



THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LIMITED

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

Phone : 91-33-33322294 Fax : 91-33-22231569

E-mail : compliance@lnbgroup.com Website : www.periatea.com

CIN: L01132WB1913PLC220832

CORPORATE INFORMATION

Board of Directors	: Shri L.N. Bangur - Chairman Mrs. Alka Bangur - Managing Director Shri Shreeyash Bangur - Deputy Managing Director Shri R.L. Gaggar (upto 12.04.2017) Shri H.M. Parekh Shri P.R. Ramakrishnan Shri N. Swaminathan
Corporate Management Team	: Shri S.K.Singh - Chief Executive Officer Shri A.Thiagarajan - Chief Financial Officer Shri R.V.Sridharan - Company Secretary
Statutory Auditors	: M/s. S. Krishnamoorthy & Co., Chartered Accountants, ICAI Regn. No. 001496S, Coimbatore M/s. Srikishen & Co., Chartered Accountants, ICAI Regn. No. 004009S, Coimbatore
Secretarial Auditors	: M.D. Selvaraj MDS & Associates Company Secretary in Practice Coimbatore
Bankers	: Yes Bank Limited Union Bank of India HDFC Bank Limited State Bank of India
Registrar & Share Transfer Agents	: M/s. SKDC Consultants Ltd., Kanapathy Towers, 1391/A-1, III Floor, Sathy Road, Ganapathy, Coimbatore - 641 006 Tel No. +91 (422) 4958995, 2539835 2539836 Fax No. +91 (422) 2539837 Email: info@skdc-consultants.com



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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 104th Annual General Meeting of the Company will be held on Wednesday, the 9th August 2017 at 10.30 A.M. at Sitaram Seksaria Auditorium, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700 017 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including Audited Consolidated Financial Statements for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March, 2017.
3. To appoint a director in place of Shri L.N.Bangur (holding DIN 00012617), who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. Srikishen & Co., Chartered Accountants (Firm Registration No.004009S) as Statutory Auditors of the Company for the financial year 2017-18 and to fix their remuneration and in this connection to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s Srikishen & Co., Chartered Accountants (Firm Registration No.004009S) Statutory Auditors of the Company be and is hereby ratified as Statutory Auditors for the financial year 2017-18, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company based on recommendations of the Audit Committee.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of sections 196, 197, read with Schedule V, and the applicable clauses of the Articles of Association of the Company and other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modifications or re-enactments thereof), the consent of the Company be and is hereby accorded to the re-appointment of Mrs. Alka Bangur (DIN: 00012894) as Managing Director of the Company for a further period of 3 years with effect from 17th September, 2017 on such remuneration and other terms and conditions set out in the Explanatory Statement;

RESOLVED FURTHER THAT the Board of Directors and/or a Committee of the Board be and are hereby authorized to alter and vary the terms and conditions of the appointment and/or agreement, in such manner as may be mutually decided between the Board of Directors and Mrs. Alka Bangur, within the limits prescribed under Schedule V read with other applicable provisions of the Companies Act, 2013 and to do all such acts, deeds and things to give effect to the above resolution.”

By Order of the Board

Kolkata
26th May, 2017.

R.V. SRIDHARAN
Company Secretary

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself and the proxy need not be a member of the Company.

The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office not less than 48 hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.

A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.



2. Members/Proxies should bring the attendance slips duly filled and signed to attend the meeting.
3. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the notice is annexed herewith.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
5. Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 (SS2) on General Meetings, details of directors seeking appointment /reappointment at the Annual General Meeting are furnished in Annexure A which forms part of the notice.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
7. The Register of Contracts or Arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 3rd August, 2017 to 9th August, 2017 (both days inclusive).
9. National Electronic Clearing Service (NECS):
 - a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided National Electronic Clearing Service (NECS) facility to the Members for remittance of dividend. NECS facility is available at locations identified by Reserve Bank of India from time to time. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFS Code), along with their Folio Number, to the Company's Registrar and Share Transfer Agent ('RTA'), M/s SKDC Consultants Limited.

Members holding shares in electronic form are requested to provide the details to their respective Depository Participants.

- b) Members holding shares in electronic form may note that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agent, M/s. SKDC Consultants Limited cannot act on request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members. Members holding shares in physical form and desirous of registering bank particulars against their respective folios for payment of dividend are requested to write to the Registrar and Share Transfer Agent of the Company.

Members holding shares in physical form are requested to notify immediately any change in their address along with respective address proof and bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA.

10. Members holding Shares of the Company in physical form through multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into one single folio, to the Registrar & Share Transfer Agent of the Company.
11. As per the green initiative taken by the Ministry of Corporate Affairs, members are advised to register their email address with the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in demat form to enable the Company to serve documents in electronic form.
12. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward their queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
13. The dividend when declared will be paid within a period of 30 days from the date of declaration to those



members whose name appears on the Register of Members as on 2nd August, 2017 (i.e. Record Date).

14. In respect of shares held in electronic form, dividend will be paid on the basis of beneficial ownership of the shares as on the closing business hours on 2nd August, 2017 as per details furnished by NSDL and CDSL for this purpose.
15. Members wishing to claim dividends which remain unclaimed are requested to correspond with the Company Secretary/Registrar and Share Transfer Agents of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund.
16. Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account (s). Members holding shares in physical form can submit their PAN details to the Company or to M/s.SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006.
18. Pursuant to the provisions of Section 72 of the Companies Act, 2013, members may file nomination forms in respect of their physical shareholdings. Any member, wishing to avail this facility may submit to the Company's Registrar and Share Transfer Agent in the prescribed statutory form. Should any assistance be desired, members should get in touch with the Company's Registrar and Share Transfer Agent.
19. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
20. Electronic copy of the Annual Report, notice of the Annual General Meeting, along with attendance slip and proxy form are being sent to all the members whose e-mail addresses are registered with the Company/Depository Participant (s) unless any member has requested for a hard copy of the same. For members who have not registered their e-mail

address, physical copies of annual report and notice for 2016-17 are being sent through the permitted mode.

21. Members may also note that notice of the 104th Annual General Meeting and the Annual Report 2016-17 will be available on the Company's website www.periatea.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on any working day.
22. Members are requested to note that the venue of the 104th Annual General Meeting is Sitaram Seksaria Auditorium, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700 017 and the route map containing the complete particulars of the venue is attached to this notice.

Voting through Electronic Means:

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provide its members the facility to exercise their right to vote at the 104th Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).
- b) The facility for voting, either through electronic voting system or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting may exercise their vote through polling paper at the meeting.
- c) Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for members for voting electronically are as under:

- i. The voting period begins on 6th August, 2017 at 09.00 A.M. and ends on 8th August, 2017 at 05.00 P.M. During this period, shareholders of the Company holding shares either in physical form or in dematerialised form as on the cut off date (record date) of 2nd August, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- ii. Log on to the e-voting website www.evotingindia.co.in
- iii. Click on "Shareholders" tab.
- iv. Now enter your user ID
 - a) For CDSL : 16 digits beneficiary ID
 - b) For NSDL : 8 character DP ID followed by 8 digit client ID
 - c) Members holding shares in physical form should enter folio number registered with the Company.
- v. Next enter the Image Verification as displayed and click on login
- vi. If you are holding shares in demat form and had logged on the www.evotingindia.com and voted on an earlier voting of any company, then our existing password is to be used.
- vii. If you are a first time user, follow the steps given below:

For Members holding shares in Dematerialised Form and Physical Form

PAN	<p>Enter your 10 digit alpha numeric PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number printed on the attendance slip enclosed indicated in the PAN field.</p>
DOB	<p>Enter the date of birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend bank details	<p>Enter the dividend bank details as recorded in your demat account or in the Company's records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or Company please enter the member ID / folio number in the dividend bank details field as mentioned in instruction (iv)</p>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly company screen. However, members holding shares in demat form will now reach "password creation" menu wherein they are required to mandatorily enter their login password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- xi. Click on the relevant EVSN – The Peria Karamalai Tea & Produce Co. Ltd on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change you vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting by you by clicking on "Click here to print" option on the voting page.
- xvii. If demat account holder has forgotten the changed password then enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. I Phone, Windows Phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow



the instructions as prompted by the mobile app while voting on your mobile.

xix. Note for Non-Individual Shareholders and Custodians

- a) Non Individual Shareholders (other than individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) Scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any should be uploaded in PDF format in the system for the scrutiniser to verify the same.
- f) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

23. The voting rights of shareholders shall be in proportionate to their shares of the paid up equity share capital of the Company as on the cut off date (record date) of 2nd August 2017. Mr. Arun Kumar, Maitra, M/s. Vinod Kothari & Co., Practising Company Secretaries, Kolkata has been appointed as the Scrutiniser to scrutinize the e-voting process in a fair and transparent manner.

24. The scrutinizer shall immediately after the conclusion of the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

25. The results shall be declared within 48 hours of the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.periatea.com and on the website of CDSL and communicated to Stock Exchanges where the company's shares are listed immediately after the declaration of result by the Chairman.

The notice of the Annual General Meeting and this communication are also available on the website of the Company www.periatea.com and of the Registrar & Share Transfer Agent www.skdc-consultants.com

By Order of the Board

Kolkata
26th May, 2017.

R.V. SRIDHARAN
Company Secretary



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

Item No. 5

The present term of Mrs. Alka Bangur as Managing Director of the Company expires on 16th September, 2017. The Board of Directors at its meeting held on 26th May, 2017 approved the re-appointment of Mrs. Alka Bangur as Managing Director for a further term of 3 years with effect from 17th September, 2017 and also the remuneration payable to her on the recommendation of the Nomination and Remuneration Committee. The re-appointment of Mrs. Alka Bangur as Managing Director is subject to the approval of the members at the Annual General Meeting. The proposed terms of remuneration and other terms and conditions of her re-appointment are as under:

Terms and conditions of appointment

Term:

The tenure of the Managing Director shall be for a period of 3 years commencing from 17th September, 2017.

Salary: Rs.1,87,500/- (Rupees one lakh eighty seven thousand five hundred only) per month with such increment as may be determined by the Board of Directors from time to time in the salary range of Rs. 1,87,500/- to Rs. 2,17,500/-

Commission: Commission on net profits of the company as may be determined by the Board of Directors within the overall limits laid down under the Act.

Perquisites:

a) In addition to salary and commission, Mrs. Alka Bangur, Managing Director shall also be entitled to interchangeable perquisites like furnished accommodation, where accommodation is not provided 60% of the salary as HRA, gas electricity, water, furnishings, medical reimbursement, LTA for self and family, fees of clubs, medical insurance,

personal accident insurance etc. in accordance with the rules of the Company.

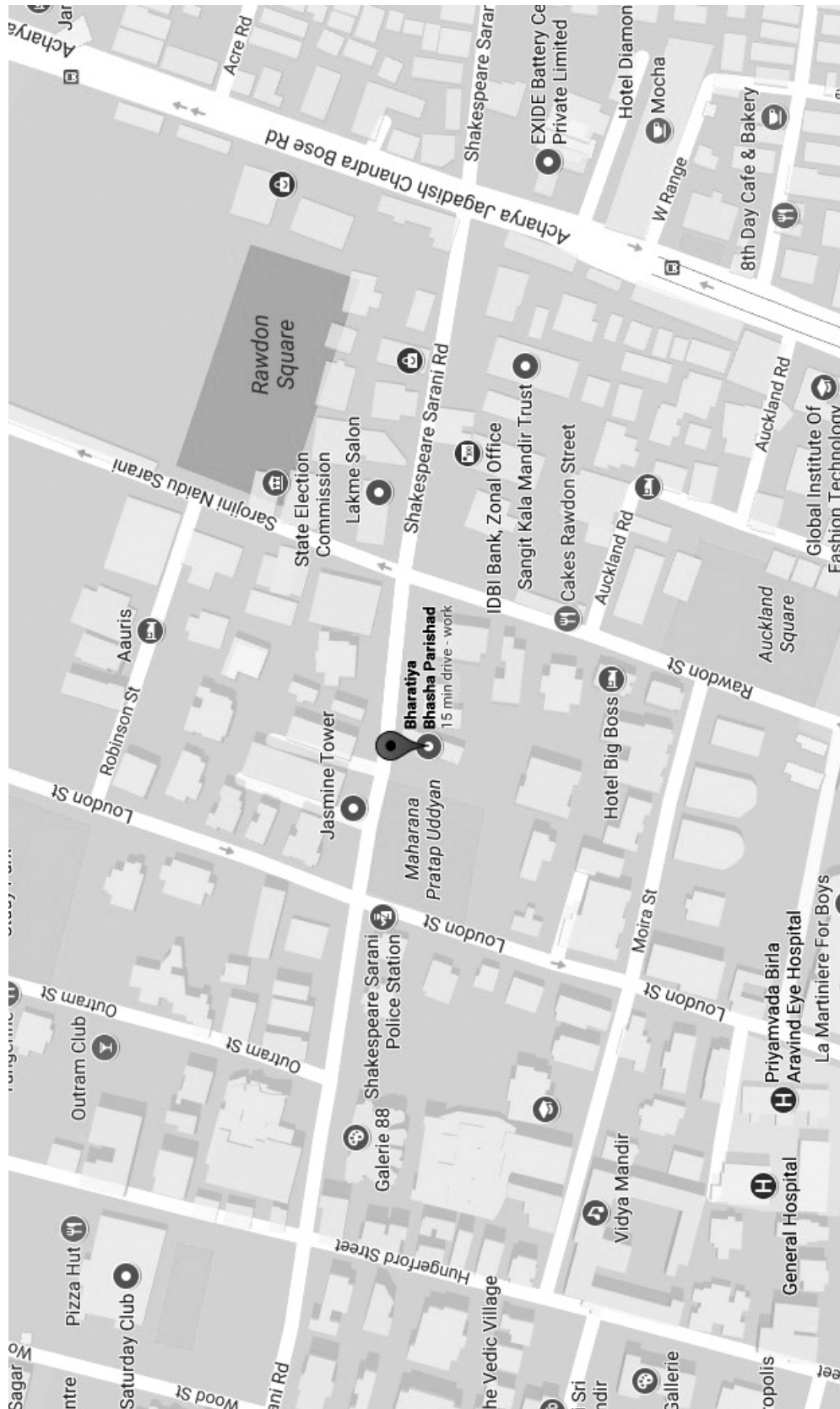
- b) Leave in accordance with the rules applicable to the managerial staff of the Company. Encashment of unavailed leave as per rules of the Company.
- c) Use of Company's car, cell phone and telephone at residence for official purposes, encashment of unavailed leave at the end of tenure, contribution to Provident Fund, Superannuation Fund and Gratuity Fund will not be considered as perquisites.
- d) Gratuity payable shall not exceed half a month's salary for each completed year of service or at the rate as may be modified from time to time.
- e) In the event of loss or inadequacy of profits in any financial year, the Managing Director shall be paid remuneration by way of salary, allowances and perquisites as specified under Section II of Part II of Schedule V of the Companies Act, 2013 or within such ceilings as may be prescribed under Schedule V from time to time of the Companies Act, 2013 and as may be amended from time to time as minimum remuneration.
- f) The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- g) The appointment of three years may be determined by either party by giving three months' notice in writing to the other party.

Except Shri L.N.Bangur, Mrs. Alka Bangur and Shri Shreeyash Bangur, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested financial or otherwise in the resolution.

The Directors recommend the resolution for the approval of the members.



Venue of the 104th Annual General Meeting – Route Map



**Annexure A****Details of Directors seeking reappointment at the ensuing Annual General Meeting**

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

	Mrs. Alka Bangur	Shri Lakshmi Niwas Bangur
DIN	DIN: 00012894	DIN: 00012617
Age / Date of Birth	62 years / 28.11.1954	67 years / 26.08.1949
Date of First Appointment on the Board	17.09.1993	01.04.1988
Expertise in Specific functional areas	Industrialist	Industrialist
Qualification	MBA	B.Com
Terms and conditions of appointment / re-appointment	The terms and conditions of re-appointment are the same as stated in the resolution passed by the members at the 101st Annual General Meeting held on 22nd September, 2014.	Director liable to retire by rotation and eligible for reappointment
Remuneration last drawn by such person, if applicable	Rs.42.07 lakhs	NA
List of outside directorship held excluding alternate directorship	1. Maharaja Shree Umaid Mills Ltd 2. Rupa & Company Ltd 3. Apurva Export Pvt. Ltd 4. The Marwar Textiles (Agency) Private Limited 5. Mugneeram Ramcoowar Bangur Charitable & Religious Company	1. Maharaja Shree Umaid Mills Ltd 2. The Swadeshi Commercial Company Limited 3. M B Commercial Co Ltd 4. Shree Krishna Agency Limited 5. The Marwar Textiles (Agency) Private Limited 6. Kiran Vyapar Limited 7. The Kishore Trading Company Limited 8. The General Investment Company Limited 9. Placid Limited 10. Mugneeram Ramcoowar Bangur Charitable & Religious Company 11. Apurva Export Pvt Ltd 12. Amalgamated Development Ltd 13. LNB Real Estates Private Limited 14. Purnay Greenfield Private Limited 15. Sidhyayi Greenview Private Limited 16. LNB Solar Energy Private Limited



	Mrs. Alka Bangur	Shri Lakshmi Niwas Bangur
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman of Stakeholders Relationship Committee and Member of Audit Committee.	Member of Nomination & Remuneration Committee
Chairman / Member of the Committees of the Board of Directors of other companies in which he/she is a director	NIL	1. Chairman of Audit Committee and Nomination & Remuneration Committee and Corporate Social Responsibility Committee in Placid Ltd. 2. Member of Stakeholder Relationship Committee and Member of Nomination & Remuneration Committee and Audit Committee and Corporate Social Responsibility Committee in Kiran Vyapar Limited.
No. of Equity shares held in the Company	37,638	25,481
Number of Board Meetings attended during FY 2016-17	4 (Four)	4 (Four)
Relationship with other Directors, Manager and other Key Managerial Persons of the Company	Wife of Shri Lakshmi Niwas Bangur, Chairman, Mother of Shri Shreeyash Bangur, Deputy Managing Director.	Spouse of Mrs. Alka Bangur, Managing Director and Father of Shri Shreeyash Bangur, Deputy Managing Director.



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 104th Annual Report for the year ended 31st March 2017.

FINANCIAL RESULTS

₹ in lakhs

	2016-17	2015-16
Profit / (Loss) before interest, depreciation and tax	528.58	134.62
Interest	70.14	117.57
Profit/(Loss) before depreciation	458.44	17.05
Depreciation	224.79	237.24
Profit/(Loss) before Tax	233.65	(220.19)
Provision for tax:		
Current tax	66.00	6.00
MAT Credit entitlement of earlier year reversed	17.10	—
Deferred tax liability / (Asset)	(8.37)	(7.27)
Profit (Loss) after tax	158.92	(218.92)
Add: Balance brought forward from previous year	711.41	958.28
Profit available for appropriation	870.33	739.36
APPROPRIATIONS		
Dividend (last year 0.75 per share)	—	23.22
Tax on dividend	—	4.73
Transfer to General Reserve	—	—
Surplus carried to Balance Sheet	870.33	711.41
Total	870.33	739.36

Operations

Production

During the financial year 2016-17, your Company produced 37,34,930 kg of made tea as against 38,83,230 kg of made tea produced in 2015-16.

During the year under review, rainfall was inadequate followed by large level of infestation of pests and diseases. Anamalai region reported crop loss due to extended drought. However, your company reported only 3.82% crop loss as compared to last year.

Price & Sales

During the financial year 2016-17, your company maintained average price Rs. 112.89 per kg as against average price of Rs. 93.69 per kg realized during the same period last year.

There was a reduction in the global CTC Black Tea production to the extent of 2% which inflated the prices in various auction centres.

South Indian Tea prices increased further because of better demand from upcountry buyers and export front.

During the year, the Company has made a total sales realization of Rs. 4377.37 lakhs compared to Rs. 3846.05 lakhs made during the same period last year.

Wind Turbines

During the year under review, the Wind Mills generated 37,25,778 units as against 23,55,637 units generated during the same period last year.

Material Changes and Commitments

There are no material changes affecting the financial position of the company which have occurred in between the end of the financial year 2016-17 and the date of the report.

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

Dividend

The Board of Directors is pleased to recommend a dividend of Re.1.00/- per share (last year Rs.0.75/- paisa per share) for the year ended 31st March 2017 subject to the approval of the shareholders.

The proposed dividend (excluding dividend distribution tax) amounting to Rs.30.96 lakhs is not accounted as



liabilities for the financial year 2016-17 in accordance with the revised AS 4 – 'Contingencies and events occurring after the balance sheet date'.

Transfer to Reserves

No amount has been transferred to the any Reserves during the financial year 2016-17.

Share Capital

The paid up capital of the Company as at 31st March 2017 stood at Rs.3,09,85,790/-. During the year under review, the Company has not made any fresh issue of shares.

During the year under review, the company neither issued shares with differential voting rights nor granted any stock options or sweat equity.

Transfer of unclaimed dividend to Investor Education and Protection Fund

The Company has transferred an amount of Rs. 2,81,151/- to the investor Education and Protection Fund established by the Central Government during the financial year 2016-17. In terms of Section 125 of the Companies Act, 2013, any unclaimed or unpaid dividend relating to the financial year 2009-10 will be remitted to the Investor Education and Protection Fund established by the Central Government within stipulated time.

Extract of Annual Return

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is furnished in **Annexure A** which forms part of this report.

Board Meetings and its Committees

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

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

The detailed information chart showing the date of the meeting of the Board and its various Committees as well as details of the Directors who attended the meeting is given in the Corporate Governance Report forming part of the Annual Report.

Committees of the Board

During the financial year ended March 31, 2017 the Company has four committees as mentioned below:

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

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

Public Deposits

The Company did not accept any fresh deposits during the financial year 2016-17.

Listing

Your Company's shares are listed in National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited. The Company has paid the Annual Listing Fee to both the Stock Exchanges.

Directors' Responsibility Statement

In compliance of Section 134(5) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2000, the Directors of your Company confirm that:

1. in the preparation of annual accounts, all applicable accounting standards have been followed and that there are no material departure from those standards.
2. such accounting policies have been selected and applied consistently and such judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2017 and of the profit of the Company for the year ended on that date.
3. proper and sufficient care has been taken for the 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 fraud and other irregularities.
4. the annual accounts have been prepared on a going concern basis.



5. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
6. they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

Details in respect of frauds reported by auditors under section 143(12) of the Companies Act 2013 other than those which are reportable to the Central Government

There have been no instances of frauds identified or reported by the statutory auditors during the course of their audit pursuant to Section 143 (12) of the Companies Act, 2013.

Declaration by Independent Directors

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

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

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

Comments on Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. S.Krishnamoorthy & Co, Statutory Auditors and M/s. Srikishen & Co., Statutory Auditors in their report.

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

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

Particulars of contracts or arrangements with related parties

All transactions with related parties during the financial year 2016-17 were in the ordinary course of business and on arm's length price. Since there were no transactions which were on arm's length and material nature, Form AOC 2 is not annexed.

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

Material changes and commitments affecting the financial position of the Company.

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year as on 31.03.2017 and the date of this report.

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

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

Risk Management

The Company has in place mechanism to identify, assess, monitor and mitigate various risks that may impact key business objectives of your Company. The Company has adopted a Risk Management Policy which is available on the website of the Company www.periatea.com.

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

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its



operations. These are routinely tested and certified by Statutory and Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

Annual Evaluation of the Board's performance and of the Individual Directors

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

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

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

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

Directors and Key Managerial Personnel

The Board of Directors of the Company consists of 6 Directors, out of which three are independent directors, one is non executive promoter director and two are wholetime directors.

Changes in the composition of Board of Directors and other Key Managerial Personnel

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

Shri A.Thiagarajan, Chief Financial Officer has resigned from the services of the Company due to personal reasons and the Board has approved the same at its meeting held on 26th May 2017.

The Board of Directors at its meeting held on 26th May 2017 approved the appointment of Shri K.Ashokan as Chief Financial Officer effective from 1st June 2017.

Retirement by rotation

Shri Lakshmi Niwas Bangur, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Composition of Audit Committee

The Board has constituted an Audit Committee details of which are enumerated in the Corporate Governance Report. All the recommendations made by the Audit Committee during the year were accepted by the Board.

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

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

There has been no change in the number of subsidiaries or in the nature of business of the subsidiaries, during the year under review. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company consolidating its subsidiary company, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary company in Form AOC-1 is also attached to the Consolidated Financial Statement and forms part of the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and the



Consolidated Financial Statements has been placed on the website of the Company at www.periatea.com. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company may write to the Company Secretary at the Company's registered office.

The Company has adopted a Policy on Material Subsidiaries as approved by the Board. It has been posted on the website of the Company at www.periatea.com.

Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.

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

Adequacy of Internal Financial Controls with reference to the financial statements

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information complying with applicable statutes and policies safeguarding the assets, prevention and detection of frauds, accuracy and completeness of accounting records. The Company has appointed Internal Auditor with a dedicated internal audit team. The Internal Audit Reports were reviewed periodically by the Audit Committee. Further the Audit Committee annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143 (3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors Report.

Statutory Auditors

Pursuant to the provision of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. S.Krishnamoorthy & Co., Chartered Accountants, the Statutory Auditors of the Company hold office up to the conclusion of the 104th Annual General Meeting.

At the Annual General Meeting held on 12th August 2016, the members have approved the appointment of M/s. Srikishen & Co. Chartered Accountants as statutory auditors for a period of 5 years commencing from the

103rd Annual General Meeting till the conclusion of 108th Annual General Meeting subject to ratification by members every year.

The Company has received a certificate from M/s. Srikishen & Co., that they are eligible to hold office as the Statutory Auditors of the Company and are not disqualified for being so appointed.

The Board of Directors at its meeting held on 26th May, 2017 has ratified the appointment of M/s. Srikishen & Co., as Statutory Auditors of the Company for the financial year 2017-18 subject to the approval of the members at the ensuing Annual General Meeting.

The resolution for ratification of appointment of M/s. Srikishen & Co for the financial year 2017-18 is accordingly proposed in the notice of the ensuing Annual General Meeting for ratification by members.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. M.D.Selvaraj, MDS & Associates, Company Secretary to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditors in annexed herewith as **Annexure E**. There are no qualifications, reservations or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of his professional obligation.

Internal Auditors

The Board of Directors at its meeting held on 30th May, 2016 has appointed Shri K.N.Narayanan (having membership No.22965), Chartered Accountant, Chennai as Internal Auditor of the Company for the financial year 2016-17.

Industrial Relations

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

Particulars of employees

Statement pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975 and Section 197 (12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure F**.

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

The Company has in place policy on Sexual Harassment of Women at workplace in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaint Committee has been set up to redress complaints received. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Committee has not received any complaint from any employee during the financial year 2016-17.

Whistle Blower Policy/Vigil Mechanism

The Company has a Whistle Blower Policy for directors and employees and adopted the Whistle Blower Policy in terms of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to report concerns about unethical behavior, wrongful conduct and violation of company's code of conduct or ethics. The whistle blower policy is available on the company's website www.periatea.com

Corporate Social Responsibility (CSR)

The Board has constituted a Corporate Social Responsibility Committee comprising of the following directors as its members:

1. Shri L.N.Bangur
2. Shri P.R.Ramakrishnan
3. Shri N.Swaminathan

The Company has adopted a Corporate Social Responsibility Policy defining therein CSR activities to be undertaken by the Company in line with the provisions of Schedule VII of the Companies Act, 2013.

The Corporate Social Responsibility Committee of the Board is responsible for the implementation and effective monitoring of the CSR activities of the Company.

The Company was not required to spend any amount towards Corporate Social Responsibility (CSR) during the financial year 2016-17 as the average net profit of the Company for the financial years 2013-14, 2014-15 and 2015-16 was negative.

The Annual Report on CSR activities of the Company is furnished in **Annexure G** of this report.

Management Discussion and Analysis Report

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

Corporate Governance

A report on Corporate Governance is annexed and forms part of this report. The Company has complied with the conditions relating to Corporate Governance stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Managing Directors Certification

The Managing Director of the Company has certified to the Board on the financial statements and other matters in accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 relating to CEO certification for the financial year ended 31st March, 2017.

Acknowledgements

The Board wishes to thank all the shareholders, customers, vendors, financial institutions and banks for the support extended by them.

The Board also wishes to place on record their appreciation of the contribution made by the employees at all levels during the year.

For and on behalf of the Board

Kolkata
26th May, 2017.

L.N. Bangur
Chairman
(DIN 00012617)

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

**EXTRACT OF THE ANNUAL RETURN
as on the Financial year ended 31.03.2017**

[Pursuant to section 92(3) of the Companies Act 2013 and rule 12(1) of the Companies
(Management and Administration) Rules 2016]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L01132TZ1913PLC000350
ii)	Registration Date	5th July 1913
iii)	Name of the Company	The Peria Karamalai Tea and Produce Company Limited
iv)	Category/sub category of the Company	Public Limited Company having share capital
v)	Address of the Registered office and contact details	No. 286 Race Course Road Coimbatore – 641 018 Phone: 91-422-2221352 Fax: 91-422-2220380 E-mail ID: periatea@dataone.in Website: www.periatea.com
vi)	Whether listed company	Yes
vii)	Name Address and Contact details of Registrar and Transfer Agent if any	SKDC Consultants Limited Kanapathy Towers Ganapathy Coimbatore - 641 006 Phone: 91-422-2539835 2539836 Fax: 91-422-2539837 E-mail ID: info@SKDC-Consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Tea	09.0230	92%

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

S. No	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Applicable Section
1	PKT Plantations Limited	U01132TZ2009PLC015537	Subsidiary	100%	Section 2(87)(ii)
2	Shivphal Vinimay Private Limited	U51909WB2011PTC168574	Subsidiary	100%	Section 2(87)(ii)



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	105678	19901	125579	4.056	105678	19901	125579	4.056	—
b) Central Government	—	—	—	—	—	—	—	—	—
C) State Government	—	—	—	—	—	—	—	—	—
d) Bodies Corporate	1370811	—	1370811	44.279	1370811	—	1370811	44.279	—
e) Fis/Banks	—	—	—	—	—	—	—	—	—
f) Any others									
Trust	—	—	—	—	—	—	—	—	—
Sub Total (A)(1)	1476489	19901	1496390	48.335	1476489	19901	1496390	48.335	—
2. Foreign									
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
b) Others - Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	—	—	—	—	—	—	—	—	—
d) Banks / FI	—	—	—	—	—	—	—	—	—
e) Any other...	—	—	—	—	—	—	—	—	—
Sub Total (A)(2)	—	—	—	—	—	—	—	—	—
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1476489	19901	1496390	48.335	1476489	19901	1496390	48.335	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Fis/Banks	2122	1813	3935	0.127	2122	1813	3935	0.127	0
c) Central Government	9238	18477	27715	0.895	9238	18477	27715	0.895	0
d) State Government	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	360138	0	360138	11.633	360138	0	360138	11.633	0
g) FIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Investors	—	—	—	—	—	—	—	—	—
i) Any Other (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	371498	20290	391788	12.655	371498	20290	391788	12.655	0
2. Non-Institutions									
a) Bodies Corp.	—	—	—	—	—	—	—	—	—
i) Indian	84425	16819	101244	3.270	83825	16819	100644	3.251	(0.019)
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									



Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	486207	385200	871407	28.147	488078	365833	853911	27.583	(0.564)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	185312	0	185312	5.986	204489	0	204489	6.605	0.619
c) Others (specify)									
a) Directors & their relatives	1125	450	1575	0.051	1425	150	1575	0.051	0.000
b) Foreign Nationals	71	4068	4139	0.134	213	3926	4139	0.134	0.000
c) Non Resident Indians	7200	6448	13648	0.441	7289	5890	13179	0.425	(0.016)
d) Clearing Members	3368	0	3368	0.109	4858	0	4858	0.157	0.048
e) Hindu Undivided Families	27008	0	27008	0.872	24906	0	24906	0.804	(0.068)
Sub-total (B)(2):-	794716	412985	1207701	39.010	815083	392618	1207701	39.010	—
Total Public Shareholding (B)= (B)(1)+ (B)(2)	1166214	433275	1599489	51.665	1186581	412908	1599489	51.665	0
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	2642703	453176	3095879	100.000	2663070	432809	3095879	100.000	0

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Placid Limited	663454	21.430	0	663454	21.430	0	0
Kiran Vyapar Limited	470224	15.189	0	470224	15.189	0	0
M B Commercial Co Ltd	121275	3.917	0	121275	3.917	0	0
Lakshmi Niwas Bangur (HUF)	61200	1.977	0	61200	1.977	0	0
Shree Krishna Agency Ltd	53446	1.726	0	53446	1.726	0	0
Mrs. Alka Bangur	37638	1.216	0	37638	1.216	0	0
Mugneeram Ramcoowar Bangur Charitable	34500	1.114	0	34500	1.114	0	0
Sri Lakshmi Niwas Bangur	25481	0.823	0	25481	0.823	0	0



Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
The General Investment Company Ltd	21000	0.678	0	21000	0.678	0	0
Navjyoti Commodity Management Services	6912	0.223	0	6912	0.223	0	0
Sheetal Bangur	1260	0.041	0	1260	0.041	0	0
TOTAL	1496390	48.334	0	1496390	48.334	0	0

iii) Change in Promoters' Shareholding

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

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

Sl. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Life Insurance Corporation Of India	207712	6.709	207712	6.709
2	Mahendra Girdharilal	115373	3.727	115373	3.727
3	The Oriental Insurance Company Limited	76354	2.466	76354	2.466
4	United India Insurance Company Limited	76072	2.457	76072	2.457
5	Sunil Kumar Gupta	22200	0.717	19500	0.630
6	Maruti Business Services Ltd	19650	0.635	19650	0.635
7	Anjali S Ghorpade	19000	0.614	19000	0.614
8	The Property Company Private Ltd	15719	0.508	19989	0.646
9	Governor Of Kerala	18477	0.597	18477	0.597
10	Dolly Behram Aryana	18326	0.592	6655	0.215
11	G Shankar	0	0.000	28133	0.909



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

Sl. No.	For Each of the Top 10 Shareholders Name Date & Reason of change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Life Insurance Corporation of India				
	At the beginning of the year	2,07,712	6.71%	2,07,712	6.71%
	Transfer of shares during the year				
	At the end of the year	2,07,712	6.71%	2,07,712	6.71%
2	Mahendra Girdharilal				
	At the beginning of the year	1,15,373	3.73%	1,15,373	3.73%
	At the end of the year	1,15,373	3.73%	1,15,373	3.73%
3	The Oriental Insurance Company Limited				
	At the beginning of the year	76,354	2.47%	76,354	2.47%
	Transfer of shares during the year				
	At the end of the year	76,354	2.47%	76,354	2.47%
4	United Insurance Company Limited				
	At the beginning of the year	76,072	2.46%	76,072	2.46%
	Transfer of shares during the year				
	At the end of the year	76,072	2.46%	76,072	2.46%
5	Sunil Kumar Gupta				
	At the beginning of the year	22,200	0.72%	22,200	0.72%
	Transfer of shares on 30.12.16	-1,000	-0.03%	21,200	0.68%
	Transfer of shares on 24.02.17	-1,000	-0.03%	20,200	0.65%
	Transfer of shares on 03.03.17	-200	0.00%	20,000	0.65%
	Transfer of shares on 10.03.17	-500	0.00%	19,500	0.63%
	At the end of the year	19,500	0.72%	19,500	0.72%
6	Maruti Business Services Limited				
	At the beginning of the year	19,650	0.63%	19,650	0.63%
	Transfer of shares during the year				
	At the end of the year	19,650	0.63%	19,650	0.63%
7	Anjali S Ghorpade				
	At the beginning of the year	19,000	0.61%	19,000	0.61%
	Transfer of shares during the year				
	At the end of the year	19,000	0.61%	19,000	0.61%
8	Governor of Kerala				
	At the beginning of the year	18,477	0.60%	18,477	0.60%
	Transfer of shares during the year				
	At the end of the year	18,477	0.60%	18,477	0.60%



Sl. No.	For Each of the Top 10 Shareholders Name Date & Reason of change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Dolly Behram Aryana				
	At the beginning of the year	18,326	0.59%	18,326	0.59%
	Transfer of shares on 17.06.16	-1,878	-0.06%	16,448	0.53%
	Transfer of shares on 24.06.16	-1,203	-0.04%	15,245	0.49%
	Transfer of shares on 30.06.16	-458	-0.01%	14,787	0.48%
	Transfer of shares on 01.07.16	-1,048	-0.03%	13,739	0.44%
	Transfer of shares on 16.12.16	-2,915	-0.09%	10,824	0.35%
	Transfer of shares on 23.12.16	-800	-0.02%	10,024	0.32%
	Transfer of shares on 10.02.17	-1,815	-0.05%	8,209	0.26%
	Transfer of shares on 17.02.17	-1,174	-0.03%	7,035	0.27%
	Transfer of shares on 10.03.17	-380	-0.01%	6,655	0.21%
	At the end of the year	6,655	0.21%	6,655	0.21%
10	The Property Company Private Limited				
	At the beginning of the year	15,719	0.50%	15,719	0.50%
	Transfer of shares on 20.05.16	1,097	0.03%	16,816	0.54%
	Transfer of shares on 26.08.16	144	0.00%	16,960	0.54%
	Transfer of shares on 23.09.16	88	0.00%	17,048	0.55%
	Transfer of shares on 04.11.16	2,941	0.09%	19,989	0.64%
	At the end of the year	19,989	0.64%	19,989	0.64%
11	The Property Company Private Limited				
	At the beginning of the year	2,941	0.09%	2,941	0.09%
	Transfer of shares	-2,941	-0.09%	0	0.00%
	At the end of the year	0	0.00%	0	0.00%
12	G.Shankar				
	At the beginning of the year	0	0.00%	0	0.00%
	Transfer of shares on 28.10.16	2,000	0.06%	2,000	0.06%
	Transfer of shares on 04.11.16	1,001	0.03%	3,001	0.09%
	Transfer of shares on 11.11.16	3,000	0.09%	6,001	0.19%
	Transfer of shares on 18.11.16	3,000	0.09%	9,001	0.29%
	Transfer of shares on 02.12.16	2,000	0.06%	11,001	0.35%
	Transfer of shares on 09.12.16	2,718	0.08%	13,719	0.44%
	Transfer of shares on 16.12.16	3,800	0.12%	17,519	0.56%
	Transfer of shares on 23.12.16	5,000	0.16%	22,519	0.72%
	Transfer of shares on 30.12.16	1,800	0.50%	24,319	0.78%
	Transfer of shares on 06.01.17	1,200	0.03%	25,519	0.82%
	Transfer of shares on 13.01.17	1,011	0.03%	26,530	0.85%
	Transfer of shares on 20.01.17	1,841	0.05%	28,371	0.91%
	Transfer of shares on 27.01.17	1,050	0.03%	29,421	0.95%
	Transfer of shares on 10.02.17	1,369	0.04%	30,790	0.99%
	Transfer of shares on 17.02.17	-3,014	-0.09%	27,776	0.89%
	Transfer of shares on 24.02.17	-1,103	-0.03%	26,673	0.86%
	Transfer of shares on 31.03.17	1,460	0.04%	28,133	0.90%
	At the end of the year	28,133	0.90%	28,133	0.90%

**v) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year		% of change during the year
		No. of shares	%	No. of Shares	%	
1	Alka Bangur	37638	1.216	37638	1.216	0.000
2	Lakshmi Niwas Bangur	25481	0.823	25481	0.823	0.000
3	Ratanlal Gaggur	1125	0.036	1125	0.036	0.000
4	P.R. Ramakrishnan	300	0.010	300	0.010	0.000
5	Sri. N Swaminathan	150	0.005	150	0.005	0.000

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	13,87,83,865	—	—	13,87,83,865
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i + ii + iii)	13,87,83,865	—	—	13,87,83,865
Change in Indebtedness during the financial year				
i) Addition	1,99,14,131	—	—	1,99,14,131
ii) Reduction	8,50,21,845	—	—	8,50,21,845
iii) Exchange difference	—	—	—	—
Net Change	6,51,07,717	—	—	6,51,07,717
Indebtedness at the end of the financial year				
i) Principal amount	7,36,76,148	—	—	7,36,76,148
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	7,36,76,148	—	—	7,36,76,148



VI. Remuneration of Directors and Key Managerial Personnel

(A) Remuneration to Managing Director and Deputy Managing Director

Sl. No.	Particulars of Remuneration	Remuneration to Managing Directors		Total Amount
		Mrs. Alka Bangur	Shri. Shreeyash Bangur	
1	Gross salary			
	a) Salary u/s 17(1) of the Income Tax Act 1961	22,50,000	12,00,000	34,50,000
	(b) Value of perquisites u/s Section 17(2) of the Income Tax Act 1961	13,50,000	12,00,000	25,50,000
	(c) Profits in lieu of salary u/s 17 (3) of the Income Tax Act 1961)	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission - as % of profit - others specify	—	—	—
5	Others (Contribution to Provident & Superannuation Fund)	6,07,500	3,24,000	9,31,500
	Total (A)	42,07,500	27,24,000	69,31,500
	Overall ceiling as per the Act	As per Schedule V of the Companies Act 2013		

(B) Remuneration to other directors

Sl. No.	Particulars of remuneration	Name of Directors					Total Amount
		Shri R.L. Gagar	Shri H.M. Parekh	Shri P.R. Ramakrishnan	Shri N. Swaminathan	Shri L.N. Bangur	
1	Independent Directors						
	(a) Fee for attending Board Committee Meetings	5,000	20,000	45,000	40,000	—	1,10,000
	Commission	—	—	—	—	—	—
	Others please specify	—	—	—	—	—	—
	Total (1)	5,000	20,000	45,000	40,000	—	1,10,000
2	Other Non-Executive Directors						
	(a) Fee for attending Board Committee Meetings	—	—	—	—	20,000	20,000
	(b) Commission	—	—	—	—	—	—
	(c) Others please specify	—	—	—	—	—	—
	Total (2)	—	—	—	—	20,000	20,000
	Total (B)=(1+2)	5,000	20,000	45,000	40,000	20,000	1,30,000
	Total Managerial Remuneration	—	—	—	—	—	—
	Ceiling as per the Act	Sitting fee of Rs. 100000/- per meeting					



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

Sl. No.	Particulars of Remuneration	Remuneration to Key Managerial Personnel		
		Shri S.K.Singh Chief Executive Officer	Shri R.V. Sridharan Company Secretary	Shri A.Thiagarajan Chief Financial Officer
1	Gross salary			
	a) Salary u/s 17(1) of the Income Tax Act 1961	31,93,500	9,62,720	11,50,008
	(b) Value of perquisites u/s Section 17(2) of the Income Tax Act 1961	7,47,591	3,36,477	7,95,312
	(c) Profits in lieu of salary under section 17(3) Income-tax Act 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission	—	—	—
	- as % of profit	—	—	—
	others specify...	—	—	—
5	Others (Contribution to Provident & Superannuation Fund)	8,62,245	2,59,934	1,38,001
	Total	48,03,336	15,59,131	20,83,321

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

**Annexure - B****CRITERIA FOR SELECTION OF NON-EXECUTIVE DIRECTORS:**

The Non Executive Director shall:-

- a) have adequate skills background experience and knowledge
- b) Possess industry bias i.e. should be reasonably conversant with and follow the tea plantation industry
- c) Be a person of intellect and integrity
- d) Not be discriminated on the basis of age, gender and race.
- e) Believe in and be committed to practice the Peria Karamalai Values
- f) Be capable of working in harmony with other Board Members and contribute effectively in Board and Shareholders Meetings.
- g) Be in alignment with the Company's objectives and goals.

Annexure - C**NOMINATION AND REMUNERATION POLICY****1. Preamble**

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

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

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

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

The Members of the Nomination and Remuneration Committee ("the Committee or NRC") shall be appointed

by the Board and shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors. Any fraction in the one-half shall be rounded off to one.

This Policy will be called "PK Tea Nomination & Remuneration Policy" and referred to as "the Policy".

The Policy will be reviewed at such intervals as the Nomination and Remuneration Committee will deem fit.

2. Objectives

The objectives of the Policy are as follows:

- a) To set criteria for determining qualifications, positive attributes and independence of a director, and remuneration of the Executives.
- b) To enable the Company to attract, retain and motivate highly qualified members for the Board and other executive level to run the Company successfully.
- c) To enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
- d) To ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
- e) To ensure that remuneration to directors, KMP and senior management employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. Principles of remuneration

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

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

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

External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will



remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.

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

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

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

4. Terms of Reference and Role of the Committee

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

- 1 To formulate criteria for:
 - a. determining qualifications positive attributes and independence of a director;
 - b. evaluation of independent directors and the Board.
2. To devise the following policies on:
 - a. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the board of the Company;
 - b. board diversity laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the Company.
3. To identify persons who are qualified to:
 - a. become directors in accordance with the criteria laid down and recommend to the Board the appointment and removal of directors;
 - b. be appointed in senior management cadre in accordance with the policies of the Company and recommend their appointment;
4. To discuss, approve the appointment and reappointment of executive directors, managing directors and also to fix their remuneration packages and designations;
5. To carry out evaluation of the performance of every director of the Company;

6. To express opinion to the Board that a director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of professional nature.
7. To carry out such other business as may be required by applicable law or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.

The Committee shall:

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

5. Procedure for selection and appointment of the Board Members

Board membership criteria:

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

In evaluating the suitability of individual Board members, the Committee shall take into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background



and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company.

Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

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

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

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

One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

The Board then shall make an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director may be appointed by the Board.

7. Procedure for selection and nomination of KMP and SMPs

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

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

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

8. Compensation Structure

Remuneration to Non-Executive Directors:

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

The fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees thereof may be modified from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013 and amended from time to time.

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

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

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

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/ WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry



standards. The remuneration determined for MD/WTDS shall be approved by the Board of Directors at a meeting which shall be subject to the approval of members at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V of the Companies Act, 2013. As a policy, the Executive Directors are not paid any fees for attending the Board and/or Committee meetings.

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

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

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

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

8. Powers of the Committee and Meetings of the Committee

The Committee shall have inter-alia the following powers:

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

The Committee shall meet as per the requirements of law or at such larger frequency as may be required.

9. Approval and publication

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

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

10. Supplementary provisions

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

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

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

Annexure - D

Conservation of Energy Technology absorption & Foreign Exchange Earnings and Outgo

A. Conservation of Energy

Steps taken for conservation of energy

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

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

Steps taken by the Company for utilising alternate source of energy

The existing Wind Turbine Generators have outlived its economic life. The company is in the process of installing solar power plant (Alternative green energy).

B. Technology Absorption

i) Efforts made towards technology absorption

The Company is continuously adapting suggestions/recommendations of UPASI Scientists besides its own efforts for improvement in upkeep productivity quality higher yields and energy conservation.

ii) Benefits derived

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

**iii) Import of technology - Nil****C. Foreign Exchange Earnings and outgo**

Particulars are given in the Notes on Financial Statements forming part of accounts.

Annexure - E**Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March 2017

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

To

The Members,
The Peria Karamalai Tea And Produce Company Limited
(CIN: L01132WB1913PLC220832)
7, Munshi Premchand Sarani,
Hastings,
Kolkata - 700 022

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. The Peria Karamalai Tea And Produce Company Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. The Peria Karamalai Tea And Produce Company Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Companies Act, 1956 and the rules made thereunder (to the extent applicable);

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

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

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

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

vi. Laws specifically applicable to the Industry to which the Company belongs as identified by the Management.

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

- a) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI);
- b) Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. as mentioned above.

I further report that, during the year under review, there were no actions/ events in pursuant of the following Rules/Regulations requiring compliance thereof by the Company:

- a. 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;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- c. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014;



- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998.

I further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

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

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

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

I further report that during the audit period, the Company has obtained necessary approval of the members through postal ballot by passing requisite special resolution (i) For shifting of Registered office of the Company from the State of Tamilnadu to the State of West Bengal pursuant to the provisions of Section 12,13 and other applicable provisions of the Companies Act 2013 subject to the approval of the Regional Director, Chennai (ii) Alteration of the clause 3 of the Memorandum of Association by insertion of a new sub-clause 22A and (iii) Adoption of a new set of Articles of Association in line with the provisions of the Companies Act 2013.

Other than the above, there were no instances of:

- Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity.
- Redemption / buy-back of securities
- Major decision taken by the members in pursuant to Section 180 of the Companies Act, 2013.
- Merger / Amalgamation / Reconstruction etc.
- Foreign technical collaborations.

Place : Coimbatore
Date : 26th May 2017

M D Selvaraj
MDS & Associates
Company Secretaries
FCS No.: 960
C P No.: 411

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

**'Annexure A' to Secretarial Audit Report**

To

The Members,
The Peria Karamalai Tea And Produce Company Limited
(CIN: L01132WB1913PLC220832)
7, Munshi Premchand Sarani,
Hastings,
Kolkata - 700 022

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable standards, laws, rules and regulation is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Coimbatore
Date : 26th May 2017

M D Selvaraj
MDS & Associates
Company Secretaries
FCS No.: 960
C P No.: 411

Annexure - F

Statement pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975 and Section 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

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

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

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



III. Particulars pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

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

Name	Ratio
Executive Directors	
Mrs. Alka Bangur (Managing Director)	64.48: 1
Shri Shreeyash Bangur (Managing Director)	41.74 : 1
Non Executive Directors	
Shri L.N.Bangur (Director)	0.31:1
Shri R.L.Gaggar (Director)	0.08:1
Shri H.M.Parekh (Director)	0.31:1
Shri P.R.Ramakrishnan (Director)	0.69:1
Shri N.Swaminathan (Director)	0.61:1

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

Name	Category	Percentage
Mrs. Alka Bangur	Managing Director	(0.18%)
Shri Shreeyash Bangur	Deputy Managing Director	(22.91%)
Shri S.K.Singh	Chief Executive Officer	33.14%
Shri A.Thiagarajan*	Chief Financial Officer	NA
Shri R.V.Sridharan	Company Secretary	(30.21%)

*In the previous year he joined duty on 14.03.2016. Hence, figures are not comparable.

- c) Percentage increase in the median remuneration of employees in the financial year: 7.20%

- d) Number of permanent employees on the rolls of the Company : 1766

- e) Explanation on the relationship between average increase in remuneration and company performance:

The average increase in remuneration is based on the wage agreement between the Company and the Trade Unions.

- f) Comparison of remuneration of Key Managerial Personnel against the performance of the Company

The Key Managerial Personnel were collectively paid a remuneration of Rs.153.74 lakhs for the financial year 2016-17. This represents 3.38% of the total standalone turnover of Rs.4547.82 lakhs of the Company and (65.80%) of its standalone profits.

The Company believes that the Key Managerial Personnel have been compensated commensurate with their knowledge, experience and contributions notwithstanding the fact that their collective remuneration does not impact the Company's performance significantly.



Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	31 st March 2017	31 st March 2016
Issued Capital (in Nos)	30,95,879	30,95,879
Market Capitalisation (Rs. in crores)	49,53,40,640	41,20,61,495
Closing Price at National Stock Exchange (in Rs.)	160.00	133.10
Earnings per Share (in Rs.)	5.13	(7.07)
Price Earnings Ratio as at the closing date	31.19	18.83

Percentage increase over decrease in market quotations of the shares of the Company in comparison with the last public issue is not applicable as the last public offer was made many years ago and the data is incomparable.

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

The Average increase in remuneration is 7.20% for both workers and staff.

h) Comparison of the Remuneration of Key Managerial Personnel against the performance of the Company

Name	Designation	Remuneration paid Rs.	Profit before Tax Rs.
Mrs. Alka Bangur	Managing Director	42,07,500	2,33,64,991
Shri Shreeyash Bangur	Managing Director	27,24,000	2,33,64,991
Shri S.K.Singh	Chief Executive Officer	48,03,336	2,33,64,991
Shri A.Thiagarajan	Chief Financial Officer	20,83,321	2,33,64,991
Shri R.V.Sridharan	Company Secretary	15,59,131	2,33,64,991

i) The key parameters for any variable component of remuneration availed by the Directors

Non Executive Directors

The Company does not pay any variable component of remuneration to the Non-Executive Directors as they are paid only sitting fee for attending the meetings.

Executive Directors

The two Managing Directors are paid annual increments based on the performance of the Company and as recommended by the Nomination and Remuneration Committee.

j) The ratio of remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year : Not applicable

k) Affirmation that remuneration paid is as per the Remuneration Policy of the Company

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

**Annexure G****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES****1) A Brief outline of the Company's CSR policy:**

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

2) Composition of CSR Committee:

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

3) Average Net Profit of the Company For the last three financial years:

There was net loss for the immediately preceding three financial years.

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

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

5) Details of CSR spent during the financial year:

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

b) Amount unspent if any : Nil

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

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

d) Reason for not spending the amount:

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

6) Responsibility Statement by the CSR Committee

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

Place : Kolkata
Date : 26th May 2017

N. SWAMINATHAN
Director
(DIN 02743671)

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



MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

India produced 1239.10 million kg in 2016 compared 1208.7 million kg in 2015. South Indian Tea industry produced 212.20 million kg in 2016 compared to 227.60 million kg in 2015. North India produced 1026.90 million kg in 2016 compared to 981.10 million kg in 2015.

All India auction average stood at Rs.135.33 per kg in 2016 compared to Rs.128.60 per kg in 2015. North India averaged Rs. 143.65 per kg compared to Rs.142.05 per kg in 2015. South Indian Tea averaged Rs. 106.40 per kg compared to Rs.84.37 per kg.

Export of tea from India was 216.80 million kg in 2016 compared to 228.70 million kg in 2015.

Performance

Sri Lanka a major exporter of Orthodox teas has continuously reported sharp decline in production. Because of that the prices of orthodox tea is attractive and stable. Our company has also proposed to produce good quality orthodox tea as a major diversification.

Tea business accounted for 95.34% of the total revenue of the Company.

Future Prospects

The global tea consumption has been on the increasing trend which has reported 3 to 4% enhancement. Since the carry forward stock is less, there may not be any sudden negative impact on the price front.

To maximise the revenue generation and to reduce the uncertainty of tea prices, the company has diversified into cash crops like black pepper and coffee.

Opportunities

Mechanization of all tea operations in the light of labour shortage is imperative for future growth of tea industry. Sharing the social cost by the State Governments will reduce the cost of production and thereby increase the competitive strength of Indian tea. Acquisition of gardens outside India and branching out to other related businesses is the only solution for tea industry's survival in future.

Challenges

High cost of labour, rising input cost and acute shortage of labour are major challenges. Wage revision is due in Tamil Nadu. Revision of wages will be in force with effect

from 1st July 2017 onwards which is likely to increase the cost of production.

Climate change poses big challenge to the tea industry resulting in lower crops as well as higher incidence of pests and diseases. Declining soil fertility and slower pace of re-plantation of old bushes affect the productivity. Indian CTC tea producers face tough competition from Kenya.

Risk Management

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

Internal Control

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

Human Resource

Relationship with employees at all level remains cordial. Training and development of employees continue to be an area of prime importance. The devotion and commitment of employees has enabled the Company to fulfill its targets and deadlines in time. The total number of employees on the rolls of the Company as on 31st March 2017 was 1766.

Forward looking statements

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



REPORT ON CORPORATE GOVERNANCE

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

Company's Philosophy on Corporate Governance

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

1. BOARD OF DIRECTORS

Composition

The Board consists of seven (6) Directors, out of which four are non-executive directors and two are executive directors. Mrs. Alka Bangur and Shri Shreeyash Bangur are the Executive Directors and all others are Non-Executive Directors.

Name of Director	Category	Other Directorships	Membership of other Board Committees	
			Member	Chairman
Shri L.N.Bangur	Promoter–Non Executive Chairman	9	2	1
Mrs. Alka Bangur	Promoter-Managing Director	2	1	1
Shri Shreeyash Bangur	Promoter-Managing Director	5	—	—
Shri R.L.Gaggar*	Independent	8	9	—
Shri H.M.Parekh	Independent	7	4	5
Shri P.R.Ramakrishnan	Independent	1	—	—
Shri N.Swaminathan	Independent	1	—	—

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

#excludes directorship in private companies.

#Only Audit Committee and Stakeholders Relationship Committee are considered.

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

Meetings of the Board of Directors

During the financial year 2016-17, four meetings of the Board of Directors were held on 30th May 2016, 8th August 2016, 8th November 2016 and 10th February 2017.

**Attendance of Directors at Board Meetings and Annual General Meeting**

The attendance of directors at the meetings of Board of Directors held during the financial year 2016-17 and at the last Annual General Meeting held on 12th August 2016 were as under:

Name of the Director	Board Meeting		Annual General Meeting
	Held during the year	Attended	
Shri L.N.Bangur	4	4	Yes
Mrs. Alka Bangur	4	4	Yes
Shri Shreeyash Bangur	4	4	Yes
Shri R.L.Gaggar	4	1	No
Shri H.M.Parekh	4	3	No
Shri P.R.Ramakrishnan	4	3	Yes
Shri N.Swaminathan	4	2	Yes

Disclosure of relationships between directors inter-se:

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

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

Number of shares and convertible instruments held by non-executive director

None of the non-executive directors of the Company hold any shares or convertible securities in the Company.

Familiarisation Program for Independent Directors

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

Field visits were arranged for the directors. They were apprised about the plucking operations, cultural practices like fertiliser application, spraying of chemicals to control pests and diseases, functioning of drip irrigation etc. They were taken around nurseries, replanted areas, check dam, areas where minor produces are grown etc. Further, they were apprised about the productivity, labour related matters, overall power consumption, cost savings and environmental protection activities undertaken by the factories.

The appointment letters of Independent Directors has been posted on the Company's website www.periatea.com

Separate meeting of the Independent Directors

The independent Directors' meeting was held on 25th March 2017 without the attendance of Non-Independent Directors and members of Management. The independent directors reviewed the performance of Non-Independent Directors. The Board as a whole reviewed the performance of the Chairman and accessed the quality, quantity and timeliness of flow of information between the Company and the Board.



Committees of the Board

At present the Board has 4 Committees:

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

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

2. AUDIT COMMITTEE

Three of the members of the Audit Committee are independent and have knowledge of finance, accounts and tea industry.

The role, power and functions of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The terms of reference of the Audit Committee are as required by Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Besides having access to all the information within the Company, the Committee can obtain external professional advice whenever required. The committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the statutory and internal auditors and meet with them to discuss their findings, suggestions and other related matters. The committee is empowered to recommend the appointment and remuneration payable to the Statutory Auditors.

Composition

The members of the Audit Committee as on 31st March 2017 comprised of:

Name of the Director	Designation	Category
Shri P.R.Ramakrishnan	Chairman	Independent - Non-Executive
Shri L.N.Bangur	Member	Promoter - Executive
Shri H.M.Parekh	Member	Independent - Non-Executive
Shri N.Swaminathan	Member	Independent - Non-Executive

All the above members are independent non-executive directors except Shri L.N.Bangur, Shri P.R.Ramakrishnan and Shri H.M.Parekh possess expert Knowledge in finance and accounts. Shri R.V.Sridharan, Company Secretary is the Secretary of the Committee. Chairman of the Audit Committee has attended the last Annual General Meeting.

Meetings

During the year, the Audit Committee met four (4) times on 25th May, 2016, 1st August, 2016, 5th November, 2016 and 6th February, 2017.

Attendance of each member is given below:

Name of the Director	Number of Meetings held	Number of Meetings attended
Shri P.R.Ramakrishnan	4	4
Shri L.N.Bangur	4	0
Shri H.M.Parekh	4	0
Shri N.Swaminathan	4	4



3. NOMINATION & REMUNERATION COMMITTEE

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

The broad terms of reference to the Compensation and Nomination Committees are to recommend to the Board salary, perquisites and incentive payable to the Company's Executive Directors and Key Managerial Persons, to finalise the annual increments payable within the overall ceiling fixed by the Board. The Committee also recommends re-appointments and tenure of office, whether of executive or non executive directors and Key Managerial Persons.

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

Composition

The members of the Nomination and Remuneration Committee as on 31st March 2017 comprised of:

Name of the Director	Designation	Category
Shri P.R.Ramakrishnan	Chairman	Independent Non Executive
Shri L.N.Bangur	Member	Promoter Executive
Shri H.M.Parekh	Member	Independent Non Executive
Shri N.Swaminathan	Member	Independent Non Executive

Meeting

During the year 2016-17, Nomination and Remuneration Committee met on 1st August, 2016.

Attendance of each member is given below:

Name of the Director	No. of meeting held	No. of Meetings attended
Shri P.R.Ramakrishnan	1	1
Shri L.N.Bangur	1	0
Shri H.M. Parekh	1	0
Shri N.Swaminathan	1	1

Performance evaluation criteria for Independent Directors

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

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



4. REMUNERATION OF DIRECTORS

a) Remuneration to Executive Directors

The details of remuneration paid to Mrs. Alka Bangur, Managing Director, and Shri Shreeyash Bangur, Deputy Managing Director during the financial year 2016-17 are given below:

Name	Designation	Total Remuneration (In Rs Lakhs)	Period of Appointment
Mrs. Alka Bangur	Managing Director	42.07	3 years with effect from 17.09.2014
Shri Shreeyash Bangur	Dy Managing Director	27.24	3 years with effect from 05.11.2015

b) Remuneration to Non-Executive Directors

Name	Business relationship with the company	Sitting Fees Rs.	Commission	Total Rs.
Shri L.N.Bangur	Promoter	20,000	—	20,000
Shri R.L.Gaggar	None	5,000	—	5,000
Shri H.M.Parekh	None	20,000	—	20,000
Shri P.R.Ramakrishnan	None	45,000	—	45,000
Shri N.Swaminathan	None	40,000	—	40,000

The Company does not pay any performance incentive or severance fees. Apart from the above mentioned remuneration, the Company had no pecuniary relationship or transactions with the Non-Executive Directors during the financial year 2016-17.

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

Shareholding of Non-Executive Directors

Name	No. of Shares
Shri L.N.Bangur	25481
Shri R.L.Gaggar	1125
Shri H.M.Parekh	Nil
Shri P.R.Ramakrishnan	300
Shri N.Swaminathan	150

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

**Composition**

The members of the Committee as on 31st March, 2017 comprised of:

Name of the Director	Designation
Shri L.N. Bangur	Chairman
Shri P.R. Ramakrishnan	Member
Shri N. Swaminathan	Member

The Board has designated Shri R.V. Sridharan, Company Secretary as Compliance Officer.

Meetings

During the year, the Stakeholders Relationship Committee met four (4) times on 25th May, 2016, 1st August, 2016, 5th November, 2016 and 6th February, 2017.

Attendance of each member is given below:

Name of the Director	Number of Meetings held	Number of Meetings attended
Shri P.R. Ramakrishnan	4	4
Shri L.N. Bangur	4	0
Shri N. Swaminathan	4	4

The status of complaints received from the investors during the financial year 2016-17 is furnished below:

Complaints pending as on 1st April, 2016	Nil
Complaints received during the year	Nil
Complaints resolved during the year	Nil
Complaints pending as on 31st March, 2017	Nil

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

Unclaimed Suspense Account

The Company has sent reminders to the shareholders who have not claimed their shares. The Company has initiated the process of transferring the unclaimed shares to the "Unclaimed Suspense Account".

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The terms of reference of the Committee encompasses:

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

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



The members of the Committee as on 31st March, 2017 comprised of:

Name of the Director	Designation
Shri L.N. Bangur	Chairman
Shri P.R. Ramakrishnan	Member
Shri N. Swaminathan	Member

Meetings

During the year under review, the Committee met one time on 30th May, 2016.

Attendance of each member is given below:

Name of the Director	Number of Meetings held	Number of Meetings attended
Shri L.N.Bangur	1	1
Shri P.R.Ramakrishnan	1	1
Shri N.Swaminathan	1	1

7. GENERAL BODY MEETINGS

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

Year	Date	Time	Venue
2013-14	22.09.2014	11.00 a.m.	The Indian Chamber of Commerce & Industry, Coimbatore - 641 018
2014-15	28.09.2015	11.00 a.m.	The Indian Chamber of Commerce & Industry, Coimbatore - 641 018
2015-16	12.08.2016	10.15 a.m.	The Indian Chamber of Commerce & Industry, Coimbatore - 641 018

Special Resolutions passed in the previous three Annual General Meetings:

Date	Description of Special Resolutions passed
22.09.2014	Appointment of Shri R.L. Gaggar as Independent Director of the Company for a period of five years.
	Appointment of Shri N. Swaminathan as Independent Director of the Company for a period of five years.
	Appointment of Shri H.M. Parekh as Independent Director of the Company for a period of five years.
	Appointment of Shri P.R. Ramakrishnan as Independent Director of the Company for a period of five years.
	Alteration of Article 155 of the Articles of Association to make the office of Managing Director / Wholtime Director liable for retirement by rotation.
	Partial modification of the resolution approving the terms of appointment of Shri Shreeyash Bangur, Deputy Managing Director that he shall be subject to retirement by rotation.
	Authority to Board of Directors to mortgage or otherwise dispose of or to create or modify charge, hypothecate the whole or substantially the whole of the undertaking of the company.
	Re-appointment of Mrs. Alka Bangur as Managing of the Company for a further term of 3 years.



Date	Description of Special Resolutions passed
28.09.2015	Re-appointment of Shri Shreeyash Bangur as Deputy Managing Director of the Company for a further terms of 3 years.

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

Postal Ballot

Three special resolutions were put through postal ballot last year.

Special Resolution passed through postal ballot during the year

09.02.2017	Shifting of Registered Office of the Company from the State of Tamil Nadu to the State of West Bengal.
	Alteration of Memorandum of Association of the Company.
	Adoption of new set of Articles of Association of the Company.

At present no special resolution is proposed to be passed through postal ballot. The procedure of passing the Postal Ballot Resolutions is as per the provisions of the Companies Act, 2013 and rules made under the Companies (Management and Administration) Rules, 2014.

8. MEANS OF COMMUNICATION

Quarterly, half yearly and annual financial results are published in Trinity Mirror (English Version) and Makkal Kural (Tamil Version) and simultaneously posted on the website of the Company. Quarterly and half yearly financial results are not sent to the shareholders individually.

9. GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of the AGM

	Date & Time	Venue
104th Annual General Meeting	09.08.2017 10.30 a.m	Sitaram Sakseria Auditorium, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700 017

Financial Calendar (tentative and subject to change)

Particulars of meeting	On or before
Unaudited Financial Results for the quarter ending 30th June, 2017	14th August, 2017
Unaudited Financial Results for the quarter ending 30th September, 2017	14th November, 2017
Unaudited Financial Results for the quarter ending 31st December, 2017	14th February, 2018
Audited Financial Results for the year ending 31st March, 2018	30th May, 2018

Date of Book closure for payment of dividend : 03.08.2017 to 09.08.2017
(Both days inclusive)

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



Listing on Stock Exchanges

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

The National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051

The Calcutta Stock Exchange Limited

7, Lyons Range,
Kolkata - 700 001

The Company has paid the annual listing fees for the year 2017-18 to the National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.

Stock Code

National Stock Exchange of India Limited	PKTEA
Calcutta Stock Exchange Limited	10026140
ISIN (for demat)	INE 431F01018

Details of monthly high and low quotations of the equity shares of the company traded on The National Stock Exchange of India Limited under the permitted category during the financial year 2016-17:

Month	PKTEA NSE (Rs.)			NSE NIFTY		
	High	Low	Month Close	High	Low	Month Close
April 2016	144.00	123.20	138.35	7978.45	7516.85	7849.80
May 2016	163.95	121.50	128.15	8213.60	7715.80	8160.10
June 2016	169.90	124.00	151.00	8308.15	7927.05	8287.75
July 2016	180.00	148.00	158.45	8674.70	8287.55	8638.50
August 2016	159.50	137.80	148.80	8819.20	8529.60	8786.20
September 2016	161.90	128.00	145.10	8968.70	8555.20	8611.15
October 2016	161.25	128.95	142.25	8806.95	8506.15	8625.70
November 2016	164.70	130.00	144.38	8669.60	7916.40	8224.50
December 2016	162.00	141.00	150.00	8274.95	7893.80	8185.80
January 2017	169.00	150.40	157.95	8672.70	8133.80	8561.30
February 2017	210.00	148.70	157.00	8982.15	8537.50	8879.60
March 2017	188.00	146.25	160.00	9218.40	8860.10	9173.75

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

Registrar and Transfer Agents

SKDC Consultants Limited,
Knapathy Towers, 3rd Floor,
1391/A-1, Sathy Road, Ganapathy,
Coimbatore - 641 006
Tel No +91 (422) 4958995, 5239835 2539836
Fax No +91 (422) 2539837
Email: info@skdc-consultants.com



Share Transfer system

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

Distribution of Equity Shareholding as on 31st March, 2017

Slab of Shareholdings	Shareholders		Shares	
	Number of shareholders	%	Number of Shares	%
1 – 500	4161	90.46	466096	15.06
501 – 1000	266	5.78	181248	5.85
1001 – 2000	113	2.46	153076	4.94
2001 – 3000	17	0.37	41646	1.35
3001 – 4000	6	0.13	19730	0.64
4001 – 5000	2	0.04	8782	0.28
5001 – 10000	13	0.28	96490	3.12
10001 and above	22	0.48	2128811	68.76
Total	4600	100.00	3095879	100.00

Category of Shareholders as on 31st March, 2017

S.No.	Category	Number of shares	%
A	Indian Promoters & Promoters Group	14,96,390	48.333
B	Public Shareholding		
	1. Institutions		
	a) Financial Institutions / Banks	3,935	0.127
	b) Insurance Companies	3,60,138	11.633
	c) Central / State Governments	27,715	0.895
	2. Non Institutions		
	a) Bodies Corporate	1,00,644	3.251
	b) Individuals	11,07,037	35.761
	Total Public Share holding (1+2)	15,99,489	51.667
	Total (A + B)	30,95,879	100.000

**Dematerialisation of shares as on 31st March, 2017**

Name of the Depository		No. of shares dematerialised	% on Equity Share Capital
A	National Securities Depository Limited	19,55,562	63.17
	Central Depository Services (India) Limited	7,07,508	22.85
	Total	26,63,070	86.02
B	Physical	4,32,809	13.98
	Total (A+B)	30,95,879	100.00

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

Estate Location

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

Wind Mill Location

Aralvaimozhi
Muppandal, Kanyakumari District
Tamil Nadu

Address for correspondence**Head Office:**

The Chief Executive Officer
The Peria Karamalai Tea & Produce Co.Ltd
286, Race Course Road,
Coimbatore - 641 018

Registered Office:

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

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

10. DISCLOSURES**Disclosure on materially significant related party transactions**

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

The Related Party Transaction Policy as approved by the Board of Directors is uploaded on the Company's website www.periatea.com.

**Details of non-compliance by the Company**

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

Whistle Blower Policy

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

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

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

Compliance with non-mandatory requirements

The Company has complied with the following non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. The Company has appointed separate persons to the post of Chairman and Managing Director.
2. Internal Auditor reports directly to the Audit Committee.

The Company has not adopted any other non-mandatory requirements.

Material Subsidiaries

The Company does not have any material subsidiaries.

Disclosure on commodity price risks and hedging activities

During the financial year ended 31st March 2017, the Company did not engage in commodity hedging activities.

Compliance with Accounting Standards

In the preparation of financial statements, the Company has followed the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 as amended and the relevant provisions of the Companies Act.

Risk Management

Business Risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

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

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

Certificate from CEO/CFO

The CEO/CFO certification of the financial statements for the year has been submitted to the Board of Directors in the meeting held on 26th May, 2017 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of conduct for Directors and Senior Management Personnel

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



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

Code for prevention of Insider Trading

The Company has framed Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors/Officers/Designated Employees.

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

Declaration for Code of Conduct

I hereby affirm and state that all Board Members and Senior Management Personnel of the Company have given a declaration pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and I hereby affirm compliance with the said Code of Conduct for the financial year 2016-17.

Kolkata
26th May, 2017

Alka Bangur
Managing Director
DIN : 00012894

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

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

1. We have examined the compliance of conditions of Corporate Governance by **THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LIMITED** ("the Company") for the year ended on March 31 2017 as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period April 1 2016 to November 30 2016 and as per the relevant provision of Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Agreement') as referred to in Regulation 15(2) of the Listing Regulations for the period December 1 2016 to March 31 2017:
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India to the extent relevant and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above during the year ended March 31 2017.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. KRISHNAMOORTHY & CO**
Chartered Accountants
Registration No: 001496S
K.N. Sreedharan
Partner, Auditors
Membership No. 12026

For **SRIKRISHNEN & CO**
Chartered Accountants
Registration No: 004009S
K. Murali Mohan
Proprietor, Auditors
Membership No. 014328

Coimbatore
26th May 2017



INDEPENDENT AUDITORS' REPORT

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of The Peria Karamalai Tea & Produce Company Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, the state of affairs of the Company as at 31st March 2017
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:



- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance sheet, the statement of Profit and loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of

such controls, refer to our separate report in "Annexure B"; and

- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv. the company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company;

For **S. KRISHNAMOORTHY & CO**
Chartered Accountants
Registration No: 001496S

K.N. Sreedharan
Partner, Auditors
Membership No. 12026

Coimbatore
26th May 2017

For **SRIKRISHEN & CO**
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328



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

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The fixed assets of the company have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties of the company shown under the Fixed Assets schedule are held in the name of the company.
- (ii) The physical verification of inventory has been conducted by the management at reasonable intervals. The Company has maintained proper record of inventory and no material discrepancies were noticed on the physical verification of inventories as compared to the book records.

The Company has not granted any loans, secured or unsecured to, firms limited liability partnerships or other parties covered in the register maintained under section 189. The Company has granted unsecured loan to two Companies covered in the Register maintained under section 189 of the Act.

In respect of the above loan given, in our opinion,

- a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- b) No schedule of repayment of principal and payment of interest has been stipulated.
- c) No amount is overdue warranting taking steps for recovery of principal and interest.

- (iii) The Company has not advanced any loans to its directors or any other person in whom the directors are interested or given any guarantee or provided any security in connection with any loan taken by the directors or such other person as contemplated under section 185 of the Act.

The investment made in the capital of the subsidiary companies is within the overall limit prescribed under section 186 of the Act.

- (iv) The Company has not accepted any deposits and therefore paragraph 3(v) of the CARO is not applicable to the Company.
- (v) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, in respect of manufacture of tea as well as generation and transmission of electricity by the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.
- (vi) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities.

There are, no undisputed arrears of statutory dues which were outstanding as at 31 March 2017 for a period of more than six months from the date they became payable

- (b) According to the information and explanations given to us, there are no disputed statutory dues which have not been deposited by the Company .
- (vii) The Company has not borrowed from any financial institution and has not issued any debentures till



date. The Company has not defaulted in repayment of loans and borrowings to banks.

(viii) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) . The term loans were applied for the purpose for which it is availed.

(ix) No fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year.

(x) In our opinion the managerial remuneration has been paid in accordance with the requisite approval mandated by the provisions of section 197, read with schedule V of the Act.

(xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion the transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) The Company has not made preferential allotment or private placement of shares or issued any debentures during the year.

(xv) The Company has not entered into non-cash transactions with directors or persons connected with him.

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

For **S. KRISHNAMOORTHY & CO**
Chartered Accountants
Registration No: 001496S

K.N. Sreedharan
Partner, Auditors
Membership No. 12026

Coimbatore
26th May 2017

For **SRIKRISHN & CO**
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Peria Karamalai Tea and Produce Co. Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting



to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 **S. KRISHNAMOORTHY & CO**
Chartered Accountants
Registration No: 001496S

K.N. Sreedharan
Partner, Auditors
Membership No. 12026

Coimbatore
26th May 2017

For **SRIKRISHEN & CO**
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328

**BALANCE SHEET AS AT 31ST MARCH 2017**

(₹)

	Note No.	31.3.2017	31.3.2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	3,09,58,790	3,09,58,790
(b) Reserves and surplus	2	94,93,86,447	93,34,94,704
(c) Money received against share warrants		—	—
		<u>98,03,45,237</u>	<u>96,44,53,494</u>
(2) Share application money pending allotment			
		—	—
(3) Non-current liabilities			
(a) Long-term borrowings	3	1,74,48,707	12,92,743
(b) Deferred tax liabilities (Net)	4	37,29,809	45,66,852
(c) Long-term provisions	5	4,24,904	4,24,904
		<u>2,16,03,420</u>	<u>62,84,499</u>
(4) Current liabilities			
(a) Short-term borrowings	6	5,03,27,532	13,40,56,637
(b) Trade payables	7	—	—
Due to micro & small enterprise		—	—
Due to others		5,27,22,906	4,98,97,357
(c) Other current liabilities	8	90,13,621	66,57,262
(d) Short-term provisions	9	14,42,317	27,94,596
		<u>11,35,06,377</u>	<u>19,34,05,852</u>
TOTAL		<u>111,54,55,034</u>	<u>116,41,43,846</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	18,71,72,015	17,40,44,284
(ii) Intangible assets		21,603	47,177
(iii) Capital Work in Progress		1,87,28,251	2,79,719
(b) Non-current investments	11	60,09,44,617	61,92,70,975
(c) Long-term loans and advances	12	2,90,16,965	1,90,17,737
		<u>83,58,83,451</u>	<u>81,26,59,892</u>
(2) Current assets			
(a) Current investments	13	24,48,057	4,08,18,592
(b) Inventories	14	3,50,72,155	5,66,54,987
(c) Trade receivables	15	3,21,44,010	2,37,88,763
(d) Cash and cash equivalents	16	1,37,58,371	9,18,24,388
(e) Short-term loans and advances	17	19,15,61,637	12,97,93,744
(f) Other current assets	18	45,87,354	86,03,450
		<u>27,95,71,583</u>	<u>35,14,83,954</u>
TOTAL		<u>111,54,55,034</u>	<u>116,41,43,846</u>

See accompanying notes to the financial statements

As per our Report of even date attached

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

K.N. Sreedharan

Partner Auditors M.No. 12026.

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

K.Murali Mohan

Proprietor M.No. 014328

Coimbatore

26th May 2017

For and on behalf of the Board

L.N. Bangur
Chairman

R.V. Sridharan

Company Secretary

Alka Bangur
Managing Director

A. Thiagarajan

Chief Financial Officer

Kolkata

26th May 2017



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(₹)

	Note No.	31.3.2017	31.3.2016
I Income:			
a) Revenue from operations	19	45,47,81,816	39,65,26,551
b) Other income	20	43,64,970	89,80,396
Total Revenue		45,91,46,786	40,55,06,947
II. Expenses:			
a) Cost of materials consumed		3,99,72,599	3,58,44,466
b) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	1,57,83,960	1,88,69,370
c) Employee benefits expense	22	23,26,08,420	21,49,21,462
d) Finance costs	23	70,14,110	1,17,56,996
e) Depreciation and amortization expense		2,24,78,953	2,37,24,543
f) Other expenses	24	11,76,44,034	12,35,76,944
Total expenses		43,55,02,076	42,86,93,782
III. Profit / (Loss) before exceptional and extraordinary items and tax (I-II)		2,36,44,710	(2,31,86,835)
IV. Prior year Income		—	11,67,746
V. Exceptional items - Capital WIP written off		2,79,719	—
VI. Profit / (Loss) before extraordinary items and tax (III + IV - V)		2,33,64,991	(2,20,19,089)
VII. Extraordinary Items		—	—
VIII. Profit / (Loss) before tax (VI-VII)		2,33,64,991	(2,20,19,089)
IX. Tax expense:			
(1) Current tax		66,00,000	6,00,000
(2) Mat Credit entitlement of earlier year reversed		17,10,291	—
(3) Deferred Tax Liability Provided / (Reversed)		(8,37,043)	(7,27,038)
X. Profit / (Loss) for the period from continuing operations (VIII-IX)		1,58,91,743	(2,18,92,051)
XI. Profit/(Loss) from discontinuing operations (after tax)		—	—
XII. Profit/(Loss) for the period (X+XI)		1,58,91,743	(2,18,92,051)
XIII. Earnings per equity share:			
(1) Basic		5.13	(7.07)
(2) Diluted		5.13	(7.07)

See accompanying notes to the financial statements

As per our Report of even date attached

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

K.N. Sreedharan

Partner Auditors M.No. 12026.

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

K.Murali Mohan

Proprietor M.No. 014328

Coimbatore

26th May 2017

For and on behalf of the Board

L.N. Bangur
Chairman

R.V. Sridharan

Company Secretary

Alka Bangur
Managing Director

A. Thiagarajan

Chief Financial Officer

Kolkata

26th May 2017

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017**

(₹)

	31.3.2017	31.3.2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before Tax and Extraordinary items	2,33,64,991	(2,31,86,835)
Adjustments for:		
Depreciation	2,24,78,953	2,37,24,543
Loss / (Profit) on sale of asset	2,98,267	(1,23,808)
Profit on sale of investments	56,80,866	(13,18,592)
Income from Wind Mill	(20,19,254)	(9,81,665)
Sale of Trees	—	(25,20,700)
Interest received	1,18,86,807	(1,51,77,766)
Dividend received	7,952	(7,384)
Interest payments	70,14,110	1,17,56,996
Operating Profit before working capital charges	6,87,12,693	(78,35,211)
Adjustments for:		
Trade and other receivables	(1,84,36,600)	(78,80,986)
Inventories	2,15,82,832	1,55,80,096
Trade Payables	66,24,226	(51,62,633)
Short term borrowings	(8,37,29,105)	7,98,03,753
Cash generated from operations before extraordinary items	(52,45,955)	7,45,05,019
Exceptional item	—	—
	(52,45,955)	7,45,05,019
Direct Taxes paid	3,972	27,11,073
Net Cash from operating activities	(52,41,983)	7,17,93,946
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(5,52,64,153)	(1,16,48,735)
Sale of fixed assets	9,36,244	1,23,810
Purchase of investments	(7,35,00,000)	(9,29,00,000)
Sale of investments	12,45,16,027	6,69,00,000
Sale of trees	—	25,20,700
Income from Wind Mill	20,19,254	9,81,665
Interest received	(78,70,711)	1,86,14,319
Intercompany loans (given)/ received	(7,00,00,000)	4,50,00,000
Long term borrowing	1,61,55,964	(34,34,485)
Dividend received	(7,952)	7,384
Net Cash used in investing activities	(6,30,15,328)	2,61,64,658
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(70,14,110)	(1,17,59,799)
Dividend paid including dividend distribution tax	(27,94,596)	(28,26,501)
Net Cash used in financing activities	(98,08,706)	(1,45,86,300)
Net increase / (decrease) in Cash and Cash Equivalents	(7,80,66,016)	8,33,72,304
Opening Cash and Cash Equivalents	9,18,24,388	84,52,084
Closing Cash and Cash Equivalents	1,37,58,371	9,18,24,388

As per our Report of even date attached

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

K.N. Sreedharan

Partner Auditors M.No. 12026.

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

K.Murali Mohan

Proprietor M.No. 014328

Coimbatore

26th May 2017

For and on behalf of the Board

L.N. Bangur
Chairman

R.V. Sridharan

Company Secretary

Alka Bangur
Managing Director

A. Thiagarajan

Chief Financial Officer

Kolkata

26th May 2017



NOTES TO FINANCIAL STATEMENTS

(₹)

1. SHARE CAPITAL

Authorised

75,00,000 Equity Shares of ₹ 10/- each
(Seventy five lakh shares of Rupees ten each)

7,50,00,000
7,50,00,000

Issued and Subscribed

30,95,879 Equity Shares of ₹ 10/- each fully paid

3,09,58,790
3,09,58,790

Number of Shares

	31.3.2017	31.3.2016
At the commencement of the year	30,95,879	30,95,879
Changes during the year	—	—
At the close of the year	30,95,879	30,95,879

Equity shareholders holding more than 5% shares:

Placid Ltd.	6,63,454	6,63,454
Kiran Vyapar Ltd.	4,70,224	4,70,224
Life Insurance Corporation of India Ltd	2,07,712	2,07,712

2. RESERVES AND SURPLUS

a) Reserves

Capital Subsidy

As per last Balance Sheet

41,69,108
41,69,108

Securities Premium Account

As per last Balance Sheet

2,79,73,700
2,79,73,700

General Reserve

As per last Balance Sheet

83,02,10,161
83,02,10,161



NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
b) Surplus		
Balance in Statement of P&L as per last Balance Sheet	7,11,41,735	9,58,28,382
Profit / (Loss) after tax for the year	1,58,91,743	(2,18,92,051)
Proposed Dividend	—	(23,21,909)
[Dividend per share Rs. — (Previous year - Rs. 0.75)]		
Tax on Dividend	—	(4,72,687)
	<u>8,70,33,478</u>	<u>7,11,41,735</u>
Total	<u>94,93,86,447</u>	<u>93,34,94,704</u>
3. LONG-TERM BORROWINGS		
Secured : From Banks		
1) Term Loan from Union Bank of India, Coimbatore	1,44,92,586	—
(Secured by Hypothecation of Plant and machinery purchased out of the loan .and collateraly secured by 988.15 acres of land & factory building at Nadumalai estate in Anamalai Hills Valparai Municipality.)		
Repayable in 60 monthly installments of Rs.50,000/- each commencing from 1.10.2017 at effective rate of interest 9.4%)		
2) Union Bank of India - Vehicle Loan	15,99,580	—
(Secured by the vehicle, Repayable in 30 installments of Rs. 93,184 each - Interest rate 9.95%)		
3) HDFC Bank - Vehicle Loan	—	44,246
(Secured by the vehicle, Repayable in 36 instalments of Rs. 25,778 each Interest rate 10.50%)		
From Others:		
1) Kotak Mahindra Prime Limited - Vehicle Loan (1)	—	12,48,497
(Secured by the vehicle. Repayable in 36 installments of Rs. 3,13,923 each Interest rate 9.60%)		
(Period and amount of continuing default Rs. Nil)		
2) Kotak Mahindra Prime Limited - Vehicle Loan (2)	13,56,541	—
(Secured by the vehicle. Repayable in 30 installments of Rs. 69,100 each Interest rate 9.95%)		
(Period and amount of continuing default Rs. Nil)		
Total	<u>1,74,48,707</u>	<u>12,92,743</u>
4. DEFERRED TAX LIABILITIES (Net)		
Opening Deferred Tax Liability	45,66,852	52,93,890
Add : Provided / (reversed) during the year	(8,37,043)	(7,27,038)
Closing Deferred Tax Liability	<u>37,29,809</u>	<u>45,66,852</u>



NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
5. LONG-TERM PROVISIONS		
Others (Sales Tax - Disputed)	4,24,904	4,24,904
Total	4,24,904	4,24,904
6. SHORT-TERM BORROWINGS		
(a) Secured - Loans repayable on demand		
From Bank		
Cash Credit from YES Bank	5,03,27,532	6,40,56,637
(Secured by exclusive charge on all current assets and movable fixed assets of the Company)		
Limit - Rs. 7,00,00,000/- Interest rate @ 9.25% per annum		
Period & amount of default - Nil		
(b) From Bank - Working Capital Demand Loan from YES Bank	—	7,00,00,000
Loan against Lien on Fixed Deposit. Interest rate @ 6.8% per annum		
Period & amount of default - Nil		
Total	5,03,27,532	13,40,56,637
7. TRADE PAYABLES		
Sundry Creditors		
Due to Micro Small & Medium Enterprises	—	—
Due to Others	5,27,22,906	4,98,97,357
Total	5,27,22,906	4,98,97,357
8. OTHER CURRENT LIABILITIES		
(a) Current maturities of long term debt	58,99,909	34,34,485
(b) Unpaid dividends*	26,76,874	28,07,966
* (No amount is due to be credited to Investors Education and Protection Fund)		
(c) Other Payables		
Customer Credit Balance	4,36,838	4,14,811
	90,13,621	66,57,262
9. SHORT-TERM PROVISIONS		
(a) Provision for Employees benefit:		
Gratuity contribution	14,42,317	—
(b) Proposed Dividend	—	23,21,909
(c) Tax on Dividend	—	4,72,687
	14,42,317	27,94,596



NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

10. FIXED ASSETS

DESCRIPTION OF ASSETS	COST			DEPRECIATION			NET VALUE OF ASSETS		
	As at 01.04.16	Additions during the year	Deductions during the year	As at 31.03.17	As at 01.04.16	For the year	Deductions during the year	As at 31.03.17	As at 31.03.16
I. TANGIBLE ASSET									
Free hold Land & Development	3,37,39,288	83,99,371	—	4,21,38,659	—	—	—	4,21,38,659	3,37,39,288
Buildings	8,51,37,356	29,76,607	—	8,81,13,963	5,22,12,531	18,18,955	—	5,40,31,486	3,29,24,825
Plant & Equipments	24,79,48,627	1,62,59,058	—	26,42,07,685	18,37,64,579	99,90,245	—	19,37,54,824	6,41,84,048
Furniture & Fixtures	2,23,26,452	8,69,261	72,000	2,31,23,713	1,09,70,932	19,52,623	9,235	1,29,14,320	1,13,55,520
Vehicles	6,81,12,168	83,11,324	28,06,633	7,36,16,859	3,72,10,886	82,13,889	16,34,887	4,37,89,888	2,98,26,971
Computers	73,93,878	—	—	73,93,878	64,54,557	4,77,667	—	69,32,224	9,39,321
	46,46,57,769	3,68,15,621	28,78,633	49,85,94,757	29,06,13,485	2,24,53,379	16,44,122	31,14,22,742	18,71,72,015
									17,40,44,284
II. INTANGIBLE ASSETS									
Computer Software	4,32,050	—	—	4,32,050	3,84,873	25,574	—	4,10,447	21,603
									47,177
III. Capital Work in Progress	2,79,719	1,87,28,251	2,79,719	1,87,28,251	—	—	—	—	1,87,28,251
									2,79,719
Total	46,53,69,538	5,55,43,872	31,58,352	51,77,55,058	29,09,98,358	2,24,78,953	16,44,122	31,18,33,189	20,59,21,869
									17,43,71,180
Previous Year	45,41,92,226	2,25,80,722	1,14,03,410	46,53,69,538	26,77,45,236	2,37,24,543	4,71,421	29,09,98,358	17,43,71,180
									18,64,46,990



NOTES TO FINANCIAL STATEMENTS (Contd..)

11. NON CURRENT INVESTMENTS

Particulars	Nomi- nal value of each Share ₹	As at 31-03-2016		During the year				As at 31-03-2017	
		No. of Shares	Amount ₹	Additions		Disposals		No. of Shares	Amount ₹
				No. of Shares	Amount ₹	No. of Shares	Amount ₹		
Trade									
Unquoted :									
i) In Associate Companies - at Cost									
Placid Limited	100	93,590	4,50,64,617	—	—	—	—	93,590	4,50,64,617
Naviyoti Commodity Management Services Ltd	10	2,50,000	87,50,000	—	—	—	—	2,50,000	87,50,000
ii) In Subsidiary Companies :									
PKT Plantations Ltd	10	2,50,000	25,00,000	—	—	—	—	2,50,000	25,00,000
Shivpal Vinimay Private Ltd	10	50,000	5,00,000	—	—	—	—	50,000	5,00,000
Non - Trade :									
a) In fully paid Equity Shares at cost :									
Quoted :									
MOIL Limited	10	1,136	4,26,000	—	—	—	—	1,136	4,26,000
DPSC Limited	1	6,50,000	1,83,26,358	—	—	6,50,000	1,83,26,358	—	—
b) In Bonds : Quoted									
Tax Free Bonds:									
Power Finance Corporation of India - 8.20% 10 Year	—	28,479	2,84,79,000	—	—	—	—	28,479	2,84,79,000
Indian Railway Finance Corporation - 8.00% 10 year	—	15,225	1,52,25,000	—	—	—	—	15,225	1,52,25,000
c) In Mutual Funds at cost :									
Quoted :									
HDFC Medium Term Opportunity Fund		3,97,45,277	45,00,00,000	—	—	—	—	3,97,45,277	45,00,00,000
HDFC Capital builder Fund Growth		3,17,559	5,00,00,000	—	—	—	—	3,17,559	5,00,00,000
			61,92,70,975		—		1,83,26,358		60,09,44,617
Market value of quoted investment			77,23,04,667						84,26,07,477



NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

12. LONG-TERM LOANS AND ADVANCES

Unsecured and Considered Good

(a) Capital Advances

(b) Pre-operative expenses - Solar Power Project
(Notes on Accounts No.B(c))

(c) Security Deposits

(d) Others:

Rent Advance

31.3.2017

31.3.2016

45,34,343

4,00,000

54,27,137

25,59,487

1,39,76,385

1,11,89,150

50,79,100

48,69,100

2,90,16,965

1,90,17,737

13. CURRENT INVESTMENTS

Particulars	Balance As at 31-03-2016		During the year				Balance As at 31-03-2017	
			Additions		Disposals			
	No. of Units	Amount ₹	No. of Units	Amount ₹	No. of Units	Amount ₹	No. of Units	Amount ₹
Non - Trade : Quoted								
In Mutual Funds at cost :								
IDFC Ultra Short term Fund	17,81,072	4,08,18,592	1,41,725	34,00,000	19,22,797	4,42,18,592	18,78,852	—
IDFC Money Manager Fund-Growth	—	—	28,91,266	7,01,00,000	27,93,486	6,76,51,943	97,780	24,48,057
		4,08,18,592		7,35,00,000		11,18,70,535		24,48,057
Market value of quoted investments		4,21,60,480						24,94,013



NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
14. INVENTORIES		
(a) Finished Goods		
Tea - valued at cost (Previous Year - valued at net realisable value)	2,27,50,440	3,85,34,400
(b) Stores and Spare Parts - valued at average cost	1,16,29,771	1,47,25,964
(c) Loose Tools - valued at average cost	13,500	3,62,100
(d) Nursery Stock - valued at average cost	6,78,444	30,32,523
	3,50,72,155	5,66,54,987
15. TRADE RECEIVABLES		
Unsecured and considered good;		
(a) Outstanding for a period exceeding six months from the date they become due	17,40,735	7,59,070
(b) Others	3,04,03,275	2,30,29,693
	3,21,44,010	2,37,88,763
16. CASH AND CASH EQUIVALENTS		
(a) Balance with Banks	1,01,46,995	1,81,38,848
(b) Cash on hand	6,75,751	6,18,822
(c) Unpaid Dividend Account	26,76,874	28,07,966
(d) Balance with banks to the extent held as margin money or security against the borrowings, guarantees and other commitments	2,58,751	2,58,751
(e) Bank deposits maturing within one year	—	7,00,00,000
	1,37,58,371	9,18,24,388



NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
17. SHORT-TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
(a) Loans and advances to:		
Related Parties	7,00,00,000	—
Others	3,40,00,000	3,40,00,000
(b) Others:		
i) Advances recoverable in cash or in kind or for value to be recovered	1,35,91,978	1,34,69,851
ii) Balance with Central Excise Authorities	1,79,214	2,19,215
iii) Advance payment of Tax (Net of provision)	7,37,90,445	8,21,04,708
	<u>19,15,61,637</u>	<u>12,97,93,774</u>
18. OTHER CURRENT ASSETS		
Interest accrued on Bank and other deposits		
Related Parties	7,65,901	—
Others	38,21,453	86,03,450
	<u>45,87,354</u>	<u>86,03,450</u>



NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
19 REVENUE FROM OPERATIONS :		
Sales of Products		
Tea	43,70,82,283	37,29,89,310
Green leaf	—	1,16,15,382
Minor Produce	6,55,000	—
Other Operating Revenues		
Sale of Electricity to TNEB	20,19,254	9,81,665
Dividend Income	7,952	7,384
Interest on loans and advances	58,04,368	60,28,306
Interest on Tax free Bonds	35,32,094	35,85,912
Profit on Sale of Investments	56,80,866	13,18,592
	<u>45,47,81,816</u>	<u>39,65,26,551</u>
Less : Excise Duty	—	—
	<u>45,47,81,816</u>	<u>39,65,26,551</u>
20 OTHER INCOME		
Interest on		
Bank Deposit	17,47,529	46,61,096
TNEB Deposit and IT refund	8,02,816	9,02,452
Other Non Operating Income:		
Profit on Sale of Assets	29,930	1,23,808
Scrap sale	8,61,543	19,340
Rent Receipt	1,50,000	1,50,000
Sale of Trees	—	25,20,700
Sundry Receipts	7,73,152	6,03,000
	<u>43,64,970</u>	<u>89,80,396</u>
21 CHANGES IN INVENTORIES OF FINISHED, GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock of Finished Goods		
Tea	3,85,34,400	5,74,03,770
Minor Produce	—	—
	<u>3,84,34,400</u>	<u>5,74,03,770</u>
Less : Closing Stock of Finished Goods		
Tea	2,27,50,440	3,85,34,400
Minor Produce	—	—
Net changes in inventories	<u>1,57,83,960</u>	<u>1,88,69,370</u>



NOTES TO FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
22 EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages and Bonus	19,46,88,688	18,35,47,164
Contribution to Provident Fund, Gratuity and Pension Fund	2,51,82,907	1,87,16,956
Employees Welfare Expenses	1,27,36,825	1,26,57,342
	23,26,08,420	21,49,21,462
23 FINANCE COSTS		
Interest expenses		
Cash Credit and others	70,14,110	1,17,56,996
	70,14,110	1,17,56,996
24 OTHER EXPENSES		
Power and Fuel	4,03,81,469	4,89,83,586
Rent	30,68,327	29,41,144
Repairs to Buildings	1,54,56,812	1,53,43,323
Repairs to Machinery	1,19,99,545	94,80,626
Insurance	18,34,022	20,93,220
Rates and Taxes	11,47,685	16,14,832
Transport	49,89,680	55,09,123
General Charges - Estate	58,56,044	55,93,359
Commission and Brokerage	36,46,625	38,56,081
Warehousing Charges	66,37,744	66,70,327
Payments to Auditors :		
For Statutory Audit fee	1,25,000	
For Certification	32,500	
For Taxation	3,10,000	
For Service Tax	80,976	
	5,48,476	6,33,916
Travelling Expenses	1,00,30,990	88,13,235
Miscellaneous Expenses	1,20,46,615	1,20,44,172
	11,76,44,034	12,35,76,944



ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

ACCOUNTING POLICIES

A. ACCOUNTING POLICIES

1. *Basis of Accounting*

The financial statements are prepared under historical cost convention on accrual basis as a going concern.

2. *Revenue Recognition*

Revenue from sale transaction is recognized as and when significant risks and rewards attached to the ownership in the goods is transferred to the buyer. Revenue from other sources and expenses are recognized on accrual basis.

3. *Fixed Assets*

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All costs relating to acquisition / installation are capitalized. Expenditure on development and new planting are capitalized.

4. *Depreciation*

Depreciation is provided on Straight Line method over the useful life of the asset in accordance with Schedule II to the Act. Depreciation for assets purchased / sold during the year is proportionately charged.

5. *Investments*

Investments are recorded at cost inclusive of brokerage and stamp duty. Long Term investments are not adjusted for diminution in their market value if, in the opinion of the management, such diminution is temporary in nature.

6. *Inventories*

Stock of plantation produces of tea and pepper are valued at lower of cost and net realizable value. Other inventories are valued at average cost.

7. *Sale of Trees*

Sale value of trees cut on contract basis is accounted on realization.

8. *Employee benefits:*

I. *Short Term*

Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

II. *Post Retirement*

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

A. *Provident Fund*

This is a defined contribution plan. Contributions made to the Fund are charged to revenue. The Company has no further obligations for future provident fund benefits other than annual contributions.



NOTES TO FINANCIAL STATEMENTS (Contd..)

B. Superannuation Fund

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

C. Gratuity Fund

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

III. Long Term

Leave Encashment

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

9. Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961.

10. Deferred Tax

Deferred tax is recognized on timing differences being difference between the taxable income and the accounting income that originates in one period and capable of reversal in one or more subsequent periods.

11. Impairment of Assets

Impairment is recognized to the extent that the recoverable amount of assets is less than the carrying value and is charged to Profit & Loss Account.

12. Wind Power

The value of power generated by Wind Energy Generators and exported to the Grid is treated as reduction in the power charges to the extent it is adjusted in the bills by TANGEDCO and the surplus, if any, as sale of electricity.

B. OTHER NOTES TO FINANCIAL STATEMENTS

- a) The Company has obtained a stay of proceedings from the Honorable High Court of Madras on 24th March 2006 against a proposition notice from the Commercial Tax Department for levy of sales tax on export sales effected through auction centers. The matter is pending and in common with the other tea planting companies, no account has been taken of the contingent liability.



NOTES TO FINANCIAL STATEMENTS (Contd..)

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

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

- c) The Company has completed the purchase and registration of 20.83 acres of land at Kudipatty Village, Peraiyur Taluk, Madurai District, Tamilnadu to set up 3 MW Solar Power Plant. Solar Power Project expenses of Rs. 54,27,137/- includes an amount of Rs.30,00,000/- and Rs.2,00,000/- remitted to TANGEDCO towards security deposit and grid connectivity charges respectively.

Addition to Freehold and Development includes Rs. 52,49,515/- being cost of 14.41 acres of land purchased during the year at Kudipatty Village, Peraiyur Taluk, Madurai District for the proposed solar power project.

- d) The Company has carried out an exercise to ascertain the impairment, if any, in the carrying value of fixed assets. The exercise has not revealed any impairment of assets during the year under review.

e) Deferred Tax:

Deferred tax liability as at 31st March 2017 comprises of:

Particulars	Opening as on 01.04.2016 ₹	Provided during the year ₹	Reversed during the year ₹	Closing as on 31.03.2017 ₹
Deferred tax liability on account of Depreciation	59,26,452	—	7,01,083	52,25,369
Deferred tax asset on account of Section 43B disallowances	13,59,600	(14,95,560)	13,59,600	(14,95,560)
Deferred tax liability (Net)	45,66,852	(14,95,560)	6,58,517	37,29,809

31.3.2017 31.3.2016
₹ ₹

f) Foreign Exchange earnings & outgo

i) Earnings in Foreign Exchange	Nil	Nil
ii) Expenditure in Foreign Currency – Travelling	15,85,679	8,84,331
iii) CIF Value of Imports:		
a) Raw materials	Nil	Nil
b) Consumable Stores and Spares	Nil	Nil
c) Capital Goods	Nil	Nil
iv) All store items consumed indigenously	100%	100%



NOTES TO FINANCIAL STATEMENTS (Contd..)

g) Remuneration to Managing Director & Deputy Managing Director

Salary	34,50,000	38,06,667
Contribution to Provident Fund/Superannuation Scheme	9,31,500	10,27,800
Perquisites	25,50,590	29,13,867
Commission	—	—
	69,31,500	77,48,334

h) Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016

	SBN	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	7,62,000	4,52,216	12,14,216
(+) Permitted receipts	—	—	—
(-) Permitted Payments	—	—	—
(-) Amount deposited in Banks	7,62,000	—	7,62,000
Closing cash in hand as on 30.12.2016	—	7,42,144	7,42,144

i) Earnings Per Share

	31.03.2017	31.03.2016
Profit /(Loss) after tax Rs.	1,58,91,743	(2,18,92,051)
Weighted average No. of shares outstanding	30,95,879	30,95,879
Basic earnings per share ₹ (Nominal value of equity shares ₹10/- per share)	5.13	(7.07)

j) Dividend proposed

Dividend proposed by the Directors@ Re. 1/- per share (10%)	: Rs.	30,95,879
Dividend Distribution tax payable thereon @ 20.36%	: Rs.	6,30,321
No provision has been made for the above in the financial statements for the year		

k) Quantitative details

Tea		
Production	37,34,930	38,83,230
Sales	38,93,864	39,76,746
Opening Stock	3,75,159	6,37,678
Closing Stock	2,16,225	3,75,159
Green leaf from own estates	1,54,34,860	1,65,23,520

Power (Units)	31.03.2017		31.03.2016	
	Units	Value (Rs.)	Units	Value (Rs.)
No. of units generated (Net)	37,25,778		23,55,637	
Less: Units adjusted in TNEB Bills	27,77,271	1,76,35,671	18,63,219	1,18,31,440
Balance sold to TNEB	7,34,274	20,19,254	3,56,974	9,81,655
The units adjusted have been charged at the tariff as may be levied by the TNEB				

NOTES TO FINANCIAL STATEMENTS (Contd..)

I) Commencing from this financial year, financial activities by way of investments, loans and advances has been considered as a business activity by the management as against activity of incidental nature as was hitherto being done. Accordingly there are three reportable segments as detailed hereunder.

Standalone Segment wise revenues, results and other information

Particulars	31.03.2017				31.03.2016			
	Tea	Investment	Power	Total	Tea	Investment	Power	Total
Revenue								
External Sales	43,70,82,283	1,50,25,280	20,19,254	45,41,26,816	38,46,04,692	1,09,40,194	9,81,665	39,65,26,551
Inter Segment Revenue	—	—	1,76,35,671	1,76,35,671	—	—	1,18,31,440	1,18,31,440
Total	43,70,82,283	1,50,25,280	1,96,54,924	47,17,62,487	38,46,04,692	1,09,40,194	1,28,13,105	40,83,57,991
Less Inter Segment Revenue	—	—	1,76,35,671	1,76,35,671	—	—	—	1,18,31,440
Total	43,70,82,283	1,50,25,280	20,19,254	45,41,26,816	38,46,04,692	1,09,40,194	1,28,13,105	39,65,26,551
Results								
Operating Profit (Loss)	(3,08,003)	1,24,25,280	1,32,41,854	2,53,59,131	(3,82,74,950)	85,52,194	1,04,79,867	(1,92,42,889)
Less Interest	—	—	—	70,14,110	—	—	—	1,17,56,596
Total	—	—	—	1,83,45,021	—	—	—	(3,09,99,485)
Add Other income	—	—	—	50,19,970	—	—	—	89,80,396
Profit / (Loss) before tax	—	—	—	2,33,64,991	—	—	—	(2,20,19,089)
Provision for taxation	—	—	—	74,73,248	—	—	—	(1,27,038)
Profit / (Loss) after tax	—	—	—	1,58,91,743	—	—	—	(2,18,92,051)
Other Information								
Segment Assets	38,56,87,620	70,89,80,028	2,07,87,386	111,54,55,034	45,37,63,024	69,96,93,017	1,06,87,805	116,41,43,846
Unallocated Assets	—	—	—	—	—	—	—	—
Enterprise Assets				111,54,55,034				116,41,43,846
Segment Liabilities	13,51,09,797	—	—	13,51,09,797	19,96,90,351	—	—	19,96,90,351
Unallocated Liabilities	—	—	—	98,03,45,237	—	—	—	96,44,53,495
Enterprise Liabilities				111,54,55,034				116,41,43,846
Capital Expenditure	4,74,26,707	—	81,17,165	5,55,43,872	2,25,80,722	—	1,06,87,805	3,32,68,527
Depreciation	2,24,42,115	—	36,838	2,24,78,953	2,36,87,705	—	36,838	2,37,24,543





NOTES TO FINANCIAL STATEMENTS (Contd..)

m) Employee Benefits

a) Defined Contribution Plan :

The Company makes contribution towards employees' provident fund and superannuation fund. Under the rules of these schemes, the company is required to contribute a specified percentage of payroll costs. The company during the year recognized Rs.1,54,04,978/- (Previous year Rs.1,61,06,159/-) as expense towards contribution to the Provident Fund.

Out of the total contribution made towards employees' provident fund, Rs.12,50,978/-(previous year Rs.12,36,456/-) is made to the PL Planting Provident Fund while the remaining contribution is made to Provident Fund Plan operated by the Regional Provident Fund Commissioner.

The liability towards superannuation fund for the year ended 31st March 2017 amounting to Rs.18,35,612 /- (Previous year Rs.19,30,689/-) has been charged to Statement of Profit and Loss.

There was no liability towards leave encashment for the year ended 31st March 2017 as it was adequately funded and no amount (previous year Rs. Nil) has been charged to Statement of Profit and Loss.

b) Defined Benefit Plan:

Gratuity

		31.03.2017 ₹	31.03.2016 ₹
1	Changes in Defined Benefit Obligation		
	Present Value of Defined Benefit Obligation as at the beginning of the year	10,13,17,609	10,48,48,987
	Interest Cost	81,05,409	83,87,919
	Benefits paid	(1,11,04,309)	(1,27,42,825)
	Current Service Cost	63,88,823	67,28,704
	Actuarial (Gain)/Loss	22,48,086	(59,05,176)
	Present Value of obligation as at the year end	10,69,55,618	10,13,17,609
2	Changes in fair value of assets		
	Fair Value of Plan Assets as at the beginning of the year	11,35,65,061	11,03,14,934
	Expected Return on Plan Assets	88,00,001	95,54,987
	Contribution by the employer	10,32,760	64,37,965
	Benefits paid	(1,11,04,309)	(1,27,42,825)
	Actuarial Gain/(Loss)	Nil	Nil
	Fair Value of Plan Assets as at the end of the year	11,22,93,513	11,35,65,061



NOTES TO FINANCIAL STATEMENTS (Contd..)

		31.03.2017 ₹	31.03.2016 ₹
3	Reconciliation of Fair Value of Assets and Obligations		
	Fair Value of Plan Assets	11,35,65,061	11,35,65,061
	Present Value of Obligation	10,69,55,618	10,13,17,609
	Amount recognized in the Balance Sheet (excess of actual)	66,09,443	1,22,47,452
4	Expenses recognized in the Statement of Profit and Loss		
	Current Service Cost	63,88,823	67,28,704
	Interest Cost	81,05,409	83,87,919
	Expected return on plan asset	88,00,001	(95,54,987)
	Net Actuarial (Gain)/Loss recognized in the year	22,48,086	(59,05,176)
	Expenses recognized in Statement of Profit and Loss	79,42,317	(3,43,540)
5	Principal Actuarial Assumptions		
	Rate of Discounting	8%	8%
	Expected Return on Plan Assets	8%	8%
	Rate of increase in Salaries	8.20%	7.20%
	Mortality Table (LIC)	1994-95	1994-95

- n) The Company has taken office buildings on lease and the lease rent amounts to Rs.30,68,327/- net of reimbursements (previous year Rs.29,41,144/-) has been charged to Profit & Loss Account. Assets are taken on lease over a period of three years. Future minimum lease payments are as under:

	31.03.2017 ₹	31.03.2016 ₹
Not Less than one year	: 33,69,004	40,44,759
Later than one year but not later than five years	: 51,00,456	52,76,075
More than five years	: Nil	Nil



NOTES TO FINANCIAL STATEMENTS (Contd..)

o) Related Party Disclosures

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

Key Management Personnel	Mrs. Alka Bangur, Managing Director Shri Shreeyash Bangur, Deputy Managing Director
Group Companies	1. M.B.Commercial Company Ltd. 2. Amalgamated Development Ltd. 3. Maharaja Shree Umaid Mills Ltd. 4. Placid Limited 5. The Marwar Textiles (Agency) Pvt.Ltd. 6. Navjoti Commodity Management Services Ltd. 7. Samay Industries Limited 8. The General Investment Co.Ltd 9. Kiran Vyapar Limited 10. Soul Beauty & Wellness Centre 11. Mugneeram Ramcoovar Bangur Charitable & Religious Co. 12. Shree Rama Vaikunth Trust
Wholly owned Subsidiary Companies	PKT Plantations Limited Shivphal Vinimay Private Limited
Relatives of Key Management Personnel	Shri L.N.Bangur Ms.Sheetal Bangur Shri.Yogesh Bangur

Transactions during the year with Related Parties

	Nature of transaction	Group Company	Subsidiary Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
		₹		₹	₹
1	Interest Payments				
	Kiran Vyapar Limited	Nil (94,329)			
	Shri Krishna Agency Limited	Nil (4,00,295)			
	Placid Limited	7,048 (Nil)			



NOTES TO FINANCIAL STATEMENTS (Contd..)

	Nature of transaction	Group Company	Subsidiary Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
		₹		₹	₹
2	Interest Receipts Maharaja Shree Umaid Mills Ltd Plaid Limited	9,46,629 (Nil) 9,27,739 (Nil)			
3	Rent receipts PKT Plantations Limited		1,50,000 (1,50,000)		
4	Rent payments a) M.B. Commercial Co. Ltd. b) Marwar Textiles Agency Ltd. c) Shree Rama Vaikunth Trust	28,800 (26,700) 52,800 (52,800) 3,40,000 (3,30,000)			
5	Inter Corporate loan received from Kiran Vyapar Ltd. Shri Krishna Agency Limited Placid Limited	Nil (7,00,00,000) Nil (2,50,00,000) 35,00,000 (Nil)			
6	Inter Corporate loan given to Maharaja Shree Umaid Mills Ltd. Placid Limited	3,50,00,000 (Nil) 3,50,00,000 (Nil)			
7	Inter Corporate loan repaid Placid Limited	35,00,000			
8	Printing Samay Industries Limited				99,234 (83,478)

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

	Nature of transaction	Group Company	Subsidiary Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
		₹		₹	₹
9	Remuneration				
	a) Mrs. Alka Bangur			42,07,500 (42,14,700)	
	b) Shri. Shreeyash Bangur			27,24,000 (35,33,634)	
10	Outstandings				
	Receivables	7,07,65,901 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Payables	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Note : Figures in bracket represents previous year's amount.

p) Previous year's figures have been reclassified wherever necessary to conform to this year's classification.

As per our Report of even date attached

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

K.N. Sreedharan
Partner Auditors M.No. 12026.

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

K.Murali Mohan Coimbatore
Proprietor M.No. 014328 26th May 2017

For and on behalf of the Board

L.N. Bangur
Chairman

Alka Bangur
Managing Director

R.V. Sridharan
Company Secretary

A. Thiagarajan Kolkata
Chief Financial Officer 26th May 2017



FINANCIAL HIGHLIGHTS

(₹. in lakhs)

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue from operations	2263.95	3319.35	4331.26	3321.93	2994.15	4008.93	3696.82	3062.60	3965.26	4547.82
Other Income	115.95	123.56	191.04	407.70	7732.02	228.44	298.44	269.05	89.80	43.65
Total Income	2379.90	3442.91	4522.30	3729.63	10726.17	4237.37	3995.26	3331.65	4055.07	4591.47
Total Expenditure	2212.93	2756.82	3256.81	3216.87	3588.17	4060.14	3800.13	3722.36	4286.94	4355.02
Profit before tax	166.96	686.09	1265.48	532.83	7138.00	177.22	195.13	-398.47	-220.19	233.65
Profit after tax	148.35	635.64	1128.00	481.07	6301.59	142.73	146.37	-412.82	-218.92	158.92
Dividend (%)	15.00	30.00	35.00	30.00	50.00	20.00	15.00	7.50	7.50	10.0
Networth	2081.78	2668.53	3676.94	4049.35	10169.84	10240.13	10332.17	9891.40	9644.53	9803.45
Share Capital	206.39	206.39	309.59	309.59	309.59	309.59	309.59	309.59	309.59	309.59
Reserves & Surplus	1875.39	2462.14	3367.35	3739.76	9860.25	9930.54	10022.58	9581.81	9334.95	9493.86
Investments	746.00	756.43	908.48	1041.26	7282.63	7108.49	6409.25	6327.71	6600.90	6033.93
Net Fixed Assets	930.95	894.80	1001.14	1464.95	1709.56	1674.43	1573.85	1752.35	1743.71	2059.22
Current Assets	1071.36	1866.40	2810.95	2589.03	2077.31	2284.01	3186.83	2838.79	3106.65	2771.24
Current Liabilities	201.13	421.92	663.82	539.87	929.77	901.23	995.11	1187.99	1934.06	1135.06

RATIOS

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Net Profit Margin (%)	7.37	20.67	29.22	16.04	23.80	4.42	5.28	-13.01	-5.71	5.14
Current Ratio (Times)	5.33	4.42	4.23	4.80	2.23	2.53	3.20	2.39	1.61	2.44
Return on Networth (%)	7.13	23.82	30.68	11.88	61.96	1.39	1.42	-4.17	-2.27	2.38
Earnings per share (Rs)	7.19	30.80	54.00	15.54	203.55	4.61	4.73	-13.33	-7.07	5.13
Dividend per Share (Rs)	1.50	3.00	3.50	3.00	5.00	2.00	1.50	0.75	0.75	1.00
Dividend Cover (Times)	4.79	10.27	15.43	5.18	40.71	2.31	3.15	-17.77	-9.43	5.13
Book Value per share (Rs)	100.86	129.29	118.76	130.79	328.48	330.75	333.73	319.49	311.53	316.66



CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Peria Karamalai Tea and Produce Company Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate financial statements of the subsidiary, the aforesaid consolidated 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,

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2017;



- b) In the case of the Consolidated Statement of Profit and Loss, of the Consolidated Profit for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the Consolidated Cash Flows for the year ended on that date.

Other Matters

We did not audit the financial statements of the M/s Shivphal Vinimay Private Limited (Subsidiary) whose financial statements reflect total assets of Rs.3,93,145/- as at 31st March, 2017, total revenues of Rs. 23,483/- and net cash outflows amounting to Rs 66,046/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act we report to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated

Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the holding company and subsidiary company as on 31st March, 2017 taken on record by the Board of Directors of the respective Companies and the Report of the Statutory auditors of the Subsidiary Company referred to in the Other Matter paragraph above, none of the directors of the Group is disqualified as on 31st March, 2017 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 Group and the operating effectiveness of such controls, a separate report has been given in "Annexure A" and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigations which would impact its financial position.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.
 - iv. The Group has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the respective Companies.

For **S. KRISHNAMOORTHY & CO**

Chartered Accountants
Registration No: 001496S

K.N. Sreedharan

Partner, Auditors
Membership No. 12026

Coimbatore
26th May 2017

For **SRIKRISHNEN & CO**

Chartered Accountants
Registration No: 004009S

K. Murali Mohan

Proprietor, Auditors
Membership No. 014328

**ANNEXURE TO THE AUDITORS' REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of The Peria Karamalai Tea and Produce Company Limited ("the Holding Company") and its subsidiary companies, as of 31st March 2017, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their report referred to in the Other Matters paragraph mentioned below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

Opinion

In our opinion, the Holding Company and its subsidiary companies has, in all material respects, an adequate

internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary, is based on the corresponding report of the auditor of such company.

For **S. KRISHNAMOORTHY & CO**
Chartered Accountants
Registration No: 001496S

K.N. Sreedharan
Partner, Auditors
Membership No. 12026

Coimbatore
26th May 2017

For **SRIKRISHEN & CO**
Chartered Accountants
Registration No: 004009S

K. Murali Mohan
Proprietor, Auditors
Membership No. 014328



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2017

(₹)

	Note No.	31.3.2017	31.3.2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	3,09,58,790	3,09,58,790
(b) Reserves and Surplus	2	95,04,17,493	93,43,55,910
(c) Money received against share warrants		—	—
		98,13,76,283	96,53,14,700
(2) Share application money pending allotment			
		—	—
(3) Non-current Liabilities			
(a) Long-term borrowings	3	1,74,48,707	12,92,743
(b) Deferred tax liabilities (Net)	4	37,29,809	45,66,852
(c) Long-term provisions	5	4,24,904	4,24,904
		2,16,03,420	62,84,499
(4) Current Liabilities			
(a) Short-term borrowings	6	5,03,27,532	13,40,56,637
(b) Trade payables	7	5,27,56,656	4,99,35,107
(c) Other current liabilities	8	90,13,621	66,57,262
(d) Short-term provisions	9	14,42,317	27,94,596
		11,35,40,127	19,34,43,603
TOTAL		111,65,19,828	116,50,42,802
II. ASSETS			
(1) Non-current Assets			
(a) Fixed assets			
(i) Tangible assets	10	18,71,72,015	17,40,44,284
(ii) Intangible assets		21,603	47,177
(iii) Capital Work In Progress		1,87,28,251	2,79,719
(b) Non-current investments	11	59,79,44,617	61,62,70,975
(c) Long-term loans and advances	12	2,90,16,965	1,90,17,737
		83,28,83,451	80,96,59,892
(2) Current Assets			
(a) Current investments	13	24,48,057	4,08,18,592
(b) Inventories	14	3,50,72,155	5,66,54,987
(c) Trade receivables	15	3,21,44,009	2,37,88,765
(d) Cash and cash equivalents	16	1,79,16,043	9,58,08,135
(e) Short-term loans and advances	17	19,14,64,629	12,96,07,323
(f) Other current assets	18	45,91,484	87,05,108
		28,36,36,377	35,53,82,910
TOTAL		111,65,19,828	116,50,42,802
See accompanying notes to the financial statements			

As per our Report of even date attached

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

K.N. Sreedharan

Partner Auditors M.No. 12026.

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

K.Murali Mohan

Proprietor M.No. 014328

Coimbatore

26th May 2017

For and on behalf of the Board

L.N. Bangur
Chairman

R.V. Sridharan

Company Secretary

Alka Bangur
Managing Director

A. Thiagarajan

Chief Financial Officer

Kolkata

26th May 2017



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(₹)

	Note No.	31.3.2017	31.3.2016
I Income:			
a) Revenue from operations	19	45,47,81,816	39,65,26,551
b) Other income	20	48,24,562	97,80,707
Total Revenue		45,96,06,378	40,63,07,258
II. Expenses:			
a) Cost of materials consumed		3,99,72,599	3,58,44,466
b) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	1,57,83,960	1,88,69,370
c) Employee benefits expense	22	23,26,08,420	21,49,21,462
d) Finance costs	23	70,14,110	1,17,56,996
f) Depreciation and amortization expense		2,24,78,953	2,37,24,543
g) Other expenses	24	11,78,00,534	12,37,17,152
Total expenses		43,56,58,576	42,88,33,990
III. Profit / (Loss) before exceptional and extraordinary items and tax (I-II)		2,39,47,802	(2,25,26,732)
IV. Prior year Income		—	11,67,746
V. Exceptional items - Solar Power Project Expenses		2,79,719	—
VI. Profit / (Loss) before extraordinary items and tax (III + VI - V)		2,36,68,083	(2,13,58,986)
VII. Extraordinary Items		—	—
VIII. Profit / (Loss) before tax (VI - VII)		2,36,68,083	(2,13,58,986)
IX. Tax expense:			
(1) Current tax		67,12,868	8,15,000
(2) Prior year taxes		20,384	—
(3) Mat credit entitlement of earlier year reversed		17,10,291	—
(4) Deferred Tax Liability Provided / (Reversed)		(8,37,043)	(7,27,038)
X. Profit / (Loss) for the period from continuing operations (VIII-IX)		1,60,61,583	(2,14,46,948)
XI. Profit/(Loss) from discontinuing operations (after tax)		—	—
XII. Profit/(Loss) for the period (X+XI)		1,60,61,583	(2,14,46,948)
XIII. Earnings per equity share:			
(1) Basic		5.19	(6.93)
(2) Diluted		5.19	(6.93)
See accompanying notes to the financial statements			

As per our Report of even date attached

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

K.N. Sreedharan

Partner Auditors M.No. 12026.

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

K.Murali Mohan

Proprietor M.No. 014328

Coimbatore

26th May 2017

For and on behalf of the Board

L.N. Bangur
Chairman

R.V. Sridharan

Company Secretary

Alka Bangur
Managing Director

A. Thiagarajan

Chief Financial Officer

Kolkata

26th May 2017



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(₹)

	31.3.2017	31.3.2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items	2,36,68,083	(2,25,26,732)
Adjustments for:		
Depreciation	2,24,78,953	2,37,24,543
Loss / (Profit) on sale of asset	2,98,267	(1,23,808)
Profit on sale of investments	56,80,866	(13,18,592)
Income from Wind Mill	(20,19,254)	(9,81,665)
Sale of Trees	—	(25,20,700)
Interest received	(1,20,63,844)	(1,54,66,140)
Dividend received	(7,952)	(7,384)
Interest payments	70,14,110	1,17,56,996
Operating Profit before working capital charges	3,36,87,497	(74,63,482)
Adjustments for:		
Trade and other receivables	(1,84,36,600)	(78,80,986)
Inventories	2,15,82,832	1,55,80,096
Trade payables	66,20,225	(51,52,974)
Short term borrowings	(8,37,29,105)	7,98,03,753
Cash generated from operations before extraordinary items	(4,02,75,150)	7,48,86,407
Exceptional Item	—	—
	(4,02,75,150)	7,48,86,407
Direct Taxes paid	(2,18,723)	27,77,224
Net Cash from operating activities	(4,04,93,874)	7,21,09,183
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(5,52,64,153)	(1,16,48,735)
Sale of fixed assets	9,36,244	1,23,810
Purchase of investments	(7,35,00,000)	(9,29,00,000)
Sale of investments	13,58,77,759	6,69,00,000
Sale of trees	—	25,20,700
Income from Wind Mill	20,19,254	9,81,665
Interest received	1,61,77,468	1,89,02,068
Intercompany loans (given) / received	(7,00,00,000)	4,50,00,000
Long term borrowing	1,61,55,964	(34,34,486)
Dividend received	7,952	7,384
Net Cash used in investing activities	(2,75,89,513)	2,64,52,406
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(70,14,110)	(1,17,59,799)
Dividend paid including dividend distribution tax	(27,94,596)	(28,26,501)
Net Cash used in financing activities	(98,08,706)	(1,45,86,300)
Net increase / (decrease) in Cash and Cash Equivalents	(7,78,92,092)	8,39,75,289
Opening Cash and Cash Equivalents	9,58,08,135	1,18,32,846
Closing Cash and Cash Equivalents	1,79,16,043	9,58,08,135

As per our Report of even date attached

For and on behalf of the Board

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

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

L.N. Bangur
Chairman

Alka Bangur
Managing Director

K.N. Sreedharan
Partner Auditors M.No. 12026.

K.Murali Mohan
Proprietor M.No. 014328
Coimbatore
26th May 2017

R.V. Sridharan
Company Secretary

A. Thiagarajan
Chief Financial Officer
Kolkata
26th May 2017



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹)

	31.3.2017	31.3.2016
1. SHARE CAPITAL		
Authorised		
75,00,000 Equity Shares of ₹ 10/- each (Seventy five lakh shares of Rupees ten each)	7,50,00,000	7,50,00,000
Issued and Subscribed		
30,95,879 Equity Shares of ₹ 10/- each fully paid	3,09,58,790	3,09,58,790
	Number of Shares	
	31.3.2017	31.3.2016
At the commencement of the year	30,95,879	30,95,879
Changes during the year	—	—
At the close of the year	30,95,879	30,95,879
Equity shareholders holding more than 5% shares:		
Placid Ltd.	6,63,454	6,63,454
Kiran Vyapar Ltd.	4,70,224	4,70,224
Life Insurance Corporation of India Ltd	2,07,712	2,07,712
2. RESERVES AND SURPLUS		
a) Reserves		
Capital Subsidy		
As per last Balance Sheet	41,69,108	41,69,108
Securities Premium Account		
As per last Balance Sheet	2,79,73,700	2,79,73,700
General Reserve		
As per last Balance Sheet	83,02,10,161	83,02,10,161
b) Surplus		
Balance in Statement of P & L as per last Balance Sheet	7,20,02,941	9,62,44,485
Profit/(Loss) after tax for the year	1,60,61,583	(2,14,46,948)
Proposed Dividend	—	(23,21,909)
(Dividend per Share is Rs. — (Previous year - Rs. 0.75))		
Tax on Dividend	—	(4,72,687)
	8,80,64,524	7,20,02,941
Total	95,04,17,493	93,43,55,910



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
3. LONG-TERM BORROWINGS		
Secured : From Banks		
1) Term Loan from Union Bank of India, Coimbatore	1,44,92,586	—
(Secured by Hypothecation of Plant and machinery purchased out of the loan .and collateraly secured by 988.15 acres of land & factory building at Nadumalai estate in Anamalai Hills Valparai Municipality.)		
Repayable in 60 monthly installments of Rs.50,000/- commencing from 1.10.2017 at effective rate of interest 9.4%)		
2) Union Bank of India - Vehicle Loan	15,99,580	—
(Secured by the vehicle, Repayable in 30 installments of Rs. 93,184 Interest rate 9.95%)		
3) HDFC Bank - Vehicle Loan	—	44,246
(Secured by the vehicle, Repayable in 36 instalments of Rs. 25,778 Interest rate 10.50%)		
From Others:		
1) Kotak Mahindra Prime Limited - Vehicle Loan (1)	—	12,48,497
(Secured by the vehicle. Repayable in 36 installments of Rs. 3,13,923 Interest rate 9.60%)		
(Period and amount of continuing default Rs. Nil)		
2) Kotak Mahindra Prime Limited - Vehicle Loan (2)	13,56,541	—
(Secured by the vehicle. Repayable in 30 installments of Rs. 69,100 Interest rate 9.95%)		
(Period and amount of continuing default Rs. Nil)		
Total	<u>1,74,48,707</u>	<u>12,92,743</u>
4. DEFERRED TAX LIABILITIES (Net)		
Opening Deferred Tax Liability	45,66,852	52,93,890
Add : Provided / (reversed) during the year	(8,37,043)	(7,27,038)
Closing Deferred Tax Liability	<u>37,29,809</u>	<u>45,66,852</u>
5. LONG-TERM PROVISIONS		
Others (Sales Tax - Disputed)	4,24,904	4,24,904
Total	<u>4,24,904</u>	<u>4,24,904</u>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
6. SHORT-TERM BORROWINGS		
Secured - Loans repayable on demand		
(a) From Bank - Yes Bank	5,03,27,532	6,40,56,637
Secured by exclusive charge on all current assets and movable fixed assets of the company) Limit Rs. 7,00,00,000/-		
Interest rate @9.25% per annum		
Period & amount of default - Nil		
(b) From Bank - Yes Bank	—	7,00,00,000
Loan against Lien on Fixed Deposit. Interest rate @ 6.8% per annum		
Period and amount of default -Rs. Nil		
Total	5,03,27,532	13,40,56,637
7. TRADE PAYABLES		
Sundry Creditors		
Total outstanding dues to Micro & Small Enterprises	—	—
Due to Others	5,27,56,656	4,99,35,107
Total	5,27,56,656	4,99,35,107
8. OTHER CURRENT LIABILITIES		
(a) Current maturities of long term debt	58,99,909	34,34,485
(b) Unpaid dividends*	26,76,874	28,07,966
*(No amount is overdue to be credited to investors education and protection Fund)		
(c) Other Payables		
Customer Credit Balance	4,36,838	4,14,811
	90,13,621	66,57,262
9. SHORT-TERM PROVISIONS		
(a) Provision for Employees benefit:		
Provision for Gratuity	14,42,317	—
(b) Others		
Proposed Dividend	—	23,21,909
Tax on Dividend	—	4,72,687
	14,42,317	27,94,596



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

10. FIXED ASSETS

DESCRIPTION OF ASSETS	COST				DEPRECIATION				Net Value of Assets	
	As at 01.04.16	Additions during the year	Deductions during the year	As at 31.03.17	As at 01.04.16	For the year	Deductions during the year	As at 31.03.17	As at 31.03.17	As at 31.03.16
I. TANGIBLE ASSET										
Free hold Land & Development	3,37,39,288	83,99,371	—	4,21,38,659	—	—	—	—	4,21,38,659	3,37,39,288
Buildings	8,51,37,356	29,76,607	—	8,81,13,963	5,22,12,531	18,18,955	—	5,40,31,486	3,40,82,477	3,29,24,825
Plant & Equipments	24,79,48,627	1,62,59,058	—	26,42,07,685	18,37,64,579	99,90,245	—	19,37,54,824	7,04,52,861	6,41,84,048
Furniture & Fixtures	2,23,26,452	8,69,261	72,000	2,31,23,713	1,09,70,932	19,52,623	9,235	1,29,14,320	1,02,09,393	1,13,55,520
Vehicles	6,81,12,168	83,11,324	28,06,633	7,36,16,859	3,72,10,886	82,13,889	16,34,887	4,37,89,888	2,98,26,971	3,09,01,282
Computers	73,93,878	—	—	73,93,878	64,54,557	4,77,667	—	69,32,224	4,61,654	9,39,321
	46,46,57,769	3,68,15,621	28,78,633	49,85,94,757	29,06,13,485	2,24,53,379	16,44,122	31,14,22,742	18,71,72,015	17,40,44,284
II. INTANGIBLE ASSETS										
Computer Software	4,32,050	—	—	4,32,050	3,84,873	25,574	—	4,10,447	21,603	47,177
III. Capital Work in Progress	2,79,719	1,87,28,251	2,79,719	1,87,28,251	—	—	—	—	1,87,28,251	2,79,719
Total	46,53,69,538	5,55,43,872	31,58,352	51,77,55,058	29,09,98,358	2,24,78,953	16,44,122	31,18,33,189	20,59,21,869	17,43,71,180
Previous Year	45,41,92,226	2,25,80,722	1,14,03,410	46,53,69,538	26,77,45,236	2,37,24,543	4,71,421	29,09,98,358	17,43,71,180	18,64,46,990



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

11. NON CURRENT INVESTMENTS

Particulars	Nominal value of each Share ₹	As at 31-03-2016		During the year				As at 31-03-2017	
		No. of Shares	Amount ₹	Additions		Disposals		No. of Shares	Amount ₹
				No. of Shares	Amount ₹	No. of Shares	Amount ₹		
Trade									
Unquoted :									
i) In Associate Companies - at Cost									
Placid Limited	100	93,590	4,50,64,617	—	—	—	—	93,590	4,50,64,617
Navjyoti Commodity Management Services Ltd	10	2,50,000	87,50,000	—	—	—	—	2,50,000	87,50,000
Non - Trade :									
a) In fully paid Equity Shares at cost :									
Quoted :									
MOIL Limited	10	1,136	4,26,000	—	—	—	—	1,136	4,26,000
DPSC Limited	1	6,50,000	1,83,26,358	—	—	6,50,000	1,83,26,358	—	—
b) In Bonds : Quoted									
Tax Free Bonds:									
Power Finance Corporation of India - 8.20% 10 Year	—	28,479	2,84,79,000	—	—	—	—	28,479	2,84,79,000
Indian Railway Finance Corporation - 8.00% 10 year	—	15,225	1,52,25,000	—	—	—	—	15,225	1,52,25,000
c) In Mutual Funds at cost :									
Quoted :									
HDFC Medium Term Opportunity Fund		3,97,45,277	45,00,00,000	—	—	—	—	3,97,45,277	45,00,00,000
HDFC Capital buider Fund Growth		3,17,559	5,00,00,000	—	—	—	—	3,17,559	5,00,00,000
			61,62,70,975		—		1,83,26,358		59,79,44,617
Market value of quoted investment			77,23,04,667						84,26,07,477



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

12. LONG-TERM LOANS AND ADVANCES

Unsecured and Considered Good

	31.3.2017	31.3.2016
(a) Capital Advances	45,34,343	4,00,000
(b) Pre-operative expenses - Solar Power Project	54,27,137	25,59,487
(c) Security Deposits	1,39,76,385	1,11,89,150
(d) Others:		
Rent Advance	50,79,100	48,69,100
	2,90,16,965	1,90,17,737

13. CURRENT INVESTMENTS

Particulars	Balance As at 31-03-2016		During the year				Balance As at 31-03-2017	
			Additions		Disposals			
	No. of Units	Amount ₹	No. of Units	Amount ₹	No. of Units	Amount ₹	No. of Units	Amount ₹
Non - Trade : Quoted								
In Mutual Funds at cost :								
IDFC Ultra Short term Fund	17,81,072	4,08,18,592	1,41,725	34,00,000	19,22,797	4,42,18,592	18,78,852	—
IDFC Money Manager Fund-Growth	—	—	28,91,266	7,01,00,000	27,93,486	6,76,51,943	97,780	24,48,057
		4,08,18,592		7,35,00,000		11,18,70,535		24,48,057
Market vale of quoted Investments		4,21,60,480						24,94,013

14. INVENTORIES

	31.3.2017	31.3.2016
(a) Finished Goods		
Tea - Valued at lower of Cost / net realisable value	2,27,50,440	3,85,34,400
(b) Stores and Spare Parts - valued at average cost	1,16,29,771	1,47,25,964
(c) Loose Tools - valued at average cost	13,500	3,62,100
(d) Nursery Stock - valued at average cost	6,78,444	30,32,523
	3,50,72,155	5,66,54,987



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
15. TRADE RECEIVABLES		
Unsecured and considered good;		
(a) Outstanding for a period exceeding six months from the date they become due	17,40,735	7,59,070
(b) Others	3,04,03,274	2,30,29,695
	<u>3,21,44,009</u>	<u>2,37,88,765</u>
16. CASH AND CASH EQUIVALENTS		
(a) Balance with Banks	1,39,83,263	1,87,89,123
(b) Cash on hand	6,75,824	6,77,295
(c) Unpaid dividend Account	26,76,874	28,07,966
(d) Balance with banks to the extent held as margin money or security against the borrowings guarantees other commitments	2,58,751	2,68,469
(e) Bank deposits maturing within one year	3,21,331	7,32,65,282
	<u>1,79,16,043</u>	<u>9,58,08,135</u>
17. SHORT-TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
(a) Loans and advances to:		
Related Parties	7,00,00,000	—
Others	3,40,00,000	3,40,00,000
(b) Others:		
i) Advances recoverable in cash or in kind or for value to be recovered	1,35,91,978	1,34,69,851
ii) Balance with Central Excise Authorities	1,79,214	2,19,215
iii) Advance payment of Tax (Net of provision)	7,36,93,437	8,19,18,257
	<u>19,14,64,629</u>	<u>12,96,07,323</u>
18. OTHER CURRENT ASSETS		
Interest accrued on loans and advances		
Related Parties	7,65,901	—
Others	38,25,583	87,05,108
	<u>45,91,484</u>	<u>87,05,108</u>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

19 REVENUE FROM OPERATIONS :

31.3.2017

31.3.2016

Sales of Products

Tea

43,70,82,283

37,29,89,310

Green leaf

—

1,16,15,382

Minor Produce

6,55,000

—

Other Operating Revenues

Sale of Electricity to TNEB

20,19,254

9,81,665

Dividend Income

7,952

7,384

Interest on loans and advances

58,04,368

60,28,306

Interest on tax free bonds

35,32,094

35,85,912

Profit on sale of Investments

56,80,866

13,18,592

45,47,81,816

39,65,26,551

Less : Excise Duty

—

—

45,47,81,816

39,65,26,551

20 OTHER INCOME

Interest on

Bank Deposit

19,24,566

49,49,470

TNEB Deposit & IT Refund

8,02,816

9,02,452

Other Non Operating Income:

Profit on sale of Assets

29,930

1,23,808

Scrap sales

8,61,543

19,340

Sale of Trees

—

25,20,700

Sundry Receipts

12,05,707

12,64,937

48,24,562

97,80,707

21 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE

Opening Stock of Finished Goods

Tea

3,85,34,400

5,74,03,770

Minor Produce

—

—

3,85,34,400

5,74,03,770

Less : Closing Stock of Finished Goods

Tea

2,27,50,440

3,85,34,00

Minor Produce

—

—

Net changes in inventories

1,57,83,960

1,88,69,370



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

(₹)

	31.3.2017	31.3.2016
22 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	19,46,88,688	18,35,47,164
Contribution to Provident Gratuity and Pension Fund	2,51,82,907	1,87,16,956
Employees Welfare Expenses	1,27,36,825	1,26,57,342
	23,26,08,420	21,49,21,462
23 FINANCE COSTS		
Interest expense		
Cash Credit and others	70,14,110	1,17,56,996
	70,14,110	1,17,56,996
24 OTHER EXPENSES		
Power and Fuel	4,03,81,469	4,89,83,586
Rent	30,68,327	29,41,144
Repairs to Buildings	1,54,56,812	1,53,43,323
Repairs to Machinery	1,14,31,370	94,80,626
Insurance	18,34,022	20,93,220
Rates and Taxes	11,54,900	16,14,832
Transport	49,89,680	55,09,123
General Charges - Estate	58,56,044	55,93,359
Commission and Brokerage	36,46,625	38,56,081
Warehousing charges	66,37,744	66,70,327
Payments to Auditors for :		
For Statutory Audit fee	1,50,000	
For Certification	32,500	
For Taxation	3,17,500	
For Service Tax	85,977	
	5,85,977	6,76,091
Travelling Expenses	1,05,99,165	88,13,235
Miscellaneous Expenses	1,21,58,399	1,21,42,205
	11,78,00,534	12,37,17,152

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)****7. ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS****A. ACCOUNTING POLICIES****1. Basis of Preparation**

The financial statements are prepared under historical cost convention using accounting policies and in accordance with the generally accepted accounting principles and Accounting Standard 21 on "Consolidated Financial Statements" and are presented to the extent possible in the same manner as the company's separate financial statements except as otherwise disclosed in the Notes to the Accounts.

2. Principles of Consolidation

The financial statements of the Company and its subsidiaries have been combined on a line by line basis adding together the book value of the like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions.

3. Method of Accounting

The financial statements are prepared under historical cost convention and on accrual basis and in accordance with provisions of the Companies Act, 2013 and accounting principles generally accepted in India and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government to the extent possible. The accounting is on the basis of going concern concept.

4. Revenue Recognition

Revenue from sale transaction is recognized as and when significant risks and rewards attached to the ownership in the goods is transferred to the buyer. Revenue from other sources and expenses are recognized on accrual basis.

5. Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All costs relating to acquisition / installation are capitalized. Expenditure on development and new planting are capitalized.

6. Depreciation

Depreciation is provided on Straight Line method over the useful life of the asset in accordance with Schedule II to the Act. Depreciation for assets purchased / sold during the year is proportionately charged.

7. Investments

Investments are recorded at cost inclusive of brokerage and stamp duty. Long Term investments are not adjusted for diminution in their market value if, in the opinion of the management, such diminution is temporary in nature.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

8. Inventories

Stock of plantation produces of tea and pepper are valued at lower of cost and net realizable value. Other inventories are valued at average cost.

9. Sale of Trees

Sale of trees given on contract is accounted on realization.

10. Employee benefits

I.Short Term

Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

Post employment and other long term employees benefits are administrated through an approved benefit fund, contributions to which are made in accordance with year end actuarial valuation and charged to the Statement of Profit and Loss of the relevant period.

11. Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961.

12. Deferred Tax

Deferred tax is recognized on timing differences being difference between the taxable income and the accounting income that originates in one period and capable of reversal in one or more subsequent periods.

13. Impairment of Assets

Impairment is recognized to the extent that the recoverable amount of assets is less than the carrying value and is charged to Statement of Profit & Loss.

14. Wind Power

The value of power generated by Wind Energy Generators and exported to the Grid is treated as reduction in the power charges to the extent it is adjusted in the bills by TANGEDCO and the surplus, if any, as sale of electricity.

B. OTHER NOTES TO FINANCIAL STATEMENTS

- a) The Company has completed the purchase and registration of 20.83 acres of land at Kudipatty Village, Peraiyur Taluk, Madurai District, Tamilnadu to set up 3 MW Solar Power Plant. Solar Power Project expenses of Rs. 54,27,137/- includes an amount of Rs.30,00,000/- and Rs.2,00,000/- remitted to TANGEDCO towards security deposit and grid connectivity charges respectively.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

Addition to Freehold and Development includes Rs. 52,49,515/- being cost of 14.41 acres of land purchased during the year at Kudipatty Village, Peraiyur Taluk, Madurai District for the proposed solar power project.

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

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

c) The Company has carried out an exercise to ascertain the impairment, if any in the carrying value of fixed assets. The exercise has not revealed any impairment of assets during the year under review.

d) Subsidiary companies considered in the consolidated financial statements.

Name of the Company	Country of Incorporation	% of Voting Power held on 31.03.2017	% of Voting Power held on 31.03.2016
PKT Plantations Limited	India	100%	100%
Shivphal Vinimay (P) Limited	India	100%	100%

e) Deferred Tax:

Deferred tax liability as at 31st March 2017 comprises of:

Particulars	Opening as on 01.04.2016 ₹	Provided during the year ₹	Reversed during the year ₹	Closing as on 31.03.2017 ₹
Deferred tax liability on account of Depreciation	59,26,452	—	7,01,083	52,25,369
Deferred tax asset on account of Section 43B disallowances	13,59,600	(14,95,560)	13,59,600	(14,95,560)
Deferred tax liability (Net)	45,66,852	(14,95,560)	6,58,517	37,29,809

31.3.2017 31.3.2016

f) Earnings in Foreign Exchange

NIL NIL

g) Expenditure in Foreign Currency –

Travelling 15,85,679 8,84,331



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

h) CIF Value of imports:

Raw materials	Nil	Nil
Consumable Stores and Spares	Nil	Nil
Capital Goods	Nil	Nil
All store items consumed indigenously	100%	100%

- i) The Company has taken office buildings on lease and the lease rent amounts to Rs.30,68,327/- net of reimbursements (previous year Rs.29,41,144/-) has been charged to Profit & Loss Account. Assets are taken on lease over a period of three years. Future minimum lease payments are as under:

	31.03.2017 ₹	31.03.2016 ₹
Not Less than one year	: 33,69,004	40,44,759
Later than one year but not later than five years	: 51,00,456	52,76,075
More than five years	: Nil	Nil

j) Related Party Disclosures

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

Key Management Personnel	Mrs.Alka Bangur, Managing Director Shri Shreeyash Bangur, Deputy Managing Director
Group Companies	M.B.Commercial Company Ltd. Amalgamated Development Ltd. Maharaja Shree Umaid Mills Ltd. Placid Limited The Marwar Textiles (Agency) Pvt.Ltd. Navjoti Commodity Management Services Ltd. Samay Industries Limited The General Investment Co.Ltd Kiran Vyapar Limited Soul Beauty & Wellness Centre Mugneeram Ramcoovar Bangur Charitable & Religious Co. Shree Rama Vaikunth Trust
Relatives of Key Management Personnel	Shri L.N.Bangur Ms.Sheetal Bangur Shri.Yogesh Bangur



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

k) Transactions during the year with Related Parties

	Nature of transaction	Group Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
		₹	₹	₹
1	Interest payments Kiran Vyapar Limited Shri Krishna Agency Limited Placid Limited	Nil (94,329) Nil (4,00,295) 7,048 (Nil)		
2	Interest Receipts Maharaja Shree Umaid Mills Ltd Placid Limited	9,46,629 (Nil) 9,27,739 (Nil)		
3	Rent payments M.B.Commercial Co.Ltd Marwar Textiles Agency Ltd Shree Rama Vaikunt Trust	28,800 (26,700) 52,800 (52,800) 3,40,000 (3,30,000)		
4	Inter corporate loan received from Kiran Vyapar Ltd Shri Krishna Agency Limited Placid Limited	Nil (7,00,00,000) Nil (2,50,00,000) 35,00,000 (Nil)		
5	Inter corporate loan given to Maharaja Shree Umaid Mills Ltd Placid Limited	3,50,00,000 (Nil) 3,50,00,000 (Nil)		



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

	Nature of transaction	Group Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
		₹	₹	₹
6	Inter corporate loan repaid Placid Limited	35,00,000 (Nil)		
7	Printing Samay Industries Limited			99,234 (83,478)
8	Remuneration Mrs. Alka Bangur Shri Shreeyash Bangur		42,07,500 (42,14,700) 27,24,000 (35,33,634)	
9	Outstanding Receivables Payables	7,07,65,901 (Nil) Nil (Nil)		

Note : Figures in bracket represents previous year's amount.



NOTES TO FINANCIAL STATEMENTS (Contd..)

i) Commencing from this financial year, financial activities by way of investments, loans and advances has been considered as a business activity by the management as against activity of incidental nature as was hitherto being done. Accordingly there are three reportable segments as detailed hereunder.

Standalone Segment wise revenues, results and other information

Particulars	31.03.2017				31.03.2016			
	Tea	Investment	Power	Total	Tea	Investment	Power	Total
Revenue								
External Sales	43,70,82,283	1,50,25,280	20,19,254	45,41,26,816	38,46,04,692	109,40,194	9,81,665	39,65,26,551
Inter Segment Revenue	—	—	1,76,35,671	1,76,35,671	—	—	1,18,31,440	1,18,31,440
Total	43,70,82,283	1,50,25,280	1,96,54,924	47,17,62,487	38,46,04,692	109,40,194	1,28,13,105	40,83,57,991
Less Inter Segment Revenue	—	—	1,76,35,671	1,76,35,671	—	—	—	1,18,31,440
Total	43,70,82,283	1,50,25,280	20,19,254	45,41,26,816	38,46,04,692	109,40,194	1,28,13,105	39,65,26,551
Results								
Operating Profit (Loss)	1,90,497	1,24,25,280	1,32,41,854	2,58,57,631	(4,23,66,936)	85,52,194	1,04,79,867	(2,33,34,875)
Less Interest	—	—	—	70,14,110	—	—	—	1,17,56,596
Total	—	—	—	1,88,43,521	—	—	—	(1,15,78,279)
Add Other income	—	—	—	48,24,562	—	—	—	97,80,707
Profit / (Loss) before tax	—	—	—	2,36,68,083	—	—	—	(2,13,58,986)
Provision for taxation	—	—	—	76,06,500	—	—	—	87,962
Profit / (Loss) after tax	—	—	—	1,60,61,583	—	—	—	(2,14,46,948)
Other Information								
Segment Assets	38,67,52,414	70,89,80,028	2,07,87,386	111,65,19,828	45,37,63,024	69,96,93,017	1,06,87,805	116,41,43,846
Unallocated Assets	—	—	—	—	—	—	—	—
Enterprise Assets	—	—	—	111,65,19,828	—	—	—	116,41,43,846
Segment Liabilities	13,51,09,797	—	—	13,51,09,797	19,96,90,351	—	—	19,96,90,351
Unallocated Liabilities	—	—	—	98,14,10,031	—	—	—	96,44,53,495
Enterprise Liabilities	—	—	—	111,65,19,828	—	—	—	116,41,43,846
Capital Expenditure	4,74,26,707	—	81,17,165	5,55,43,872	2,25,80,722	—	1,06,87,805	3,32,68,527
Depreciation	2,24,42,115	—	36,838	2,24,78,953	2,36,87,705	—	36,838	2,37,24,543



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

m) Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016

	SBN	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	7,62,000	4,52,216	12,14,216
(+) Permitted receipts	—	—	—
(-) Permitted payments	—	—	—
(-) Amount deposited in Banks	7,62,000	—	7,62,000
Closing cash in hand as on 30.12.2016	—	7,42,144	7,42,144

n) Earnings Per Share

	31.03.2017	31.03.2016
Profit /(Loss) after tax Rs.	1,60,61,583	(2,14,46,950)
Weighted average No. of shares outstanding	30,95,879	30,95,879
Basic earnings per share ₹ (Nominal value of equity shares ₹10/- per share)	5.19	(6.93)

o) Previous year's figures have been reclassified wherever necessary to conform to this year's classification

As per our Report of even date attached

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

K.N. Sreedharan

Partner Auditors M.No. 12026.

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

K.Murali Mohan

Proprietor M.No. 014328 Coimbatore 26th May 2017

For and on behalf of the Board

L.N. Bangur

Chairman

Alka Bangur

Managing Director

R.V. Sridharan

Company Secretary

A. Thiagarajan

Chief Financial Officer

Kolkata

26th May 2017

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)****Form No. AOC - 1 Part A : Subsidiaries**

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

Statement containing salient features of the Financial Statement of Subsidiaries.

Name of the Subsidiary	PKT Plantations Limited	Shivphal Vinimay Private Limited
Reporting Currency	INR	INR
Financial Year of the Subsidiary ended on	31st March 2017	31st March 2017
Exchange Rate		
Share Capital	25,00,000	5,00,000
Reserves & Surplus	11,60,151	(1,29,105)
Share application money pending allotment		
Total Liabilities	37,84,519	3,93,145
Total Assets (excluding investments)	37,84,519	3,93,145
Investments (other than investments in subsidiaries)		
Turnover	5,86,109	23,483
Profit before tax	3,44,095	(41,003)
Provision for taxation	1,33,252	
Profit after tax	2,10,843	(41,003)
Proposed dividend	—	—
% of Shareholding	100	100

Part B : Associates and Joint ventures

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

NOT APPLICABLE

Name of associates / Joint venture

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



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

Additional Information

Name of the entity in the	Net Assets (Total Assets minus total Liabilities)		Share in profit or loss	
	As % of consolidated Net Assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Parent				
The Peria Karamalai Tea & Produce Company Limited	96.52%	11,24,66,532	99.00%	1,58,91,743
Subsidiaries				
Indian				
1. PKT Plantations Limited	3.14%	36,60,151	1.31%	2,10,843
2. Shivphal Vinimay Private Limited	0.34%	3,93,145	(0.31%)	(41,003)
Foreign				
Minority Interest in all subsidiaries	—	—	—	—
Associates (Investment as per the equity method)				
Indian	—	—	—	—
Foreign	—	—	—	—
Joint Venture (as per proportionate consolidation/investment as per the equity method)				
Indian	—	—	—	—
Foreign	—	—	—	—
TOTAL	100.00%	11,65,19,828	100.00%	1,60,61,583

As per our Report of even date attached

For S. Krishnamoorthy & Co
Chartered Accountants
Reg. No. 001496S

K.N. Sreedharan

Partner Auditors M.No. 12026.

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

K.Murali Mohan

Proprietor M.No. 014328

Coimbatore

26th May 2017

For and on behalf of the Board

L.N. Bangur
Chairman

Alka Bangur
Managing Director

R.V. Sridharan
Company Secretary

A. Thiagarajan
Chief Financial Officer

Kolkata
26th May 2017