



Annual Report 2017-2018



LEDO TEA COMPANY LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. N. K. Lohia , Chairman-Cum-Managing Director Mr. S. K. Chatterjee , Non Executive Independent Director Mr. S. K. Dabriwala , Non Executive Director Mr. A. Choudhury , Non Executive Independent Director Mr. Nirmit Lohia , Non Executive Director Mrs. Sarita Lohia , Non Executive Director
EXECUTIVE	Mr. R. K. Hirawat, President Cum Chief Financial Officer
SOLICITORS	Choudhury & Co.
AUDITORS	M/s. B.Nath & Co. Shantiniketan Building, 8, Camac Street, 2nd Floor, Room No. 4 Kolkata - 700 017 Tel : +91 33 2252, 1911/12, Fax : +91 33 2252 1913
SECRETARIAL AUDITORS	B.L. Patni, Practising Company Secretary
REGISTRARS	Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001 Ph : (033) 2243-5029 / 5809, Fax : (033) 2248-4787 Email : mdpldc@yahoo.com
BANKERS	United Bank of India HDFC Bank
STOCK EXCHANGE WHERE SHARES ARE LISTED	BSE LIMITED
REGISTERED & HEAD OFFICE	Sir R. N. M. House 3-B, Lal Bazar Street, Kolkata - 700 001 Phone : (033) 2230-6686 / 6449, 2248-3078 Email : ledotea@vsnl.com
GARDEN	LEDO TEA ESTATE P.O. Ledo, Dist. Tinsukia, Assam Pin : 786 182 Ph : (03751) 293574 Email : ledote@rediffmail.com

Contents

Notice	2
Directors' Report	7
Independent Auditor's Report	26
Balance Sheet	32
Statement of Profit & Loss	33
Statement of changes in equity	34
Cash Flow Statement	35
Notes to Financial Statements	36
Financial Highlights	64

**NOTICE TO THE MEMBERS**

Notice is hereby given that the thirty-fifth Annual General Meeting of LEDO TEA COMPANY LIMITED (CIN L01132WB1983PLC036204) will be held at Sitaram Sekseria Auditorium of Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata - 700 017 on Thursday, the 27th September, 2018 at 11.00 a.m. to transact the following business :

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31st March, 2018, together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.Nirmit Lohia (DIN 03591937), who retires by rotation and being eligible, offers himself for re-appointment.

Registered Office:

Sir R.N.M. House
3-B, Lal Bazar Street
Kolkata - 700 001
Dated, the 13th August, 2018

By Order of the Board

N.K. LOHIA
Chairman-cum-Managing Director
DIN:: 00435485

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a Proxy to attend and vote instead of himself/herself and a Proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT hours before the commencement of the AGM. Proxies submitting on behalf of limited companies, societies etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case, a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Share Transfer Books and the Registers of Members of the Company will remain closed from Friday, 21st September, 2018 to Thursday, 27th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
3. Members holding shares in physical form are requested to notify immediately any change of address, email address, bank details, to the Company or to the Registrar of the Company M/s. Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001. Phone : (033) 2248-2248.2243-5029, 2231-6839 Fax (033) 2248-4787, E-mail : mdpldc@yahoo.com.
Shareholders holding shares in electronic form must advise their depository participants about any change in address, email address and bank details.
4. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Compliance Officer of the Company well in advance, so as to enable the Management to keep the information ready at the AGM.
5. All documents referred to in the above notice are open for inspection at the Registered Office of the Company during office hours.
6. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar M/s. Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001. Phone : (033) 2248-2248.2243-5029, 2231-6839 Fax (033) 2248-4787, E-mail : mdpldc@yahoo.com.
7. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
8. Members, who are still holding shares in physical form are requested to take immediate action to dematerialize their shares to avail easy liquidity and to eliminate all risks associated with physical shares. Members may contact the Company or M/s. Maheshwari Datamatics Pvt. Ltd for assistance in this regard.
9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to.

Notice

M/s. Maheshwari Datamatics Pvt. Ltd. or to the Company. Members holding shares in electronic form may submit the same to their respective depository participant.

10. Transfer of Unclaimed/Unpaid dividend to the Investor Education and Protection Fund (IEPF)

In accordance with the provisions of Section 124,125 and other applicable provisions, if any, of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed or unpaid in respect of dividends for the financial year 2009-10 have been transferred to the IEPF.

In accordance with the provisions of Section 124(6) of the Act, read with IEPF Rules, all the shares in respect of which dividend have remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were remained unclaimed or unpaid for the financial year 2009-10 have been transferred to the demat account of IEPF Authority.

11. Process and manner of voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CSDL on all the resolution set forth in this Notice. The instructions for members for voting electronically are as under:-

Remote E-Voting Procedure

- i. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for Electronic Voting Sequence Number (EVSN) of any company, then your existing password is to be used.
- ii. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- iii. Now click on "Shareholders" tab to cast your votes.
- iv. Now, select the Electronic Voting Sequence Number (EVSN) along with "LEDO TEA COMPANY LIMITED" from the drop down menu and click on "SUBMIT".
- v. Now enter your User ID (For CDSL:16 digits beneficiary ID, For NSDL: 8 character DP ID followed by 8 Digits Client ID). Members holding shares in physical form should enter Folio Number registered with the Company and then enter the "Captcha Code" as displayed and click on "Login".
- vi. Now, fill up the following details in the appropriate boxes:

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ram Kumar with sequence number 1, then enter RA00000001 in the PAN field - Sequence number is communicated in the Covering Letter
DOB	Enter the date of birth as recorded in your demat account or in the company's records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details	Enter the dividend bank details as recorded in your demant account or in the company's records for the said demat account or folio

- vii. After entering these details appropriately, click on "SUBMIT" tab.



Notice

- viii. Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat shareholders for voting for resolutions of any other company in which they are eligible to vote, provided that company opts for remote e-voting facility 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.
- ix. On the voting page, you will see Resolution description and against the same the option "YES/NO" for voting. Enter the number of equity shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x. Click on the "Resolution File Link" if you wish to view the entire text of the Resolution being passed.
- xi. 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 your vote, click on "CANCEL" and accordingly modify your vote.
- xii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- xiii. Corporate/Institutional members (Corporate /FIs /FIIs / Trusts / Mutual Funds / Banks etc.) are required to log onto <https://www.evotingindia.co.in> and register themselves as Corporate. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload the scanned copy of the relevant board resolution / power of attorney etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote in pdf format in the system for the Scrutinizer to verify the same.
- xiv. The voting period will commence on Monday, September 24, 2018 (10.00 a.m. IST) and ends on Wednesday, September 26, 2018 (05.00 p.m. IST). The e-voting module will be disabled by CDSL for voting thereafter. The cutoff date for this is 20/09/2018.
- xv. The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 20th September, 2018. The facility of remote e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- xvi. Any person, who acquires shares of the Company and become member of the Company after despatch of the Notice of Annual General Meeting and holding shares as of the cut-off date, i.e., 20th September, 2018, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.

However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on helpdesk.evoting@cdslindia.com.
- xvii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Annual General Meeting through polling paper.
- xviii. The Board of Directors have appointed Mr. Babu Lal Patni, Practicing Company Secretary (Membership No. FCS 2304), as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- xix. At the Annual General Meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall with the assistance of the Scrutinizer order voting for all those members who are present but have not cast their vote electronically using the remote e-voting facility or Ballot Form.
- xx. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes at the Annual General Meeting, 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 not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

Notice

xxi. The Chairman or a person authorized by him in writing shall declare the result of voting forthwith.

The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL helpdesk. evoting@cdslindia.com immediately after the result declared by the Chairman or any other person authorized by the Chairman and the same shall be communicated to BSE Limited, where the shares of the Company are listed.

12. Details of Director seeking appointment/re-appointment at the Thirty-fifth Annual General Meeting (Pursuant to Regulation 26 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

Details of Director seeking reappointment at the ensuing Annual General Meeting.

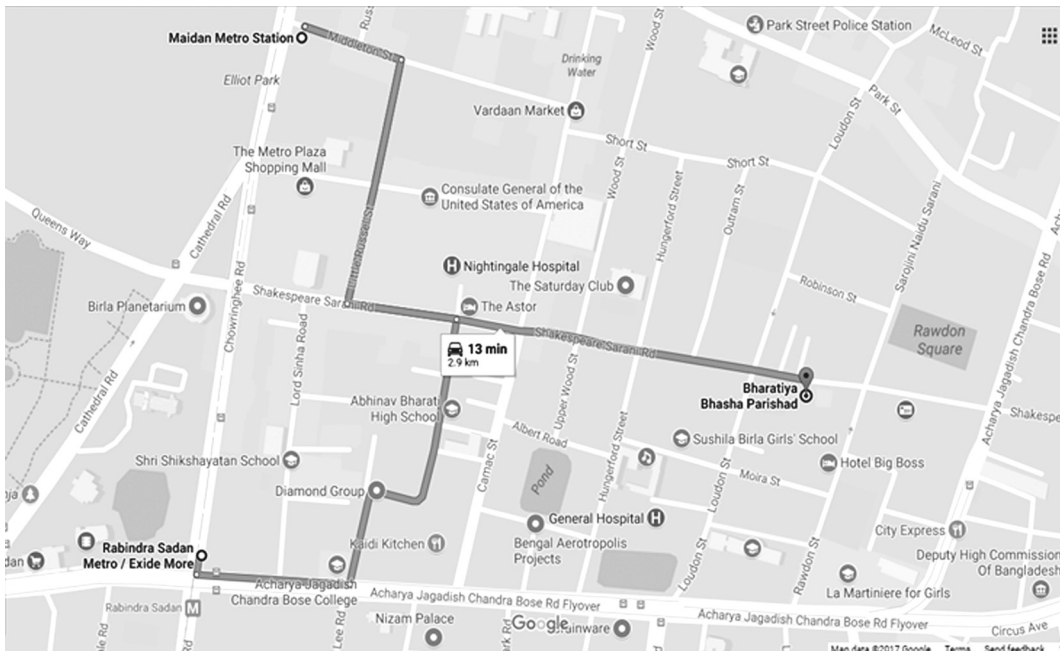
Name of Director	Mr. Nirmal Lohia
Director Identification Number (DIN)	03591937
Age	30 years.
Date of first Appointment	13th August, 2013
Date of Birth	30th June, 1988
Qualifications	MBA from the Kellogg School of Management, Northwestern University, U.S.A.
Expertise in specific functional areas	Specialization in Marketing and Finance
Directorship held in other public companies	Ledo Financial Services Limited
Memberships/Chairmanships of committee of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil
Inter-se relationship with other Directors and Key Managerial Personnel	Mr. Nirmal Kumar Lohia & Mrs. Sarita Lohia
Number of shares held in the Company	111657 Nos.

Registered Office :

Sir R.N.M. House
3-B, Lal Bazar Street
Kolkata - 700 001
Dated, the 13th August, 2018

By Order of the Board
N.K. LOHIA
Chairman-cum-Managing Director
DIN:: 00435485

ROUTE MAP TO THE VENUE OF AGM



35th Annual General Meeting
Day & Date : Thursday, the 27th September, 2018, Time : 11.00 a.m.
Venue: "Bharatiya Bhasha Parishad"
36A Shakespeare Sarani, 4th Floor, Kolkata - 700017

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting 35th Annual Report with the Audited Financial Statements of your Company, for the financial year ended 31st March, 2018.

1. SUMMARISED FINANCIAL RESULTS

	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Profit/(loss) before Financial cost, Depreciation & Taxes	(10.25)	(38.56)
Less : Financial Cost	71.97	69.52
Less: Depreciation	26.85	26.42
Profit /(loss) before Tax	(109.07)	(134.50)
Less/(Add) : Provision for Taxation (Net)	(29.92)	(20.20)
Profit/(loss) after Taxation	(79.15)	(114.30)

2. PERFORMANCE HIGHLIGHT

Your company produced 7.38 lac kgs. of tea for the year under review as against 9.42 lacs kgs. in the previous year and achieved a net turnover of ₹ 932.25 lacs by selling 7.45 lac Kgs. of tea as compared to ₹1224.76 lacs by selling 9.70 lac Kgs. of tea in the previous year. The operation of the Company during the year under review has resulted in a loss of ₹ 10.25 lacs before Interest, Depreciation and Taxes as against loss of ₹ 38.56 lacs in the previous year. Thus, your company incurred a net loss of ₹ 79.15 lacs as against net loss of Rs. 114.30 lacs in the previous year.

3. DIVIDEND

In view of losses incurred by the Company, your Directors do not recommend any Dividend for the year ended 31st March, 2018.

4. MODERNIZATION & EXPANSION

The Uprooting and Replanting programme is being carried out in a phased manner. Your Company has spent ₹ 44.34 lacs on extension & re-plantation and ₹ 32.89 lacs on plant & machineries during the year under review.

5. FUTURE PROSPECT

The current season has started with favourable rainfall resulting in good crop at the start of the season. However, as the season progressed weather became unfavourable due to continuous rainfall resulting in heavy infestation of insect attack i.e. looper & helopeltis due to which the crop declined to a large extent during May & June 2018. From July the weather became normal as such at the end of July production was almost equivalent to previous season. There has been demand for premium quality tea but the overall demand scenario is not remunerative due to availability of common variety of tea which is largely being procured by packeteers to offer priced packet tea. Costs are increasing every year due to increase of salary, wages, electricity and other input cost. This year there has been interim wage increase of ₹ 30/- per day with effect from 1st March 2018 which will have larger impact on cost in year under review. In spite of all odds, your company is trying its level best to keep the cost under control to overcome this difficult period.

6. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

e. SHARES WITH DIFFERENTIAL RIGHTS



Directors Report

No equity shares with differential rights were issued during the year under review.

7. TRANSFER OF UNCLAIMED/UNPAID DIVIDEND AND SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with the provisions of Section 124, 125 and other applicable provisions, if any, of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed or unpaid in respect of dividends for the financial year 2009-10 have been transferred to the IEPF.

In accordance with the provisions of Section 124(6) of the Act, read with IEPF Rules, all the shares in respect of which dividend have remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were remained unclaimed or unpaid for the financial year 2009-10 have been transferred to the demat account of IEPF Authority.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

8. CORPORATE GOVERNANCE

As the paid-up Share Capital of the Company is less than ₹ 10 Crores and its Reserves are less than ₹ 25 Crore, provisions of the Corporate Governance is not applicable to your Company. However, adequate steps have been taken for better corporate governance.

9. CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to adopt Corporate Social Responsibility policy and to incur expenditure on it.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has not entered into any contract or arrangement with related parties referred in the Section(1) of Section 188 of the Companies Act 2013 during the year under review

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

The Company has not made any loans or investments or given guarantees under Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions is not applicable. Details of investments are given in the Notes forming part of financial statements.

12. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No. MGT – 9 is furnished in Annexure –1 and is attached to this Report.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Associations of the company Mr. Nirmal Lohia (DIN 03591937) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

The company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independent directors as prescribed under the Act.

14. BOARD EVALUATION

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

Pursuant to the new Evaluation Framework adopted by the Board, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors for the financial year 2017-18. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, attendance of the meetings, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The individual Director's performance was also evaluated and the Board was of the view that the Directors fulfilled

Directors Report

their applicable responsibilities and duties as laid down by the Listing Regulations and the Companies Act, 2013 and at the same time contributed with their valuable knowledge, experience and expertise to grab the opportunity and counter the adverse challenges faced by the Company during the year

15. NOMINATION AND REMUNERATION POLICY

The Board has on the recommendation of the Nomination and Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The company is having a Nomination and Remuneration committee comprising of following directors :

Name	Category	Status
Mr. S. K. Chatterjee	Non Executive Independent Director	Chairman
Mr. Anil Choudhury	Non Executive Independent Director	Member
Mr. Nirmal Lohia	Non Executive Director	Member

No meeting of the Nomination and Remuneration Committee held during the year.

16. AUDIT COMMITTEE

The company is having an audit committee comprising of following directors;

Name	Category	Status
Mr. S. K. Chatterjee	Non Executive Independent Director	Chairman
Mr. Anil Choudhury	Non Executive Independent Director	Member
Mr. Nirmal Lohia	Non Executive Director	Member

During the year 4 meetings of the Audit Committee was held on 30.05.2017, 10.08.2017, 14.12.2017 and 14.02.2018.

17. MEETINGS

The details of the Board Meeting and General Meeting are given in Annexure '2'.

18. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

The required details are provided in Annexure '3'annexed to this Report.

19. DISCLOSURE UNDER RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The required details are provided in Annexure '4' annexed to this Report.

20. DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act 2013, with respect to Directors Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. CODE OF CONDUCT

Directors Report

The Company has a Code of Conduct which is applicable to directors and management personnel of the Company. The Company believes in conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and management personnel in their business dealings and in particular on matters relating integrity in the work place, in business practices and complying with applicable laws etc.

All the directors and management personnel have submitted declaration confirming compliance with the code.

22. RISK MANAGEMENT POLICY

Pursuant to Section 134(3) (n) of the Companies Act, 2013, the Board of directors of the Company has adopted a Risk Management Policy of the Company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across Group wide Risk Management, Internal Control and Internal Audit methodologies and processes.

23. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

24. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

All the Board of Directors and designated employees have confirmed compliance with the Code.

25. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

During the year the company appointed M/s Sanjeev Agarwal & Associates, Chartered Accountants, Kolkata as an Internal Auditor. The firm is authorized to by the Audit Committee to access the adequacy and compliance of internal control process, statutory requirements etc. The Audit Committee met regularly to review reports submitted by the Internal Auditor. The Audit Committee upon discussion with Internal Auditor set up applicable control measures for the Company.

26. INDIAN ACCOUNTING STANDARDS

Your Company has adopted Indian Accounting Standards i.e., Ind-AS with effect from 1st April, 2017 pursuant to the notification issued by the Ministry of Corporate Affairs notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. The Financial Statements for the year ended 31st March, 2018 provided in this Annual Report have been prepared following the Ind-AS. The financial Statements for the year ended 31st March 2017 have been restated to comply with Ind-AS to make them comparable.

27. SIGNIFICANT AND MATERIAL ORDERS BY REGULATORS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

28. MATERIAL CHANGES

Directors Report

There are no material changes and commitments affecting the financial position of the company have accrued between the date of financial year of the Company and date of the report. There is no change in the nature of business of the Company.

29. STATUTORY AUDITORS

At the 34th Annual General Meeting of the Company held on 20.09.2017, M/s. B. Nath & Company, Chartered Accountants, (Firm Registration No. 307057E) were appointed as Statutory Auditor of the Company to hold office from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting. They have confirmed that they are eligible to continue as Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

30. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company has no Subsidiary, Associate or Joint Venture Company.

31. SECRETARIAL AUDIT

The Company has appointed Mr. Babu Lal Patni (FCS 2304), a Practising Company Secretary to conduct secretarial audit pursuant to Section 204 of the Companies Act, 2013. Their report in form MR3 is attached to this report as annexure '5'

As regards his observation made in the Secretarial Audit we are to state that the necessary steps are being taken to comply with the requirements.

32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure '6' and is attached to this report.

33. DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

34. SOCIAL OBLIGATION

Your Company has taken up and is constantly in touch with the various socio-economic projects for uplifting standards of living of the people in and around its estate where it operates.

35. LISTING ARRANGEMENTS

The Equity Shares of the Company are continued to be listed on the Stock Exchange, Mumbai (BSE). The Annual Listing Fees of BSE have been paid up to date

36. GENERAL

Your Director further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

37. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company

Registered Office :
Sir R. N. M. House
3-B, Lal Bazar Street
Kolkata - 700 001
Dated, the 30th May, 2018

By Order of the Board

N. K LOHIA
Chairman-Cum-Managing Director
DIN:00435485

NIRMIT LOHIA
Director
DIN:03591937



Annexure 1 to the Directors Report

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L01132WB1983PLC036204
2	Registration Date	19/04/1983
3	Name of the Company	Ledo Tea Company Limited
4	Category/Sub-category of the Company	Public Company limited by shares.
5	Address of the Registered office & contact details	Sir R. N. M. House - 3rd Floor 3-B, Lal Bazar Street, Kolkata - 700001. Ph. No. (033) 2230-6686/6449
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt. Ltd 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001 Phone : (033) 2248-2248, 2243-5029 FAX : (033) 2248-4787 E-mail : mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Tea	0100	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NIL				

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 1st April, 2017]				No. of Shares held at the end of the year [As on 31st March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	504021	-	504021	58.37%	504021	-	504021	58.37%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	84680	-	84680	9.81%	84680	-	84680	9.81%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	588701	-	588701	68.18%	588701	-	588701	68.18%	-

Annexure to the Directors Report

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2017]				No. of Shares held at the end of the year [As on 31st March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	588701	-	588701	68.18%	588701	-	588701	68.18%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	13286	-	13286	1.54%	16491	-	16491	1.91%	0.37%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	167153	85817	252970	29.30%	158666	51809	210475	24.37%	-4.93%
ii) Individual share-holders holding nominal share capital in excess of ₹ 2 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
i) Individual-HUFs/AOPs	7460	-	7460	0.86%	12836	-	12836	1.49%	0.63%
ii) NRI-Non-Repatriable	320	-	320	0.04%	320	-	320	0.04%	-
NRI-Repatriable	381	-	381	0.04%	381	-	381	0.04%	-
iii) Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
iv) Foreign Nationals	-	-	-	-	-	-	-	-	-
v) Clearing Members	52	-	52	0.01%	51	-	51	0.01%	-
vi) Trusts	330	-	330	0.04%	330	-	330	0.04%	-
vii) Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
viii) Investor Education and Protection Fund Account	-	-	-	-	33915	-	33915	3.93%	3.93%
Sub-total (B)(2):-	188982	85817	274799	31.82%	222990	51809	274799	31.82%	-
Total Public (B)	188982	85817	274799	31.82%	222990	51809	274799	31.82%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	777683	85817	863500	100.00%	811691	51809	863500	100.00%	-

Annexure to the Directors Report

(ii) Shareholding of Promoters

S.N	Shareholder's Name	Shareholding at the beginning of the year (01-04-2017)			Shareholding at the end of the year (31-03-2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	N. K. Lohia	139230	16.12%	Nil	139230	16.12%	Nil	-
2	Sarita Lohia	115465	13.38%	Nil	115465	13.38%	Nil	-
3	Nikhil Lohia	112669	13.05%	Nil	112669	13.05%	Nil	-
4	Nirmit Lohia	111657	12.93%	Nil	111657	12.93%	Nil	-
5	Ledo Financial Services Limited	42700	4.94%	Nil	42700	4.94%	Nil	-
6	Goodfaith Holdings Pvt. Ltd	41980	4.86%	Nil	41980	4.86%	Nil	-
7	Nirmal Kumar Lohia HUF	25000	2.90%	Nil	25000	2.90%	Nil	-
	Total	588701	68.18%	NIL	588701	68.18%	NIL	-

(iii) Shareholding Pattern of top ten Shareholders

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year (01-04-2017)		Cumulative Shareholding during the year (31-03-2018)	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Nileshkumar Hasmukhlal Saraiya						
	At the beginning of the year			13262	1.54%	..	1.54%
	Changes during the year			Nil	-	..	-
	At the end of the year			13262	1.54%	..	1.54%
2	Sikaria Securities Ltd						
	At the beginning of the year			7902	0.92%		0.92%
	Changes during the year	07/04/2017	Transfer	(2)		7900	0.91%
		04/08/2017	Transfer	5		7905	0.92%
		11/08/2017	Transfer	14		7919	0.92%
		25/08/2017	Transfer	86		8005	0.93%
		01/09/2017	Transfer	545		8550	0.99%
		17/09/2017	Transfer	1129		9679	1.12%
		27/10/2017	Transfer	1300		10979	1.27%
		03/11/2017	Transfer	1022		12001	1.39%
		12/12/2017	Transfer	1		12202	1.41%
		02/02/2018	Transfer	350		12352	1.43%
		09/02/2018	Transfer	300		12652	1.47%
		23/02/2018	Transfer	150		12802	1.48%
		16/03/2018	Transfer	25		12827	1.49%
	At the end of the year					12827	1.49%
3	Lalita Kanoi						
	At the beginning of the year			10483	1.21%		1.21%
	Changes during the year	01/12/2017	Transfer	200		10683	1.24%
	At the end of the year					10683	1.24%

Annexure to the Directors Report

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year (01-04-2017)		Cumulative Shareholding during the year (31-03-2018)	
				No. of shares	% of total shares	No. of shares	% of total shares
4	Shitalben Nileshchandra Saraiya						
	At the beginning of the year			8600	1.00%		
	Changes during the year	03/11/2017	Transfer	100		8700	1.01%
	At the end of the year					8700	1.01%
5	Mulkh Raj Taneja HUF						
	At the beginning of the year			2271	0.26%		0.26%
	Changes during the year	07/04/2017	Transfer	2		2273	0.26%
		19/05/2017	Transfer	451		2724	0.32%
		26/05/2017	Transfer	6		2730	0.32%
		02/06/2017	Transfer	107		2837	0.33%
		09/06/2017	Transfer	124		2961	0.34%
		16/06/2017	Transfer	90		3051	0.35%
		23/06/2017	Transfer	50		3101	0.36%
		07/07/2017	Transfer	255		3356	0.39%
		14/07/2017	Transfer	70		3426	0.40%
		21/07/2017	Transfer	194		3620	0.42%
		11/08/2017	Transfer	493		4113	0.48%
		01/09/2017	Transfer	(400)		3713	0.43%
		08/09/2017	Transfer	312		4025	0.47%
		30/09/2017	Transfer	148		4173	0.48%
		20/10/2017	Transfer	69		4242	0.49%
		27/10/2017	Transfer	1200		5442	0.63%
		03/11/2017	Transfer	1671		7113	0.82%
		24/11/2017	Transfer	153		7266	0.84%
		01/12/2017	Transfer	200		7466	0.86%
		01/12/2017	Transfer	100		7566	0.88%
		22/12/2017	Transfer	125		7691	0.89%
	At the end of the year					7691	0.89%
6	Patel Vipul Nathbhai						
	At the beginning of the year			4318	0.50%		0.50%
	Changes during the year			Nil	-		-
	At the end of the year			4318	0.50%		0.50%
7	Kaushalya Devi Sikaria						
	At the beginning of the year			3963	0.46%		0.46%
	Changes during the year			Nil	-		-
	At the end of the year			3963	0.46%		0.46%
8	Patel Raxa V						
	At the beginning of the year			3721	0.43%		0.43%
	Changes during the year			Nil	-		-
	At the end of the year			3721	0.43%		0.43%
9	Hiteshkumar Naranbhai Patel						
	At the beginning of the year			2218	0.26%		0.26%
	Changes during the year			Nil	-		-
	At the end of the year			2218	0.26%		0.26%

Annexure to the Directors Report

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year (01-04-2017)		Cumulative Shareholding during the year (31-03-2018)	
				No. of shares	% of total shares	No. of shares	% of total shares
10	Veena Shantilal Gandhi						
	At the beginning of the year			1971	0.23%		0.23%
	Changes during the year			Nil	-		-
	At the end of the year			1971	0.23%		0.23%

(iv) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year (01-04-2017)		Cumulative Shareholding during the year (31-03-2018)	
				No. of shares	% of total shares	No. of shares	% of total shares
1	N. K. Lohia ,Chairman-cum-Managing Director						
	At the beginning of the year			139230	16.12%		16.12%
	Changes during the year			Nil	-		-
	At the end of the year			139230	16.12%		16.12%
2	Nirmit Lohia, Non-Executive Director						
	At the beginning of the year			111657	12.93%		12.93%
	Changes during the year			Nil	-		-
	At the end of the year			111657	12.93%		12.93%
3	Sarita Lohia, Non-Executive Director						
	At the beginning of the year			115465	13.38%		13.38%
	Changes during the year			Nil			
	At the end of the year			115465	13.38%		13.38%
4	S. K. Dabriwala, Non Executive Director						
	At the beginning of the year			-	-		-
	Changes during the year			-	-		-
	At the end of the year			-	-		-
5	S. K. Chatterjee, Independent Director						
	At the beginning of the year			-	-		-
	Changes during the year			-	-		-
	At the end of the year			-	-		-
6	Anil Choudhury, Independent Director						
	At the beginning of the year			-	-		-
	Changes during the year			-	-		-
	At the end of the year			-	-		-
7	R. K Hirawat ,President-Cum- Chief Financial Officer						
	At the beginning of the year			8213	0.95%		0.95%
	Changes during the year			-	-		-
	At the end of the year			8213	0.95%		0.95%

Annexure to the Directors Report

V. INDEBTEDNESS

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

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	386.94	165.90		552.84
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	386.94	165.90	-	552.84
Change in Indebtedness during the financial year				
* Addition	1,258.78	215.00		1,473.78
* Reduction	1,241.58	126.90		1,368.48
Net Change	17.20	88.10	-	105.30
Indebtedness at the end of the financial year				
i) Principal Amount	404.14	254.00		658.14
ii) Interest due but not paid	-	14.33	-	14.33
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	404.14	268.33	-	672.47

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount (₹ in Lacs)
	Mr. N. K. Lohia		
	Chairman cum- Managing Director		
1	Gross salary	6.95	6.95
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	6.95	6.95
	Ceiling as per the Act		



Annexure to the Directors Report

A. Remuneration to other Directors

(₹ in lacs)

SN.	Name of The directors	Particulars of Remuneration	Others	Amount
NON EXECUTIVE DIRECTOR				
1	Mr. Nirmal Lohia	Fee for attending Board / committee meetings*		0.05
2	Mr. S K Dabriwala	DO		0.06
3	Mrs. Sarita Lohia	DO		0.06
Independent Director				
4	Mr. S. K Chatterjee	DO		0.06
5	Mr. Anil Choudhury	DO		0.06
	Total			0.29

B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Mr. R. K. Hirawat				(₹ in Lakh)
	President cum Chief Financial Officer	CEO	CFO	CS	
1	Gross salary	0	11.38	-	11.38
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-			-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	11.38	-	11.38

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 to the Directors Report

Annexure 2 to the Directors' Report

PARTICULARS OF BOARD MEETING HELD DURING 2017-18

During the financial year ended on 31st March, 2018, six Board Meetings were held on 10th April, 2017, 30th May, 2017, 10th August, 2017, 14th September, 2017, 14th December, 2017 & 14th February, 2018. The last Annual General Meeting (AGM) was held on 20th September, 2017. The attendance record of the Directors at the Board Meeting during the year ended on 31st March, 2018 and at the last AGM is as under :-

Sr. No.	Name of the Director	Category	No. of Board Meeting attended	Attendance at last AGM
1.	Mr. N.K. Lohia	Chairman-cum-Managing Director	6	Yes
2.	Mr. Nirmal Lohia	Non-Executive	5	Yes
3.	Mrs. Sarita Lohia	Non-Executive	6	No
4.	Mr. S. K. Dabriwala	Non-Executive	6	Yes
5.	Mr. A. Choudhury	Non-Executive Independent	6	Yes
6.	Mr. S. K. Chatterjee	Non-Executive Independent	6	No

PARTICULARS OF GENERAL MEETING HELD DURING THE LAST THREE YEARS

Sl. No.	FINANCIAL YEAR	EXTRA ORDINARY GENERAL MEETING	ANNUAL GENERAL MEETING
1.	2016-17	No EGM was held	20-09-2017
2.	2015-16	No EGM was held	27-09-2016
3.	2014-15	No EGM was held	30-09-2015

Separate Meeting of Independent Directors :

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 26th February, 2018 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

Annexure to the Directors Report

Annexure “3” to the Directors’ Report

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (1) Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year

Median remuneration of all the employees of the Company For the financial year 2017-2018	₹ 0.44 Lacs
The percentage increase in the median remuneration of employees in the financial year	7.05
The number of permanent employees on the rolls of company as on 31 March, 2018	715

Name of Director	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the financial year 2017-2018
Non – Executive Directors		
Mr. Nirmat Lohia	0.11	25.00
Mrs. Sarita Lohia	0.14	50.00
Mr. S. K. Dabriwala	0.14	50.00
Independent Directors		
Mr. Anil Choudhury	0.14	200.00
Mr. S. K. Chatterjee	0.14	50.00
Executive Directors		
Mr. Nirmal Kumar Lohia	15.81	9.45

Notes:

- (1) The ratio of remuneration to median remuneration is based on remuneration paid during the period 1st April 2017 to 31st March 2018
- (2) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average percentile made in the salaries of employees other than the Key managerial personnel in the last financial year i.e 2017-18 was 2.17% where as the increase made in the Key managerial remuneration for the same financial year was 5.53%.
- (3) Remuneration is as per the remuneration policy of the Company.

Annexure to the Directors Report

ANNEXURE "4 "

INFORMATION AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2018

SL No.	Name	Designation	Remuneration (₹ in Lacs)	Qualification	Age (Years)	Experience (Years)	Date of joining	Previous Employment
1.	Mr. Nirmal Kumar Lohia	Chairman-cum-Managing Director	6.95	B.Com. (Hons.)	59 Yrs	35 Yrs.	19/04/1983	Nil
2.	Mr. Ramesh Kumar Hirawat	President-cum-Chief Financial Officer	11.38	B.Com. (Hons.) LLB	62 Yrs.	40 Yrs.	15/06/1993	Ryam Commerce & Plantations Ltd

**Annexure to the Directors Report****ANNEXURE “5 ” to the Director’s Report
FORM No MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

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

To,
The Members,
Ledo Tea Co Ltd
3B, Lal Bazar Street, 3rd Floor
Kolkata-700001

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

Based on my verification of the Ledo Tea Co Ltd’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 generally complied with the statutory provisions listed hereunder and also 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 Ledo Tea Co Ltd (“the company”) for the financial year ended on 31st March, 2018 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not applicable to the Company during the Audit Period).
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits Regulations, 2014; (Not applicable to the Company during the Audit Period).
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: (Not applicable to the Company during the Audit Period).

vi) The other laws that are applicable and complied by the company are:

- i) The Tea Act, 1953
- ii) Assam Tea Plantations Labour Act, 1931
- iii) The Assam Tea Plantations Provident Fund Scheme Act, 1955
- iv) Food Safety Standard Act, 2006.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreement entered into by the Company with the BSE Ltd.
- iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The Company has not appointed Company Secretary as required under section 203 of the Companies Act, 2013.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in composition of the Board of Directors during the year.

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.

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

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

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

Signature:

BABU LAL PATNI

Secretary in practice:

FCS No : 2304

C.P.No. : 1321

Place: Kolkata

Dated: 30th May, 2018

Note :

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

**Annexure to the Directors Report****'Annexure-A'**

To,
The Members,
Ledo Tea Co Ltd
3B, Lal Bazar Street, 3rd Floor
Kolkata-700001

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

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

Signature:

Sd/-
BABU LAL PATNI
Secretary in practice
FCS No : 2304
C.P.No. : 1321

Place: Kolkata
Dated: 30th May, 2018

Annexure to the Directors Report

Annexure “6” to the Directors’ Report

The information under Section 134(3)(m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 for the year ended 31st, March 2018 is given here below and forms part of the Directors’ Report.

A. Conservation of Energy :

I. The steps taken or impact on Conservation of Energy:

- Replacement of inefficient motors with energy efficient motors.
- Up gradation of Machineries and installation of new machineries based on fuel or power efficiency.
- Maintenance and overhauls of generators to achieve a high unit per ltr. delivery
- Monitoring the maximum demand and power load factor on daily basis.
- Installation of adequate power capacitors for efficient utilization of available power.
- Optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity consumption bills.
- Condensed Bulbs are gradually replaced with CFL/LED Bulbs in the factory and bungalows to reduce the energy consumption.

B. Technology Absorption

- I. Managerial staff are encouraged to attend seminars and training programmes for agricultural practices in the field and manufacturing process in the factories.
- II. The benefits derived like increase in productivity and cost reduction in tea estate.
- III. Garden has used pruning machines to save on manpower and utilize the saved manpower to other development works.
- IV. The Plucking Machine harvester is done successfully in some of the areas and it would be taken up in larger area during the Season 2018
- V. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – NOT APPLICABLE.
- VI. Expenditure on R&D – Research & Development activities are being carried out as part of the Company’s normal business activities. The Company has incurred an expenditure of Rs. 1.52lacs being amount paid to TRA

C. Foreign Exchange Earnings And Outgo

Foreign exchange earnings	₹ NIL
Foreign exchange outgo	₹ NIL

Registered Office :

Sir R. N. M. House
3-B, Lal Bazar Street
Kolkata - 700 001
Dated, the 30th May, 2018

By Order of the Board

N. K LOHIA
Chairman-Cum-Managing Director
DIN:00435485

NIRMIT LOHIA
Director
DIN:03591937



Independent Auditor's Report

TO THE MEMBERS OF "LEDO TEA COMPANY LIMITED"

Report on the Standalone Ind AS Financial Statements

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

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

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

Independent Auditor's Report

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

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;
- d. in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e. on the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as stated in Note No. 28 to the standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Company.

For **B Nath & Co**
Chartered Accountants
(Firm's Registration No.307057E)

Gaurav More
(Partner)
(Membership No. 306466)

Place: Kolkata
Date: 30th May, 2018

Annexure to the Auditors' Report

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the period ended 31st March 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets;
 - (b) The fixed assets were physically verified during the year under audit by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on the such verification;
 - (c) As per information and explanation given to us by the management, and the records verified by us and based on the examination of the registered sale deed provided to us, we report that all the immovable properties are held in the name of the Company.
- (ii) In our opinion the inventories were physically verified during the year by the Management at reasonable intervals and as explained to us, no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of paragraph iii(a), iii(b) and iii(c) of the Order are not applicable to the Company and hence, not commented upon.
- (iv) In our opinion and according to information and explanations given to us, the Company has not given any loans, or made investments, guarantees and security, hence the provision of this paragraph is not applicable to the Company.
- (v) The Company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, in our opinion, the Company have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.
- (vii) a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Value Added Tax, GST, Cess or other material statutory dues have been generally regularly deposited during the period by the Company with appropriate authorities.

According to the information and explanation given to us no undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Value Added Tax, GST, Cess or other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they become payable except in following cases:

Nature	Assessment Year	Forum	Amount
Agricultural Income Tax	1989-90	Agricultural Income Tax Officer, Assam	6,492
Agricultural Income Tax	1998-99	Agricultural Income Tax Officer, Assam	14,660
Agricultural Income Tax	1999-00	Agricultural Income Tax Officer, Assam	420
Agricultural Income Tax	2000-01	Agricultural Income Tax Officer, Assam	1,11,581

- b) According to the information and explanation given to us, there were no disputed dues which have not deposited by the company on account of dispute as at 31 st March 2018:

Annexure to the Auditors' Report

- viii) In our opinion and according to the information given to us, the Company has not defaulted in repayment of dues to banks. There were no debentures outstanding during the year.
- ix) According to information and explanation given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year ended 31st March, 2018. Accordingly paragraph 3(ix) of the Order is not applicable.
- x) Based on the audit procedures performed and the information and explanations given to us, we report that no material fraud on or by the Company has been noticed or reported during the period, nor have we been informed of such case by the management.
- xi) According to information and explanation given to us, the Company has paid or provided managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and hence the paragraph 3(xii) is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv) According to information and explanation given to us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review.
- xv) According to information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the paragraph 3(xv) is not applicable the Company.
- xvi) In our opinion and on the basis of information and explanation given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B Nath & Co**
Chartered Accountants
(Firm's Registration No.307057E)

Gaurav More
(Partner)
(Membership No. 306466)

Place: Kolkata
Date: 30th May, 2018



Annexure to the Auditors' Report

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 Ledo Tea Company Limited ("the Company") as of 31st March 2018, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the period 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Annexure to the Auditors' Report

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B Nath & Co**
Chartered Accountants
(Firm's Registration No.307057E)

Gaurav More
(Partner)
(Membership No. 306466)

Place: Kolkata
Date: 30th May, 2018


Balance Sheet as at 31st March 2018

(₹ in lacs)

	Notes	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	3.1	739.15	693.30	638.47
(b) Capital work-in-progress	3.2	-	-	1.86
(c) Other Intangible assets	3.1	0.01	0.01	0.01
(d) Financial assets :				
(i) Investments	4	0.71	0.71	0.71
(e) Deferred tax assets (net)	6	105.14	74.93	54.39
Total Non-Current Assets		845.01	768.95	695.44
Current Assets				
(a) Inventories	8	86.83	99.53	153.83
(b) Financial assets:				
(i) Trade receivables	9	5.52	52.44	17.64
(ii) Cash and cash equivalents	10	36.38	7.35	6.95
(iii) Bank balance other than (ii) above	11	-	0.80	0.80
(iv) Other Financial assets	5	43.66	48.16	37.09
(c) Other Current Assets	7	82.94	80.79	72.73
Total Current Assets		255.33	289.07	289.04
Total Assets		1,100.34	1,058.02	984.48
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	12	86.35	86.35	86.35
(b) Other Equity	13	(77.96)	5.82	133.34
Total Equity		8.39	92.17	219.69
Liabilities				
Non-Current Liabilities				
(a) Financial liabilities:				
(i) Borrowings	14	8.13	14.83	22.37
(b) Provisions	18	163.21	151.64	129.86
Total Non-Current Liabilities		171.34	166.47	152.23
Current liabilities				
(a) Financial liabilities:				
(i) Borrowings	14	643.28	526.49	293.71
(ii) Trade payables	15	143.63	134.24	173.62
(iii) Other financial Liabilities	16	78.90	70.87	75.52
(b) Other current liabilities	17	12.58	31.03	27.31
(c) Provisions	18	42.22	36.75	42.40
Total Current Liabilities		920.61	799.38	612.56
Total Equity and Liabilities		1,100.34	1,058.02	984.48

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date

 For **B. NATH & COMPANY**

Chartered Accountants

Firm Registration No.307057E

GAURAV MORE

Partner

Membership No. 306466

Place: Kolkata

Date: 30th May, 2018

For and on behalf of the Board of Directors

N. K. Lohia

 Chairman-cum-
Managing Director
(DIN:00435485)

S. K. Dabriwala

 Director
(DIN:00044532)

S. K. Chatterjee

 Director
(DIN:03115406)

Nirmit Lohia

 Director
(DIN:03591937)

R. K. Hirawat

 President cum
Chief Financial Officer

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

(₹ in lacs)

	Notes	2017-18	2016-17
Income			
Revenue from operations	19	932.25	1,224.76
Other income	20	124.65	33.92
Total revenue		1,056.90	1,258.68
Expenses			
Cost of materials consumed	21	109.25	200.17
(Increase)/Decrease in Inventories	22	6.06	47.95
Employee benefits expenses	23	662.38	680.77
Finance costs	24	71.97	69.52
Depreciation and amortization expenses	25	26.85	26.42
Excise duty on sale of goods		0.77	4.63
Other expenses	26	288.69	363.72
Total expenses		1,165.97	1,393.18
Profit/(Loss) Before Exceptional item		(109.07)	(134.50)
Exceptional items			
Profit/(Loss) before tax		(109.07)	(134.50)
Less: Tax expenses :			
Current tax		-	-
Deferred tax		(30.21)	(20.54)
Tax for earlier years		0.29	0.34
Profit/(Loss) for the year		(79.15)	(114.30)
Other Comprehensive Income/(Expenses) (OCI)			
A. Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		(4.63)	(13.22)
Other Comprehensive Income/(Expenses) (OCI), net of taxes		(4.63)	(13.22)
Total Comprehensive Income /(Loss) for the year		(83.78)	(127.52)
Earning per equity share in (Normal Value ₹ 10/-each)			
Basic and diluted in (₹)		(9.17)	(13.24)
Summary of significant accounting policies			

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date

For **B. NATH & COMPANY**

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No.307057E

GAURAV MORE

Partner

Membership No. 306466

N. K. Lohia

Chairman-cum-
Managing Director
(DIN:00435485)

S. K. Dabriwala

Director
(DIN:00044532)

S. K. Chatterjee

Director
(DIN:03115406)

Nirmit Lohia

Director
(DIN:03591937)

R. K. Hirawat

President cum
Chief Financial Officer

Place: Kolkata

Date: 30th May, 2018



STATEMENT OF CHANGES IN EQUITY

(₹ in lacs)

A. Equity Share Capital

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
At the beginning of the year	86.35	86.35	86.35
Add: Addition during the year	-	-	-
At the End of the year	86.35	86.35	86.35

B. Other Equity

	Share Premium Account	General Reserve	Retained Earning	Total Equity
Balance as at 1st April, 2016	14.06	176.13	(56.85)	133.34
Add: Profit/(Loss) for the year	-	-	(114.30)	(114.30)
Add: Other Comprehensive Income	-	-	(13.22)	(13.22)
Balance as at 31st March 2017	14.06	176.13	(184.37)	5.82
Add: Profit/(Loss) for the year	-	-	(79.15)	(79.15)
Add: Other Comprehensive Income	-	-	(4.63)	(4.63)
Balance as at 31st March 2018	14.06	176.13	(268.15)	(77.96)

Description of reserves in statement of changes in equity

i) Share Premium Account:

This reserve is used to record the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Act.

ii) General Reserve:

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

iii) Retained Earnings:

Retained earnings represents accumulated profits earned by the company and remaining undistributed as on date.

For B. NATH & COMPANY

Chartered Accountants

Firm Registration No.307057E

GAURAV MORE

Partner

Membership No. 306466

Place: Kolkata

Date: 30th May, 2018

For and on behalf of the Board of Directors

N. K. Lohia
Chairman-cum-
Managing Director
(DIN:00435485)
S. K. Dabriwala
Director
(DIN:00044532)

S. K. Chatterjee
Director
(DIN:03115406)

Nirmit Lohia
Director
(DIN:03591937)

R. K. Hirawat
President cum
Chief Financial Officer

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

(₹ in lacs)

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
A Cash Flow from Operating Activities				
Loss before Tax		(109.07)		(134.50)
Add :				
Depreciation	26.85		26.42	
Loss(Profit) on Sale of Fixed Assets	(119.55)		(1.29)	
Interest debited to Profit & Loss Account	71.97		69.52	
Remeasurement gains/(losses) on defined benefit plans	(4.63)	(25.36)	(13.22)	81.43
		(134.43)		(53.07)
Less :				
Interest Income	1.80	1.80	1.81	1.81
Operating Profit before Working Capital Changes		(136.23)		(54.88)
Adjusted for :				
Trade & Other Receivables	50.33		(53.96)	
Inventories	12.71		54.29	
Trade Payables	16.00	79.04	(24.19)	(23.86)
		(57.19)		(78.74)
Less : Taxation		1.35		0.31
Net Cash inflow from Operating Activities		(58.54)		(79.05)
B. Cash Flow from Investing Activities				
Outflow :				
Acquisition of Fixed Assets		(78.63)		(79.76)
Inflow :				
Sale of Fixed Assets	125.48		1.68	
Interest Received	1.80	127.28	1.81	3.49
Net Cash inflow/(outflow) from Investing Activities		48.65		(76.27)
C Cash Flow from Financing Activities				
Borrowings	110.09		225.24	
Interest Paid	(71.97)	38.12	(69.52)	155.72
Net Cash inflow/(outflow) from Financing Activities		38.12		155.72
Net increase/(decrease)/in Cash equivalents (A+B+C)		28.23		0.40
Opening Cash Balance & Cash Equivalents		8.15		7.75
Closing Cash Balance & Cash Equivalents		36.38		8.15

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date

For **B. NATH & COMPANY**

Chartered Accountants

Firm Registration No.307057E

GAURAV MORE

Partner

Membership No. 306466

Place: Kolkata

Date: 30th May, 2018

For and on behalf of the Board of Directors

N. K. Lohia

Chairman-cum-
Managing Director
(DIN:00435485)

S. K. Dabriwala

Director
(DIN:00044532)

S. K. Chatterjee

Director
(DIN:03115406)

Nirmit Lohia

Director
(DIN:03591937)

R. K. Hirawat

President cum
Chief Financial Officer

Notes to Financial Statements as at and for the period ended 31st March 2018

1. CORPORATE INFORMATION

Ledo Tea Company Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on stock exchange in India. It is engaged in the business of manufacturing of tea and having its tea estate in Tinsukia district of Assam. The estate has a processing factory capable of producing CTC tea with installed capacity of 1,100 tones.

2. SIGNIFICANT ACCOUNTING POLICIES AND KEY ESTIMATES & JUDGEMENTS

A) Statement of compliance

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standard) Rules, 2006. The date of transition to Ind AS is April 1, 2016. Refer Note 2.1 (Q) for the details of first-time adoption exemptions availed by the Company.

B) Basis of Preparation

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or Non-Current classification of assets and liabilities.

The effect on reported financial position and financial performance of the Company on transition to Ind AS has been provided in Note 38, which also includes reconciliations of total equity and total comprehensive income for comparative years under Indian GAAP to those reported for respective years under Ind AS.

The financial statements have been prepared on historical cost basis, except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/ or disclosures in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

C) Use of estimates and critical accounting judgements

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

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

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Property, Plant and Equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits

Notes to Financial Statements as at and for the period ended 31st March 2018

associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

B) Intangibles Assets

Acquired computer softwares and licenses are capitalized on the basis of costs incurred to bring the specific intangibles to its intended use. These costs are amortized on a straight line basis over their estimated useful life which vary from 2 years to 5 years.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses.

C) Depreciation and amortisation of property, plant and equipment and intangible assets

- (i) Depreciation is provided on prorata basis on straight line method at the rates determined based on estimated useful lives of tangible assets where applicable, specified in Schedule II to the Act. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use. Depreciation on assets under construction commences only when the assets are ready for their intended use.
- (ii) Leasehold Land is amortised over the tenure of respective leases.
- (iii) Bearer Plants are depreciated from the date when they are ready for commercial harvest.
- (iv) Intangible assets (computer softwares) are amortised on straight-line method at the rates determined based on estimated useful lifes which vary from 2 years to 5 years.

D) Government Grants

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

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

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

E) Impairment

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current

Notes to Financial Statements as at and for the period ended 31st March 2018

market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

F) Leases

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

G) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

a) Financial assets

Cash and bank balances

Cash and bank balances consist of:

- (i) **Cash and cash equivalents** - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- (ii) **Other bank balances** - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures)

Notes to Financial Statements as at and for the period ended 31st March 2018

which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables.
- Financial assets that are debt instruments and are measured as at FVTOCI.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cashflows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet representation for various financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Derecognition of financial assets

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

Notes to Financial Statements as at and for the period ended 31st March 2018

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

H) Employee benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value plan assets.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

I) Inventories

Stock of Tea is valued at the lower of cost and the net realisable value. However, Stock of Tea waste is valued at

Notes to Financial Statements as at and for the period ended 31st March 2018

estimated realisable value. Cost is comprised of Materials, Labour and total Garden Overheads.

Stock of Stores and Spare parts are valued at cost on FIFO basis.

As per practice followed by the Company value of green leaves in stock as at the close of the year are not taken into accounts.

J) Provision, Contingent Liabilities & Contingent Assets

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

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

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

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

K) Income taxes

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Notes to Financial Statements as at and for the period ended 31st March 2018

L) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of tea claim and are net of sales return, sales tax/ value added tax/ GST, trade allowances.

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

M) Foreign currency transactions and translations

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

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

N) Borrowing Costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

O) Cash and Cash Equivalents

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

P) Trade Receivables

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

Q) First-time adoption - mandatory exceptions, optional exemptions

i) Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 01, 2016 ("the transition date") by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below.

ii) Derecognition of Financial Assets and Financial Liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transaction occurring on or after April 1, 2016 ('the transition date').

iii) Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the Fair value through other comprehensive income (FVTOCI) criteria based on the fact and circumstances that existed as of the transition date.

iv) Deemed cost for Property, Plant and Equipment and Intangible assets

The Company has elected to continue with the carrying value of all its plant and equipment and intangible assets recognised as of April 1, 2016 ("transition date") measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

v) Determining whether an arrangement contains a lease

Notes to Financial Statements as at and for the period ended 31st March 2018

The Company has applied Appendix C of Ind AS 17 Determining whether an arrangement contains a Lease to determine whether an arrangement existing at the transition date contain a lease on the basis of facts and circumstances existing at the date.

vi) Determining whether an arrangement contains a lease

The Company elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

R) Segment Reporting

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

S) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

3.1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

Particulars	Tangible Assets						Intangible Assets					
	Leasehold Land	Tea Plantations	Building	Roads & Bridges	Plant & Machinery	Garden Electrification	Water, Oil Tank & Water Pumps	Furniture, Fittings & Other Equipments	Vehicles	Total	Computer Software	Total
Gross Block (At Cost):												
As at 31st March 2016	6.81	326.33	84.74	1.58	147.71	1.89	4.13	4.92	60.36	638.47	0.01	0.01
Additions	-	53.96	5.38	-	19.37	-	-	0.36	2.55	81.62	-	-
Disposals/Discard	-	-	-	-	-	-	-	-	7.59	7.59	-	-
As at 31st March 2017	6.81	380.29	90.12	1.58	167.08	1.89	4.13	5.28	55.32	712.50	0.01	0.01
Additions	-	44.34	0.03	-	32.89	-	-	0.42	0.95	78.63	-	-
Disposals/Discard	-	-	9.60	-	0.32	-	-	-	-	9.92	-	-
As at 31st March 2018	6.81	424.63	80.55	1.58	199.65	1.89	4.13	5.70	56.27	781.21	0.01	0.01
Accumulated Depreciation/Amortisation:												
As at 31st March 2016	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	1.98	2.59	0.23	7.69	0.04	0.73	0.73	12.43	26.42	-	-
Disposals/Discard	-	-	-	-	-	-	-	-	7.22	7.22	-	-
As at 31st March 2017	-	1.98	2.59	0.23	7.69	0.04	0.73	0.73	5.21	19.20	-	-
Charge for the year	-	2.20	2.59	0.23	7.83	0.04	0.73	0.79	12.44	26.85	-	-
Disposals/Discard	-	-	3.99	-	-	-	-	-	-	3.99	-	-
As at 30th June 2017	-	4.18	1.19	0.46	15.52	0.08	1.46	1.52	17.65	42.06	-	-
Net Block												
As at 31st March 2016	6.81	326.33	84.74	1.58	147.71	1.89	4.13	4.92	60.36	638.47	0.01	0.01
As at 31st March 2017	6.81	378.31	87.53	1.35	159.39	1.85	3.40	4.55	50.11	693.30	0.01	0.01
As at 31st March 2018	6.81	420.45	79.36	1.12	184.13	1.81	2.67	4.18	38.62	739.15	0.01	0.01

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

3.2 Capital Work in Progress

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Opening Balance	-	1.86	-
Add: Addition made during the period		-	1.86
Less: Capitalised during the period		1.86	-
	-	-	1.86

4. Investments (at cost)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Other Investments (valued at cost unless stated otherwise)			
(a) Times Shares of Sterling Holiday Resorts (India) Ltd.,	0.68	0.68	0.68
(b) 7 years National Savings Certificate (Deposited with Government Authorities)	0.03	0.03	0.03
	0.71	0.71	0.71

5. Other Financial Assets (Unsecured, considered good unless stated otherwise)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current			
Interest Receivable on :			
Deposits	0.57	0.57	0.35
Other Advances	0.72	0.28	1.05
Security Deposits	42.37	44.64	34.35
Insurance claims receivables	-	2.67	1.34
	43.66	48.16	37.09

6. Deferred Tax Assets (net)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred tax liabilities			
Depreciation & Amortisation (A)	34.58	26.49	24.04
	34.58	26.49	24.04
Deferred Tax Assets			
Timing Difference u/s 43B	73.03	64.02	54.21
Bought Forward Loss	66.69	37.40	24.22
(B)	139.72	101.42	78.43
Net Deferred Tax Assets (B-A)	105.14	74.93	54.39

Movement in Deferred Tax Assets

Particulars	As at 31st March 2017	Recognised in the Statement of Profit & Loss	As at 31st March 2018
Deferred tax liabilities			
Depreciation & Amortisation (A)	26.49	8.09	34.58
	26.49	8.09	34.58
Deferred Tax Assets			
Timing Difference u/s 43B	64.02	9.01	73.03
Bought Forward Loss	37.40	29.29	66.69
(B)	101.42	38.30	139.72
Net Deferred Tax Assets (B-A)	74.93	30.21	105.14


Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

Particulars	As at 31st March 2017	Recognised in the Statement of Profit & Loss	As at 31st March 2018
Deferred tax liabilities			
Depreciation & Amortisation (A)	24.04	2.45	26.49
	24.04	2.45	26.49
Deferred Tax Assets			
Timing Difference u/s 43B	54.21	9.81	64.02
Bought Forward Loss	24.22	13.18	37.40
(B)	78.43	22.99	101.42
Net Deferred Tax Assets (B-A)	54.39	20.54	74.93

7. Other Assets (Unsecured, considered good unless stated otherwise)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current			
Advances recoverable in cash or kind			
Considered good - To Related Parties			
Considered good - To Employees	8.08	13.74	17.40
Considered good - To Others	4.86	4.92	4.86
	12.94	18.66	22.26
Provision for doubtful advances	-	-	-
(A)	12.94	18.66	22.26
Prepaid expenses (B)	3.80	4.63	4.25
Balances with statutory / Government authorities	9.54	1.91	1.90
Income tax advance (net of provisions)	1.53	0.46	0.46
MAT credit entitlement	4.35	4.35	4.58
Interest subsidy receivables	50.78	50.78	39.28
(C)	66.20	57.50	46.22
Total (A+B+C)	82.94	80.79	72.73

8. Inventories (valued at lower of cost and net realizable value)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Finished Goods (Stock of Tea)	56.88	62.94	110.89
	56.88	62.94	110.89
Stores & Spares	29.95	36.59	42.94
	86.83	99.53	153.83

9. Trade receivables (Unsecured)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Considered good	3.17	3.26	3.13
	3.17	3.26	3.13
Less: Provision for doubtful receivables	0.16	0.16	0.16
(A)	3.01	3.10	2.97
Other trade receivables (considered good) (B)	2.51	49.34	14.67
Total (A+B)	5.52	52.44	17.64

Ageing of receivables that are post due but not impaired			
60-90 days	2.51	49.34	14.67
91-180 days	-	-	-
>180 days	3.01	3.10	2.97

The credit period on sales of goods ranges from 30 to 60 days days without security. No interest is charged on trade

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

receivables upto the end of the credit period.

In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. There has been no significant change in the credit quality of receivables past due for more than 180 days.

The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counter-party.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

10. Cash and Cash Equivalents

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with banks:			
On current accounts	34.99	6.30	3.15
In Fixed Deposit with UBI*	-	-	2.25
Cash in hand	1.39	1.05	1.55
	36.38	7.35	6.95

11. Bank Balance Other Than Cash and Cash Equivalents

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unpaid dividend account	-	0.80	0.80
	-	0.80	0.80

* This fixed deposit is given as lien to bank for securing bank guarantee given to sales tax department

12. Share capital

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorized shares			
12,50,000 (12,50,000) equity shares of ₹ 10/- each	125.00	125.00	125.00
Issued, subscribed and fully paid-up shares			
8,63,500 (8,63,500) equity shares of ₹ 10/- each	86.35	86.35	86.35
	86.35	86.35	86.35

(a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
At the beginning of the year	8,63,500	8,63,500	8,63,500
Issued during the period	-	-	-
At the end of the year	8,63,500	8,63,500	8,63,500

(b) Terms/rights attached to equity shares

- (i) The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if any proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

Fixed Assets and Book Debts and personal guarantee of Managing Director of the Company

##Loan from directors is bearing interest @ 11% p.a.

15. Trade Payables

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Micro & Small Enterprises(Refer Note No.33)	-	-	-
Trade Payables	143.63	134.24	173.62
	143.63	134.24	173.62

16. Other financial Liabilities

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
B. Current			
Unpaid Dividend	-	0.78	0.78
Current Maturities of Long-term borrowings (Refer Note No. 13)	6.73	7.54	7.23
Interest accrued and due on borrowings	14.33	3.90	-
Employee related liabilities	56.93	57.53	65.01
Others	0.91	1.12	2.50
	78.90	70.87	75.52

17. Other Current liabilities

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance from customers	-	20.14	11.07
Statutory Liabilities	12.58	10.89	16.24
	12.58	31.03	27.31

18. Provisions

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
A. Non-Current			
Provision for employee benefits*:			
Gratuity (Refer Note No. 30)	163.21	151.64	129.86
	163.21	151.64	129.86
B. Current			
Provision for employee benefits*:			
Gratuity (Refer Note No. 30)	31.85	29.59	25.02
Leave benefits	10.37	7.16	17.38
	42.22	36.75	42.40



Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

19. Revenue from operations

	2017-18	2016-17
Revenue from operations		
Sale of products	932.25	1,224.76
Revenue from operations	932.25	1,224.76

20. Other income

	2017-18	2016-17
Interest income on		
Bank deposits	-	0.10
Others	1.80	1.71
Interest Subsidy	-	11.50
Profit on Sale of Fixed Assets	119.55	1.29
Insurance & Other Claims	3.08	9.93
Sundry balance Written back	0.14	9.18
Miscellaneous Income	0.08	0.21
	124.65	33.92

21. Cost of raw materials consumed

	2017-18	2016-17
Opening Stock of Raw Materials	-	-
Add: Purchases	109.25	200.17
	109.25	200.17
Less: Closing Stock	-	-
Cost of raw materials consumed	109.25	200.17

22. (Increase)/Decrease in Inventories

	2017-18	2016-17	(Increase)/ Decrease
Inventories at the end of the year:			
Finished Goods	56.88	62.94	6.06
(A)	56.88	62.94	6.06
Inventories at the beginning of the year:			
Finished Goods	62.94	110.89	47.95
(B)	62.94	110.89	47.95
(B-A)	6.06	47.95	

23. Employee benefits expense

	2017-18	2016-17
Salaries, wages and bonus	542.03	563.60
Contribution to provident fund and others funds	42.25	39.29
Gratuity expense (Refer Note No.30)	9.73	8.97
Workmen and Staff Welfare Expenses	68.37	68.91
	662.38	680.77

24. Finance costs

	2017-18	2016-17
Interest:		
- To Bank	40.52	43.91
- To Others	17.81	9.57
Other borrowing costs	13.64	16.04
	71.97	69.52

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

25. Depreciation & amortization expense

	2017-18	2016-17
Depreciation of tangible assets	26.85	26.42
	-	-
	26.85	26.42

26. Other Expenses

Particulars	2017-18	2016-17
Consumption of stores and spares parts	76.61	102.95
Power & Fuel	113.23	114.88
Repairs to Buildings & Roads & Bridges	2.03	7.73
Repairs to Plant & Machinery	11.98	11.89
Land Rent & Revenue	2.54	2.36
Insurance	6.66	6.67
Assam Cess Duty	9.91	11.26
Rates & Taxes	2.16	3.13
Travelling & Conveyance	5.97	6.60
Directors Sitting Fees	0.29	0.18
Brokerage, Commission & Service Charges	10.37	19.16
Freight	11.85	29.53
Other Selling Expenses	9.63	15.85
Sundry balances written off	-	0.19
Miscellaneous Expenses	24.47	30.34
Auditors' Remuneration		
-As Auditor	0.45	0.45
- For Tax Audit	0.15	0.15
- For Limited Review	0.12	0.12
- For Other Service	0.06	0.06
- For Reimbursement of expenses.	0.21	0.22
	288.69	363.72

27. Earnings per Share

Particulars	2017-18	2016-17
Net Profit / (Loss) after tax for calculation of basic and diluted EPS (₹ in lacs)	(79.15)	(114.30)
Weighted average number of equity shares	8,63,500	8,63,500
Nominal Value of equity shares (₹)	10.00	10.00
Basic Earnings Per Share (₹)	(9.17)	(13.24)
Diluted Earnings Per Share (₹)	(9.17)	(13.24)

28. Contingent Liabilities

Particulars	2017-18	2016-17
i) Excise B2 Bond executed in favour of Central Excise Authority	0.60	0.60
ii) Disputed Sales tax demand (*)	-	3.51

(*) Amount of ₹ 0.88 Lacs paid as 25% of demand for assessment Year 2010-11.



Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

29. Assets pledged as security

The carrying amounts of assets pledged as security for current and non current borrowings are:

	Notes	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	3.1	739.15	693.30	638.47
Total Non-Current Assets pledged as security		739.15	693.30	638.47
Current Assets				
(a) Inventories	8	86.83	99.53	153.83
(b) Financial assets:				
(i) Trade receivables	9	5.52	52.44	17.64
Total Current Assets pledged as security		92.35	151.97	171.47
Total Assets pledged as security		831.50	845.27	809.94

30. EMPLOYEE BENEFITS

a) Defined Contribution Plan

Particulars	2017-18	2016-17
Employer's Contribution to Provident Fund	35.59	35.10
Employee's Contribution to Provident Fund	35.59	35.10

b) Defined Benefit Plan - Gratuity

The Gratuity scheme is a final salary defined benefit plan, that provides for lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lumpsum. There is a vesting period of 5 years.

Associated Risks :

The design entitles the following risks that affect the liabilities and cash flows:

- i) **Interest Rates Risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yield fall, the defined benefit obligation will tend to increase.
- ii) **Salary Inflation Risk:** Higher than expected in salary will increase the defined benefit obligation.
- iii) **Demographic risks:** this is the risk of volatility of results due to unexpected nature of documents that include mortality attrition, disability and retirement. The effects of these decrement on the DBO depends upon the combination salary increase discount rate, and vesting criteria and therefore not very straight forward. It is important and not to overstate withdrawal rate because the cost of retirement benefit of a short caring employees will be less compares to long service employees.
- iv) **Assets Liability Mismatch:** This will come into play unless the funds are invested with a term of the assets replicating the terms of the liability.

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(A) Changes in Defined Benefit Obligation			
Present Value of Defined Benefit Obligation as at the beginning of the year	211.08	193.44	164.70
Current Service Cost	(4.43)	8.75	7.36
Interest Cost	15.81	15.65	12.59
Actuarial (gains)/loss	4.63	13.22	39.93
Benefits Paid	(1.66)	(19.98)	(31.14)
Present Value of Defined Benefit Obligation as at the end of the year	225.43	211.08	193.44

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(B) Changes in the Fair Value of Assets			
Fair Value of Plan Assets at the beginning of the year	29.85	38.56	50.95
Expected Return on Plan Assets	2.18	2.89	3.92
Actuarial (gains)/loss	-	-	-
Contributions	-	8.38	14.83
Benefits Paid	(1.66)	(19.98)	(31.14)
Fair Value of Plan Assets at the end of the year	30.37	29.85	38.56

(C) Amount recognised in the Balance Sheet			
Present Value of Defined Benefit Obligation	225.43	211.08	193.44
Fair Value of Plan Assets	30.37	29.85	38.56
Net Assets/ (Liability) recognised in the Balance Sheet	(195.06)	(181.23)	(154.88)

	As at 31st March 2018	As at 31st March 2017
(D) Expense recognized in Statement of Profit and Loss		
Total Service Cost	(4.43)	8.75
Interest cost	15.81	15.49
Expected Return on Plan Assets	(2.18)	(2.89)
Total Expense required to be recognized in Statement of Profit and Loss	9.20	21.35

(E) Expense recognized in the Other Comprehensive Income (OCI) for Current Year		
Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO		
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	(8.59)	
Actuarial (Gain)/ Losses due to Experience on DBO	13.22	13.22
Return on Plan Assets (Greater) / Less than Discount rate		
Total amount recognized in other comprehensive income	4.63	13.22

(F) Sensitivity Analysis

	As at 31st March 2018		As at 31st March 2017	
	% increase in DBO	Liability	% increase in DBO	Liability
Discount Rate				
+ 100 Basis Points	-6.47%	210.85	-7.03%	196.26
- 100 Basis Points	7.31%	241.91	7.99%	227.96
Salary Growth				
+ 100 Basis Points	7.40%	242.12	7.99%	227.96
- 100 Basis Points	-6.65%	210.45	-21.46%	165.79
Attrition Rate				
+ 100 Basis Points	1.15%	228.03	0.53%	212.20
- 100 Basis Points	-1.26%	222.60	-0.57%	209.88
Mortality Rate				
10% UP	0.05%	225.54	0.02%	211.14

(G) Maturity profile of Defined Benefit Obligation

	31st March 2018	31st March 2017
i) <1year	24.49	18.41
ii) 1 to 5 years	73.98	57.76
iii) >5 years	126.96	134.92



Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

(H) The Major Categories of Plan Assets as a Percentage of Total Plan

	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016	
	(₹ in lacs)	%	(₹ in lacs)	%	(₹ in lacs)	%
Qualifying Insurance Policy with Life Insurance Corporation of India (LIC) #	30.37	100%	29.85	100%	38.56	100%

In the absence of detailed information regarding plan assets which is funded with LIC, the composition of each major category of plan assets, the percentage or amount for each category to the fair value has not been disclosed.

(I) The principal assumptions used in determining gratuity and leave encashment obligations for the company's plans are shown below:

	31st March 2018	31st March 2017
Discount rate (per annum)	7.52%	8.00%
Salary increase (per annum)	4.50%	5.50%
Expected rate of return on assets	7.52%	8.00%
Attrition Rate	3.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

31. Segment Information

The Company is engaged in the business of integrated activities of manufacture and sale of tea, predominantly in the domestic market. Hence there are no disclosures to be made under Ind AS -108, other than those already provided in the financial statements.

32. Capital Commitments

As at 31st March, 2018, the company has commitments of ₹ NIL net of advances relating to estimated amount of contracts to be executed on capital account and not provided for.

33. The company has not received any information from its suppliers regarding registration under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence, the information required to be given in accordance with section 22 of the said act, is not ascertainable. Hence, not disclosed;

- No interest was paid by the company in terms of section 16 of MSMED Act during the period.
- There was no interest for delay in making payment beyond appointed date.
- There is not interest accrued and remaining unpaid beyond the appointed date.
- No interest is remaining due and payable even in succeeding years, until such that when the interest dues as above are actually paid to Micro, Small and Medium Enterprises for the purpose of disallowances as a deductible expenditure under section 23 of the aforesaid act.

34. Related party Disclosures

(a) Name of the related party:

Party	Relationship
I. Key Managerial Personnel	
A. Mr. N. K. Lohia	Chairman cum- Managing Director
B. Mr. R. K. Hirawat	President cum Chief Financial Officer
II. Related Party	
A. Mr. Nimit Lohia	Non-Executive Director
B. Mrs. Sarita Lohia	Non-Executive Director
C. Ledo Financial Services Limited	Enterprise owned or influenced by key Managerial Person or their relatives

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

(b) Transaction during the period:

Sl. No.	Nature of Transaction	Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned/ influenced by Key Managerial Personnel or their relatives	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1	Remuneration Paid						
	Mr. N. K. Lohia	6.95	6.35	-	-	-	-
	Mr. R. K. Hirawat	11.38	11.03				
2	Sitting Fess						
	Mr. Nirmal Lohia	-	-	0.05	0.04	-	-
	Mrs. Sarita Lohia	-	-	0.06	0.04	-	-
3	Sale of Building (Office)						
	Ledo Financial Services Limited		-	-	-	125.16	-
4	Loan Taken						
	Mr. Nirmal Kumar Lohia	-	-	80.00	-	-	-
	Mrs. Sarita Lohia	-	-	55.00	120.00	-	-
	Mr. Nirmal Lohia	-	-	80.00	62.00	-	-
5	Loan Repaid						
	Mr. Nirmal Lohia	-	-	13.00	-	-	-
	Mrs. Sarita Lohia	-	-	110.00	20.00	-	-
6	Interest on Loan						
	Mr. Nirmal Kumar Lohia	-	-	1.31	-	-	-
	Mrs. Sarita Lohia	-	-	7.35	6.56	-	-
	Mr. Nirmal Lohia	-	-	5.67	0.19	-	-
7	Advance given						
	Mr. R. K. Hirawat	-	4.97	-	-	-	-
8	Balances on account of						
	Loan Taken						
	Mr. Nirmal Kumar Lohia	-	-	80.00	-	-	-
	Mrs. Sarita Lohia	-	-	45.00	100.00	-	-
	Mr. Nirmal Lohia	-	-	129.00	62.00	-	-
	Interest						
	Mr. Nirmal Kumar Lohia	-	-	1.31	-	-	-
	Mrs. Sarita Lohia	-	-	7.35	3.90	-	-
	Mr. Nirmal Lohia	-	-	5.67	-	-	-
	Bonus/ Leave Salary Payable						
	Mr. R. K. Hirawat	2.21	1.47	-	-	-	-

35 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.



Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
i) Equity share capital	86.35	86.35	86.35
ii) Other equity	(77.96)	5.82	133.34
Total Equity (a)	8.39	92.17	219.69
i) Borrowings	8.13	14.83	22.37
ii) Interest accrued and due on borrowings	14.33	3.90	-
iii) Current Maturity of long term debt	6.73	7.54	7.23
Total debt (b)	29.19	26.27	29.60
i) Cash and cash equivalents	36.38	7.35	6.95
Total cash (c)	36.38	7.35	6.95
Net debt {d=(b-c)}	(7.19)	18.92	22.65
Total capital (equity + net debt)	1.20	111.09	242.34
Net debt to equity ratio	(0.86)	0.21	0.10

36 Financial Risk Management and Policy

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, security deposits, employee liabilities, unpaid and finance lease obligation. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

The sensitivity analyses in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

The sensitivity analyses have been prepared on the basis that the amount of debt and derivatives.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March 2018, 31st March 2017 and 31st March 2016.

The sensitivity of equity is calculated by considering the effect of any associated derivatives at 31st March 2018 and 31st March 2017 for the effects of the assumed changes of the underlying risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of derivative instruments. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit before tax	Effect on post-tax equity
31st March,2018			
₹ In Lacs	+ 100	(5.93)	(4.40)
₹ In Lacs	(-) 100	5.93	4.40
31st March,2017			
₹ In Lacs	+ 100	(4.98)	(3.44)
₹ In Lacs	(-) 100	4.98	3.44
31st March,2016			
₹ In Lacs	+ 100	(3.26)	(2.25)
₹ In Lacs	(-) 100	3.26	2.25

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each divisions subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

The risk relating to trade receivables is shown under note no 9.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and other means of borrowings.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.


Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

	On Demand	Less than 1 Year	1 to 5 Years	> 5 Years	Total
31st March, 2018					
Borrowings	643.28	6.73	8.21	-	658.22
Trade payables	-	143.63	-	-	143.63
Other financial liabilities	-	72.17	-	-	72.17
	643.28	222.53	8.21	-	874.02
31st March, 2017					
Borrowings	526.49	7.54	14.19	0.72	548.94
Trade payables	-	134.24	-	-	134.24
Other financial liabilities	-	63.33	-	-	63.33
	526.49	205.11	14.19	0.72	746.51
31st March, 2016					
Borrowings	293.71	7.23	20.26	2.19	323.39
Trade payables	-	173.62	-	-	173.62
Other financial liabilities	-	68.29	-	-	68.29
	293.71	249.14	20.26	2.19	565.30

Agricultural Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- > Sufficient inventory levels of agro chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- > Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- > Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

37 Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

	Amortised cost	Total carrying value	Total fair value
Assets:			
Trade receivables	5.52	5.52	5.52
Investments	0.71	0.71	0.71
Bank balance other than Cash and cash equivalents	-	-	-
Loans	-	-	-
Cash and cash equivalents	36.38	36.38	36.38
Other financial assets	43.66	43.66	43.66
Total	86.27	86.27	86.27
Liabilities:			
Borrowings	651.41	651.41	651.41
Other financial liabilities	78.90	78.90	78.90
Trade payables	143.63	143.63	143.63
Total	873.94	873.94	873.94

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

The carrying value of financial instruments by categories as of March 31, 2017 is as follows:

	Amortised cost	Total carrying value	Total fair value
Assets:			
Trade receivables	52.44	52.44	52.44
Investments	0.71	0.71	0.71
Bank balance other than Cash and cash equivalents	0.80	0.80	0.80
Loans	-	-	-
Cash and cash equivalents	7.35	7.35	7.35
Other financial assets	48.16	48.16	48.16
Total	109.46	109.46	109.46
Liabilities:			
Borrowings	541.32	541.32	541.32
Other financial liabilities	70.87	70.87	70.87
Trade payables	134.24	134.24	134.24
Total	746.43	746.43	746.43

The carrying value of financial instruments by categories as of March 31, 2016 is as follows:

	Amortised cost	Total carrying value	Total fair value
Assets:			
Trade receivables	17.64	17.64	17.64
Investments	0.71	0.71	0.71
Bank balance other than Cash and cash equivalents	0.80	0.80	0.80
Loans	-	-	-
Cash and cash equivalents	6.95	6.95	6.95
Other financial assets	37.09	37.09	37.09
Total	63.19	63.19	63.19
Liabilities:			
Borrowings	316.08	316.08	316.08
Other financial liabilities	75.52	75.52	75.52
Trade payables	173.62	173.62	173.62
Total	565.22	565.22	565.22


Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

38 First time adaption Ind AS reconciliations
a) Reconciliations of Balance Sheet

Notes	As at 31st March 2017			As at 31st March 2016		
	Amount As Per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS	Amount As Per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
ASSETS						
Non-Current Assets						
(a) Property, plant and equipment	721.49	(28.19)	693.30	664.68	(26.21)	638.47
(b) Capital work-in-progress	-	-	-	1.86	-	1.86
(c) Other Intangible assets	0.01	-	-	0.01	-	0.01
(d) Financial assets :						
(i) Investments	0.71	-	0.71	0.71	-	0.71
(ii) Loans	-	-	-	-	-	-
(ii) Other Financial assets	44.64	(44.64)	-	34.35	(34.35)	-
(e) Deferred tax assets (net)	74.93	-	74.93	54.39	-	54.39
(f) Other Non Current Assets	4.35	(4.35)	-	4.57	(4.57)	-
Total Non-Current Assets	846.13	(77.18)	768.95	760.57	(65.13)	695.44
Current Assets						
(a) Inventories	99.53	-	99.53	153.83	-	153.83
(b) Financial assets:						
(i) Trade receivables	52.60	(0.16)	52.44	17.80	(0.16)	17.64
(ii) Cash and cash equivalents	7.35	-	7.35	6.95	-	6.95
(iii) Bank balance other than (ii) above	0.80	-	0.80	0.80	-	0.80
(iii) Loans	-	-	-	-	-	-
(iv) Other Financial assets	3.52	44.64	48.16	2.74	34.35	37.09
(c) Other Current Assets	76.46	4.33	80.79	68.15	4.58	72.73
Total Current Assets	240.26	48.81	289.07	250.27	38.77	289.04
Total Assets	1,086.39	(28.37)	1,058.02	1,010.84	(26.36)	984.48
EQUITY AND LIABILITIES						
Equity						
(a) Equity Share capital	86.35	-	86.35	86.35	-	86.35
(b) Other Equity	60.46	(54.64)	5.82	159.94	(26.60)	133.34
Total Equity	146.81	(54.64)	92.17	246.29	(26.60)	219.69
Liabilities						
Non-Current Liabilities						
(a) Financial liabilities:						
(i) Borrowings	14.91	(0.08)	14.83	22.45	(0.08)	22.37
(ii) Other financial Liabilities	-	-	-	-	-	-
(b) Provisions	-	151.64	151.64	-	129.86	129.86
Total Non-Current Liabilities	14.91	151.56	166.47	22.45	129.78	152.23
Current liabilities						
(a) Financial liabilities:						
(i) Borrowings	526.49	-	526.49	293.71	-	293.71
(ii) Trade payables	134.24	-	134.24	173.62	-	173.62
(iii) Other financial Liabilities	70.87	-	70.87	75.52	-	75.52
(b) Other current liabilities	31.03	-	31.03	27.31	-	27.31
(c) Provisions	162.04	(125.29)	36.75	171.94	(129.55)	42.40
Total Current Liabilities	924.67	(125.29)	799.38	742.10	(129.55)	612.56
Total Equity and Liabilities	1,086.39	(28.37)	1,058.02	1,010.84	(26.37)	984.48

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

b) Reconciliation of total comprehensive income

	Notes	As at 31st March 2017		
		Amount As Per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Income				
Revenue from operations		1,224.80	(0.04)	1,224.76
Less: Excise Duty		(4.63)	4.63	-
Other income		33.92	-	33.92
Total revenue		1,254.09	4.59	1,258.68
Expenses				
Cost of raw materials consumed		200.17	-	200.17
Purchase of stock-in-trade		-	-	-
Change in inventories of work-in-progress, stock-in-trade, by-products and finished goods		47.95	-	47.95
Employee benefits expenses		680.55	0.22	680.77
Finance costs		56.94	12.58	69.52
Depreciation and amortization expenses		24.44	1.98	26.42
Excise duty on sale of goods		-	4.63	4.63
Other expenses		363.72	-	363.72
Total expenses		1,373.77	19.41	1,393.18
Profit/(Loss) Before Exceptional item		(119.68)	(14.82)	(134.50)
Exceptional items		-	-	-
Profit/(Loss) before tax		(119.68)	(14.82)	(134.50)
Less: Tax expenses :				
Current tax		-	-	-
Deferred tax		(20.54)	-	(20.54)
Income Tax relating to earlier years		0.34	-	0.34
Profit/(Loss) for the year		(99.48)	(14.82)	(114.30)
Other Comprehensive Income/(Expenses) (OCI)				
A. Items that will be reclassified to profit or loss:				
Exchange differences on translation of foreign operations		-	-	-
Less: Income Tax effect		-	-	-
B. Items that will not be reclassified to profit or loss:				
Remeasurement gains/(losses) on defined benefit plans		-	(13.22)	(13.22)
Less: Income Tax effect		-	-	-
		-	(13.22)	(13.22)
Net (loss)/gain on FVTOCI equity securities		-	-	-
Less: Income Tax effect		-	-	-
		-	-	-
Other Comprehensive Income/(Expenses) (OCI), net of taxes		-	(13.22)	(13.22)
Total Comprehensive Income /(Loss) for the year		(99.48)	(28.04)	(127.52)



Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

d) Effects of IND AS adoption on Cash Flows for year ended 31 March 2017

	Amount As Per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Net Cash Generated/(Used) From Operating Activities	(91.94)	12.89	(79.05)
Net Cash Used In Investing Activities	(76.27)	-	(76.27)
Net Cash from Financing Activities	168.61	(12.89)	155.72
Net Increase / (Decrease) In Cash And Cash Equivalents	0.40	-	0.40
Cash & Cash Equivalents at the beginning of the year	7.75		7.75
Cash & Cash Equivalents at the end of the year	8.15	-	8.15

Notes:

- To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.
- Financial liabilities and related transaction costs:**
Borrowings and other financial liabilities which were recognized at historical cost under previous GAAP have been recognized at amortised cost under IND AS with the difference been adjusted to opening retained earnings. Under previous GAAP, transaction costs incurred in connection with borrowings were charged to the statement of profit & loss in the year of borrowings. Under IND AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method.
- Financial assets at amortised cost:**
Certain financial assets held on with an objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference been adjusted to the opening retained earnings.
- Deferred tax as per balance sheet approach:**
Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under IND AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.
- Excise duty:**
Under previous GAAP, revenue from sale of goods was presented net of excise duty whereas under IND AS the revenue from sale of goods is presented inclusive of excise duty. The excise duty is presented on the face of the Statement of Profit and Loss as part of expenses.
- Defined benefit liabilities:**
Under IND AS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in previous GAAP.
- Other comprehensive income:**
Under IND AS, all items of income and expense recognized in the period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss and "other comprehensive income" includes remeasurements of defined benefit plans, and fair value gain or losses on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

Notes to Financial Statements as at and for the period ended 31st March 2018

(₹ in lacs)

39. Details of Loans and Guarantees giving covered under section 186(4) of the Companies Act, 2013

Since the company has not given any loans or guarantees to any party. Hence, no disclosure is required.

40. Disclosure pursuant to SEBI's (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Since the company does not have any subsidiary or holding company, hence no disclosure is required in this respect.

41. Break-up of consumption of raw materials (all Indigenous)

Particulars	2017-18		2016-17	
	Kgs.	₹	Kgs.	₹
Green Leaf Harvested*	24.77	-	28.16	-
Green Leaf Purchased	7.44	109.25	13.11	200.17

*Harvested from Company's own garden and utilized in the activity of manufacture of tea and the value at the intermediate stage is not ascertainable.

42 Break-up of consumption of stores & spare parts

Particulars	2017-18		2016-17	
	₹	%	₹	%
Indigenous	76.61	100	102.95	100

43 Previous year's figures have been re-grouped and/or re-arranged wherever necessary, to confirm the current year classification.

For **B. NATH & COMPANY**
Chartered Accountants
Firm Registration No.307057E
GAURAV MORE
Partner
Membership No. 306466

Place: Kolkata
Date: 30th May, 2018

For and on behalf of the Board of Directors

N. K. Lohia
Chairman-cum-
Managing Director
(DIN:00435485)
S. K. Dabriwala
Director
(DIN:00044532)

S. K. Chatterjee
Director
(DIN:03115406)

Nirmit Lohia
Director
(DIN:03591937)
R. K. Hirawat
President cum
Chief Financial Officer



FINANCIAL HIGHLIGHTS

(₹ in '000')

YEAR	IND AS			IGAAP				
	2018	2017	2016	2017	2016	2015	2014	2013
Sales	93225	122476	126241	122480	126241	98011	107757	114947
Profit Before Tax ,Depreciation Extraordinary & Exceptional Items	(8222)	(10808)	3078	(9524)	3078	(14442)	(54)	2665
Extraordinary & Exceptional Items	-		(8120)	-	(8120)	18346	-	395
Depreciation	2685	2642	2463	2444	2463	3586	3070	2900
Profit Before Taxation	(10907)	(13450)	(7505)	(11968)	(7505)	318	(3124)	160
Provision for Taxation (Net)	(2992)	(2020)	(1253)	(2020)	(1253)	(3067)	529	92
Profit After Taxation	(7915)	(11430)	(6252)	(9948)	(6252)	3385	(3653)	68
Earning per Shares(Rs)	(9.17)	(13.24)	(7.24)	(11.52)	(7.24)	3.92	(4.23)	0.08
Net Fixed Assets	73916	69331	64034	72150	66655	58586	57471	56846
Share Capital	8635	8635	8635	8635	8635	8635	8635	8635
Reserve & Surplus	(7796)	582	13334	6046	15994	22246	19336	22989
Borrowings	67247	55276	32331	54894	32339	26504	32279	25396



LEDO TEA COMPANY LIMITED

CIN:L01132WB1983PLC036204

Regd Office : Sir RNM House, 3-B, Lal Bazar Street, Kolkata - 700 001, Ph: 2230-6686/6449, Email:ledotea@vsnl.com

Attendance Slip

(To be presented at the entrance)

35th Annual General Meeting on Thursday, the 27th September, 2018 at 11.00 a.m.

at Sitaram Sekseria Auditorium/Conference Room of Bharatiya Bhasha Parishad. 36A, Shakespeare Sarani, Kolkata - 700017

Folio No..... DP ID.....Client ID.....

Name of the Member :.....Signature.....

Name of the Proxy holder :Signature.....

I hereby record my presence at the 35th ANNUAL GENERAL MEETING of the Company to be held on Thursday, the 27th September, 2018 at 11.00 a.m. at Sitaram Sekseria Auditorium/Conference Room of Bharatiya Bhasha Parishad. 36A, Shakespeare Sarani, Kolkata - 700017

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.



LEDO TEA COMPANY LIMITED

CIN:L01132WB1983PLC036204

Regd Office : Sir RNM House, 3-B, Lal Bazar Street, Kolkata - 700 001, Ph: 2230-6686/6449 ,Email:ledotea@vsnl.com

Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014).

Name of the Members(s) :

Registered Address :

E-mail ID :

Folio No. /Client ID DP ID

I, We, being the member(s) _____ Equity Shares of Ledo Tea Company Limited, hereby appoint

1. Name : E-mail ID.....
Address :
..... Signature.....or failing him
2. Name : E-mail ID.....
Address :
..... Signature.....or failing him
3. Name : E-mail ID.....
Address :
..... Signature.....or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on/our behalf at the 35th Annual General Meeting of the company to be held on Thursday, the 27th September, 2018 at 11.00 a.m. at Sitaram Sekseria Auditorium/ Conference Room of Bharatiya Bhasha Parishad. 36A, Shakespeare Sarani, Kolkata - 700017 and at any adjournment thereof in respect of such resolutions as are indicated overleaf.

** I wish my above proxy to vote in the manner as indicated in the box below :

Resolution No.	Resolutions	For	Against
Ordinary Business			
1	Adoption of Audited Financial Statements, Reports of the Directors and Auditors for the year ended 31st March, 2018.		
2	Re-appointment of Mr. Nirmitt Lohia (DIN 03591937) who retires by rotation, as Director of the Company.		

Signed this _____ day of _____ 2018.

Affix
Revenue
Stamp

Signature of Shareholder Signature of Proxy holder(s).....

NOTES

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- **2. This is only optional. Please put a '-/' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he /she thinks appropriate.
3. Appointing proxy does not prevent a member from attending in person, if he/she so wishes.
4. In case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



LEDO TEA COMPANY LIMITED

Sir R. N. M. House
3-B, Lal Bazar Street, Kolkata - 700 001
Email : ledotea@vsnl.com