments</b>	-	-	<b>3.94</b>	<b>0.01</b>	-	-	<b>3.94</b>	<b>0.01</b>
Koomber Tea Company Private Limited	-	-	3.94	0.01	-	-	3.94	0.01
<b>4 Remuneration to Key Management Personnel</b>	-	-	-	-	<b>58.07</b>	<b>24.79</b>	<b>58.07</b>	<b>24.79</b>
Arun Narain Singh	-	-	-	-	38.99	18.49	38.99	18.49
Atul Asthana	-	-	-	-	7.41	-	7.41	-
Arjun Sengupta	-	-	-	-	7.89	3.71	7.89	3.71
Subrata Banerjee	-	-	-	-	3.78	2.59	3.78	2.59
<b>5 Rent Paid</b>	-	-	<b>5.64</b>	<b>5.64</b>	-	-	<b>5.64</b>	<b>5.64</b>
Koomber Properties & Leasing Company Private Limited	-	-	5.64	5.64	-	-	5.64	5.64
<b>6 Dividend Payments</b>	<b>71.92</b>	<b>63.92</b>	-	<b>0.27</b>	-	-	<b>71.92</b>	<b>64.19</b>
Western Dooars Investment Limited	25.17	22.37	-	-	-	-	25.17	22.37
Assam Dooars Investment Limited	46.75	41.55	-	-	-	-	46.75	41.55
Borbam Investments Limited	-	-	-	0.27	-	-	-	0.27
<b>7 Interest Paid</b>	-	-	<b>6.61</b>	<b>2.48</b>	-	-	<b>6.61</b>	<b>2.48</b>
Lebong Investments Private Limited	-	-	6.61	2.48	-	-	6.61	2.48
<b>8 Expenses Reimbursed / (Recovered) (Net)</b>	-	-	<b>0.62</b>	<b>4.13</b>	-	-	<b>0.62</b>	<b>4.13</b>
Amgoorie India Limited	-	-	(11.54)	(7.32)	-	-	(11.54)	(7.32)
Stewart Holl India Limited	-	-	9.59	8.39	-	-	9.59	8.39
Koomber Tea Company Private Limited	-	-	2.57	3.06	-	-	2.57	3.06
<b>9 Loans Taken</b>	-	-	<b>260.00</b>	<b>95.00</b>	-	-	<b>260.00</b>	<b>95.00</b>
Lebong Investments Private Limited	-	-	260.00	95.00	-	-	260.00	95.00
<b>10 Payment towards Loan Repayment</b>	-	-	<b>69.00</b>	<b>95.00</b>	-	-	<b>69.00</b>	<b>95.00</b>
Lebong Investments Private Limited	-	-	69.00	95.00	-	-	69.00	95.00
<b>Compensation of key management personnel*</b>	For the year ended 31st March, 2018		For the year ended 31st March, 2017					
Short term employee benefits	48.38		22.36					
Post employee benefits	6.02		2.36					
Other-long term benefits	3.67		0.07					
	<u>58.07</u>		<u>24.79</u>					

\*Remuneration includes salary, performance bonus, allowances & other benefits/ applicable perquisites except contribution to the Gratuity Funds which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.

Refer Note 30.5 for transactions with post employment benefit plans.

**4. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS AT 31st March, 2018 (Contd..)** (Rs. in Millions)

	Fellow subsidiaries		Key Management Personnel		Total	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
	<b>Balances (unsecured)</b>					
Payables	<b>168.87</b>	<b>84.26</b>	<b>24.55</b>	<b>5.50</b>	<b>193.42</b>	<b>89.76</b>
Amgoorie India Limited	13.70	3.79	-	-	13.70	3.79
Stewart Holl India Limited	141.34	71.85	-	-	141.34	71.85
Koomber Tea Company Private Limited	10.77	8.62	-	-	10.77	8.62
Lebong Investments Private Limited	3.06	-	-	-	3.06	-
Arun Narain Singh	-	-	22.95	5.50	22.95	5.50
Atul Asthana	-	-	1.00	-	1.00	-
Arjun Sengupta	-	-	0.60	-	0.60	-
<b>Receivables</b>	<b>6.36</b>	<b>0.08</b>	-	-	<b>6.36</b>	<b>0.08</b>
Amgoorie India Limited	1.81	0.08	-	-	1.81	0.08
Koomber Tea Company Private Limited	4.55	-	-	-	4.55	-
<b>Loan taken</b>	<b>191.00</b>	-	-	-	<b>191.00</b>	-
Lebong Investments Private Limited	191.00	-	-	-	191.00	-

Refer Note 30.5 for balances with post employment benefit plans

**33. Financial Instruments and Related Disclosures**

**1. Capital Management**

The Company aims at maintaining a strong capital base, maximising shareholders' wealth, safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

**2. Categories of Financial Instruments**

(Rs. in Millions)

Particulars	Note	As at 31st March, 2018		As at 31st March, 2017	
		Carrying Value	Fair Value	Carrying Value	Fair Value
<b>A. Financial assets</b>					
<b>a) Measured at amortised cost</b>					
i) Cash and Cash Equivalents	15	<b>88.62</b>	<b>88.62</b>	167.62	167.62
ii) Other Bank Balances	16	<b>43.78</b>	<b>43.78</b>	21.14	21.14
iii) Loans	8	<b>20.23</b>	<b>20.23</b>	22.33	22.33
iv) Trade Receivables	14	<b>737.53</b>	<b>737.53</b>	304.32	304.32
v) Other Financial assets	9	<b>183.98</b>	<b>183.98</b>	90.99	90.99
<b>Sub - total</b>		<b>1074.14</b>	<b>1074.14</b>	606.40	606.40
<b>b) Measured at Fair value through Profit or Loss</b>					
i) Equity shares	7	—	—	—	—
ii) Investment In Mutual Funds	13	—	—	142.85	142.85
<b>Sub - total</b>		—	—	142.85	142.85
<b>Total financial assets</b>		<b>1074.14</b>	<b>1074.14</b>	749.25	749.25
<b>B. Financial liabilities</b>					
<b>a) Measured at amortised cost</b>					
i) Borrowings	18	<b>191.00</b>	<b>191.00</b>	—	—
ii) Trade Payables	22	<b>1413.80</b>	<b>1413.80</b>	971.74	971.74
iii) Other financial liabilities	23	<b>23.82</b>	<b>23.82</b>	69.67	69.67
<b>Total financial liabilities</b>		<b>1628.62</b>	<b>1628.62</b>	1041.41	1041.41



### 3. Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

#### a) Market risk

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

#### i. Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, euro, etc.

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities, at the end of the reporting period are as follows:

(In Millions)

<b>As at 31st March, 2018</b>	<b>USD</b>	<b>EURO</b>	<b>GBP</b>
Financial Assets	0.90	0.24	0.02
Financial Liabilities	—	—	—
<b>As at 31st March, 2017</b>	<b>USD</b>	<b>EURO</b>	<b>GBP</b>
Financial Assets	0.50	0.04	0.10
Financial Liabilities	0.06	—	—

#### Foreign currency sensitivity

The impact of sensitivity analysis on account of outstanding foreign currency denominated assets and liabilities is insignificant.

#### ii. Interest rate risk

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

The Company is exposed to interest rate volatilities primarily with respect to its short terms borrowings from banks as well as financial institutions which are taken and squared off during the year. Such volatilities primarily arise due to changes in money supply within the economy and/or liquidity in banking system due to asset/liability mismatch, poor quality assets etc. of banks. The Company manages such risk by operating with banks having superior credit rating in the market as well as financial institutions.

**Interest rate sensitivity**

The table below shows the sensitivity of the Company's profitability related to change in rate of borrowings by 100 basis points on loans outstanding as at 31st March, 2018.

( Rs. in Millions)

	<b>March 31, 2018</b>	March 31, 2017
Increase / (Decrease) in 100 bps	<b>0.80</b>	—

The above impact is based on only on change in interest rate, keeping all other business factors constant

**iii. Price risk**

The Company invests its surplus funds primarily in debt mutual funds measured at fair value through profit or loss. Aggregate value of such investments as at 31st March, 2018 is Rs. Nil (2017 - Rs. 142.85 Millions).

Investments in the mutual fund schemes are measured at fair value. Accordingly, these do not pose any significant price risk.

**b) Liquidity risk**

Liquidity risk is the risk that the Company may encounter difficulty, including seasonality in meeting its obligations. The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

(Rs in millions)

<b>As at 31st March 2018</b>	<b>Carrying value</b>	<b>Less than 1 year</b>	<b>Beyond 1 year</b>	<b>Total</b>
Trade Payables	<b>1413.80</b>	<b>1413.80</b>	—	<b>1413.80</b>
Other Financial Liabilities	<b>23.82</b>	<b>23.82</b>	—	<b>23.82</b>
Borrowings	<b>191.00</b>	<b>49.00</b>	<b>142.00</b>	<b>191.00</b>
	<b>1628.62</b>	<b>1486.62</b>	<b>142.00</b>	<b>1628.62</b>
<b>As at 31st March 2017</b>	<b>Carrying value</b>	<b>Less than 1 year</b>	<b>Beyond 1 year</b>	<b>Total</b>
Trade Payables	971.74	971.74	—	971.74
Other Financial Liabilities	69.67	69.67	—	69.67
	1041.41	1041.41	—	1041.41

**c) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's basis which, the terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals. The credit risk of the Company is low as the Company largely sells its teas through the auction system which is on cash and carry basis and through exports which are mostly backed by letter or credit or on advance basis.



(Rs. in Millions)

Particulars	Expected Loss Provision	
	2018	2017
<b>Opening Balance</b>	<b>9.66</b>	11.77
Add: Provisions Made	4.30	0.70
Less: Utilisation for impairment / de-recognition	1.00	2.81
<b>Closing Balance</b>	<b>12.96</b>	9.66

#### 4. Fair value measurements

##### Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities

**Level 2:** Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognised in the financial statements approximate their fair value as on March 31, 2018 and March 31, 2017.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis

Particulars	Fair Value Hierarchy (Level)	Fair Value (Rs. in Millions)	
		As at 31st March, 2018	As at 31st March, 2017
<b>Financial assets</b>			
<b>Measured at Fair value through Profit or Loss</b>			
i) Investment In Mutual Funds	1	—	142.85

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

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

Biological Asset	Fair value as at (Rs. in Millions)		Fair value hierarchy	Valuation techniques and key inputs
	31st March, 2018	31st March, 2017		
Unharvested tea leaves	25.85	18.59	Level 2	Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various fields.
Livestock	0.84	1.40	Level 1	

35. The financial risk associated to agriculture would include climate change, price fluctuation, currency fluctuation and input cost increases. Being dependent on rainfall, any shortfall would directly impact the production. The sale of tea being largely through the auction system, any price fluctuation would impact profitability. Increased wages also has a direct impact on the cost of production because of labour intensive nature of the business operations.

Management is continuously monitoring all the above factors. Investment in irrigation, a planned replanting programme to ensure higher yields and improving efficiency of labour and modernisation are some of the measures taken by the management to mitigate the risks.

36. Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2018 on 28th March, 2018 notifying Ind AS 115, 'Revenue from Contracts with Customers' and amending Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'; Ind AS 12 'Income Taxes'. The same are applicable for financial statements pertaining to annual periods beginning on or after 1st April, 2018. The Company is in the process of assessing the detailed impact on the financial statements resulting from the implementation of these standards.

37. The financial statements were approved for issue by the Board of Directors on 24th May, 2018.

On behalf of the Board

**A. ASTHANA**

*Managing Director & Chief Executive Officer*

DIN: 00631932

**K. SINHA**

*Director*

DIN: 00123811

**A. SENGUPTA**

*Wholetime Director & Chief Financial Officer*

DIN: 00631842

**S. BANERJEE**

*Senior General Manager  
& Company Secretary*



## Financial, Production and Other Statistics

(Rs. in millions)

	2012	2013	2014	2016 (15 Months ended 31.03.2016)	2017	2018
Fixed Assets (at cost less depreciation)	959.33	992.95	1,022.72	2,415.97	2,537.96	2,900.59
Investments	0.02	0.02	0.02	0.02	142.85	-
Current Assets (Less current liabilities)	1,240.44	1,112.13	1,134.71	771.95	735.72	892.97
Non Current Assets (Less non current liabilities)	29.04	(9.79)	(16.70)	13.88	(37.40)	(222.57)
Deferred Tax Assets/ (Liabilities)	(2.39)	6.00	70.49	(466.23)	(460.30)	(502.74)
<b>TOTAL ASSETS EMPLOYED</b>	<b>2,226.44</b>	<b>2,101.31</b>	<b>2,211.24</b>	<b>2,735.59</b>	<b>2,918.83</b>	<b>3,068.25</b>
Equity shares	216.00	216.00	216.00	216.00	216.00	216.00
Reserves and Surplus	1,590.44	1,809.62	1,915.77	2,519.59	2,702.83	2,852.25
<b>SHAREHOLDERS' FUND (NET WORTH)</b>	<b>1,806.44</b>	<b>2,025.62</b>	<b>2,131.77</b>	<b>2,735.59</b>	<b>2,918.83</b>	<b>3,068.25</b>
Secured and Unsecured loans	420.00	75.69	79.46	-	-	191.00
<b>TOTAL FUNDS</b>	<b>2,226.44</b>	<b>2,101.31</b>	<b>2,211.23</b>	<b>2,735.59</b>	<b>2,918.83</b>	<b>3,259.25</b>
Sales	5,383.81	5,783.11	6,001.63	7,332.42	6,803.69	7,305.74
Profit before tax	274.44	486.18	290.39	28.45	488.99	488.55
Provision for tax	74.40	152.61	68.00	149.85	157.67	171.33
Profit/ (Loss) after tax	199.99	333.57	222.39	(121.40)	331.32	317.22
Total comprehensive Income				(126.03)	287.23	266.41
Earning per share (Rs.)	9.26	15.44	10.31	(5.62)	15.34	14.69
Net worth per Equity Share (Rs.)	83.63	93.78	98.69	126.64	135.13	142.05
<b>DIVIDEND</b>						
Percentage	40.00	45.00	45.00	40.00	45.00	45.00
Amount	86.40	97.20	97.20	86.40	97.20	97.20
<b>TOTAL NO. OF SHAREHOLDERS</b>	<b>14,046</b>	<b>13,862</b>	<b>13,943</b>	<b>14,287</b>	<b>14,549</b>	<b>15,114</b>
<b>PLANTED AREA &amp; PRODUCTION:</b>						
Area under Mature Tea (hectares)	8,515.30	8,490.94	8,529.61	8,567.13	8,591.02	8,593.08
Area under Young Tea (hectares)	1,127.66	1,108.85	1,115.78	1,145.24	1,114.57	1,064.23
Total planted area (hectares)	9,642.96	9,599.79	9,645.39	9,712.37	9,705.59	9,657.31
Production-Kgs. (millions) (own crop)	16.14	17.99	17.50	18.52	18.78	18.96
<b>NUMBER OF EMPLOYEES</b>	<b>24,449</b>	<b>24,321</b>	<b>24,466</b>	<b>24,491</b>	<b>23,744</b>	<b>23,400</b>



**STATISTICS - AREA AND CROP (2017-18)**

GARDENS	Mature Tea Area (in Hectares)	Young Tea Area (in Hectares)	Total Planted Area (in Hectares)	Own Crop (Gross) (Kgs)	Yield per Hectare (Kgs)
<b>DOOARS</b>					
Danguajhar	592.64	68.52	661.16	1,454,447	2,454
Leesh River	528.76	75.73	604.49	1,402,185	2,652
Meenglas	544.24	78.53	622.77	1,224,925	2,251
Aibheel	720.77	101.61	822.38	1,939,127	2,690
Chulsa	358.33	58.94	417.27	826,606	2,307
Chalouni	485.79	56.93	542.72	944,682	1,945
Hope	370.48	43.47	413.95	984,242	2,657
Jiti	468.00	84.72	552.72	1,375,855	2,940
Gandrapara	680.93	119.65	800.58	1,795,784	2,637
Lakhipara	539.73	63.20	602.93	1,675,036	3,103
Kumargram	526.26	100.30	626.56	1,347,199	2,560
Sankos	587.01	74.46	661.47	1,350,200	2,300
TOTAL	<b>6,402.94</b>	<b>926.06</b>	<b>7,329.00</b>	<b>16,320,288</b>	<b>2,549</b>
PREVIOUS YEAR	6,413.74	951.24	7,364.98	15,920,955	2,482
<b>ASSAM</b>					
Orangajuli	652.80	64.99	717.79	1319742	2022
Nonaipara	638.61	38.62	677.23	1186714	1858
TOTAL	<b>1291.41</b>	<b>103.61</b>	<b>1395.02</b>	<b>2506456</b>	<b>1941</b>
PREVIOUS YEAR	1,282.37	121.76	1,404.13	2,413,236	1,882
<b>DARJEELING</b>					
Thurbo	467.94	17.31	485.25	83,672	179
Badamtam	306.73	9.31	316.04	36,869	120
Barnesbeg	124.06	7.94	132.00	19,045	154
TOTAL	<b>898.73</b>	<b>34.56</b>	<b>933.29</b>	<b>139,586</b>	<b>155</b>
PREVIOUS YEAR	894.91	41.57	936.48	448,892	502
<b>GRAND TOTAL</b>					
TOTAL	<b>8,593.08</b>	<b>1,064.23</b>	<b>9,657.31</b>	<b>18,966,330</b>	<b>2,207</b>
PREVIOUS YEAR	8,591.02	1,114.57	9,705.59	18,783,013	2,186



**ROUTE MAP TO THE AGM VENUE OF GOODRICKE GROUP LIMITED TO BE HELD ON  
FRIDAY, JULY 27, 2018, AT 10:00 A.M.**

