



DIANA TEA COMPANY LIMITED

CIN : L15495WB1911PLC002275

Sir R. N. M. House

3B, Lalbazar Street, Kolkata - 700 001

Phone : (033) 2248 8672, 4066-1590-93, Fax : (033) 2248-7571

E-mail : contactus@dianatea.in, Website : www.dianatea.in

Notice

NOTICE is hereby given that the 107th Annual General Meeting of the Members of **Diana Tea Company Limited** will be held on Tuesday, September 18, 2018 at Gyan Manch Education Society Hall, 11, Pretoria Street, Kolkata – 700 071 at 10.30 A.M., to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement for the financial year ended on 31st March, 2018 and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mrs. Sarita Singhania (DIN:00343786) who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s. B. Nath & Co. , Chartered Accountants (Registration No. 307057E) as the Statutory Auditor of the Company in place of M/s. Das & Prasad, Chartered Accountants (Registration No.303054E) and to fix their remuneration and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139,141,142 and all other appropriate provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditor) Rules, 2014, including any statutory enactment or modification thereof and in accordance with the recommendation of the Audit Committee, M/s. B. Nath & Co., Chartered Accountants, Registration No.307057E allotted by the Institute of Chartered Accountants of India (ICAI), who have given their consent and certificate in terms of Section 139(2) of the Companies Act 2013, be and are hereby appointed as Statutory Auditors of the Company from the conclusion of this One Hundred and Seventh Annual General Meeting till the conclusion of One Hundred and Twelveth Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors on recommendation of the Audit Committee and in consultation with the Auditors”.

SPECIAL BUSINESS

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, as amended and as per the enabling provisions of the Articles of Association of the Company and on recommendation of Nomination & Remuneration Committee

and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, consent of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Sandeep Singhania (DIN: 00343837), Managing Director of the Company w.e.f. 27th August, 2018 for remaining period of his tenure and on such terms and conditions as detailed in the Explanatory Statement attached to this notice.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution”.

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

“RESOLVED THAT pursuant to the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as further amended by Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and other applicable provisions of the Companies Act, 2013, read with relevant rules applicable thereon, consent of Members of the Company be and is hereby accorded for continuation of Directorship of Mr. Harish Parekh (DIN: 00026530), who was reappointed as Non-Executive Independent Director of the Company for a period of 5 years at the 104th Annual General Meeting of the Company held on June 26, 2015 till conclusion of 109th Annual General Meeting by way of Special Resolution and who has attained the age of 75 years for the remaining period of his existing term of Directorship as Non-Executive Independent Director of the Company”.

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

“RESOLVED THAT pursuant to the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as further amended by Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and other applicable provisions of the Companies Act, 2013, read with relevant rules applicable thereon, consent of Members of the Company be and is hereby accorded for continuation of Directorship of Mr. N.F.Tankariwala (DIN: 00035400), who was reappointed as Non-Executive Independent Director of the Company for a period of 5 years at the 104th Annual General Meeting of the Company held on June 26, 2015 till conclusion of 109th Annual General Meeting by way of Special Resolutions and who has attained the age of 75 years



for the remaining period of his existing term of Directorship as Non-Executive Independent Director of the Company”.

For and on behalf of the Board

Registered Office:
3B, Lalbazar Street
Kolkata - 700 001
Date : 13th August, 2018

Sd/-
Namrata Jain
Company Secretary
Membership No. - 51075

Notes :

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER.** The instrument appointing proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

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

- 2) The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto and forms part of this notice.
- 3) Corporate Members intending to send their authorized representatives pursuant to the provision of section 113 of the Companies Act, 2013 to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 4) In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
- 5) The Register of Members and Share Transfer Register of the Company will remain close from 11th September, 2018 to 18th September, 2018 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend for the Financial Year 2017-18.
- 6) Subject to the provisions of Section 123 of the Companies Act, 2013, dividend on Equity Shares for the financial year ended 31st March, 2018 as recommended by the Board, if declared, will be payable on or after September 18, 2018 to those Members whose names appear on the Register of Members of the Company as on September 10, 2018 or to their mandatees. In respect of dematerialized shares, the dividend will be payable on the basis of beneficial ownership details to be furnished by NSDL and CDSL for the purpose.
- 7) In terms of Circular No.CIR/MRD/DP/10/2013 dated 21st March, 2013, The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use bank details furnished by the investors for distributing dividends or other cash benefits to them through National Electronic Clearing Services (NECS), wherever NECS and bank details are available. In the absence of NECS facility, companies

are required to print the bank details, if available, on the payment instrument for distribution of dividends to the investors. Therefore, Members holding shares in physical mode are requested to provide their bank details to the Company/RTA. Members holding shares in demat mode are requested to record the NECS mandate with their Depository Participant(s) concerned.

- 8) The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd., 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700 001.
- 9) Members are requested to notify immediately any change of address:
- To their depository participants (DPs) in respect of their electronic share accounts, and
 - To the Company at its registered office in respect of their physical shares, if any, quoting their folio number, Banker's name and account number to ensure prompt and safe receipt of dividend along with self attested photocopy of PAN Card, Bank details duly attested by the Bank and Photocopy of Cheque leaf.
- 10) Pursuant to Section 124 and 125 of the companies Act, 2013 any money transferred to the unpaid dividend account of a Company remaining unpaid or unclaimed for a period of seven consecutive years from the date of such transfer shall be transferred to Investor Education and Protection Fund. Members who have not so far encashed their dividend warrants for the accounting year ended 31st December 2010 to 31st March, 2017 may immediately approach the registrar for revalidation of unclaimed dividend warrants.
- 11) The Ministry of Corporate Affairs has notified provisions relating to unpaid/ unclaimed dividend under Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividend remain unpaid/ unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.

The Company has, subsequent to year end, transferred a sum of Rs. 1.08 lakhs and 105856 shares to Investor Education and Protection Fund, in compliance with the provisions of Section 124, 125 and other applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

The Company is taking steps for sending individual notices to the concerned shareholders and for publishing of a public notice to shareholders under the IEPF Rules in this regard.

Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period.

Members are informed that once the unpaid/ unclaimed dividend and the shares are transferred to IEPF, the same may be claimed by the Members from the IEPF Authority by making an application in the prescribed Form IEPF-5 online and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents to the Registered Office of the Company for verification of the claim.

- 12) The Annual Report 2017-18, the Notice of 107th AGM and instructions for e-voting along with Attendance Slip and Proxy Form are being sent by electronic mode to all Members whose e-mail address are registered with the Company / Depository Participant(s), unless a member has requested for physical copy of the documents. For Members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent through permitted mode.
- 13) The Ministry of Corporate Affairs, Government of India, pursuant to its Green Initiative in Corporate Governance, has permitted under Section 20 of the Companies Act, 2013, the service of documents including the Annual Report consisting of Notice, Accounts and other relevant Reports through the electronic mode. Copies of the Annual Report, notice of the AGM along with attendance slip, proxy form and instructions for e-voting are being sent by electronic mode only to those Members whose e-mail addresses are registered with the Company/ Depositories Participants for communication purposes unless any member has requested for a hard copy of the same. Shareholders holding shares in physical form are requested to register/update their e-mail address with the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd. at mdpldc@yahoo.com or to us on contactus@dianatea.in.
- 14) Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days prior to meeting, so as to enable the management to keep the information ready.
- 15) Members are requested:
 - i. To bring their copies of the annual report, notice and attendance slip at the time of the meeting.
 - ii. To quote their folio no. / ID No. in all correspondence.
- 16) Additional information, pursuant to Regulation 26 (4) & 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as required under the provisions of Secretarial Standard-2 issued by The Institute of Company Secretaries of India, in respect of the Directors seeking appointment/ re-appointment at the AGM, is furnished as annexure to the Notice. The Directors have furnished consent/ declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
- 17) For the immediate reference, route map for reaching the venue of the Annual General Meeting Hall is attached as per the requirements of the Secretarial Standard-2 on "General Meetings".

- 18) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on all working days except Saturdays, up to the date of the Annual General Meeting of the Company.
- 19) Members who wish to update or register their e-mail addresses with the Company or with the Depositories may use the attached E-Communication Registration Form for updation / registration.
- 20) In Compliance of provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company has provided a facility to the Members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services Limited. The facility of voting through ballot paper or polling paper shall also be made available for the Members at the Annual General Meeting who have not been able to vote electronically and who are attending the Meeting. The Members who have cast their vote electronically would be entitled to attend the Annual General Meeting but would not be permitted to cast their vote again at the Meeting.

The instructions for e-voting are annexed to the Notice.

Once the vote is cast, the member cannot change the same or recast the same again.

- 21) Members may also note that the Notice of the 107th Annual General Meeting and the Annual Report for the financial year ending on March 31, 2018 will also be available on the Company's website www.dianatea.in. The Notice of AGM shall also be available on the website of CDSL viz. www.evotingindia.com.
- 22) For persons who have acquired shares and become Members of the Company after the dispatch of notice before the Cut- off Date (as defined hereunder), the method for obtaining the login ID and password is being stated in the advertisement published pursuant to the Company (Management and Administration) Rules, 2014, as amended.
- 23) The e-voting period commences on Saturday, 15th September, 2018 (10.00 A.M. IST) and ends on Monday, 17th September, 2018 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the close of working hours on 11th September, 2018 ('Cut-off date') may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting on Monday 17th September, 2018 after 5.00 P.M. IST. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date should treat this notice for information purposes only.



- 24) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Cut-off Date.

Since the Company is required to provide Members the facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the closing working hours of Cut-off Date and not casting their vote electronically, may only cast their vote by means of Ballot/Polling Paper at the Annual General Meeting.

- 25) Mr. Mohan Ram Goenka, Practising Company Secretary (COP No. 2551), Partner, M R & Associates, Company Secretaries, Kolkata, who has consented to act as the Scrutinizer or failing him Ms. Sneha Khaitan, Partner M R & Associates was appointed by the Board of Directors as the Scrutinizer to scrutinize the voting process (electronically or otherwise) for 107th AGM in a fair and transparent manner and submit a Consolidated Scrutinizer's Report of the total votes cast to the Chairman or a person authorized by him in writing.

- 26) The Scrutinizer shall, immediately after the conclusion of voting at the meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and within a period not exceeding three days from the conclusion of the Annual General Meeting make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company or any other person authorized by him in writing who shall countersign the same and declare the result of the voting forthwith.

Further, in accordance with Regulation 44(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company shall submit to the Stock Exchange, details of the voting results in the prescribed format within 48 (Forty Eight) hours of conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.dianatea.in and on the website of CDSL www.evotingindia.com. The Results shall simultaneously be communicated to the BSE Limited.

- 27) The results of voting (including e-voting or otherwise) shall be aggregated and declared on or after the Annual General Meeting of the Company. The results of the e-voting and ballot paper shall be aggregated and declared not later than 48 (Forty eight) hours of conclusion of the AGM i.e. Thursday, 20th September, 2018. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dianatea.in and on the website of CDSL www.evotingindia.com immediately and communicated to BSE Limited. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

- 28) In case of any queries/grievances relating to e-voting process, the Members may contact Mr. Arghya Majumder, Central Depository Services Limited, 22, Camac Street, Block-A, 1st Floor, Kolkata-16, at e-mail ID: helpdesk.evoting@cdslindia.com, at Toll Free No. 1800-200-5533 who will address the grievances connected with the electronic voting. Members may also write to the Company Secretary at contactus@dianatea.in or Registered Office address.

- 29) Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the Meeting i.e. 18th September, 2018.

- 30) **Please see the instructions below for details on e-voting facility :**

- (i) The e-voting period commences on Saturday, 15th September, 2018 (10.00 A.M. IST) and ends on Monday, 17th September, 2018 (5.00 P.M. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11th September, 2018 may cast their vote electronically. The facility for voting through ballot paper/ polling paper shall be made available at the AGM and the Members as on the "cut-off date" 11th September, 2018, attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper/polling paper. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date, may attend the meeting but would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" tab to cast your votes.
- (v) Now Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digit Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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 digit 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 Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company 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 holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **Diana Tea Company Limited** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the

Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non-Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same in his e-mail id goenkamohan@gmail.com.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

For and on behalf of the Board

Registered Office:
3B, Lalbazar Street
Kolkata - 700 001
Date : 13th August, 2018

Sd/-
Namrata Jain
Company Secretary
Membership No. - 51075

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****Item 5:**

Mr. Sandeep Singhania (DIN: 00343837) is a commerce graduate and has been associated with the Company for more than 27 years and has thorough experience of tea industry. His sharp intellect, key insight and logical analysis on various issues along with his valuable inputs always enhance the performance of the Company.

The Members of the Company at the 104th Annual General Meeting held on 26.06.2015 had approved the appointment of Mr. Sandeep Singhania (DIN: 00343837) as Managing Director of the Company from 27th August, 2015 to 26th August, 2020. The existing limit of remuneration payable to Mr. Sandeep Singhania is valid upto 26th August 2018.

Pursuant to the provisions of Section II of Part II of Schedule V to the Act, an ordinary resolution or a Special Resolution need to be passed for payment of remuneration as per the limits laid down in item (A) or (B) of the said provision, at the general meeting of the company for a period not exceeding three years.

Hence, it has been thought prudent to obtain the approval of shareholders by way of a Special Resolution for payment of remuneration to Mr. Sandeep Singhania (DIN: 00343837) Managing Director of the Company w.e.f. 27th August, 2018 for the remaining period of his tenure and the Board of Directors at its meeting held on 13.08.2018, on the recommendation of Nomination and Remuneration Committee and taking into consideration Mr. Sandeep Singhania's professional qualification as well as his significant contribution to the Company's growth and in planning and implementing the Company's business strategies decided to fix his remuneration for remaining period of his current tenure w.e.f. 27th August, 2018 till 26th August 2020.

In consideration of his services as Managing Director, Mr. Singhania shall be entitled to receive the following by way of remuneration for his remaining period of Directorship :

a. Salary : Rs 3,50,000/- per month.

Revision of the basic salary shall be decided by the Board of Directors annually on the recommendation of the Nomination and Remuneration Committee in the salary range of Rs 3,00,000/- to Rs 5,00,000/- per month.

b. Commission : Commission as determined by the Board of Directors within the overall ceiling on managerial remuneration laid down in Sections 2(78) and Section 197 of the Companies Act, 2013 and based on the net profits of the Company in any particular year.

c. Perquisites : In addition to the salary and commission payable, Mr. Singhania shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing and repairs, medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Singhania.

The perquisites and allowance shall be valued as per Income Tax Act, 1961 or any other rules hereunder or any statutory modification(s) or re-enactment thereof, and in absence of such rules they shall be valued at actual cost.

Provision for use of the Company's car for official duties and telephone (including payment of local calls and long distance official calls) shall not be included in the computation of perquisites.

Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

d. Minimum Remuneration : In the event of loss, absence or inadequacy of profits in any financial year during the term of office of Mr. Singhania, the remuneration payable to him by way of salary, allowances, commissions and perquisites shall not, without the approval of the Central Government (if required), exceed limit specified in Schedule V to the Companies Act, 2013 including any amendment(s), modification(s), variation(s) or re-enactment thereof.

The above remuneration is to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provisions of Schedule V of the Companies Act, 2013.

Variation : The Board of Directors or any Committee may alter and vary the terms and conditions of the appointment and/or agreement (including the amount of salary, commission and also type & amount of perquisites and other benefits payable to Mr. Singhania) in such manner as may be agreed between the Board or Committee thereof and Mr. Singhania, provided however that the remuneration payable to Mr. Singhania shall not exceed the limits specified in the Schedule V of the Companies Act, 2013, including any amendment(s), modification(s), variation(s) or re-enactment thereof.

The above payment shall be governed by the provisions of Schedule V to the 'Act' or any amendment thereof.

Additional information as required under Part -II of Schedule V of the Companies Act, 2013 is given below :

1. Nature of Industry :	Cultivation Manufacturing and Sale of Tea
2. Date of commencement of commercial production :	The Company is in manufacturing operation since 1911
3. In case of new companies expected date of commencement of activities as per project approved by financial Institution appearing in the prospectus :	Not Applicable
4. Financial performance based on given Indicator :	As per Audited Financial Results for the year ended:

(Rs. in Lakhs)

Particulars	31st March, 2018	31st March, 2017
Revenue from Operations	6086.02	5244.61
Profit before taxation	267.35	228.07
Tax Expense	41.74	9.76
Profit for the year	225.61	218.31
Other Comprehensive Income (net of tax)	(2.60)	60.45
Total Comprehensive Income	223.01	278.76
Other Equity at year end	5524.06	5423.89
5. Foreign Investment or collaborators, If any:	NIL	

INFORMATION ABOUT THE MANAGING DIRECTOR

1. Background Details, Job Profile and his suitability:

Mr. Sandeep Singhania (DIN: 00343837) is a commerce graduate and has been associated with the Company for more than 27 years and has thorough experience of tea industry. His sharp intellect, key insight and logical analysis on various issues along with his valuable inputs always enhance the performance of the Company.

2. Past Remuneration:

₹ 44.33 lakhs per annum.

3. Recognition or Rewards:

The Company under his stewardship has grown over past few years, both in terms of quality and quantity. Garden's average yields have surpassed 23 quintals which is far above industry average with superior quality fetching better price realization.

4. Remuneration Proposed:

The proposed remuneration is stated and is within the limit set out under Section 196, 197, 203 read with Schedule V of the Companies Act, 2013.

5. Comparative remuneration profile with respect to industry, size of the company, Profile of the Position and Person:

Remuneration of Chief Executive Officers in the industry in general has gone up manifold in past few years. It is not possible to find out comparative remuneration in the industry with respect to profile of the position. The remuneration to Mr. Sandeep Singhania is purely based on merits.

6. Pecuniary relationship directly or indirectly with the company relationship with the Managerial Personnel:

Mr. Sandeep Singhania has no pecuniary relationship with the Company except to the extent of his Remuneration and Shareholdings in the Company. He is not Related to Mrs. Sarita Singhania as per the definition of Companies Act, 2013.

OTHER INFORMATION

1. Reasons of Loss or Inadequate Profits:

Year on year the cost of production has gone higher by virtue of increase in wages/salaries and other inputs and whereas price realization has not caught up with the rising costs.

2. Steps taken or proposed to be taken for improvement:

Continuous developmental work in field and factory has led to cost reduction as well as improvisation of average realization of tea.

3. Expected increase in productivity and profit in measurable terms

With continuation of developmental work in field and factory, the economy of garden is expected to improve along with quality.

DISCLOSURES

1. Disclosure under Corporate Governance in the Board of Directors Report

The details of sitting fees paid to the Directors and remuneration package payable along with relevant details payable to Executive Directors has been mentioned in the Report of Corporate Governance attached to the Director's Report.

The above remuneration is to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provisions of Schedule V of the Companies Act, 2013.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue availing the services of Mr. Sandeep Singhania as the Managing Director of the Company. Accordingly, the Board recommends the resolution as set out at item no. 5 of the Notice in relation to his remuneration as aforesaid for the approval of the shareholders of the Company.

Except, Mr. Sandeep Singhania, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution.

Item 6:

At the 104th Annual General Meeting of the Company, held on 26th June, 2015, the Members had approved the re-appointment of Mr. Harish Parekh as the Director of the Company in accordance with Section 152 of the Companies Act, 2013 and the enabling provisions of the Articles of Association of the Company.

In terms of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 inserted by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 vide Circular dated 9th May, 2018, consent of the Members by way of a Special Resolution is required for continuation of the directorship of Mr. Harish Parekh as the Non-Executive Director who has attained the age of seventy five years.

Mr. Harish Parekh, a Non-Executive Independent Director of the Company has already attained the age of seventy five years. Mr. Harish Parekh has been associated with tea industry for around decades and has great contributions to the industry in general and to your Company in particular. In view of the said provision of SEBI, the Nomination and Remuneration Committee discussed the matter and recommended the continuation of Directorship of Mr. Harish Parekh for the remaining period of its term. The Board considers that Mr. Harish Parekh continued association as a Non- Executive Independent Director of the Company would be of



immense benefit to the Company. Hence the Board recommends the resolution set out in Item No. 6 by way of Special Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. Harish Parekh, to whom the resolution relates, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 above.

Item 7:

At the 104th Annual General Meeting of the Company, held on 26th June, 2015, the Members had approved the re-appointment of Mr. N. F. Tankariwala as the Director of the Company in accordance with Section 152 of the Companies Act, 2013 and the Articles of Association of the Company.

In terms of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 inserted by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements)

(Amendment) Regulations, 2018 issued on 9th May, 2018 which will take effect from 1st April, 2019, consent of the Members by way of a Special Resolution is required for continuation of the directorship after 31st March, 2019 of a Non-Executive Director who has attained the age of seventy five years.

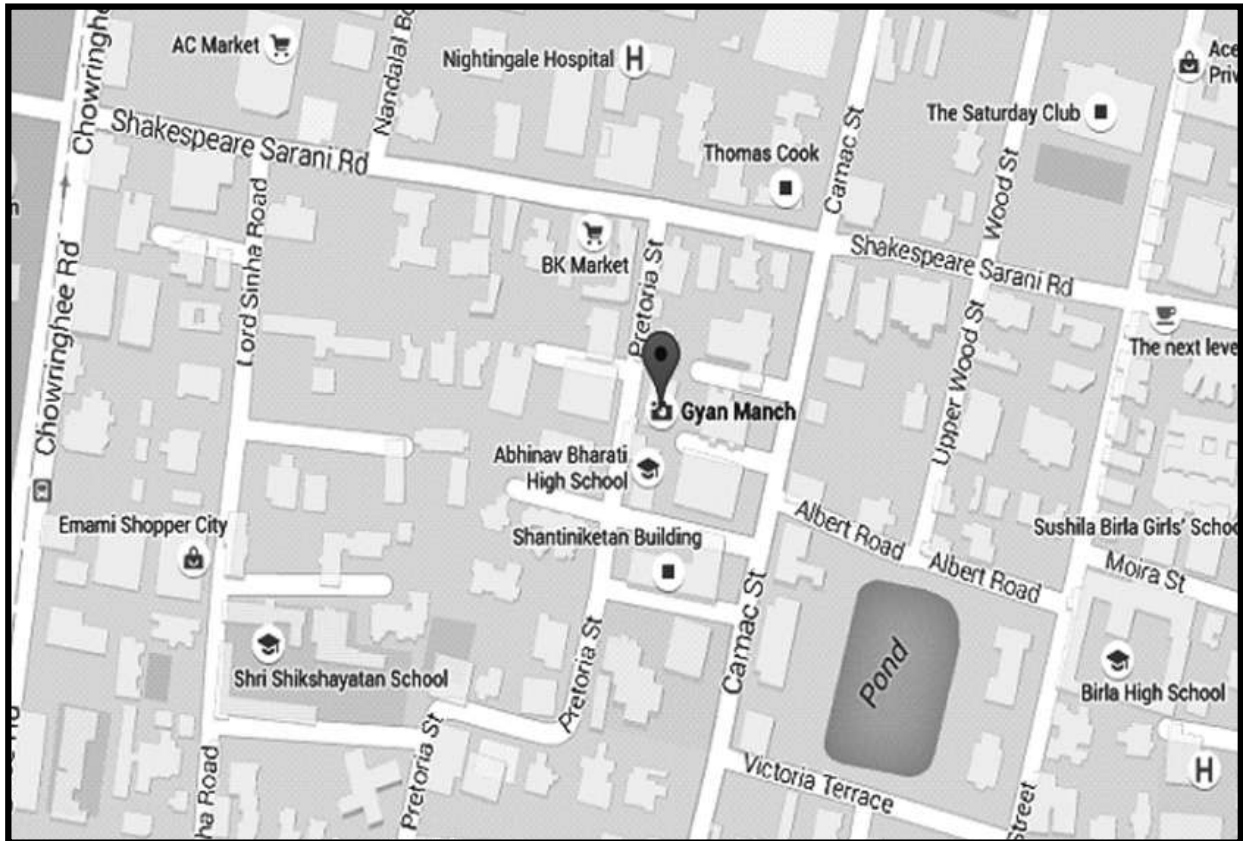
Mr. N.F.Tankariwala, a Non-Executive Independent Director of the Company has already attained the age of seventy five years. Mr. N.F.Tankariwala has been associated with tea industry for around decades and has great contributions to the industry in general and to your Company in particular. The Board considers that Mr. N.F.tankariwala continued association as a Non- Executive Independent Director of the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution set out in Item No. 7 by way of a Special Resolution for approval of the Members. None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. N. F. Tankariwala, to whom the resolution relates, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

DETAILS OF DIRECTOR SEEKING APPOINTMENT / REAPPOINTMENT
IN THE HUNDRED AND SEVENTH ANNUAL GENERAL MEETING
(Pursuant to Regulation 26(4) and Regulation 36 (3) of Listing Regulations, 2015
& Secretarial Standard-2)

Name of Director	Mrs. Sarita Singhanian	Mr.Harish Parekh	Mr. N.F. Tankariwala
Date of Birth	17/12/1963	23/03/1937	13/08/1938
Qualification	B. A.	B. Com.	B.A.
Date of Appointment	11/11/2013	14/07/2005	30/03/2010
Terms and Conditions of Appointment	As per Letter of Appointment	As per Letter of Appointment	As per Letter of Appointment
Nature of Expertise in Specific Functional Areas	Tea Plantation & Marketing	Finance and Accounts	Tea Plantation
The Remuneration last drawn by Directors if applicable	Basic Salary: Rs. 2,50,000 per month	NA	NA
Details of Remuneration sought to be paid	Basic Salary Range :Rs.2,50,000 per month to Rs. 4,00,000 per month	NA	NA
List of Other Public Companies in which Directorship held (excluding in Foreign Companies)	Singhanian Builders Ltd.	Babcock Borsig Limited	NIL
List of other listed entities in which Directorship held	NIL	1. Rossell India Ltd. 2. The Grob Tea Co. Ltd. 3. Williamson Magor & Co.Ltd. 4. Gillanders Arbuthnot & Co. Ltd. 5. The Peria Karamalai Tea & Produce Co. Ltd 6. Rasoi Ltd. 7. Babcock Borsig Limited	NIL

Chairman / Member of the Committees of the Board of Directors of Other Companies in which she/ he is a Director (excluding in Foreign Companies)	None	Nil	Nil
Chairman/ Member of the Committees of the Board of Directors in Other Listed Companies	NIL	<p>a)Member of Audit Committee, Member of Nomination & Remuneration Committee and Chairman of Stakeholder Relationship Committee in Rossell India Ltd.</p> <p>b)Member of Audit Committee in Williamson Magor & Co. Ltd.</p> <p>c)Chairman of Nomination & Remuneration Committee, Audit Committee and Stakeholder Relationship Committee in Gillanders Arbuthnot & Co. Ltd.</p> <p>d) Member of Audit Committee and Chairman of Nomination & Remuneration Committee in The Peria Karamalai Tea & Produce Co. Ltd</p> <p>e) Chairman of Audit Committee, Member of Nomination & Remuneration Committee and Member of Stakeholder Relationship Committee in Rasoi Ltd.</p> <p>f) Member of Audit Committee and Chairman of Nomination & Remuneration Committee in The Grob Tea Co. Ltd.</p>	Nil
Disclosure of relationship between Directors inter-se and Key Managerial Personnel	Mrs. Sarita Singhanian is not related to any other Directors on the Board and key Managerial Personnel in terms of the definition of "Relative" under the Companies Act, 2013.	Mr.Harish Parekh is not related to any other Directors on the Board and key Managerial Personnel in terms of the definition of "Relative" under the Companies Act, 2013.	Mr.N.F.Tankariwala is not related to any other Directors on the Board and key Managerial Personnel in terms of the definition of "Relative" under the Companies Act, 2013.
Details of Shareholding, if any in the Company	5,00,491 Shares of Rs. 5/- each	Nil	Nil
The number of Meetings of the Board attended during the financial year	Mrs. Sarita Singhanian attended 5 Board meetings out of total 5 Board meetings held during the year.	Mr. Harish Parekh attended 5 Board meetings out of total 5 Board meetings held during the year.	Mr. N.F.Tankariwala attended 5 Board meetings out of total 5 Board meetings held during the year.

ROUTE MAP TO THE AGM VENUE OF DIANA TEA COMPANY LIMITED TO BE HELD ON TUESDAY, SEPTEMBER 18, 2018 AT 10:30 A.M.



E-COMMUNICATION REGISTRATION FORM

To
M/s. Maheshwari Datamatics Pvt. Ltd.
Unit : DIANA TEA COMPANY LIMITED
23, R. N. Mukherjee Road, 5th Floor
Kolkata – 700 001
Phone : (033) 2243-5029/5809, 2248-2248
Fax : (033) 2248-4787
E-mail : mdpldc@yahoo.com

Dear Sir,

Sub: Registration of my e-mail address - Green Initiative in Corporate Governance

I agree to receive the documents in electronic mode.

Please register my e-mail address, PAN & contact details in your records.

Folio No :

Email Id :

PAN No. :

Phone No. :

Mobile No. :

Name of First/Sole Holder :

Signature of the First/Sole Holder :

Date :

Notes:

1. Shareholder(s) are requested to keep the Registrar & Share Transfer Agent informed of any change in their email address.
2. Shareholder(s) are requested to attach a self attested copy of PAN.
3. The above email address will be registered subject to verification of your signature with the specimen signature registered with the Registrar & Share Transfer Agent.

DIANA TEA COMPANY LIMITED



ANNUAL REPORT 2017-18

Corporate Information

BOARD OF DIRECTORS

Mr. Sandeep Singhania	<i>Managing Director</i>
Mrs. Sarita Singhania	<i>Director (Sales & Marketing)</i>
Mr. H. M. Parekh	<i>Independent Director</i>
Mr. N. F. Tankariwala	<i>Independent Director</i>
Mr. Gautam Bhalla	<i>Independent Director</i>

BOARD COMMITTEES

Audit Committee

Mr. H.M. Parekh	<i>Chairman</i>
Mr. Sandeep Singhania	<i>Member</i>
Mr. N. F. Tankariwala	<i>Member</i>
Mr. Gautam Bhalla	<i>Member</i>

Nomination & Remuneration Committee

Mr. H.M. Parekh	<i>Chairman</i>
Mr. N. F. Tankariwala	<i>Member</i>
Mr. Gautam Bhalla	<i>Member</i>

Stakeholders Relationship Committee

Mr. N. F. Tankariwala	<i>Chairman</i>
Mr. Sandeep Singhania	<i>Member</i>
Mrs. Sarita Singhania	<i>Member</i>
Mr. Gautam Bhalla	<i>Member</i>

CHIEF FINANCIAL OFFICER

Mr. Ramesh Kumar Jhunjhunwala

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Namrata Jain

AUDITORS

Das & Prasad
Chartered Accountants
4, Chowringhee Lane
Kolkata - 700 016
(Firm's Registration No. 303054E)

SECRETARIAL AUDITORS

MR & Associates
Company Secretaries
46, B. B. Ganguly Street,
Kolkata - 700 012
(COP No.2551)

BANKERS

United Bank of India
Punjab National Bank

GARDENS

Diana Tea Estate
P. O. Banarhat - 735 202
Dist. : Jalpaiguri
Baintgoorie Tea Estate
P. O. Mal - 735 221
Dist. : Jalpaiguri
Good Hope Tea Estate
P. O. Dam Dim - 735 209
Dist. : Jalpaiguri

REGISTERED OFFICE

Sir R. N. M. House
3B, Lalbazar Street
Kolkata - 700 001
Phone : (033) 2248-8672, 4066 1590-93
Fax : (033) 2248-7571
E-mail : contactus@dianatea.in
Website : www.dianatea.in
CIN : L15495WB1911PLC002275

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Maheshwari Datamatics Pvt. Ltd.
23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001
Phone : (033) 2243-5029/5809, 2248-2248
Fax : (033) 2248-4787
E-mail : mdpldc@yahoo.com

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Dear Shareholders,

Your Directors have pleasure in presenting their 107th Annual Report along with the Audited Accounts for the financial year ended 31st March, 2018.

Financial Results

The summarized Financial results of your Company are given in the table below. (₹ in Lakhs)

Particulars	31st March, 2018	31st March, 2017
Revenue from Operations	6,086.02	5,244.61
Profit before taxation	267.35	228.07
Tax Expense	41.74	9.76
Profit for the year	225.61	218.31
Other Comprehensive Income (net of tax)	(2.60)	60.45
Total Comprehensive Income	223.01	278.76
Other Equity at year end	5,524.06	5,423.89

Note: The above figures are extracted from the standalone financial statements prepared under IND AS (Indian Accounting Standards) for the financial year ended on 31st March, 2018 and the figures for the Financial Year ended 31.03.2017 differs with the Annual Report for the Year 2016-17 because of applicability of IND AS. The detailed explanation in this regard has been provided in the Financial Statements, forming part of this Annual Report.

Review of Performance

The year under review was a good year from crop perspective as our own crop was significantly higher when compared to last year by about 1,84,565 kgs. This was possible because of the prudent agricultural practices followed by our Tea Estates, supported by better weather conditions. Our total crop for the year was 40,09,576 kgs when compared to last year 34,52,924 kgs out of which our own production was 32,81,187 kgs. viz a viz last year was 30,96,622 kgs. and bought leaf production was 7,28,389 kgs. viz a viz 3,56,302 kgs. last year.

During the year the Indian Tea production was marginally higher, however North Indian crop was marginally lower. There was a good demand for quality tea but the price levels didn't show much of an improvement. However, the bought tea segment margins were satisfactory and gave us a good result. Cost burden on Tea Industry continues to rise year after year in form of increased wages/ salaries and cost of inputs which continues to put immense pressure on profitability for Tea Companies. To offset such costs pressure, we have started focusing on producing higher



Directors' Report

quantity of bought leaf for better capacity utilization of our factories and better margins therein. Our gardens continue to focus on quality manufacturing which has enabled us to have significantly higher average price realization than district average. We continue to upgrade our gardens by improvising the yields by aggressive uprooting and replanting process to cut cost and improve quality. The average yield of our gardens are more than 2300 kgs which is higher than district average of 1750 kgs. This gives us a tremendous cost advantage when compared to others. Our gardens have 100% irrigation facilities which enables us to take care of drought which we encounter in the beginning of the year. In spite of very tough situation wherein the average cost of production has gone up significantly, your Company has been able to post a profit of ₹ 225.61 lakhs.

Prospects

Current year looks very challenging as the wages and salaries have gone up by 20% and market is not showing any signs to compensate the same. World crop is high with major production coming from Kenya which is higher by about 50 million kgs and has dented market sentiments. Indian crop is lower by 11 million kgs when compared to last year. The major growth in production is coming from unorganized sectors which is mushrooming in North Eastern Region and is putting further pressure on organized tea gardens. Major packeteers are also focusing on procuring lower quality of tea as they are witnessing higher demands in that section. Overall it seems to be challenging years coming ahead for the organized Tea Industry as overall cost of production is shooting up whereas price realization are not matching up with the same. However on the optimistic note, quality tea remains in demand as the availability of the same is restricted and may fetch premium in years to come as their availability would be further restricted as further gardens would come under high cost pressure and won't be able to maintain quality.

In spite of hike of 20% in wages, Central/ State Government are further contemplating imposing minimum wages at a very high level which would be detrimental to the Tea Industry. To derisk ourselves from such situations, we have expanded our factories to produce about 1.5 billion kgs in bought leaf to survive in such tough conditions. This could help us in setting off certain portion of loss which we may incur because of rise in overall costs.

Your Company has been taking full advantages of various subsidies being provided by Tea Board.

With the distinct advantages your Company is having by virtue of higher yields and better average sales realization over most of our peers, we are hopeful of giving better

performance in the coming years inspite of major headwinds coming our way.

Change in nature of business, if any

There has been no change in the nature of business and the Company continues to concentrate on their own business.

Transfer to Reserves

Your Directors proposed to transfer a sum of ₹ 200.00 lakhs to General Reserves.

Transfer from Reserves

Your Directors proposed not to transfer any amount from the General Reserves.

Dividend

Your Board has recommended a dividend of ₹ 0.25 per Equity Share (i.e. 5%) for the year ended 31st March, 2018. Such dividend, on approval, will be paid to those Members whose names are recorded in the Register of the Company at the close of business on the date of Annual General Meeting.

Details of Board meetings

During the Financial Year, 5 Board meetings were held, details of which are given below:

Date of the meeting	No. of Directors attended the meeting
17.05.2017	5
08.07.2017	4
01.09.2017	5
10.11.2017	5
12.02.2018	5

Share Capital

During the financial year ended 31st March, 2018 there has been no change in the issued and subscribed capital of your Company. The outstanding capital as on 31st March, 2018 is ₹ 749.55 lakhs comprising of 1,49,91,000 equity shares of ₹ 5/- each.

Extract of Annual Return

The extract of Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 forming a part of this Report, attached as **Annexure "A"**.

Committees of Board

The details of composition of the Committees of the Board of Directors are as under:

Directors' Report

a. Audit Committee

Sl. No.	Name	Chairman/ Members
1.	Mr. H.M. Parekh	Chairman
2.	Mr. Sandeep Singhania	Member
3.	Mr. Gautam Bhalla	Member
4.	Mr. N.F. Tankariwala	Member

- The Terms of Reference of the Audit Committee has been provided in the Corporate Governance Section forming part of this Report. During the financial year, the Committee had met 4 times as on May 17, 2017, September 1, 2017, November 10, 2017 and February 12, 2018.

Recommendation by audit committee :

There is no such recommendation of audit committee which has not been accepted by the Board during the said financial year.

• Vigil Mechanism

The Company has formulated the codified Whistle Blower Policy incorporating the provisions relating the Vigil Mechanism in terms of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, in order to encourage Directors and Employees of the Company to escalate to the level of the Audit Committee any issues of concern impacting and compromising with the interest of the Company and the Stakeholders in any way. The Company has also made provisions for adequate safeguards against victimization of its employees and Directors who express their concerns. The Chairman of Audit Committee can be accessed directly by any employee for reporting issues which need to be brought to the notice of the Board. The said policy was revised on 17th May, 2017 and on 28th May, 2018. The Vigil Mechanism / Whistle Blower Policy of the Company has been uploaded on the website of the Company: www.dianatea.in.

b. Nomination & Remuneration Committee

Sl. No.	Name	Chairman/ Members
1.	Mr. H.M Parekh	Chairman
2.	Mr.N.F. Tankariwala	Member
3.	Mr. Gautam Bhalla	Member

The Terms of Reference of the Committee has been provided in the Corporate Governance Section forming part of this Report. During the financial year, the Committee had met 3 times as on May 17, 2017, July 8, 2017 and February 12, 2018.

c. Stakeholders Relationship Committee

Sl. No.	Name	Chairman/ Members
1.	Mr. N.F.Tankariwala	Chairman
2.	Mr. Gautam Bhalla	Member
3.	Mr. Sandeep Singhania	Member
4.	Mrs. Sarita Singhania	Member

The Terms of Reference of the Committee has been provided in the Corporate Governance Section forming part of this Report. During the financial year, the Committee had met once on 12th February, 2018.

Corporate Social Responsibility (CSR)

Your Company considers Corporate Social Responsibility as an important aspect of doing business. As a good corporate citizen, your Company shall initiate appropriate action towards various social causes in the future. Presently, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

Management Discussion and Analysis

As per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report is attached as **Annexure "B"** forming part of this report.

Directors' Responsibility Statement

Pursuant to the requirement of clause (c) of sub-section (3) and (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures except gratuity liability being accounted for, as and when paid/payable;
- 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 for the financial year ended 31st March, 2018 and of the profit and loss of the company for that year;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal



Directors' Report

financial controls are adequate and were operating effectively; and

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

Corporate Governance

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improving investor's protection and maximizing long term shareholders value. The certificate of the Auditors confirming compliance of conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Stock Exchange is annexed as **Annexure "C"**.

Related party transactions

The related party transactions entered during the year were in ordinary course of business and also on arm's length basis in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict of the interest with the Company at large. All related party transactions are presented to the Audit Committee and the Board, if required, for approval. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's web link: www.dianatea.in/Policy-on-Related-Party-transactions_7.pdf.

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars as prescribed under sub-section (3)(m) of the Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are given at **Annexure "D"** to the Directors' Report.

Particulars of Employees

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

There are no directors who is in receipt of any commission from the company as well as from its holding company as per section 197 (14) of the Companies Act, 2013.

Annual Evaluation of Board's Performance

During the financial year, the Board evaluated its own performance as well as that of its Committees and individual Directors. The exercise was carried out covering various aspects of the Boards functioning such as composition of the Board & committees, qualification, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Non-Independent Directors. The performance of Independent Directors has been evaluated based on the guidelines as provided under Schedule IV of the Act. The evaluation of the Independent Directors was carried out by the entire Board except by the Director being evaluated. The directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Auditors and Audit Report

M/s. Das & Prasad, Chartered Accountants having registration number FRN 303054E allotted by The Institute of Chartered Accountants of India (ICAI) retires as Auditor of your Company and as their tenure is expired as per the provisions of Companies Act, 2013 therefore they are not eligible for re-appointment.

M/s. B. Nath & Co., Chartered Accountants having registration number FRN 307057E are being appointed as the Auditors of the Company in place of the retiring Auditors to hold office from the Conclusion of this 107th Annual General Meeting till the conclusion of the 112th Annual General Meeting subject to approval by the shareholders at ensuing Annual General Meeting.

Further, the report of the Retiring Auditors along with notes to Schedules is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

Secretarial audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MR & Associates, Company Secretaries In Practice (COP No.2551), to undertake the Secretarial Audit of the Company for the financial year ending 31st March, 2018. The Secretarial Audit Report for the financial year ended 31st March, 2018 is annexed

Directors' Report

herewith as **Annexure "F"** to this Report. The Secretarial Audit Report is self-explanatory and does not contain any adverse qualification, reservation or remark.

Cost Audit

As per Section 148 of the Companies Act, 2013 read with Rule 4 of Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records for the financial year 2018-19. However, the Company is not required to appoint Cost Auditor to conduct the audit of cost records for the financial year 2018-19.

Human Resources

Your Company treats its "human resources" as one of its most important assets.

The Company has a large work force employed at the tea estates. There were no major disruptions of work at the garden or any other establishment of the Company during the period under review. The correct recruitment practices are in place to attract best talent. Industrial Relations at all the units remained satisfactory.

Material changes and commitments, if any, affecting the Financial Position

No material changes and commitments have occurred during the financial year 2017-18 which might affect the financial position of the company.

Disclosure under Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. There is zero-tolerance towards sexual harassment and any act of sexual harassment invites serious disciplinary action.

No complaint has been brought to the notice of the Management during the financial year ended on 31st March, 2018.

Risk Management

In terms of the requirement of the Companies Act, 2013 and Listing Regulations, the Company has developed and implemented the Risk Management Policy. The Company has taken adequate measures to mitigate various risk encountered. In the opinion of the Board there is no such risk which may threaten the present existence of the Company.

Declaration by independent directors

Necessary declarations have been obtained from all the

Independent Directors that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Remuneration Policy

The remuneration policy of the Company aims to attract, retain and motivate qualified people at the Board levels. The remuneration policy seeks to employ people who not only fulfill the eligibility criteria but also have the attributes needed to fit into the corporate culture of the company. The remuneration policy is consistent with the 'pay-for-performance' principle.

Executive Directors

The Nomination and Remuneration Committee takes into account experience, qualification and prevailing industry practices before giving its recommendation to the Board. On recommendation of the Nomination and Remuneration Committee, the Board decides remuneration to be paid to Executive Directors, subject to approval of shareholders in terms of provisions of the Companies Act, 2013, read with Schedule V thereof. The Committee aims towards rewarding, on the basis of performance and reviews on a periodical basis.

Non-Executive Directors

The Company has formulated Criteria for making payment to Non-Executive Directors which is available in Company's weblink: http://www.dianatea.in/Criteria%20of%20making%20to%20non-executive%20directors_6.pdf. As per the criteria, Non-Executive Directors are paid sitting fees for attending the meetings of the Board of Directors and Committees.

Details of Significant and material orders passed by the Regulators/ Courts/ Tribunals impacting the going concern status and the Company's operations in future

There were no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the Going concern Status and or will have any bearing on Company's Operations in future.

Transfer to Investor Education and Protection fund

Your Company has, subsequent to year end, transferred a sum of ₹ 1.08 lakhs and 105856 shares to Investor Education and Protection Fund, in compliance with the provisions of Section 124, 125 and other applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.



Directors' Report

The said amount represents dividend for the year 2009 which remain unclaimed for a period of 7 years from its due date of payment.

Internal financial control systems with reference to the financial statement

Your Company has adequate Internal Financial Control Systems at all levels of Management and they are reviewed from time to time. The Internal Audit is carried out in house as well as by firm of Chartered Accountants. The Audit Committee of the Board looks into Auditor's review which is deliberated upon and corrective action taken, wherever required.

Subsidiaries, Joint Venture or Associate Companies

Your Company continues to be the Subsidiary of Diana Capital Limited. Further, the Company has no subsidiaries, joint venture and associates for the financial year ended 31st March, 2018.

Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees or investments made under section 186 of the Companies Act, 2013 are covered in the notes to accounts of the Financial Statement for the year ended 31st March, 2018 forming part of this Annual Report.

Directors

As per provisions of Section 152 of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014, Mrs. Sarita Singhania (DIN 00343786) is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment. The Board recommends her re-appointment as a Director liable to retire by rotation.

There has been no change in the Composition of the Board of Directors during the Financial year 2017-18.

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

Key Managerial Personnel

Mr. Ramesh Kumar Jhunhunwala, Compliance Officer of the Company was designated as Chief Financial Officer (CFO) of the Company with effect from 17th May, 2017.

Mr. Ramesh Kumar Jhunhunwala, Chief Financial Officer of the Company resigned from the post of Compliance Officer with effect from 8th July, 2017.

Mr. Mukund Kumar Jha was appointed as Company Secretary (CS) & Compliance Officer of the Company with effect from 8th July, 2017.

Mr. Mukund Kumar Jha designated as Company Secretary (CS) & Compliance Officer of the Company resigned from the services of the Company with effect from 15th September, 2017.

Mr. Ramesh Kumar Jhunhunwala, Chief Financial officer of the Company was designated as Compliance officer of the Company with effect from 16th September, 2017.

Mr. Ramesh Kumar Jhunhunwala, Chief Financial officer of the Company resigned from the designation of Compliance Officer with effect from 12th February, 2018.

Ms. Namrata Jain was appointed as Company Secretary (CS) & Compliance Officer of the Company with effect from 12th February, 2018.

Deposits

Your Company has not accepted any deposits within the meaning of Section 73 and 76 of the companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

Compliance of Secretarial Standards

The Company complies with all applicable Secretarial Standards.

Acknowledgement

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

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

For and on behalf of the Board

Registered Office :
3B, Lalbazar Street
Kolkata - 700 001
Date : 13th August, 2018

Sd/-
Sandeep Singhania
Managing Director
(DIN: 00343837)

Sd/-
Sarita Singhania
(Whole-time Director)
(DIN: 00343786)

Annexure to the Directors' Report

Annexure "A"

Form No. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March, 2018

of

DIANA TEA COMPANY LIMITED

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

I. REGISTRATION AND OTHER DETAILS :

i	CIN	L15495WB1911PLC002275
ii	Registration Date	26/08/1911
iii	Name of the Company	Diana Tea Company Limited
iv	Category / Sub-Category of the Company	Company Limited By Shares/ Indian Non-Government Company
v	Address of the Registered office and contact details	Sir R.N.M House, 3B, Lalbazar Street , Kolkata-700 001 Phone : (033) 2248-8672, 4066 1590-93 Fax: (033) 2248-7571 Email : contactus@dianatea.in
vi	Whether listed Company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Maheshwari Datamatics Pvt. Ltd. 23, R.N.Mukherjee Road, 5th Floor, Kolkata-700 001 Phone: (033) 2243-5029/5809, 2248-2248 Fax: (033) 2248-4787 Email : mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Cultivation, Manufacturing and Sale of Tea	01271	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
Diana Capital Ltd. Sir R.N.M. House (4th Floor), 3B Lalbazar Street, Kolkata-700 001	U65993WB1973PLC029038	Holding	54.56	2(46)



Annexure to the Directors' Report

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

(i) Category-wise Share Holding :-

Category of Shareholders	No of Shares held at the beginning of the Year [As on 01/04/2017]				No of Shares held at the end of the Year [As on 31/03/2018]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1003994	0	1003994	6.6973	1003994	0	1003994	6.6973	0.0000
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt(s).	—	—	—	—	—	—	—	—	—
d) Bodies Corporate	8190860	0	8190860	54.6385	8190860	0	8190860	54.6385	0.0000
e) Banks/FI	—	—	—	—	—	—	—	—	—
f) Any other	—	—	—	—	—	—	—	—	—
Sub-total (A)(1) :	9194854	0	9194854	61.3358	9194854	0	9194854	61.3358	0.0000
(2) Foreign									
a) NRIs Individuals	—	—	—	—	—	—	—	—	—
b) Other Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	—	—	—	—	—	—	—	—	—
d) Banks/FI	—	—	—	—	—	—	—	—	—
e) Any other	—	—	—	—	—	—	—	—	—
Sub-total (A)(2):	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A) (2)	9194854	0	9194854	61.3358	9194854	0	9194854	61.3358	0.0000
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):	0	0	0	0.0000	0	0	0	0.0000	0.0000
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	1304108	50422	1354530	9.0356	387764	17768	405532	2.7052	-6.3304
ii) Overseas	—	—	—	—	—	—	—	—	—

Annexure to the Directors' Report

Category of Shareholders	No of Shares held at the beginning of the Year [As on 01/04/2017]				No of Shares held at the end of the Year [As on 31/03/2018]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals :									
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	3120127	136669	3256796	21.7250	3828479	65429	3893908	25.9750	4.2500
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	1003556	0	1003556	6.6944	1112677	0	1112677	7.4223	0.7279
c) Others (Specify) :									
Non Resident Indians	32148	0	32148	0.2144	131031	0	131031	0.8741	0.6597
Custodian of Enemy Property	0	14742	14742	0.0983	0	14742	14742	0.0983	000.0000
Clearing Members	134374	0	134374	0.8964	132400	0	132400	0.8832	-0.0132
Investor Education and Protection Fund Authority	0	0	0	0.0000	105856	0	105856	0.7061	0.7061
Sub-total(B)(2):	5594313	201833	5796146	38.6641	5698207	97939	5796146	38.6642	0.0001
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5594313	201833	5796146	38.6641	5698207	97939	5796146	38.6642	0.0001
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	14789167	201833	14991000	99.9999	14893061	97939	14991000	100.0000	0.0001

(ii) Shareholding of Promoters :-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year [As on 01/04/2017]			Shareholding at the end of the Year [As on 31/03/2018]			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Sandeep Singhania	362369	2.4172	-	362369	2.4172	-	-
2.	Sarita Singhania	500491	3.3386	-	500491	3.3386	-	-
3.	Radheshyam Singhania (HUF)	129204	0.8619	-	129204	0.8619	-	-
4.	Devang Singhania	5000	0.0334	-	5000	0.0334	-	-
5.	Vani Singhania	3192	0.0213	-	3192	0.0213	-	-
6.	Surbhi Pratik Dalmia	3000	0.0200	-	3000	0.0200	-	-
7.	Shachi Singhania	500	0.0033	-	500	0.0033	-	-
8.	Arjun Kumar Singhania (HUF)	238	0.0016	-	238	0.0016	-	-
9.	Diana Capital Ltd.	8179340	54.5617	-	8179340	54.5617	-	-
10.	Singhania Builders Limited	11520	0.0768	-	11520	0.0768	-	-
	TOTAL	9194854	61.3358	-	9194854	61.3358	-	-



Annexure to the Directors' Report

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

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the Year - 01/04/2017	9194854	61.3358		
	Date wise Increase /Decrease in Promoters Share holding during the YEAR specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE DURING THE YEAR			
	At the end of the Year - 31/03/2018			9194854	61.3358

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	RELIGARE SECURITIES LTD #				
	At the beginning of the Year-01/04/2017	103185	0.6883		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	07/04/2017-Transfer	-89	0.0006	103096	0.6877
	14/04/2017-Transfer	-1408	0.0094	101688	0.6783
	21/04/2017-Transfer	4944	0.0330	106632	0.7113
	28/04/2017-Transfer	3146	0.0210	109778	0.7323
	05/05/2017-Transfer	884	0.0059	110662	0.7382
	12/05/2017-Transfer	54	0.0004	110716	0.7385
	19/05/2017-Transfer	7320	0.0488	118036	0.7874
	26/05/2017-Transfer	-6911	0.0461	111125	0.7413
	02/06/2017-Transfer	6397	0.0427	117522	0.7840
	09/06/2017-Transfer	8276	0.0552	125798	0.8392
	16/06/2017-Transfer	-11833	0.0789	113965	0.7602
	23/06/2017-Transfer	-404	0.0027	113561	0.7575
	30/06/2017-Transfer	-1938	0.0129	111623	0.7446
	07/07/2017-Transfer	-433	0.0029	111190	0.7417
	14/07/2017-Transfer	-1922	0.0128	109268	0.7289
	21/07/2017-Transfer	-3928	0.0262	105340	0.7027
	28/07/2017-Transfer	-1501	0.0100	103839	0.6927
	04/08/2017-Transfer	36	0.0002	103875	0.6929
	11/08/2017-Transfer	-1314	0.0088	102561	0.6842
	18/08/2017-Transfer	183	0.0012	102744	0.6854
	25/08/2017-Transfer	-486	0.0032	102258	0.6821
	01/09/2017-Transfer	669	0.0045	102927	0.6866
	08/09/2017-Transfer	232	0.0015	103159	0.6881
	15/09/2017-Transfer	-410	0.0027	102749	0.6854

Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	22/09/2017-Transfer	-5912	0.0394	96837	0.6460
	30/09/2017-Transfer	-705	0.0047	96132	0.6413
	06/10/2017-Transfer	-435	0.0029	95697	0.6384
	13/10/2017-Transfer	-91	0.0006	95606	0.6378
	20/10/2017-Transfer	-950	0.0063	94656	0.6314
	27/10/2017-Transfer	-28350	0.1891	66306	0.4423
	03/11/2017-Transfer	-24851	0.1658	41455	0.2765
	10/11/2017-Transfer	-21000	0.1401	20455	0.1364
	17/11/2017-Transfer	-8051	0.0537	12404	0.0827
	24/11/2017-Transfer	4419	0.0295	16823	0.1122
	01/12/2017-Transfer	128801	0.8535	145624	0.9650
	08/12/2017-Transfer	-134853	0.8996	10771	0.0719
	15/12/2017-Transfer	-429	0.0029	10342	0.0690
	22/12/2017-Transfer	650	0.0043	10992	0.0733
	29/12/2017-Transfer	4748	0.0317	15740	0.1050
	30/12/2017-Transfer	-1000	0.0067	14740	0.0983
	05/01/2018-Transfer	-3037	0.0203	11703	0.0781
	12/01/2018-Transfer	-6396	0.0427	5307	0.0354
	19/01/2018-Transfer	4763	0.0318	10070	0.0672
	26/01/2018-Transfer	3208	0.0214	13278	0.0886
	02/02/2018-Transfer	-5081	0.0339	8197	0.0547
	09/02/2018-Transfer	4293	0.0286	12490	0.0833
	16/02/2018-Transfer	-722	0.0048	11768	0.0785
	23/02/2018-Transfer	1144	0.0076	12912	0.0861
	02/03/2018-Transfer	-1781	0.0119	11131	0.0743
	09/03/2018-Transfer	-1478	0.0099	9653	0.0644
	16/03/2018-Transfer	4001	0.0267	13654	0.0911
	23/03/2018-Transfer	23579	0.1573	37233	0.2484
	30/03/2018-Transfer	-30660	0.2045	6573	0.0438
	At the End of the Year (or on the date of separation, if Separated during the Year)-31/03/2018	-1	0.0000	6572	0.0438
2	JHILIK PROMOTERS AND FINCON PRIVATE LIMITED #				
	At the beginning of the Year-01/04/2017	458730	3.0600		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	19/05/2017-Transfer	-458730	3.0600	0	0.0000
	At the End of the Year (or on the date of separation, if separated during the Year) 31/03/2018	0	0.0000	0	0.0000



Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3	AUM CAPITAL MARKET PRIVATE LIMITED #				
	At the beginning of the Year-01/04/2017	369227	2.4630		
	Date wise Increase / Decrease in Share holding during the YEAR specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	07/04/2017 - Transfer	371	0.0025	369598	2.4655
	14/04/2017 - Transfer	-871	0.0058	368727	2.4597
	21/04/2017 - Transfer	-18105	0.1208	350622	2.3389
	28/04/2017 - Transfer	-25750	0.1718	324872	2.1671
	05/05/2017 – Transfer	-19138	0.1277	305734	2.0395
	12/05/2017 – Transfer	-18878	0.1259	286856	1.9135
	19/05/2017 – Transfer	-19732	0.1316	267124	1.7819
	26/05/2017 – Transfer	7360	0.0491	274484	1.8310
	02/06/2017 – Transfer	248822	1.6598	523306	3.4908
	09/06/2017 – Transfer	-507906	3.3881	15400	0.1027
	16/06/2017 – Transfer	-11900	0.0794	3500	0.0233
	23/06/2017 – Transfer	-2370	0.0158	1130	0.0075
	30/06/2017-Transfer	-130	0.0009	1000	0.0067
	07/07/2017 - Transfer	-1000	0.0067	0	0.0000
	14/07/2017 - Transfer	5000	0.0334	5000	0.0334
	21/07/2017 - Transfer	-5000	0.0334	0	0.0000
	01/09/2017 - Transfer	3395	0.0226	3395	0.0226
	08/09/2017 - Transfer	-3395	0.0226	0	0.0000
	06/10/2017-Transfer	485	0.0032	485	0.0032
	13/10/2017-Transfer	3015	0.0201	3500	0.0233
	20/10/2017-Transfer	-3250	0.0217	250	0.0017
	27/10/2017-Transfer	-250	0.0017	0	0.0000
	17/11/2017-Transfer	6572	0.0438	6572	0.0438
	24/11/2017-Transfer	-4062	0.0271	2510	0.0167
	01/12/2017-Transfer	-2510	0.0166	0	0.0000
	At the End of the Year(or on the date of separation, if Separated during the Year): 31/03/2018	0	0.0000	0	0.0000
4	MAHENDRA GIRDHARILAL				
	At the beginning of the Year 01/04/2017	112113	0.7479		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	112113	0.7479	112113	0.7479

Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	ARIHANT CAP. MKTS LTD				
	At the beginning of the Year 01/04/2017	2217	0.0148		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	07/04/2017- Transfer	-2100	0.0140	117	0.0008
	21/04/2017-Transfer	200	0.0013	317	0.0021
	28/04/2017-Transfer	-200	0.0013	117	0.0008
	19/05/2017-Transfer	600	0.0040	717	0.0048
	26/05/2017-Transfer	-580	0.0039	137	0.0009
	02/06/2017-Transfer	14080	0.0939	14217	0.0948
	09/06/2017-Transfer	44480	0.2967	58697	0.3915
	16/06/2017-Transfer	7600	0.0507	66297	0.4422
	23/06/2017-Transfer	1300	0.0087	67597	0.4509
	28/07/2017-Transfer	18100	0.1207	85697	0.5717
	04/08/2017-Transfer	-590	0.0039	85107	0.5677
	11/08/2017-Transfer	9000	0.0600	94107	0.6278
	10/11/2017-Transfer	500	0.0033	94607	0.6311
	17/11/2017-Transfer	-18200	0.1214	76407	0.5097
	24/11/2017-Transfer	8200	0.0547	84607	0.5644
	01/12/2017-Transfer	-34450	0.2283	50157	0.3324
	08/12/2017-Transfer	5250	0.0350	55407	0.3696
	05/01/2018-Transfer	-55400	0.3696	7	0.0000
	19/01/2018-Transfer	975	0.0065	982	0.0066
	26/01/2018-Transfer	54400	0.3629	55382	0.3694
	02/02/2018-Transfer	-875	0.0058	54507	0.3636
	23/02/2018-Transfer	1	0.0000	54508	0.3636
	02/03/2018-Transfer	-1	0.0000	54507	0.3636
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	54507	0.3636	54507	0.3636
6	L F C SECURITIES PVT LTD				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	07/04/2017-Transfer	500	0.0033	500	0.0033
	21/04/2017-Transfer	-500	0.0033	0	0.0000
	19/05/2017-Transfer	26370	0.1759	26370	0.1759
	26/05/2017-Transfer	-26370	0.1759	0	0.0000
	09/06/2017-Transfer	50	0.0003	50	0.0003



Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	16/06/2017-Transfer	-50	0.0003	0	0.0000
	14/07/2017-Transfer	3897	0.0260	3897	0.0260
	21/07/2017-Transfer	-3397	0.0227	500	0.0033
	28/07/2017-Transfer	500	0.0033	1000	0.0067
	04/08/2017-Transfer	-1000	0.0067	0	0.0000
	18/08/2017-Transfer	1131	0.0075	1131	0.0075
	25/08/2017-Transfer	-1131	0.0075	0	0.0000
	01/09/2017-Transfer	29	0.0002	29	0.0002
	08/09/2017-Transfer	-29	0.0002	0	0.0000
	27/10/2017-Transfer	8620	0.0575	8620	0.0575
	03/11/2017-Transfer	91380	0.6096	100000	0.6671
	17/11/2017-Transfer	-100000	0.6671	0	0.0000
	24/11/2017-Transfer	822	0.0055	822	0.0055
	01/12/2017-Transfer	1178	0.0078	2000	0.0133
	08/12/2017-Transfer	822	0.0055	2822	0.0188
	15/12/2017-Transfer	-2822	0.0188	0	0.0000
	At the End of the Year(or on the date of separation, if Separated during the Year) 31/03/2018	0	0.0000	0	0.0000
7	MEC EXIM PRIVATE LIMITED #				
	At the beginning of the Year 01/04/2017	60000	0.4002		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the Year (or on the date of separation, if Separated during the YEAR) 31/03/2018	60000	0.4002	60000	0.4002
8	SSJ FINANCE & SECURITIES PVT LTD				
	At the beginning of the Year 01/04/2017	2607	0.0174		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	07/04/2017-Transfer	-2600	0.0173	7	0.0000
	14/04/2017-Transfer	500	0.0033	507	0.0034
	21/04/2017-Transfer	-500	0.0033	7	0.0000
	05/05/2017-Transfer	500	0.0033	507	0.0034
	12/05/2017-Transfer	-500	0.0033	7	0.0000
	19/05/2017-Transfer	6421	0.0428	6428	0.0429
	26/05/2017-Transfer	58953	0.3933	65381	0.4361
	02/06/2017-Transfer	57672	0.3847	123053	0.8208
	09/06/2017-Transfer	12989	0.0866	136042	0.9075

Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	16/06/2017 - Transfer	10270	0.0685	146312	0.9760
	23/06/2017 - Transfer	-26200	0.1748	120112	0.8012
	30/06/2017 - Transfer	6780	0.0452	126892	0.8465
	07/07/2017 - Transfer	-51616	0.3443	75276	0.5021
	14/07/2017 - Transfer	-58513	0.3903	16763	0.1118
	21/07/2017 - Transfer	-15656	0.1044	1107	0.0074
	24/11/2017 - Transfer	2500	0.0167	3607	0.0241
	01/12/2017 - Transfer	600	0.0040	4207	0.0279
	08/12/2017 - Transfer	-1900	0.0127	2307	0.0154
	15/12/2017 - Transfer	300	0.0020	2607	0.0174
	22/12/2017 - Transfer	-300	0.0020	2307	0.0154
	29/12/2017 - Transfer	1000	0.0067	3307	0.0221
	05/01/2018 - Transfer	-1000	0.0067	2307	0.0154
	19/01/2018 - Transfer	400	0.0027	2707	0.0181
	26/01/2018 - Transfer	-400	0.0027	2307	0.0154
	02/02/2018 - Transfer	440	0.0029	2747	0.0183
	09/02/2018 - Transfer	-540	0.0036	2207	0.0147
	23/03/2018 - Transfer	-100	0.0007	2107	0.0141
	At the End of the Year (or on the date of separation, if Separated during the YEAR): 31/03/2018	2107	0.0141	2107	0.0141
9	SUNGLOW CAPITAL SERVICES LIMITED				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	09/06/2017 –Transfer	80000	0.5337	80000	0.5337
	14/07/2017 - Transfer	-80000	0.5337	0	0.0000
	At the End of the Year (or on the date of separation, if Separated during the YEAR) 31/03/2018	0	0.0000	0	0.0000
10	SANTOSH INDUSTRIES LIMITED				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	01/12/2017-Transfer	49245	0.3263	49245	0.3263
	08/12/2017- Transfer	18177	0.1213	67422	0.4498
	22/12/2017 - Transfer	-51975	0.3467	15447	0.1030
	29/12/2017 - Transfer	-15447	0.1030	0	0.0000
	At the End of the YEAR (or on the date of separation, if Separated during the YEAR) 31/03/2018	–	–	–	–



Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
11	BHAIRAVI KAUSHIK KAMDAR				
	At the beginning of the Year 01/04/2017	69052	0.4606		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc	–	–	–	–
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	69052	0.4606	69052	0.4606
12	PUNNI SANGHAVI #				
	At the beginning of the Year 01/04/2017	139500	0.9304		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	01/12/2017- Transfer	-139500	0.9304	0	0.0000
	08/12/2017 - Transfer	126500	0.8438	126500	0.8438
	15/12/2017 - Transfer	-3750	0.0250	122750	0.8188
	22/12/2017 - Transfer	-5000	0.0334	117750	0.7855
	29/12/2017 - Transfer	-3091	0.0206	114659	0.7649
	05/01/2018 - Transfer	-5000	0.0334	109659	0.7315
	12/01/2018 - Transfer	-4000	0.0267	105659	0.7048
	19/01/2018 - Transfer	-4800	0.0320	100859	0.6728
	26/01/2018 - Transfer	-9000	0.0600	91859	0.6128
	02/02/2018 - Transfer	-4897	0.0327	86962	0.5801
	09/02/2018 - Transfer	-10143	0.0677	76819	0.5124
	16/02/2018 - Transfer	-9000	0.0600	67819	0.4524
	23/02/2018 - Transfer	-12990	0.0867	54829	0.3657
	02/03/2018 - Transfer	-4029	0.0269	50800	0.3389
	09/03/2018 - Transfer	-9000	0.0600	41800	0.2788
	16/03/2018 - Transfer	-10000	0.0667	31800	0.2121
	23/03/2018 - Transfer	-31800	0.2121	0	0.0000
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	0	0.0000	0	0.0000
13	AKHILESH KUMAR JAIN				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment /transfer/ bonus/ sweat equity etc	–	–	–	–
	19/05/2017-Transfer	200000	1.3341	200000	1.3341
	02/06/2017-Transfer	-200000	1.3341	0	0.0000
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	–	–	–	–

Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
14	DINESH KUMAR JAIN				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.				
	19/05/2017-Transfer	258730	1.7259	258730	1.7259
	02/06/2017 - Transfer	-161356	1.0764	97374	0.6495
	09/06/2017 - Transfer	-97374	0.6495	0	0.0000
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	0	0.0000	0	0.0000
15	K.K.MEHTA *				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc				
	19/01/2018-Transfer	17340	0.1157	17340	0.1157
	26/01/2018 - Transfer	9740	0.0650	27080	0.1806
	09/02/2018 - Transfer	10920	0.0728	38000	0.2535
	16/03/2018 - Transfer	2400	0.0160	40400	0.2695
	23/03/2018 - Transfer	4000	0.0267	44400	0.2962
	30/03/2018 - Transfer	16000	0.1067	60400	0.4029
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	60400	0.4029	60400	0.4029
16	INDU DEVI MOHATTA				
	At the beginning of the Year 01/04/2017	129423	0.8633		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	129423	0.8633	129423	0.8633



Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
17	CHANDRAKALA MEHTA *				
	At the beginning of the Year 01/04/2017	50454	0.3366		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	26/05/2017 – Transfer	18000	0.1201	68454	0.4566
	02/06/2017 - Transfer	4500	0.0300	72954	0.4867
	09/06/2017 - Transfer	2700	0.0180	75654	0.5047
	23/06/2017 - Transfer	2700	0.0180	78354	0.5227
	30/09/2017 - Transfer	1630	0.0109	79984	0.5335
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	79984	0.5335	79984	0.5335
18	R N RUBESH				
	At the beginning of the Year 01/04/2017	114568	0.7642		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	114568	0.7642	114568	0.7642
19	SANGEETHA S				
	At the beginning of the Year 01/04/2017	75000	0.5003		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	75000	0.5003	75000	0.5003
20	MOHAMMAD ALI*				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	27/10/2017 - Transfer	21000	0.1401	21000	0.1401
	03/11/2017 - Transfer	8490	0.0566	29490	0.1967
	10/11/2017 - Transfer	9872	0.0659	39362	0.2626
	17/11/2017 - Transfer	2295	0.0153	41657	0.2779
	24/11/2017 - Transfer	2000	0.0133	43657	0.2912
	08/12/2017 - Transfer	7381	0.0492	51038	0.3405

Annexure to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	15/12/2017 - Transfer	1300	0.0087	52338	0.3491
	22/12/2017 - Transfer	4000	0.0267	56338	0.3758
	26/01/2018 - Transfer	5000	0.0334	61338	0.4092
	02/02/2018 - Transfer	5000	0.0334	66338	0.4425
	09/02/2018 - Transfer	2198	0.0147	68536	0.4572
	16/02/2018 - Transfer	48	0.0003	68584	0.4575
	23/02/2018 - Transfer	4703	0.0314	73287	0.4889
	02/03/2018 - Transfer	9180	0.0612	82467	0.5501
	09/03/2018 - Transfer	4000	0.0267	86467	0.5768
	16/03/2018 - Transfer	4790	0.0320	91257	0.6087
	23/03/2018 - Transfer	5580	0.0372	96837	0.6460
	30/03/2018 - Transfer	2000	0.0133	98837	0.6593
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	98837	0.6593	98837	0.6593
21	PRIYAL CHETAN KOTHARI *				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	14/07/2017-Transfer	100000	0.6671	100000	0.6671
	03/11/2017 - Transfer	-100000	0.6671	0	0.0000
	17/11/2017 - Transfer	100000	0.6671	100000	0.6671
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	100000	0.6671	100000	0.6671
22	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS*				
	At the beginning of the Year 01/04/2017	0	0.0000		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	01/12/2017-Transfer	105044	0.6961	105044	0.6961
	08/12/2017-Transfer	812	0.0054	105856	0.7061
	At the End of the Year (or on the date of separation, if Separated during the Year) 31/03/2018	105856	0.7061	105856	0.7061

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

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



Annexure to the Directors' Report

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Sandeep Singhania				
	At the beginning of the Year:01/04/2017	362369	2.4172		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE DURING THE YEAR			
	At the end of the Year : 31/03/2018	362369	2.4172	362369	2.4172
2.	Sarita Singhania				
	At the beginning of the Year : 01/04/2017	500491	3.3386		
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE DURING THE YEAR			
	At the end of the Year : 31/03/2018	500491	3.3386	500491	3.3386

V. INDEBTEDNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1236.91	50.33	—	1287.24
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	4.48	—	4.48
Total { i) + ii) + iii)}	1236.91	54.81	—	1291.72
Change in Indebtedness during the financial year				
• Addition	234.74	91.25	—	325.99
• Reduction	371.62	109.97	—	481.59
Net Change	-136.88	-18.72	—	-155.60
Indebtedness at the end of the financial year				
i) Principal Amount	1100.03	31.67	—	1131.70
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	4.42	—	4.42
Total { i) + ii) + iii)}	1100.03	36.09	—	1136.12

Annexure to the Directors' Report

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Mr. Sandeep Singhania Managing Director	Mrs. Sarita Singhania Whole time Director	Total Amount (₹)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	47.04	33.60	80.64
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under Sec. 17(3) of Income tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission — as % of profit — Others, specify...	—	—	—
5.	Others, please specify	—	—	—
	Total (A)	47.04	33.60	80.64
	Ceiling as per the Act	The limit is as per the provisions of the Companies Act, 2013		

B. Remuneration to other Directors :

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
		H. M. Parekh	N. F. Tankariwala	Gautam Bhalla	
1.	Independent Directors				
	• Fee for attending board / committee meetings	0.45	0.45	0.36	1.26
	• Commission	—	—	—	—
	• Others, specify	0.02	0.02	0.02	0.06
	(Separate Meeting of Independent Directors)				
	Total (1)	0.47	0.47	0.38	1.32
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	—	—	—	—
	• Commission	—	—	—	—
	• Others, specify	—	—	—	—
	Total (2)	—	—	—	—
	Total (B)=(1+2)	0.47	0.47	0.38	1.32
	Overall Ceiling as per the Act	The limit is as per the provisions of the Companies Act, 2013			



Annexure to the Directors' Report

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Ramesh Kumar Jhunjunwala Chief Financial Officer *	Mukund Kumar Jha**	Namrata Jain***	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	4.82 — —	1.89 — —	0.56 — —	7.27 — —
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission — as % of profit — Others, specify...	—	—	—	—
5	Others, please specify	—	—	—	—
	Total	4.82	1.89	0.56	7.27

Notes :

* Appointed as Chief Financial Officer with effect from 17th May, 2017.

**Appointed as Company Secretary & Compliance officer with effect from 8th July, 2017 and resigned from the post on 15th September, 2017.

*** Appointed as Company Secretary & Compliance officer with effect from 12th February, 2018.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no Penalties / Punishment / Compounding of offence for breach of any provisions of the Companies Act, 2013 against the Company or its Directors or other Officers in default, during the Year.

For and on behalf of the Board

Registered Office :
3B, Lalbazar Street
Kolkata - 700 001
Date : 13th August, 2018

Sd/-
Sandeep Singhania
Managing Director
(DIN: 00343837)

Sd/-
Sarita Singhania
(Whole-time Director)
(DIN: 00343786)



Management DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENT, SEGMENT ANALYSIS , OPPORTUNITIES AND THREATS, RISK AND CONCERNS AND OUTLOOK

The structure of world tea crop was 5686 million kgs in 2017 as against 5561 million kgs in 2016. Indian tea crop was approximately 1278 million kgs against 1267 million kgs in 2016. Export segments did well and was higher than last year.

It will be interesting to know that more than 40% of the Indian Tea production is produced by smaller grower and production from organized sectors is declining steadily because of escalating cost of production and non supportive market.

Tea crop is entirely dependent on weather conditions. The crop tends to suffer loss due to natural calamities like drought, hail storms, floods, pest attack, etc. However with our prudent field production and 100% irrigation facilities, we have been able to out perform by the way of higher production when compared to last year.

Substantial increase in labour wage and staff salaries along with cost of other inputs has escalated the cost of production immensely which is going to have a significant impact on the bottom line of the Tea Industry. Furthermore, shortage of labours during the peak season remains a continuous challenge to make quality tea.

Proper policies and challenges needs to be put in place to survive in this scenario. This is only possible by improving yields enhancing the quality of increasing overall productivity and capacity utilization to bring down the cost of production as far as possible.

Our Company has adopted all such policies and are confident of passing through these headwinds coming our way.

FINANCIAL REVIEW AND ANALYSIS

The Company's financial position is strong enough which

has helped company to pass through in turbulent times. The development work in garden is always given top priority for improvement in quantity as well as quality. The surplus fund in the Company is deployed in such a way that reasonable returns are derived.

INTERNAL CONTROL

The Company has laid down policies, guidelines and procedures, which form part of its internal control system. The Company's internal control system are periodically tested and supplemented by an extensive programme of internal audit by independent firm of Chartered Accountants. Audits are finalized and conducted based on internal risk assessment. Significant findings are brought to the notice of the Audit Committee of the Board and corrective measures are recommended for implementation.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Industrial relations in all tea estates and units continued to be cordial. Focus on better deployment of labour in garden area has resulted in improving productivity both in quantitative and qualitative manner. The total number of people employed in your Company as on 31st March, 2018 was 3450.

CAUTIONARY STATEMENT

The statements in the report of the Board of Directors and the Management's Discussion and Analysis Report describing the Company's projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities Laws and Regulations. Actual results could differ materially from those expressed or implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company.

Registered Office :
3B, Lalbazar Street
Kolkata - 700 001
Date : 13th August, 2018

For and on behalf of the Board	
Sd/-	Sd/-
Sandeep Singhania	Sarita Singhania
Managing Director	(Whole-time Director)
(DIN: 00343837)	(DIN: 00343786)



Report on Corporate GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance refers to a combination of regulations, procedures and voluntary practices that enable companies to maximize stakeholders' value by attracting financial and human capital and efficient performance.

The Company's core business is cultivation and manufacturing of tea. The Company continues to lay importance on continuous upliftment of human and economic assets like plantations. The Company's overall philosophy is to gain excellence in all spheres of operation and growth.

1. BOARD OF DIRECTORS

Composition :

As per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations], our Board have an optimum combination of Executive and Non-Executive Directors with atleast one Woman Director and not less than 50% of the Board of directors consists of Non-Executive Directors.

Membership on other Board of Directors / Committee of Directors and Attendance record for the Company:

During the financial year, five Board meetings were held as on May 17, 2017, July 8, 2017, September 1, 2017, November 10, 2017 and February 12, 2018.

Directors	Category	No. of Board Meetings Attended	Attendance at the last AGM	No. of outside Directorship held **	No. of outside Committee Membership held *	No. of outside Committee Chairmanship held *	No. of shares and convertible instruments held***
Mr. Sandeep Singhania (Managing Director)	Executive Non Independent	5	Yes	2	–	–	N.A.
Mrs. Sarita Singhania (Whole-time Director)	Executive Non Independent	5	No	1	–	–	N.A.
Mr. Harischandra Maneklal Parekh	Non-Executive Independent Director	5	Yes	7	5	4	–
Mr. Noshir Faramji Tankariwala	Non-Executive Independent Director	5	No	–	–	–	–
Mr. Gautam Bhalla	Non-Executive Independent Director	4	Yes	–	–	–	–

*Represents Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees in any Company [as per Regulation 26(1) of Listing Regulations] across all public entities in which he is a Director. All the Directors have made the requisite disclosures regarding Committees positions held by them in other Companies.

Report on Corporate Governance

No Director is related to any other Director on the Board in terms of the definition of "Relative" given under the Companies Act, 2013.

** Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

***Represents number of shares and convertible instruments held by non-executive directors as on 31.03.2018.

Independent Directors

The Non-Executive Independent Directors fulfil the conditions of Independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Separate Meeting of Independent Directors

As stipulated by the code of Independent Directors under Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 16.03.2018 to review the performance of Non-Independent Directors and Board as a whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board.

Familiarisation Program

The Company has taken step to familiarize its directors including Independent Directors about the Company operations, business model, industry in which the Company operates and their role and responsibilities. The details of such program is posted on the Company's weblink: http://www.dianatea.in/Directors-familiarisation-programme_9.pdf.

2. AUDIT COMMITTEE

The Company has an Qualified Independent Audit Committee within the scope as set out in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process.

The Audit Committee comprises of Mr. H.M. Parekh, Chairman of the Committee, Mr. N. F. Tankariwala, Independent Director, Mr. Gautam Bhalla, Independent Director and Mr. Sandeep Singhania, Managing Director of the Company. The Chairman of the Audit Committee attended the last Annual General Meeting which was held on 12.08.2017.

Mr. Mukund Kumar Jha, Company Secretary & Compliance officer, acted as the Secretary of the Committee for the Meeting held on 01.09.2017.

Terms of Reference

The Audit Committee acts as a link between the Internal and Statutory Auditors and the Board of Directors. The Committee provides the Board with additional assurance as to the adequacy of the Company's internal control systems and financial disclosures. The broad terms of reference of the Audit Committee as per Section 177 of the Companies Act, 2013 and to review with the Management and/or Internal Auditors and/or Statutory Auditors in the following areas:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing the quarterly, half-yearly and annual financial statements before submission to the Board.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function.
- Discussing with internal and external auditors any significant finding and follow-up on such issues.
- Reviewing key accounting matters and developments.
- Reviewing the utilization of funds raised by the Company.
- Reviewing the statutory compliance system.
- Reviewing the related parties' transactions.
- Reviewing other matters as directed by the Board.

Four Meetings of Audit Committee were held for the financial year 2017-18 as on May 17, 2017, September 01, 2017, November 10, 2017 and February 12, 2018.

Attendance Record of the Audit Committee Meetings:

Sl. No.	Name of Directors	No. of Meetings Attended
1)	Mr H.M. Parekh	4
2)	Mr. Gautam Bhalla	4
3)	Mr. N. F. Tankariwala	4
4)	Mr. Sandeep Singhania	4

3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Directors, Mr. H.M. Parekh, Non-Executive, Independent Director, is the Chairperson of the Committee.



Report on Corporate Governance

The other members of the Nomination and Remuneration Committee include Mr. N.F. Tankariwala and Mr. Gautam Bhalla, Independent Directors. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Performance evaluation criteria for Independent Directors:

The framework used to evaluate the performance of the Independent Directors is based on the expectation that they are performing their duties in a manner which should create and continue to build sustainable value for the shareholders, and in accordance with the duties and obligations imposed upon them.

Terms of Reference

Terms of reference of this committee are :

1. Determining/ recommending the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board.
2. Determining/ recommending the criteria for qualification, positive attributes and Independence of Directors.
3. Reviewing and determining all elements of remuneration package of all Executive Directors. i.e. salary, benefits etc.
4. To assist the Board in fulfilling responsibilities entrusted from time-to-time.
5. To help in determining the appropriate size, diversity and composition of the Board.
6. Evaluating each director's performance and performance of the Board as a whole.

Three meetings of the Nomination & Remuneration Committee were held as on May 17, 2017, July 8, 2017 and February 12, 2018.

Attendance record of the Nomination & Remuneration Committee meetings :

Sl. No.	Name of Directors	No. of Meetings Attended
1)	Mr. H.M. Parekh	3
2)	Mr. Gautam Bhalla	2
3)	Mr. N. F. Tankariwala	3

4. REMUNERATION POLICY

Non-Executive Directors :

The Company follows a policy on remuneration of Directors and Senior Management Employees. Non Executive director

shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies Managerial Remuneration, 2014.

The Nomination and Remuneration Committee have formulated the criteria for determining qualifications, positive attributes and independence of a Director in line with the requirements as given under Schedule IV of the Companies Act, 2013. All the Independent Directors have been appointed based on such criteria.

The criteria for making payment to non-executive directors is displayed on the Company's weblink: http://www.dianatea.in/Criteria%20of%20making%20payment%20to%20non-executive%20directors_6.pdf.

Executive Directors :

The Nomination and Remuneration Committee takes into account experience, qualification and prevailing industry practices before giving its recommendation to the Board. On recommendation of the Nomination and Remuneration Committee, the Board decides remuneration to be paid to Executive Directors, subject to approval of shareholders in terms of provisions of the Companies Act, 2013, read with Schedule V thereof. The Committee aims towards rewarding, on the basis of performance and reviews on a periodical basis.

Presently, the Company does not have a stock options scheme for its Directors.

Details of remuneration paid to Directors are as under:

(₹ In Lakhs)

Name of the Directors	Salary and Allowance	Contribution to Provident Fund	Total
Mr. Sandeep Singhania	42.00	5.04	47.04
Mrs. Sarita Singhania	30.00	3.60	33.60

Sitting Fees paid to the Non-Executive Directors during the Financial Year are as under:

Name of Non-Executive Directors	Sitting fees (₹ in Lakhs)	
	Board Meeting	Committee Meeting
Mr. H.M. Parekh	0.35	0.10
Mr. Gautam Bhalla	0.28	0.08
Mr. N. F. Tankariwala	0.35	0.10
Total	0.98	0.28

None of the Non-Executive Directors has any material

Report on Corporate Governance

financial interest in the Company apart from the remuneration by way of sitting fees received by them during the year. There is no precuniary relationship or transactions of the non-executive Directors with the Company.

- The above details of remuneration or fees paid are all elements of remuneration package of individual directors summarized under major groups.
- Apart from the above mentioned details of remuneration or fees paid there are no other fixed component and performance linked incentives based on the performance criteria.
- Service contract, notice period and severance fees: There are no seperate provisions for such.
- There are no stock options offered to any Directors of the Company.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to provisions of section 178(5) of Companies Act, 2013 the committee is guided under Chairmanship of Mr. N.F.Tankariwala, an Independent Director, and other members of the Committee includes Mr. Gautam Bhalla, an Independent Director, Mr. Sandeep Singhania, Managing Director and Mrs. Sarita Singhania, Whole Time Director. The meetings of the committee are held to consider and resolve the grievances of Security Holders of the Company. The Committee met as and when required during the financial year 2017-18.

One Meeting was held during the financial year 2017-18 as on February 12, 2018.

All the Directors are present in each of the meeting held during the period under review.

a)	No. of Complaints not resolved/no action taken/pending as on April 1, 2017	Nil
b)	Complaints received from investors	1
c)	Complaints replied/resolved to the satisfaction of shareholders	1
d)	Complaints pending on 31st March, 2018	Nil

There were no investors' complaints pending against the company as on 31st March, 2018 on SCORES, the web based complaint redressal system of SEBI.

Terms of Reference of the Committee, inter alia, includes the following :

- Oversee and review all matters connected with the transfer of the Company's securities.
- Approve issue of Company's duplicate shares.

- Monitor redressal of investors' / shareholders' grievances.
- Oversee the performance of the Company's Registrars and Share Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Carry out any other function as is referred by the Board from time to time or enforced by statutory notification /amendment or modification as may be applicable.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Maheshwari Datamatics Pvt. Ltd., attend to all grievances of the shareholders received directly or through SEBI, Stock Exchange, Ministry of Corporate Affairs etc.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

Name, designation and address of Compliance Officer :

Ms. Namrata Jain, Company Secretary & Compliance Officer*

Diana Tea Company Limited
Sir RNM House
3B, Lalbazar Street, 4th floor
Kolkata -700 001

Phone: (033) 4066 1590-93

Fax: (033) 2248 7571

E-mail: contactus@dianatea.in

* Designated as Company Secretary & Compliance Officer w.e.f 12.02.2018.

6. GENERAL BODY MEETINGS

a) Details regarding venue, date and time of last three Annual General Meetings of the Company are as follows:

Financial Year/Period	Date	Time	Location
2016-17	12.08.2017	10:30 a.m.	Gyan Manch Education Society Hall, 11, Pretoria Street, Kolkata-700071
2015-16 (Fifteen Months)	21.09.2016	10:30 a.m.	Gyan Manch Education Society Hall, 11, Pretoria Street, Kolkata - 700071
2014	26.06.2015	10:30 a.m.	Gyan Manch Education Society Hall, 11, Pretoria Street, Kolkata - 700071



Report on Corporate Governance

b) Details regarding Special Resolution passed in last three Annual General Meetings:

The following Special Resolution was passed by the Members during the last three Annual General Meetings:

Financial Year/Period	Special Resolution
2016-17	NIL
2015-16 (Fifteen Months)	1. Re-appointment of Mrs. Sarita Singhania as Whole-time Director (WTD) of the Company for a period of 5 years.
2014	1. Re-appointment of Mr. H.M. Parekh as Independent Director of the Company who is not liable to retire by Rotation. 2. Re-appointment of Mr. N.F. Tankariwala as Independent Director of the Company who is not liable to retire by Rotation. 3. Ratification of Remuneration of Cost Auditor. 4. Re-appointment of Mr. Sandeep Singhania as Managing Director of the Company.

c) Details regarding Resolutions passed through postal ballot :

During the financial year 2017-18, no Special Resolutions was passed through Postal Ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing Special Resolutions through Postal Ballot. In case any Special Resolution needs to be passed through Postal Ballot during the financial year 2018-19, the procedure for conducting the postal ballot as laid down under Section 110 of the Companies Act, 2013 and the Rules made there under shall be complied with.

d) Extraordinary General Meeting:

No Extraordinary General Meeting of the members was held during the financial year 2017-18.

7. DISCLOSURES

a. All transactions entered into with the Related Parties as defined under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were in the ordinary course of business and on arm's length basis. There were no materially significant transactions made by the Company with its related party which are at potential conflict with the interest of the company at large. The Company has formulated Policy on dealing with related party transactions which is available in the web link: www.dianatea.in/Policy-on-Related-Party-transactions_7.pdf.

Details of all related party transactions forms a part of the accounts as required under Accounting Standard 18 as notified by the Companies (Accounting Standards) Rules, 2006 and the same are given in the Notes to the Financial Statements.

The omnibus approval of the Audit Committee is taken for all proposed related party transactions and the details of all related party transactions actually entered into in the preceding quarter is placed before the Audit Committee in the next meeting.

- b. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital market for non-compliance by the Company during the last three years.
- c. Business risk evaluation and management is an ongoing process within the Company. The Company has been addressing various risks impacting the Company and presently there is no risk which is threatening the company.
- d. The Company does not have any subsidiaries. However the Company has formulated policy for determining 'material' subsidiaries which is available on the web link: http://www.dianatea.in/Policy_for_determining_material_subsidaries_8.pdf.
- e. The Company is not required to adopt discretionary Requirements as specified in Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 because no such activities took place in the company.
- f. The Company has complied with the mandatory requirements as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.
- g. During the financial year 2017-18, the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- h. The Company has complied with the regulations 17-20, 22-23, 25-27 and Clauses (b) to (i) of regulations 46(2) of Listing Regulations during the financial year 2017-18.
- i. The Company has established a vigil mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards

Report on Corporate Governance

against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. The policy on Vigil Mechanism has been placed on the website of the Company: www.dianatea.in at the weblink: http://www.dianatea.in/Whistle_Blower_Diana.pdf. No personnel has been denied access to Audit committee in the related matter.

- j. In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.
- k. Other non-mandatory requirements shall be adopted as and when considered appropriate.
- l. The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/right issues as at 31st March, 2018. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not applicable.
- m. **CEO/CFO Certification**
Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have issued necessary certificates pursuant to Regulation 17(8) and the same is annexed and forms part of the Annual Report.
- n. **Compliance Certificate by Practicing Company Secretary**
The Company has obtained a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations, which is annexed herewith and forms part of this Annual Report.
- o. **Means of Communication**
 - i. Quarterly results and half-yearly results are published in newspapers such as The Financial Express, Sukhabar (Bengali) and displayed at the website : www.dianatea.in .
 - ii. Company's e-mail address: contactus@dianatea.in
 - iii. Management Discussion and Analysis Report forms part of the Director's Report.
 - iv. No presentation has been made to institutional investors/analysts. Audited/Unaudited Financial Reports including official news releases are displayed in the website.

8. GENERAL SHAREHOLDERS' INFORMATION

(a) AGM date, time and venue :

Tuesday, September 18, 2018 at 10:30 A.M.
Gyan Manch Education Society Hall,
11, Pretoria Street, Kolkata-700 071

(b) Financial Calendar and publication of results :

The current Financial Year of the Company shall be for a period of twelve months ending on 31st March, 2019.

Publication of Results will be as follows :

Period	Approval by the Board of Director (tentative)
1st Quarter ending June 30, 2018	Within 14th August, 2018
2nd Quarter ending September 30, 2018	Within 14th November, 2018
3rd Quarter ending December 31, 2018	Within 14th February, 2019
Final Audited Results of 31st March, 2019 including 4th Quarter	Within 30th May, 2019
AGM for the year ending 31st March, 2019	Within 30th September 2019

(c) Dividend payment date

By 2nd week of October, 2018
(after declaration at AGM)

d) Listing on Stock Exchanges :

The Company's securities are listed at :

Sl. No.	Name of the Stock Exchanges	Stock Code
1	BSE Ltd. Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400 001	530959
2	The Calcutta Stock Exchange Ltd.* 7, Lyons Range, Kolkata – 700 001	14038

* The Company has applied for delisting of shares from The Calcutta Stock Exchange Ltd.

However, The Company had been suspended for trading from The Calcutta Stock Exchange.

Custodial fees to Depositories: The custodial fees have been paid to NSDL and CDSL upto 31st March, 2018.

The Listing Fees has been paid to BSE Ltd upto 31st March, 2018.



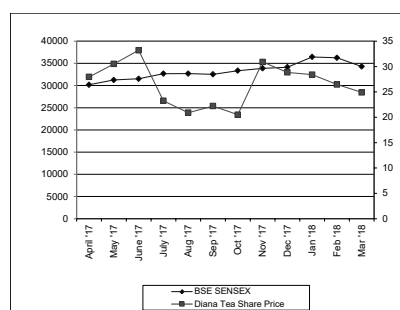
Report on Corporate Governance

(e) Stock Price Data :

(Amount in ₹)

Month	BSE Ltd.	
	High	Low
April 2017	27.95	21.25
May 2017	30.50	22.10
June 2017	33.20	21.55
July 2017	23.25	20.00
August 2017	20.90	17.10
September 2017	22.20	19.35
October 2017	20.50	18.60
November 2017	30.90	19.15
December 2017	28.85	24.85
January 2018	28.40	23.40
February 2018	26.45	21.85
March 2018	24.90	18.05

(f) Performance in comparison to BSE SENSEX :



(g) Registrar to an issue and share transfer agents:

As per Regulation 7(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company shall appoint a share transfer agent in order to carry out the share transfer facility. The Company has appointed the following for carrying out the purpose:

M/s. Maheshwari Datamatics Pvt. Ltd.

23 R N Mukherjee Road, 5th Floor, Kolkata-700 001

Phone: (033) 2243-5029/5809, 2248-2248

Fax: (033) 2248-4787

E-mail: mdpldc@yahoo.com

(h) Share Transfer System :

The Company's shares are in compulsory Dematerialised mode. The transfer of shares is processed and completed by Registrar & Share Transfer Agent who are registered with the Board. Certificate on Half Yearly basis have been issued by a Company Secretary in practice for due compliance of share transfer formalities by the Company within the prescribed time limit as per Regulation 40(9) of the Listing Regulations.

(i) Dematerialisation of shares:

The shares of the Company are compulsorily traded in dematerialised form under depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's shares are listed and to the Board of Directors.

(j) i) Distribution of share holding as on 31st March, 2018 :

Group of shares	No. of shareholders	% age	No. of Shares held	% age to total shares
1 to 500	5482	77.9579	785989	5.2431
501 to 1000	732	10.4096	625597	4.1732
1001 to 2000	373	5.3043	599173	3.9969
2001 to 3000	137	1.9482	357824	2.3869
3001 to 4000	77	1.0950	282351	1.8835
4001 to 5000	74	1.0523	355989	2.3747
5001 to 10000	90	1.2799	674453	4.4991
Above 10000	67	0.9528	11309624	75.4428
Total	7032	100.0000	14991000	100.0000

Report on Corporate Governance

ii) Share holding pattern as on 31st March, 2018 :

Category	No. of shareholders	No. of shares held	% of shareholding
Promoters	10	9194854	61.3358
Private Body Corporates	82	405532	2.7052
Individuals	6814	5006585	33.3973
Qualified Foreign Investors/NRI	44	131031	0.8741
Clearing Member	49	132400	0.8832
Custodian of Enemy Properties	32	14742	0.0983
IEPF	1	105856	0.7061
Total	7032	14991000	100.0000

iii) Dematerialisation of shares and liquidity as on 31st March, 2018 :

Nature of holding	Holders	Shares	Percentage
Physical	645	97939	0.65
Dematerialized	7006	14893061	99.35
Total	7651	14991000	100.00

International Securities Identification Number (ISIN): INE012E01035

(k) Outstanding GDR/ADR/Warrants and Convertible Instruments, Conversion dates and likely impact in Equity :

Not applicable

(l) Commodity price risk or foreign exchange risk and hedging activities :

Not applicable

(m) Plant Locations :

The Company owns three tea gardens each having its own processing factory at Dooars (North Bengal) in Jalpaiguri District:

a) Diana Tea Estate	b) Baintgoorie Tea Estate	c) Goodhope Tea Estate
P.O. Banarhat - 735 202	P.O. Mal - 735 221	P.O.Dam Dim - 735 209

(n) Address for correspondence (Registered Office)

Diana Tea Company Limited
Sir RNM House
3B, Lalbazar Street, 4th floor
Kolkata –700 001
Phone: (033) 4066 1590-93
Fax: (033) 2248 7571
E-mail: contactus@dianatea.in
CIN: L15495WB1911PLC002275

Registrar & Share Transfer Agents

M/s. Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001
Phone: (033) 2243-5029/5809, 2248-2248
Fax: (033) 2248-4787
E-mail: mdpldc@yahoo.com

For and on behalf of the Board

Sd/-
Sandeep Singhania
Managing Director
(DIN: 00343837)

Sd/-
Sarita Singhania
(Whole-time Director)
(DIN: 00343786)

Registered Office :
3B, Lalbazar Street
Kolkata - 700 001
Date : 13th August, 2018

Those who drank more than 6 cups per day, had a more than 50% lower risk of coronary heart disease compared to tea abstainers.



Report on Corporate Governance

CEO/CFO Certification

To
The Board of Directors
Diana Tea Company Limited
3B, Lalbazar Street,
Kolkata – 700 001

We, Sandeep Singhania, Managing Director and Ramesh Kumar Jhunjhunwala, Chief Financial Officer of Diana Tea Company Limited to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and cash flow statement for the financial year ended 31st March, 2018.
2. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
3. Based on our knowledge and information, the financial statements and other financial information included in the report, present in all material respects, a true and fair view of the company's affairs and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. To the best of our knowledge and belief, there are no transactions entered into by the company during the financial year 2017-18 which are fraudulent, illegal or violative of the Company's code of conduct.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting of the Company and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee, and the necessary steps we have been taken or proposed to take to rectify these deficiencies.
6. We have disclosed based on our most recent evaluation, wherever applicable to the Company's Auditors and the Audit Committee of the Company's Board of Directors:
 - a) significant changes, if any, in internal controls during the financial year 2017-18;
 - b) significant changes, if any, in accounting policies during the financial year 2017-18 and that the same have been disclosed in the notes to the financial statements; and
 - c) that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control systems over financial reporting.
7. We further declare that, all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the financial year 2017-18.

	Sd/-	Sd/-
	Sandeep Singhania	Ramesh Kumar Jhunjhunwala
Place : Kolkata	<i>Managing Director</i>	<i>Chief Financial Officer</i>
Date : 13th August, 2018	(DIN: 00343837)	(PAN: ACVPJ4503C)

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

DECLARATION

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

	Sd/-
	Sandeep Singhania
Place : Kolkata	<i>Managing Director</i>
Date : 13th August, 2018	(DIN:00343837)

A few cups of black tea everyday reduced the risk of atherosclerosis - a key factor that contributes to coronary heart disease.

Report on Corporate Governance

Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance

To
The Members of
Diana Tea Company Limited
3B, Lalbazar Street
Kolkata - 700 001

We have examined the compliance of conditions of Corporate Governance by Diana Tea Company Limited (the "Company"), for the year ended 31st March, 2018, as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

4, Chowringhee Lane
Kolkata - 700 016
Date : 13th August, 2018

For **DAS & PRASAD**
Chartered Accountants
Firm Regn. No.303054E

Sd/-
A. K. Agarwal
Partner
Membership No. 062368



Annexure to the Directors' Report

Annexure "D"

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

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 financial year ended 31st March, 2018 is given here below and forms part of the Directors' Report.

A) Conservation of Energy

- i) In line with the Company's commitment towards conservation of energy, all tea estates continue with their efforts in improving energy efficiency. The Steps taken in this direction at various tea estates are as under:
 - a) Online conveyerisation of manufacturing process which resulted in optimisation of capacity utilization thereby savings in energy and increasing efficiency.
 - b) Installation of coal savers, reduce coal consumption.
 - c) Wind turbo ventilators to save power cost.
 - d) Replacement of inefficient motors with energy efficient motors.
 - e) Replacement of obsolete machineries with energy and cost saving machineries.
 - f) Installation of adequate power capacitors to maximise power factor and load factor resulting in minimum transmission loss and reducing per unit cost.
 - g) Installation of LED lights to reduce the consumption of electricity for domestic purpose.
- ii) The steps taken by the company for utilizing alternate sources of energy: During the financial year under review the company has not utilized any other alternate sources of energy for its operation.
- iii) The capital investment/ CWIP on energy conservation equipments is ₹ 54.06 lakhs.

B) Technology Absorption

- i) The efforts made by the Company towards technology absorption during the year under review are:
 - a) Managerial staff are engaged to attend seminars and training programmes for agricultural practices in the field and manufacturing process in the factories.
 - b) Introduction of plucking machines in the field to improvise productivity.
 - c) Online new conveyerisation of flow process in the factory has eventually helped us in optimising capacity utilization and reduce energy cost.
 - d) Usage of low voltage LED light.
 - e) Installation of coal saver to reduce coal consumption.
 - f) Installation of wind turbo ventilators.
- ii) The benefits derived resulted in increase in productivity and optimization of capacity utilization resulting in cost savings in our tea estates.
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – NOT APPLICABLE.
- iv) The expenditure incurred on Research and Development : The company contributes for the activities of Tea Research Association regularly. The Company has incurred an expenditure of ₹ 9.66 lakhs for the financial year ended 31st March, 2018.

C) Foreign Exchange Earnings and Outgo

During the financial year, the foreign exchange outgo was ₹ 93.27 lakhs and the foreign exchange earning was NIL.

For and on behalf of the Board

Registered Office :
3B, Lalbazar Street
Kolkata - 700 001
Date : 13th August, 2018

Sd/-
Sandeep Singhania
Managing Director
(DIN: 00343837)

Sd/-
Sarita Singhania
(Whole-time Director)
(DIN: 00343786)

Annexure to the Directors' Report

Annexure "E"

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, AS AMENDED FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year ended 31.03.2018 and ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the financial year ended 31.03.2018 are as under :

Sl. No.	Name of Director/ KMP	Designation	Remuneration of Director/ KMP for the financial year 2017-18 (₹ in lakhs)	% increase in remuneration for the financial year 2017-18	Ratio of remuneration of each director to the median remuneration of the employees for the financial year 2017-18
1.	Sandeep Singhania	Managing Director	47.04	6.11	52.85:1
2.	Sarita Singhania	Director (Sales & Marketing)	33.60	13.94	37.75:1
3.	Ramesh Kumar Jhunjunwala	Chief Financial Officer *	4.82	NA	NA
4.	Mukund Kumar Jha	Company Secretary & Compliance Officer**	1.86	NA	NA
5.	Namrata Jain	Company Secretary & Compliance Officer***	0.56	NA	NA

Notes :

* Appointed as Chief Financial Officer with effect from 17th May, 2017.

** Appointed as Company Secretary & Compliance Officer on 8th July, 2017 and resigned from the post of Company Secretary & Compliance Officer with effect from 15th September, 2017.

*** Appointed as Company Secretary & Compliance Officer with effect from 12th February, 2018.

The non-executive Independent Directors are entitled to sitting fees only. The details of remuneration are provided in Corporate Governance Report.

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 0.89 Lakhs.
- (iii) During the Financial year, there was an increase of 4.71% in the median remuneration of employees.
- (iv) There were 3450 permanent employees on the rolls of Company as on 31st March, 2018.
- (v) Average percentile increase made in the salaries of employees other than the key managerial personnel in the last financial year was (4.89%) around whereas the increase in the key managerial remuneration for the same financial period was (15.64%).
- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.



Annexure to the Directors' Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

The names of the Top 10 employees in terms of the remuneration drawn:

Name of the Employee	Designation of the Employee	Remuneration (₹ in lakhs)	Nature of Employment, whether contractual or otherwise	Qualification and Experience of the Employee	Date of commencement of employment	Age of the Employee	Last employment held by such Employee before joining the Company	% of equity shares held by the Employee	Whether any such Employee is a relative of any director or manager, if so, name of such director or manager
Sandeep Singhania	Managing Director	47.04	Otherwise	B. Com. Graduate 27 years	21.10.1991	46 years	—	2.4172	—
Sarita Singhania	Whole Time Director	33.60	Otherwise	B.A. 21 years	11.11.2013	54 years	—	3.3386	—
Sudershan Kumar Babal	Chief General Manager (Plantation)	8.15	Otherwise	B.A. 43 years	27.11.2004	62 years	Rajabhat Tea Garden	—	—
Raghavendra Bahadur Singh	Manager	6.87	Otherwise	Graduate 28 years	16.01.2013	51 years	Duncans Industries Limited	—	—
Sunil Oswald Saunders	General Manager	6.62	Otherwise	B.Com. 33 years	01.02.2011	60 years	Jogesh Chandra Tea Garden	—	—
Rakesh Jain	Marketing Executive	5.79	Otherwise	Graduate 12 years	11.07.2006	42 years	Balaji Agro Pvt Ltd	—	—
Meenakshi Babal	Personal Assistant to Chief General Manager (Plantation)	5.65	Otherwise	B. A. 43 years	27.11.2004	61 years	Rajabhat Tea Garden	—	Sudershan Kumar Babal
Shanker Sinha	Manager	5.59	Otherwise	B.Com. and LLB 22 years	04.04.2001	49 years	Nagrakata Tea Estate	—	—
Rakesh Gaur	Deputy Manager	5.56	Otherwise	M.A. 23 years	15.06.2007	47 years	Tukdula Tea Estate	—	—
Ramesh Kumar Jhunjhunwala	Chief Financial Officer	5.48	Otherwise	B.COM 11 years	01.12.2007	59 years	—	—	—

Notes:

1. In terms of the proviso to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees posted and working in a country outside India, not being Directors or their relatives, have not been included in the above statement.
2. The above statement covers the remuneration paid by the Company and not by any subsidiary/ies.

Registered Office :
3B, Lalbazar Street
Kolkata - 700 001
Date : 13th August, 2018

For and on behalf of the Board
Sd/-
Sandeep Singhania
Managing Director
(DIN: 00343837)

Sd/-
Sarita Singhania
(Whole-time Director)
(DIN: 00343786)

Annexure to the Directors' Report

Annexure "F"

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 of
Diana Tea Company Limited
Sir R. N. M. House,
3B, Lalbazar Street,
Kolkata - 700 001

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DIANA TEA CO. LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 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) 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time;

I further report that, there were no actions/ events in pursuance of;

- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



Annexure to the Directors' Report

- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the specific applicable laws like:

- (a) Food Safety and Standards Act, 2006
- (b) Tea Act, 1953
- (c) Plantations Labour Act, 1951
- (d) Essential Commodities Act, 1955
- (e) The Tea Waste (Control) Order, 1959
- (f) Tea (Marketing) Control Order, 2003
- (g) Weight And Measurement Act, 1976

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

- (i) Secretarial Standards as issued and mandated by the Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with BSE Ltd.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Women and Independent Directors. There were no changes in the composition of the Board of Directors that took place 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.

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

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

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

This Report is to be read with our letter of even date which is annexed "Annexure A" and forms an Integral Part of this Report.

46, B. B. Ganguly Street
Kolkata - 700 012
Date : 13th August, 2018

For **MR & Associates**
Company Secretaries

Sd/-

M R Goenka
Partner

FCS No.: 4515
COP No.: 2551

Annexure to the Directors' Report

"Annexure – A"
(TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018)

To
The Members of
Diana Tea Company Limited
Sir RNM House,
3B, Lalbazar Street,
Kolkata - 700 001

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our 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.

46, B. B. Ganguly Street
Kolkata - 700 012
Date : 13th August, 2018

For **MR & Associates**
Company Secretaries

Sd/-
M R Goenka
Partner
FCS No.: 4515
COP No.: 2551



Independent

Auditors' Report

To

The Members of

Diana Tea Company Limited

Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of **DIANA 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 judgements 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 judgement, 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 profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Independent

Auditors' Report

Emphasis of Matter

7. We draw attention to:

- a) The company has not made provision for part of gratuity liability as per actuarial valuation as per Ind AS 19 - Employee Benefits.
- b) The loans and advances include amounts receivable from three parties, standing since long, in respect of which no confirmation/acknowledgement, schedule of delivery and agreement was available and no provision has been made in the books for such advances. However as per information and explanation given to us, the company has initiated process of recovery of the same and as per management no provision for such advances is required to be made in the current year.

Our opinion is not modified in respect of these matters

Report on Other Legal and Regulatory Requirements

8. 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.

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. The matter described in Emphasis of Matters paragraph above, in our opinion, may not have an adverse effect on the functioning of the Company.
- f. 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;
- g. 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
- h. 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. 30 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.

4, Chowringhee Lane
Kolkata - 700 016
Date : 28th May, 2018

For **DAS & PRASAD**
Chartered Accountants
Firm Registration No. 303054E
Sd/-
A. K. Agarwal
Partner
Membership No. 062368



Annexure A

to the Independent Auditors' Report

The Annexure referred to 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 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 explanations 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 explanations 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.

Annexure A

to the Independent Auditors' Report

- b) According to the information and explanations given to us, the following dues of vat, sales-tax, central sales tax, excise, service tax and ESI have not been deposited by the company on account of dispute as at 31st March, 2018:

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Value Added Tax Act, 2003	Sales Tax	12.31	FY 2010-2011	Senior Joint Commissioner of Commercial Taxes, Chowringhee Circle, Kolkata
Central Sales Tax Act, 1956	CST	15.28	FY 2010-2011	Senior Joint Commissioner of Commercial Taxes, Chowringhee Circle, Kolkata

- (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 explanations given to us, the Company has not raised money 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 explanations 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 explanations 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 explanations 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 explanations 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 to the Company;
- (xvi) In our opinion and on the basis of information and explanations 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 **DAS & PRASAD**
Chartered Accountants
Firm Registration No. 303054E
Sd/-
A. K. Agarwal
Partner
Membership No. 062368

4, Chowringhee Lane
Kolkata - 700 016
Date : 28th May, 2018



Annexure B

to the Independent 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 **Diana 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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.

Annexure B

to the Independent Auditors' Report

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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.

4, Chowringhee Lane
Kolkata - 700 016
Date : 28th May, 2018

For **DAS & PRASAD**
Chartered Accountants
Firm Registration No. 303054E
Sd/-
A. K. Agarwal
Partner
Membership No. 062368



Balance Sheet

as at 31st March, 2018

(₹ in Lakhs)

	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	3.1	5,812.62	5,382.07	5,210.49
(b) Capital work-in-progress	3.2	162.50	122.66	0.49
(c) Financial assets :				
(i) Investments	4	309.97	261.79	457.77
(ii) Other Financial assets	6	2.71	4.91	5.62
(d) Deferred tax assets (net)	7	21.94	43.35	2.05
(e) Other Non Current Assets	8	274.50	276.60	290.97
Total Non-Current Assets		6,584.24	6,091.38	5,967.39
Current Assets				
(a) Inventories	9	649.90	591.50	634.74
(b) Financial assets:				
(i) Investments	4	61.10	—	—
(ii) Trade receivables	10	155.80	154.63	119.30
(iii) Cash and cash equivalents	11	34.12	68.58	72.66
(iv) Bank balance other than (iii) above	12	47.69	34.81	42.57
(v) Loans	5	954.00	1,647.00	1,315.00
(vi) Other Financial assets	6	40.10	139.12	121.85
(c) Other Current Assets	8	114.05	112.84	84.87
Total Current Assets		2,056.76	2,748.48	2,390.99
Total Assets		8,641.00	8,839.86	8,358.38
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	13	749.55	749.55	749.55
(b) Other Equity	14	5,524.06	5,423.89	5,235.56
Total Equity		6,273.61	6,173.44	5,985.11
Liabilities				
Non-Current Liabilities				
(a) Financial liabilities:				
Borrowings	15	840.94	605.71	427.44
(b) Other non current liabilities	18	19.98	8.88	—
Total Non-Current Liabilities		860.92	614.59	427.44
Current liabilities				
(a) Financial liabilities:				
(i) Borrowings	15	187.13	577.41	543.04
(ii) Trade payables	16	420.16	337.45	327.12
(iii) Other financial Liabilities	17	462.01	435.15	504.14
(b) Other current liabilities	18	213.94	488.40	344.95
(c) Provisions	19	223.23	213.42	226.58
Total Current Liabilities		1,506.47	2,051.83	1,945.83
Total Equity and Liabilities		8,641.00	8,839.86	8,358.38

Summary of Significant Accounting Policies

1-2

The Accompanying Notes referred to above form an integral part of the financial statements.

In terms of our report of even date

For and on behalf of the Board

For **DAS & PRASAD**

Chartered Accountants

Firm Registration No.303054E

Sd/-

A. K. Agarwal

Partner

Membership No. 062368

4, Chowringhee Lane, Kolkata - 700 016

Date : 28th May, 2018

Sd/-

Sandeep Singhania

Managing Director

(DIN : 00343837)

Sd/-

Namrata Jain

Company Secretary

(Membership No.51075)

Sd/-

Sarita Singhania

Director (Sales & Marketing)

(DIN : 00343786)

Sd/-

Ramesh Kumar Jhunjunwala

Chief Financial Officer

(PAN: ACVPJ4503C)

Statement of Profit and Loss

for the year ended 31st March, 2018

(₹ in Lakhs)

	Notes	Year ended 31st March, 2018	Year ended 31st March, 2017
INCOME			
Revenue from operations	20	6,086.02	5,244.61
Other income	21	136.27	181.96
Total Revenue		6,222.29	5,426.57
EXPENSES			
Cost of raw materials consumed	22	533.64	280.30
Change in inventories, work-in-progress, stock-in-trade, by-products and finished goods	24	114.73	20.14
Employee benefit expenses	25	3,079.62	2,844.10
Finance costs	26	137.59	138.93
Depreciation and amortization expense	27	134.41	141.19
Excise duty on sale of goods	23	4.43	17.18
Other expenses	28	1,950.52	1,756.66
Total expenses		5,954.94	5,198.50
Profit/(Loss) before Tax		267.35	228.07
Tax expenses :			
Current tax		36.15	43.00
Deferred tax		19.61	(27.12)
MAT credit entitlement		(13.57)	—
Income Tax relating to earlier years		(0.45)	(6.12)
Profit/(Loss) for the year		225.61	218.31
Other Comprehensive Income/(Expenses) (OCI)			
Items that will not be reclassified to profit or loss:			
Net (loss)/gain on FVTOCI equity securities		(2.60)	60.45
		(2.60)	60.45
Other Comprehensive Income/(Expenses) (OCI)		(2.60)	60.45
Total Comprehensive Income /(Loss) for the year		223.01	278.76
Earning per equity share [nominal value ₹ 10 per share - Basic & Diluted (₹)]	29		
Basic (₹)		1.50	1.46
Diluted (₹)		1.50	1.46

Summary of Significant Accounting Policies 1-2

The Accompanying Notes referred to above form an integral part of the financial statements.

In terms of our report of even date

For and on behalf of the Board

For **DAS & PRASAD**

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Ramesh Kumar Jhunjunwala

Chief Financial Officer

(PAN: ACVPJ4503C)



Cash Flow Statement

for the year ended 31st March, 2018

(₹ in Lakhs)

	Year ended 31st March, 2018		Year ended 31st March, 2017	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax		267.35		228.07
Adjustments for :				
Depreciation & Amortization Expense	134.41		141.19	
Finance Costs	137.59		138.93	
Loss on Sale of Fixed Asset (Net)	2.32		(0.04)	
Deferred Government Grants	(6.98)		(3.97)	
Loss on Discard of Tea Plantation	3.21		2.24	
Dividend Income	(0.23)		(1.63)	
Interest Income	(122.11)		(149.90)	
Sundry Balances written back	(2.12)		(22.72)	
Transferred from Capital Reserve	–	146.09	(0.50)	103.60
Operating Profit before Working Capital Changes		413.44		331.67
Adjustments for:				
(Increase)/Decrease in Inventories	(58.40)		43.24	
Increase/(Decrease) in Trade Payables, Other Liabilities & Provision	(541.84)		145.16	
(Increase)/Decrease in Trade Receivable, Advances and Other Assets	701.12	100.88	(391.33)	(202.93)
Cash Generated from Operations		514.32		128.74
Tax Paid		37.29		33.01
Net Cash (Outflow)/Inflow from Operating Activities		477.03		95.73
B. CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of Property, Plant & Equipment	(695.26)		(490.39)	
Sale of Property, Plant & Equipment	2.59		3.78	
Capital Subsidy Received	15.07		–	
Interest Received	221.14		132.63	
Dividend Received	0.23		1.63	
Sale of Investments	0.54		257.46	
Acquisition of Investments	(112.41)		(1.03)	
Loans Refunded (Granted)	–	(568.10)	0.90	(95.02)
Net Cash (Outflow)/Inflow from Investing Activities		(568.10)		(95.02)

Cash Flow Statement

for the year ended 31st March, 2018

(₹ in Lakhs)

	Year ended 31st March, 2018		Year ended 31st March, 2017	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long-Term Borrowings	233.90		136.37	
Dividend Paid (including tax on dividend)	(40.48)		(40.23)	
Interest and Other Finance charges paid	(136.81)	56.61	(143.50)	(47.36)
Net Cash Inflow/(Out flow) from Financing Activities		56.61		(47.36)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)		(34.46)		(46.65)
Cash & Cash Equivalents as at Opening		68.58		115.23
Cash & Cash Equivalents as at Closing		34.12		68.58

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.
- Previous Year figures have been recast/regrouped wherever considered necessary to make them comparable with current period figures.

Components of Cash and Cash Equivalents

(₹ in Lakhs)

	As at 31st March, 2018		As at 31st March, 2017	
Cash in hand		4.50		46.86
Balances with Banks in :				
- Current Accounts		29.62		21.72
Total Cash & Cash Equivalents		34.12		68.58

In terms of our report of even date

For **DAS & PRASAD**

Chartered Accountants

Firm Registration No.303054E

Sd/-

A. K. Agarwal

Partner

Membership No. 062368

4, Chowringhee Lane, Kolkata - 700 016

Date : 28th May, 2018

For and on behalf of the Board

Sd/-

Sandeep Singhania

Managing Director

(DIN : 00343837)

Sd/-

Namrata Jain

Company Secretary

(Membership No.51075)

Sd/-

Sarita Singhania

Director (Sales & Marketing)

(DIN : 00343786)

Sd/-

Ramesh Kumar Jhunjunwala

Chief Financial Officer

(PAN: ACVPJ4503C)



Statement of Changes in Equity

for the year ended 31st March, 2018

A. Equity Share Capital

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
At the beginning of the year	749.55	749.55	749.55
Add: Addition during the year	-	-	-
At the End of the year	749.55	749.55	749.55

B. Other Equity

	Reserve & Surplus			Other Reserves			Total Equity
	Securities Premium Account	General Reserve	Retained Earning	Capital Reserve	Revaluation Reserve	FVOCI Equity Investments	
Balance as at 31st March, 2016	323.61	3,001.94	150.42	0.10	1,856.18	(96.69)	5,235.56
Add: Profit/(Loss) for the year	-	-	218.31	-	-	-	218.31
Add: Other Comprehensive Income	-	-	-	-	-	60.45	60.45
Add: Transferred from/ (to) statement of Profit & Loss	-	300.00	(300.00)	-	(0.50)	-	(0.50)
Less : Assets discarded during the period	-	-	-	-	(49.40)	-	(49.40)
Add/ (Less): Depreciation on Revaluation	-	-	30.49	-	(30.49)	-	-
Add/ (Less): Profit/ loss on sale of Equity Instrument	-	-	(19.69)	-	-	19.69	-
Transactions with owners in their capacity as owners:							
Less: Dividend paid during the year	-	-	(37.48)	-	-	-	(37.48)
Less: Dividend Tax paid during the year	-	-	(3.05)	-	-	-	(3.05)
Balance as at 31st March, 2017	323.61	3,301.94	39.00	0.10	1,775.79	(16.55)	5,423.89
Add: Profit/(Loss) for the year	-	-	225.61	-	-	-	225.61
Add: Other Comprehensive Income	-	-	-	-	-	(2.60)	(2.60)
Add: Transferred from/ (to) statement of Profit & Loss	-	200.00	(200.00)	-	-	-	-
Less : Assets discarded during the period	-	-	-	-	(82.31)	-	(82.31)
Add/ (Less): Depreciation on Revaluation	-	-	30.85	-	(30.85)	-	-
Add/ (Less): Profit/ loss on sale of Equity Instrument	-	-	0.35	-	-	(0.35)	-
Transactions with owners in their capacity as owners:							
Less: Dividend paid during the year	-	-	(37.48)	-	-	-	(37.48)
Less: Dividend Tax paid during the year	-	-	(3.05)	-	-	-	(3.05)
Balance as at 31st March, 2018	323.61	3,501.94	55.28	0.10	1,662.63	(19.50)	5,524.06

Statement of Changes in Equity

for the year ended 31st March, 2018

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.

iv) Capital Reserves:

This reserve was created on account of forfeiture of shares in earlier years and shall be utilised in accordance with the provisions of the Act.

v) Revaluation Reserve:

Revaluation Surplus, is the excess of market value over the carrying value of certain assets. The said reserve is utilised for adjustment of depreciation attributable to such excess amount and is credited to retained earnings.

vi) FVOCI Equity Investments:

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

In terms of our report of even date

For **DAS & PRASAD**

Chartered Accountants

Firm Registration No.303054E

Sd/-

A. K. Agarwal

Partner

Membership No. 062368

4, Chowringhee Lane, Kolkata - 700 016

Date : 28th May, 2018

For and on behalf of the Board

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Sandeep Singhania

Managing Director

(DIN : 00343837)

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Company Secretary

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Sarita Singhania

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(DIN : 00343786)

Sd/-

Ramesh Kumar Jhunjunwala

Chief Financial Officer

(PAN: ACVPJ4503C)



Notes to the financial statements

as at and for the year ended 31st March, 2018

1. CORPORATE INFORMATION

Diana 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 exchanges in India. It is engaged in the business of manufacturing and sale of tea and having its tea estates in the state of West Bengal. The estates have processing factories capable of producing CTC Tea with installed combined capacity of 4500 tones.

2. SIGNIFICANT ACCOUNTING POLICIES

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 (T) 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 46, 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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the asset or liability.

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.

Notes to the financial statements

as at and for the year ended 31st March, 2018

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

Critical estimates and judgements

The areas involving critical estimates and judgements are:

i) Taxation

The Company is engaged in agricultural activities and also subject to tax liability under MAT provisions. Significant judgement is involved in determining the tax liability for the Company. Also there are many transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Further judgement is involved in determining the deferred tax position on the Balance Sheet date.

ii) Depreciation and amortisation

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

iii) Employee Benefits

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government securities that have terms to maturity approximating the terms of the related defined benefit obligation. Other key assumptions for obligations are based in part on current market conditions.

iv) Provisions and Contingencies

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

D) 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 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.



Notes to the financial statements

as at and for the year ended 31st March, 2018

E) Intangibles

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

F) 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) Bearer Plants are depreciated from the date when they are ready for commercial harvest.
- (iii) Leasehold Land is amortised over the tenure of respective leases.

G) 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.

H) 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 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.

I) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Notes to the financial statements

as at and for the year ended 31st March, 2018

The Company as lessee

- (i) Operating lease – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.
- (ii) Finance lease – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss over the period of the lease.

J) 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.



Notes to the financial statements

as at and for the year ended 31st March, 2018

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

as at and for the year 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.

Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts and interest rate swaps. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments. These derivatives contracts do not generally extend beyond six months except for interest rate derivatives.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

K) 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.



Notes to the financial statements

as at and for the year ended 31st March, 2018

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.

L) Inventories

- a) Stock of Tea is valued at lower of cost computed on annual average basis or net realisable value. Stock of Tea Waste is valued at estimated realisable value.
- b) Stock of stores and spares are valued at cost on weighted average basis or net realisable value.
- c) As per practice followed by the Company the value of green leaf in stock as at the close of the year are not taken into accounts.
- d) Provision is made for obsolete and slow moving stores wherever necessary.

M) Provision

Provisions are recognised in the Balance Sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions where:

- (a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and
- (b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

N) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

O) 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.

Notes to the financial statements

as at and for the year ended 31st March, 2018

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.

P) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Q) 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.

R) 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.

S) 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.

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

a) Overall principle

The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 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.



Notes to the financial statements

as at and for the year ended 31st March, 2018

b) 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 1st April, 2016 ('the transition date').

c) 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.

d) 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 1st April, 2016 ("transition date") measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

e) Determining whether an arrangement contains a lease

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.

f) 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.

U) Segment Reporting

Identification of Segments

The Company has identified Tea products as its sole operating segment and the same has been treated as primary segment. The Company's secondary geographical segments have been identified based on the location of customers and then demarcated into Indian and overseas revenue earnings.

V) 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.

W) Excise Duty

Excise duty is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date.

X) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

3.1 Property, Plant & Equipment								
	Tangible Assets							
	Land & Plantation	Building	Roads & Bridges	Plant & Machinery and Electrical Installations	Water Installations	Furniture, Fittings & Other Equipments	Vehicles	Total
Gross Block (At Cost):								
As at 31st March, 2016	3,776.41	373.95	28.94	450.73	430.67	20.35	129.44	5,210.49
Additions	278.97	3.87	–	31.21	34.90	6.90	12.38	368.23
Disposals/Discard	51.65	–	–	–	–	–	24.90	76.55
As at 31st March, 2017	4,003.73	377.82	28.94	481.94	465.57	27.25	116.92	5,502.17
Additions	196.77	37.47	–	382.79	9.49	8.07	20.82	655.41
Disposals/Discard	85.53	–	–	–	–	–	9.73	95.26
As at 31st March, 2018	4,114.97	415.29	28.94	864.73	475.06	35.32	128.01	6,062.32
Accumulated Depreciation/Amortisation:								
As at 31st March, 2016	–	–	–	–	–	–	–	–
Charge for the year	33.61	12.68	3.46	37.43	20.38	5.90	27.73	141.19
Disposals/Discard	–	–	–	–	–	–	21.09	21.09
As at 31st March, 2017	33.61	12.68	3.46	37.43	20.38	5.90	6.64	120.10
Charge for the year	33.86	13.32	3.46	30.21	21.64	5.25	26.67	134.41
Disposals/Discard	–	–	–	–	–	–	4.81	4.81
As at 31st March, 2018	67.47	26.00	6.92	67.64	42.02	11.15	28.50	249.70
Net Block								
As at 31st March, 2016	3,776.41	373.95	28.94	450.73	430.67	20.35	129.44	5,210.49
As at 31st March, 2017	3,970.12	365.14	25.48	444.51	445.19	21.35	110.28	5,382.07
As at 31st March, 2018	4,047.50	389.29	22.02	797.09	433.04	24.17	99.51	5,812.62

3.2 Capital Work in Progress			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Opening Balance	122.66	0.49	0.18
Add: Addition made during the period	500.51	122.66	0.49
Less: Capitalised during the period	460.67	0.49	0.18
Closing Balance	162.50	122.66	0.49



Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

4 INVESTMENTS						
	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
i) Non-Current at fair value through Other Comprehensive Income (FVOCI)						
A. Quoted						
In fully paid equity shares						
Agri-Tech (I) Limited of ₹ 10 each	–	–	820	0.31	820	0.07
Alsa Marine & Harvests Limited of ₹ 10 each	–	–	–	–	800	–
Cerebra Integrated Technologies Limited of ₹ 10 each	–	–	–	–	15,132	2.44
Dhunseri Investments Limited of ₹ 10 each	–	–	–	–	75	0.10
DSQ Software Limited of ₹ 10 each	–	–	–	–	1,200	–
Electrosteel Steels Limited of ₹ 10 each	175,000	4.27	175,000	7.61	175,000	5.86
ITC Limited of ₹ 1 each	200	0.64	200	0.56	–	–
Jindal Steel & Power Limited of ₹ 1 each	300	0.66	300	0.36	300	0.18
JSW Steel Limited of ₹ 1 each	3,560	10.25	3,560	6.70	326	4.18
Kirloskar Multimedia Limited of ₹ 10 each	–	–	–	–	50,000	–
Kirtivardhan Finvest Services Limited of ₹ 5000 each	1	–	1	–	560	–
LCC Infotech Limited of ₹ 2 each	5,000	–	5,000	–	5,000	0.01
Moving Picture Company (I) Limited of ₹ 10 each	–	–	–	–	6,958	0.07
Mukand Engineers Limited of ₹ 10 each	5,189	1.91	5,189	2.52	34,690	8.60
Namaste Exports Limited of ₹ 10 each	500	–	500	0.00	500	0.01
Nath Bio-Genes (I) Limited of ₹ 10 each	902	3.72	902	1.34	902	0.73
Techindia Nirman Limited of ₹ 10 each	2,378	0.18	2,378	0.12	2,378	0.08
Ojas Techno Chem Product Limited of ₹ 10 each	–	–	–	–	41,900	–
Padmini Technologies Limited of ₹ 10 each	–	–	–	–	7,900	0.32
Raj Rayon Industries Limited of ₹ 1 each	71,900	0.25	71,900	0.18	71,900	0.25
RDL Infotech Limited of ₹ 10 each	–	–	–	–	25,000	–
Reliance Capital Limited of ₹ 10 each	49	0.21	49	0.30	49	0.18
Reliance Home Finance Limited of ₹ 10 each	49	–	–	–	–	–
Reliance Communications Limited of ₹ 5 each	3,090	0.67	3,090	1.18	3,090	1.55
Reliance Industries Limited of ₹ 10 each	484	4.27	242	3.20	242	2.53
Reliance Infrastructure Limited of ₹ 10 each	–	–	–	–	506	2.70
Reliance Power Limited of ₹ 10 each	22	–	22	–	22	–
Srei Infrastructure Finance Limited of ₹ 10 each	11,600	8.54	11,600	9.62	21,600	11.93
Step Two Corporation Limited of ₹ 10 each	700	0.07	700	0.08	700	0.06
Suvarna Aqua Farm & Exports Limited of ₹ 10 each	–	–	–	–	200	–
Tata Steel Limited of ₹ 10 each	–	–	–	–	421	1.35
TCM Limited of ₹ 10 each	800	0.04	800	0.34	800	0.64
Tecil Chemicals & H.P. Limited of ₹ 10 each	–	–	–	–	200	–
Emami Limited of ₹ 1 each	–	–	–	–	20,010	186.56
Star Cement Limited of ₹ 1 each	40,000	46.24	–	–	–	–
Indo Count Industries Limited of ₹ 2 each	800	0.68	–	–	–	–
TOTAL (A)		82.60		34.42		230.40

Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

4 INVESTMENTS						
	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
B. Unquoted (at cost)						
In fully paid equity shares						
Ambition Vyapaar Private Limited of ₹ 10 each	1,990	0.01	1,990	0.01	1,990	0.01
Diana Capital Limited of ₹ 10 each	117,370	24.33	117,370	24.33	117,370	24.33
Janak Steel Tubes Limited of ₹ 100 each	20,300	203.00	20,300	203.00	20,300	203.00
Orkay Industries Limited of ₹ 10 each	2,800	0.01	2,800	0.01	2,800	0.01
Rank Aqua Estates Limited of ₹ 10 each	1,000	0.01	1,000	0.01	1,000	0.01
Sonal International Limited of ₹ 10 each	5,000	0.01	5,000	0.01	5,000	0.01
TOTAL (B)		227.37		227.37		227.37
Total Value Of Investment (A+B)		309.97		261.79		457.77
Aggregate amount of quoted investments and market value there of		82.60		34.42		230.40
Aggregate amount of unquoted investments		227.37		227.37		227.37
ii) Current at fair value through Other Comprehensive Income (FVOCI)						
In Mutual funds						
IIFL Special Opportunities Fund	513,905	50.43	–	–	–	–
Franklin India Focused Equity Fund	7,748	1.88	–	–	–	–
Motilal Oswal Multicap 35 Fund	11,361	2.99	–	–	–	–
L & T India Value Fund	10,661	2.88	–	–	–	–
Aditya Birla Sun Life Equity Fund	424	2.92	–	–	–	–
TOTAL		61.10		–		–
Aggregate amount of quoted investments and market value there of		–		–		–
Aggregate amount of unquoted investments		61.10		–		–
5 LOANS (Unsecured, considered good unless stated otherwise)						
	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
Current						
Loan to Others	954.00		1,647.00		1,315.00	
Total	954.00		1,647.00		1,315.00	
6 OTHER FINANCIAL ASSETS (Unsecured, considered good unless stated otherwise)						
	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
A. Non Current						
Security Deposits	2.71		4.91		5.62	
Total	2.71		4.91		5.62	
B. Current						
Interest Receivable on :						
Other Advances	40.10		139.12		121.85	
Total	40.10		139.12		121.85	



Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

7 DEFERRED TAX ASSETS (Net)			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Deferred tax liabilities			
Property, plant and equipment	224.02	211.95	203.32
Others	0.69	–	–
(A)	224.71	211.95	203.32
Deferred Tax Assets			
Timing Difference u/s 43B	20.08	165.80	59.59
Brought Forward Loss	210.32	71.45	141.91
MAT credit entitlement	16.25	18.05	3.87
(B)	246.65	255.30	205.37
Net Deferred Tax Assets/ (Liabilities)	(B-A)	43.35	2.05

Movement in Deferred Tax Assets

	As at 31st March, 2017	Recognised in the Statement of Profit & Loss	As at 31st March, 2018
Deferred tax liabilities			
Property, plant and equipment	211.95	(12.07)	224.02
Others	–	(0.69)	0.69
(A)	211.95	(12.76)	224.71
Deferred Tax Assets			
Timing Difference u/s 43B	165.80	145.72	20.08
Brought Forward Loss	71.45	(138.87)	210.32
(B)	237.25	6.85	230.40
(B-A)	25.30	19.61	5.69
Add: MAT credit entitlement	18.05	–	16.25
Net Deferred Tax Assets/ (Liabilities)	43.35	19.61	21.94

	As at 31st March, 2016	Recognised in the Statement of Profit & Loss	As at 31st March, 2017
Deferred tax liabilities			
Property, plant and equipment	203.32	(8.63)	211.95
(A)	203.32	(8.63)	211.95
Deferred Tax Assets			
Timing Difference u/s 43B	59.59	(106.21)	165.80
Brought Forward Loss	141.91	70.46	71.45
(B)	201.50	(35.75)	237.25
Net Deferred Tax Assets/ (Liabilities)	(1.82)	(27.12)	25.30
Add: MAT credit entitlement	3.87	–	18.05
Net Deferred Tax Assets/ (Liabilities)	2.05	(27.12)	43.35

Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

8 OTHER ASSETS (Unsecured, considered good unless stated otherwise)			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
A. Non Current			
Capital advances			
Considered good - To Others	268.88	270.83	285.20
Deferred Reserve Fund	5.62	5.77	5.77
Total	274.50	276.60	290.97
B. Current			
Advances recoverable in cash or kind			
Considered good - To Others	90.97	110.45	76.87
Prepaid expenses	13.49	14.41	16.15
Balances with statutory / Government authorities	0.43	0.01	0.01
Income tax advance (net of provisions)	6.68	(14.51)	(10.64)
Replantation subsidy receivables	2.48	2.48	2.48
Total	114.05	112.84	84.87

9 INVENTORIES (valued at lower of cost and net realizable value)			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Finished Goods (Tea & Tea Waste)	296.45	411.20	431.35
Stores & Spares (#)	353.45	180.30	203.39
Total	649.90	591.50	634.74

Stores and Spares includes goods in transit amounting ₹ 3.90 Lakhs (Previous year ₹ 7.71 Lakhs)

10 TRADE RECEIVABLES (Unsecured)			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Considered good	156.01	155.14	120.12
Doubtful	–	–	1.09
Total	156.01	155.14	121.21
Less: Provision for doubtful receivables	0.21	0.51	1.91
Total	155.80	154.63	119.30
Ageing of receivables that are post due but not impaired			
60-90 days	-	1.23	2.40
91-180 days	2.52	1.59	3.55
>180 days	4.20	10.17	17.48

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



Notes to the financial statements

as at and for the year ended 31st March, 2018

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.

(₹ in Lakhs)

11 CASH AND CASH EQUIVALENTS			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Balances with banks:			
On current accounts	29.62	21.72	15.51
Cash in hand	4.50	46.86	57.15
Total	34.12	68.58	72.66

12 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Unpaid dividend account #	7.53	7.49	7.19
Deposits with original maturity for more than 12 months	40.16	27.32	35.38
Total	47.69	34.81	42.57

Earmarked bank balance are restricted in use and it relates to unclaimed dividend.

13 SHARE CAPITAL			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Authorized shares			
2,40,00,000 (2,40,00,000) equity shares of ₹ 5/- each	120,000,000	120,000,000	120,000,000
Issued, subscribed and fully paid-up shares			
1,49,91,000 (1,49,91,000) equity shares of ₹ 5/- each	749.55	749.55	749.55
Total	749.55	749.55	749.55

(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 31st March, 2016
At the beginning of the year	14,991,000	14,991,000	14,991,000
Issued during the period	—	—	—
At the end of the year	14,991,000	14,991,000	14,991,000

(b) Terms/rights attached to equity shares

- The company has only one class of equity shares having par value of ₹ 5 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.
 - 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.
- (c) For the period of five years immediately preceding the date at which the Balance Sheet is prepared, the company has a) not allotted any shares other than for cash, b) not allotted any shares by way of bonus, c) not bought back any shares.

Notes to the financial statements

as at and for the year ended 31st March, 2018

(d) Details of shareholders holding more than 5% shares in the Company

(₹ in Lakhs)

Name of the Shareholder	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Equity shares of ₹ 5 each fully paid			
Diana Capital Limited - Number of Shares	8,179,340	8,179,340	8,179,340
- Percentage of Shareholding	54.56%	54.56%	54.56%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

14 OTHER EQUITY

	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Reserves & Surplus			
Securities Premium Account (a)	323.61	323.61	323.61
General Reserve (b)	3,501.94	3,301.94	3,001.94
Retained Earnings (c)	55.28	39.00	150.42
Total (A) (a to c)	3,880.83	3,664.55	3,475.97
Other Reserves			
Capital Reserve (Share Forfeiture) (d)	0.10	0.10	0.10
Capital Reserve (Revaluation) (e)	1,662.63	1,775.79	1,856.18
FVOCI Equity Investments (f)	(19.50)	(16.55)	(96.69)
Total (B) (d to f)	1,643.23	1,759.34	1,759.59
Total Other Equity (A + B)	5,524.06	5,423.89	5,235.56

15 BORROWINGS (at amortised cost)

	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
A. Non Current			
a) Secured			
Term Loans from :			
Banks (#)	846.58	597.84	444.89
Others (##)	68.11	80.43	91.64
(a)	914.69	678.27	536.53
Deferred Payment Liabilities			
Vehicle Loans (###) (b)	29.88	31.56	38.98
Total (a to b)	944.57	709.83	575.51
Less: Amount disclosed under the head "other current liabilities" (Note No. 17)	(103.63)	(104.12)	(148.07)
Total	840.94	605.71	427.44
B. Current			
a) Secured			
Cash credits from banks (*) (a)	155.46	527.08	525.92
b) Unsecured			
From related Parties (**) (b)	31.67	50.33	17.12
Total (a to b)	187.13	577.41	543.04

Those who drank more than 6 cups per day, had a more than 50% lower risk of coronary heart disease compared to tea abstainers.



Notes to the financial statements

as at and for the year ended 31st March, 2018

Term loans from banks includes loan from United Bank of India repayable upto 2027-28 amounting to ₹ 849.00 Lakhs (PY ₹ 601.10 Lakhs), bearing interest @ MCLR-Y plus 0.75%. The said term loan is secured by first charge on the current assets of the company and also secured by Pari Pasu first charge on all immovable assets of the company both present and future excluding specific items of assets charged in favour of lenders or suppliers providing finance for the acquisitions thereof and also personal guarantee of one director of the company.

Rupee loan from others includes ₹ 68.11 Lakhs (PY ₹ 80.43 Lakhs) loan from Tea Board of India bearing interest @ 8.91% p.a. The said is secured by second charge by equitable mortgage of lease hold Tea Estate ranking subsequent to the charge to the bank.

Vehicle loan includes loan from HDFC Bank Ltd. and ICICI Bank Ltd. against vehicles repayable in equated periodic instalments as per the scheme of loan. The loan are secured by hypothecation of respective vehicles.

The scheduled maturity of long term borrowings (gross) is summarised as under: (₹ in Lakhs)

	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	Rupee loan from Banks/ Vehicle Loan	Rupee Loan from Others	Rupee loan from Banks/ Vehicle Loan	Rupee Loan from Others	Rupee loan from Banks/ Vehicle Loan	Rupee Loan from Others
Borrowings Repayable						
In the First Year	91.31	12.32	91.80	12.32	136.86	11.21
Current maturities of long term debt	91.31	12.32	91.80	12.32	136.86	11.21
In the Second Year	91.22	12.32	40.33	12.32	75.52	12.32
In the Third to Fifth Year	333.91	36.96	179.28	36.96	52.20	36.96
After Five Year	362.44	6.51	321.25	18.83	220.50	31.15
Long term borrowings	787.57	55.79	540.86	68.11	348.22	80.43

* Cash Credit facilities are secured by first charge on current assets of the company mainly, stock of raw materials, semi-finished and finished goods, stores and spares, book debts, receivables and also secured by Pari Pasu first charge on all immovable assets of the company both present and future, excluding specific items of assets charged/ to be charged in favour of lenders or suppliers providing finance for the acquisition thereof and also personal guarantee of one director of the company.

** Includes loan from Holding company Diana Capital Limited which is payable on demand. (₹ in Lakhs)

16	TRADE PAYABLES		
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Trade Payables (Refer Note No. 36)	420.16	337.45	327.12
Total	420.16	337.45	327.12

Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

17 OTHER FINANCIAL LIABILITIES			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Current			
Current Maturities of Long-term borrowings	103.63	104.12	148.07
Interest accrued but not due on borrowings	4.42	4.48	6.97
Employee related liabilities	346.24	313.21	336.97
Unpaid Dividend	7.53	7.49	7.19
Others	0.19	5.85	4.94
Total	462.01	435.15	504.14

18 OTHER LIABILITIES			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
A. Non Current			
Deferred Government Grant	19.98	8.88	–
Total	19.98	8.88	–
B. Current			
Advance from customers	39.82	282.22	280.76
Deferred Government Grant	3.97	6.98	–
Statutory Liabilities	20.43	49.47	64.19
Others	149.72	149.73	–
Total	213.94	488.40	344.95

19 PROVISIONS			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Current			
Provision for employee benefits:			
Gratuity (Refer Note No. 33)	12.41	12.65	14.03
Bonus	178.70	173.77	185.03
Leave benefits	32.12	27.00	27.52
Total	223.23	213.42	226.58



Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

20 REVENUE FROM OPERATIONS				
		Year ended 31st March, 2018	Year ended 31st March, 2017	
Revenue from operations				
Sale of products				
Finished goods		6,074.78	5,238.27	
Other operating revenue				
- Miscellaneous Sale		11.24	6.34	
Total		6,086.02	5,244.61	
21 OTHER INCOME				
		Year ended 31st March, 2018	Year ended 31st March, 2017	
Interest income on Loans & Bank Deposits		122.11	149.90	
Deferred Government Grant Income		6.98	3.97	
Dividend Income		0.23	1.63	
Rent		4.83	3.20	
Surplus on tangible assets sold (net)		—	0.04	
Sundry Balance Written Back		2.12	22.72	
Transfer from Capital Reserve		—	0.50	
Total		136.27	181.96	
22 COST OF RAW MATERIALS CONSUMED				
		Year ended 31st March, 2018	Year ended 31st March, 2017	
Opening Stock of Raw Materials		—	—	
Add: Purchases		533.64	280.30	
		533.64	280.30	
Less: Closing Stock		—	—	
Cost of raw materials consumed		533.64	280.30	
23 EXCISE DUTY ON SALE OF GOODS				
		Year ended 31st March, 2018	Year ended 31st March, 2017	
Excise duty on sale of goods (upto 30.06.2017)		4.43	17.18	
Total		4.43	17.18	
24 CHANGE IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE, BY-PRODUCTS AND FINISHED GOODS				
		Year ended 31st March, 2018	Year ended 31st March, 2017	(Increase)/ Decrease
Inventories at the end of the year:				
Finished Goods		296.47	411.20	(114.73)
	(A)	296.47	411.20	(114.73)
Inventories at the beginning of the year:				
Finished Goods		411.20	431.34	(20.14)
	(B)	411.20	431.34	(20.14)
	(B-A)	114.73	20.14	

Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

25 EMPLOYEE BENEFITS EXPENSE		
	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries, wages and bonus	2,681.99	2,461.90
Contribution to provident fund	238.40	230.09
Gratuity expense (Refer Note No. 33)	74.29	69.33
Workmen and Staff Welfare Expenses	84.94	82.78
Total	3,079.62	2,844.10
26 FINANCE COSTS		
	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest:		
On Term Loans	62.50	52.29
On Cash Credit and Others	49.06	67.53
Other borrowing costs	26.03	19.11
Total	137.59	138.93
27 DEPRECIATION & AMORTIZATION EXPENSE		
	Year ended 31st March, 2018	Year ended 31st March, 2017
Depreciation of tangible assets	134.41	141.19
Total	134.41	141.19
28 OTHER EXPENSES		
	Year ended 31st March, 2018	Year ended 31st March, 2017
Stores & spares consumed	503.52	463.84
Power and fuel	785.29	635.71
Repairs & Maintenance :		
- Buildings	36.21	23.73
- Plant & Machinery	46.97	48.34
- Others	23.96	25.63
Tea Selling Expenses :		
- Brokerage, Commission & Service Charges	70.75	64.51
- Freight, Warehouse and Other Selling Expenses	88.14	128.68
Office Rent	5.90	2.40
Rates and Taxes	9.13	12.44
Travelling Expenses	151.20	103.47
Insurance charges	7.42	12.66
Payment to auditors		
- Audit fees	1.71	1.54
- Other Services	1.29	1.74
- Reimbursement of expenses	0.66	0.53
Loss on Sale/Discard of Fixed Assets(net)	2.32	—
Bad Debts Written Off	11.76	15.68
Provision for Expected Credit Loss	(0.30)	(0.31)
Loss on Discard of Tea Plantation	3.21	2.24
Donation	—	10.52
Miscellaneous expenses	201.38	203.31
Total	1,950.52	1,756.66



Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

29 EARNINGS PER SHARE		
	Year ended 31st March, 2018	Year ended 31st March, 2017
Net Profit / (Loss) after tax for calculation of basic and diluted EPS (₹ In Lakhs)	225.61	218.31
Weighted average number of equity shares	14,991,000	14,991,000
Nominal Value of equity shares (₹)	5.00	5.00
Basic Earnings Per Share (₹)	1.50	1.46
Diluted Earnings Per Share (₹)	1.50	1.46

30 CONTINGENT LIABILITIES		
	As at 31st March, 2018	As at 31st March, 2017
Claims & Govt. demands against the company not acknowledged as debt:		
- Sales Tax matter under dispute/ appeal	27.59	27.59
- Income Tax matter under dispute/ appeal	—	0.59
Bank Guarantee	121.70	104.47

31 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 31st March, 2016
ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	3.1	5,812.62	5,382.07	5,210.49
Total Non-Current Assets pledged as security		5,812.62	5,382.07	5,210.49
Current Assets				
(a) Inventories	9	649.90	591.50	634.74
(b) Financial assets:				
Trade receivables	10	155.80	154.63	119.30
Total Current Assets pledged as security		805.70	746.13	754.04
Total Assets pledged as security		6,618.32	6,128.20	5,964.53

32. CAPITAL COMMITMENTS

As at 31st March, 2018, the company has commitments of ₹ 162.43 Lakhs (Previous year ₹ 201.57 Lakhs) net of advances relating to estimated amount of contracts to be executed on capital account and not provided for.

33. EMPLOYEE BENEFITS

a) Defined Contribution Plan

(₹ in Lakhs)

Particulars	2017-18	2016-17
Employer's Contribution to Provident Fund	217.42	206.59
Employee's Contribution to Provident Fund	217.42	205.53

b) Defined Benefit Plan - Gratuity

The Gratuity scheme is a final salary defined benefit plan, that provides for lump sum 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 lump sum. There is a vesting period of 5 years.

Associated Risks :

Where there is a benefit being promised and benefit being provided, there will always be some uncertainty for the benefit provider and the benefit recipient.

Notes to the financial statements

as at and for the year ended 31st March, 2018

i. Risk to the Beneficiaries (i.e. for Employees)

Insufficient funds: The greatest risk to the beneficiary is that there are insufficient funds available to provide the promised benefits. This may be due to:

- The insufficient funds set aside, i.e. underfunding
- The insolvency of Employer
- The holding of investments which are not matched to the liabilities; or
- A combination of these events

ii. Risk to the Benefit provider (i.e. for employer)

Parameter Risk: Actuarial valuation is done on basis of some assumptions like salary inflation, discount rate and withdrawal assumptions. In case the actual experience varies from the assumptions, fund may be insufficient to pay off the liability.

Risk of Illiquid Assets: Another risk is that the funds, although sufficient, are not available when they are required to finance the benefits. This may be due to assets being locked for longer period or in illiquid assets.

Risk of Benefit Change: There may be a risk that a benefit promised is changed or is changeable within the terms of the contract.

Assets Liability Mismatching Risk: ALM risk arises due to mismatch between assets and liabilities either due to liquidity or changes in interest rates or due to different duration.

(A) Changes in Defined Benefit Obligation

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Present Value of Defined Benefit Obligation as at the beginning of the year	1,363.95	1,065.31	1,121.96
Current Service Cost	77.67	69.51	64.03
Interest Cost	105.71	85.23	89.76
Remeasurements - Due to Financial Assumptions	(23.06)	50.81	18.07
Remeasurements - Due to Experience Adjustments	19.83	93.09	(228.51)
Present Value of Defined Benefit Obligation as at the end of the year	1,544.10	1,363.95	1,065.31

(B) Changes in the Fair Value of Assets

Fair Value of Plan Assets at the beginning of the year	464.32	428.50	396.03
Interest Income	35.99	34.28	31.68
Remeasurements - Return on Assets (Excluding Interest Income)	0.23	1.54	0.79
Fair Value of Plan Assets at the end of the year	500.54	464.32	428.50

(C) Amount recognised in the Balance Sheet

Present Value of Defined Benefit Obligation	1,544.10	1,363.95	1,065.31
Fair Value of Plan Assets	500.54	464.32	428.50
Net Assets/ (Liability) recognised in the Balance Sheet	(1,043.56)	(899.63)	(636.81)

(D) Current and Non Current Liability and Asset

Non Current Assets	—	—	—
Current Liabilities	296.86	243.64	226.65
Non Current Liabilities	746.68	655.98	410.16



Notes to the financial statements

as at and for the year ended 31st March, 2018

(E) Expense recognized in Statement of Profit and Loss

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Total Service Cost	77.67	69.51
Interest cost	105.71	85.23
Expected Return on Plan Assets	(35.99)	(34.28)
Total Expense required to be recognized in Statement of Profit and Loss but not recognised	147.39	120.46

(F) Expense recognized in the Other Comprehensive Income (OCI) for Current Year

Remeasurements - Due to Financial Assumptions	(23.06)	50.81
Remeasurements - Due to Experience Adjustments	19.83	93.09
(Return) on Plan Assets (Excluding Interest Income)	(0.23)	(1.54)
Net (Income)/ Expense for the period to be recognized in OCI but not recognised	(3.46)	142.36

G) Sensitivity Analysis

	As at 31st March, 2018		As at 31st March, 2017	
	% increase in DBO	Liability (₹ in Lakhs)	% increase in DBO	Liability (₹ in Lakhs)
Discount Rates				
+ 100 Basis Points	-6.15%	1,449.15	-7.22%	1,265.50
- 100 Basis Points	6.96%	1,651.59	8.22%	1,476.14
Salary Growth				
+ 100 Basis Points	7.12%	1,654.05	8.21%	1,475.89
- 100 Basis Points	-6.35%	1,446.03	-7.32%	1,264.06
Withdrawal Rates				
+ 100 Basis Points	0.77%	1,555.99	1.10%	1,378.95
- 100 Basis Points	-0.85%	1,530.90	-0.90%	1,351.67

(H) Maturity profile of Defined Benefit Obligation

	As at 31st March, 2018	As at 31st March, 2017
i) Year 1	296.86	243.64
ii) Year 2 to Year 5	401.55	256.67
iii) Year 6 to Year 10	698.48	863.64

(I) 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 Lakhs)	%	(₹ in Lakhs)	%	(₹ in Lakhs)	%
Insurance Policies	500.54	100	464.32	100	428.50	100

Notes to the financial statements

as at and for the year ended 31st March, 2018

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

	As at 31st March, 2018	As at 31st March, 2017
Discount rate (per annum)	7.75%	7.50%
Salary increase (per annum)	6.00%	6.00%
Expected rate of return on assets	7.75%	7.50%
Disability Rate	5% of Mortality Rate	
Mortality	Indian Assured Lives Mortality (2006-08)	

34. Related Party Disclosures

(a) Name of the related party:

Party	Relationship
I. Key Managerial Personnel	
A. Mr. Sandeep Singhanian	Managing Director
B. Mrs. Sarita Singhanian	Whole Time Director
C. Mr. Manoj Agarwal (till 30.03.2017)	Company Secretary & Chief Financial Officer (From 13.08.2016)
D. Mr. Ramesh Kumar Jhunjhunwala	Chief Financial Officer
E. Mr. Mukund Kumar Jha	Company Secretary (08.06.2017 to 12.09.2017)
F. Ms. Namrata Jain	Company Secretary (since 01.12.2017)
II. Related Party	
A. Diana Capital Limited	Holding Company
B. Singhanian Builders Limited	Enterprise owned and influenced by key managerial personnel or their relatives
C. Mr. Devang Singhanian	Relative of KMP
D. Mrs. Alpana Agarwal	Relative of KMP

(b) Transaction during the period:

(₹ in Lakhs)

Sl. No.	Nature of Transaction	Holding Company		Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprises owned/ influenced by Key Managerial Personnel or their relatives	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1	Loan Taken								
	Diana Capital Ltd.	91.25	56.25	—	—	—	—	—	—
2	Loan Repaid								
	Diana Capital Ltd.	109.91	23.05	—	—	—	—	—	—
3	Interest Paid								
	Diana Capital Ltd.	4.92	2.86	—	—	—	—	—	—
4	Rent Paid								
	Singhanian Builders Limited	—	—	—	—	—	—	2.40	2.40
5	Electricity Expenses Paid								
	Singhanian Builders Limited	—	—	—	—	—	—	3.69	3.52
6	Maintenance Charges Paid								
	Singhanian Builders Limited	—	—	—	—	—	—	0.61	0.60



Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

Sl. No.	Nature of Transaction	Holding Company		Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprises owned/ influenced by Key Managerial Personnel or their relatives	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
7	Remuneration Paid								
	Mr. Sandeep Singhania	—	—	47.04	44.33	—	—	—	—
	Mrs. Sarita Singhania	—	—	33.60	29.49	—	—	—	—
8	Salary Paid								
	Mr. Manoj Agarwal	—	—	—	6.31	—	—	—	—
	Mr. Ramesh Kumar Jhunjhunwala	—	—	5.49	3.23	—	—	—	—
	Mr. Mukund Kumar Jha	—	—	2.60	—	—	—	—	—
	Ms. Namrata Jain	—	—	1.42	—	—	—	—	—
	Mr. Devang Singhania	—	—	—	—	5.38	5.38	—	—
	Mrs. Alpana Agarwal	—	—	—	—	—	5.10	—	—
9	Advance Taken								
	Ramesh Kumar Jhunjhunwala	—	—	2.25	—	—	—	—	—
10	Advance Repaid								
	Ramesh Kumar Jhunjhunwala	—	—	0.75	5.12	—	—	—	—
11	Balance outstanding on account of								
	Advances								
	Ramesh Kumar Jhunjhunwala	—	—	1.50	—	—	—	—	—
	Loan Taken								
	Diana Capital Ltd.	31.67	50.33	—	—	—	—	—	—
	Interest Payable								
	Diana Capital Ltd.	4.42	2.58	—	—	—	—	—	—

35. 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.

36. 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 no 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.

Notes to the financial statements

as at and for the year ended 31st March, 2018

37. Events occurring after the Balance Sheet date:

Dividend

(₹ in Lakhs)

	2017-18	2016-17
Final Dividend for the year 2016-17 (₹ 0.25 per share)	–	37.48
Tax on final dividend for the year 2016-17	–	3.05
Total	–	40.53

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

	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Loans and Advances in the Nature of Loans from Holding			
Diana Capital Limited			
- Balance at the year end (including interest)	36.10	52.91	19.03
- Maximum amount outstanding at any time during the year	86.13	56.33	36.46

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

The Company has made investments in the shares of different companies and given loans to different parties which are general in nature. The loans given are interest bearing which are not lower than the prevailing yield of related government security close to the tenure of the respective loans. Further, the company has not given any guarantee or provided any security.

40. The company has provided deferred tax assets for ₹ 21.94 Lakhs (Previous year ₹ 43.35 Lakhs) based on the future profitability projection. The management is of the view that future taxable income will be available to realise/ adjust such deferred tax assets.

41. Expenditure in Foreign Currency:

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Travelling & Others	93.27	52.28
Total	93.27	52.28

42. Trade receivables and trade payables with respect to few parties are subject to confirmation and reconciliation, if any.

43. 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 the financial statements

as at and for the year ended 31st March, 2018

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.

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
i) Equity share capital	749.55	749.55	749.55
ii) Other equity	5,524.06	5,423.89	5,235.56
Total Equity (a)	6,273.61	6,173.44	5,985.11
i) Borrowings	1,028.07	1,183.11	970.48
ii) Current Maturity of long term debt	103.63	104.12	148.07
iii) Interest accrued and due on borrowings	4.42	4.48	6.97
Total debt (b)	1,136.12	1,291.71	1,125.52
i) Cash and cash equivalents	34.12	68.58	72.66
Total cash (c)	34.12	68.58	72.66
Net debt {d=(b-c)}	1,102.00	1,223.13	1,052.86
Total capital (equity + net debt)	7,375.61	7,396.57	7,037.97
Net debt to equity ratio	0.18	0.20	0.18

44. Financial risk management objectives and policies

The Company's principal financial liabilities, 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 debts.

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.

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.

Notes to the financial statements

as at and for the year ended 31st March, 2018

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 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. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

	Increase/ decrease in basis points	Effect on profit before tax	Effect on post-tax equity
31st March, 2018			
₹ In Lakhs	+ 100	(11.98)	(8.90)
₹ In Lakhs	(-) 100	11.98	8.90
31st March, 2017			
₹ In Lakhs	+ 100	(12.22)	(8.44)
₹ In Lakhs	(-) 100	12.22	8.44
31st March, 2016			
₹ In Lakhs	+ 100	(12.11)	(8.37)
₹ In Lakhs	(-) 100	12.11	8.37

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 10.

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, buyer's credit and other means of borrowings. The company invests its surplus funds in liquid schemes of mutual funds, which carry no/low mark to market risk.

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 the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

	On Demand	Less than 1 Year	1 to 5 Years	> 5 Years	Total
31st March, 2018					
Borrowings	187.13	103.63	474.41	368.95	1,134.12
Trade payables	–	420.16	–	–	420.16
Other financial liabilities	–	358.37	–	–	358.37
	187.13	882.16	474.41	368.95	1,912.65
31st March, 2017					
Borrowings	577.41	104.12	268.89	340.08	1,290.50
Trade payables	–	337.45	–	–	337.45
Other financial liabilities	–	331.03	–	–	331.03
	577.41	772.60	268.89	340.08	1,958.98
31st March, 2016					
Borrowings	543.04	148.07	177.00	251.65	1,119.76
Trade payables	–	327.12	–	–	327.12
Other financial liabilities	–	356.07	–	–	356.07
	543.04	831.26	177.00	251.65	1,802.95

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.

45. 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 (I) to the financial statements.

Notes to the financial statements

as at and for the year ended 31st March, 2018

(a) Financial assets and liabilities

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

(₹ in Lakhs)

	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	FVOCI	Amortised cost	FVOCI	Amortised cost	FVOCI	Amortised cost
Assets:						
Trade receivables	–	155.80	–	154.63	–	119.30
Investments	371.07	–	261.79	–	457.77	–
Loans	–	954.00	–	1,647.00	–	1,315.00
Cash and cash equivalents	–	81.81	–	103.39	–	115.23
Other financial assets	–	42.81	–	144.03	–	127.47
Total	371.07	1,234.42	261.79	2,049.05	457.77	1,677.00
Liabilities:						
Borrowings	–	1,131.70	–	1,287.23	–	1,118.55
Other financial liabilities	–	358.37	–	331.03	–	356.07
Trade payables	–	420.16	–	337.45	–	327.12
Total	–	1,910.23	–	1,955.71	–	1,801.74

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.



Notes to the financial statements

as at and for the year ended 31st March, 2018

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

(₹ in Lakhs)

	Level 1	Level 2	Level 3
As at 31st March, 2018			
Financial Assets:			
<i>Financial investments at FVOCI</i>			
Quoted Investments	82.60	–	–
Unquoted Investments	–	61.10	227.37
Total	82.60	61.10	227.37
As at 31st March, 2017			
Financial Assets:			
<i>Financial investments at FVOCI</i>			
Quoted Investments	34.42	–	–
Unquoted Investments	–	–	227.37
Total	34.42	–	227.37
As at 31st March, 2016			
Financial Assets:			
<i>Financial investments at FVOCI</i>			
Quoted Investments	230.40	–	–
Unquoted Investments	–	–	227.37
Total	230.40	–	227.37

Notes:

There have been no transfers between level 1 and level 2 for the years ended 31st March, 2018 and 31st March, 2017.

46. First time adoption Ind AS reconciliations

a) Reconciliations of Balance Sheet

(₹ in Lakhs)

	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	6,150.52	(768.45)	5,382.07	5,945.34	(734.85)	5,210.49
(b) Capital work-in-progress	122.66	–	122.66	0.49	–	0.49
(c) Financial assets :						
(i) Investments	273.53	(11.74)	261.79	554.44	(96.67)	457.77
(ii) Other Financial assets	4.91	–	4.91	5.62	–	5.62
(d) Deferred tax assets (net)	25.30	18.05	43.35	(1.82)	3.87	2.05
(e) Other Non Current Assets	294.65	(18.05)	276.60	294.84	(3.87)	290.97
Total Non-Current Assets	6,871.57	(780.19)	6,091.38	6,798.91	(831.52)	5,967.39

Notes to the financial statements

as at and for the year ended 31st March, 2018

(₹ in Lakhs)

	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
Current Assets						
(a) Inventories	591.50	–	591.50	634.73	0.01	634.74
(b) Financial assets:						
(i) Trade receivables	155.14	(0.50)	154.64	120.12	(0.82)	119.30
(ii) Cash and cash equivalents	68.57	–	68.57	72.66	–	72.66
(iii) Bank balance other than (ii) above	34.81	–	34.81	42.57	–	42.57
(iii) Loans	1,647.00	–	1,647.00	1,315.00	–	1,315.00
(iv) Other Financial assets	139.12	–	139.12	121.84	0.01	121.85
(c) Other Current Assets	163.11	(50.27)	112.84	135.15	(50.28)	84.87
Total Current Assets	2,799.25	(50.77)	2,748.48	2,442.07	(51.08)	2,390.99
Total Assets	9,670.82	(830.96)	8,839.86	9,240.98	(882.60)	8,358.38
EQUITY AND LIABILITIES						
Equity						
(a) Equity Share capital	749.55	–	749.55	749.55	–	749.55
(b) Other Equity	6,226.96	(803.07)	5,423.89	6,076.47	(840.91)	5,235.56
Total Equity	6,976.51	(803.07)	6,173.44	6,826.02	(840.91)	5,985.11
Liabilities						
Non-Current Liabilities						
(a) Financial liabilities:						
(i) Borrowings	608.97	(3.26)	605.71	428.65	(1.21)	427.44
(b) Other non current liabilities	–	8.88	8.88	–	–	–
Total Non-Current Liabilities	608.97	5.62	614.59	428.65	(1.21)	427.44
Current liabilities						
(a) Financial liabilities:						–
(i) Borrowings	577.41	–	577.41	543.04	–	543.04
(ii) Trade payables	337.44	0.01	337.45	327.10	0.02	327.12
(iii) Other financial Liabilities	435.15	–	435.15	504.15	(0.01)	504.14
(b) Other current liabilities	481.41	6.99	488.40	344.94	0.01	344.95
(c) Provisions	253.93	(40.51)	213.42	267.08	(40.50)	226.58
Total Current Liabilities	2,085.34	(33.51)	2,051.83	1,986.31	(40.48)	1,945.83
Total Equity and Liabilities	9,670.82	(830.96)	8,839.86	9,240.98	(882.60)	8,358.38



Notes to the financial statements

as at and for the year ended 31st March, 2018

b) Reconciliation of total comprehensive income for the year ended 31st March, 2017

(₹ in Lakhs)

	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	5,286.24	(41.63)	5,244.61
Less: Excise Duty	(17.18)	17.18	–
Other income	177.99	3.97	181.96
Total revenue	5,447.05	(20.48)	5,426.57
Expenses			
Cost of raw materials consumed	280.30	–	280.30
Change in inventories of work-in-progress, stock-in-trade, by-products and finished goods	20.15	(0.01)	20.14
Employee benefits expenses	2,844.10	–	2,844.10
Finance costs	140.98	(2.05)	138.93
Depreciation and amortization expenses	107.58	33.61	141.19
Excise duty on sale of goods	–	17.18	17.18
Other expenses	1,803.26	(46.60)	1,756.66
Total expenses	5,196.37	2.13	5,198.50
Profit/(Loss) Before Exceptional item	250.68	(22.61)	228.07
Less: Tax expenses :			
Current tax	43.00	–	43.00
Deferred tax	(27.12)	–	(27.12)
MAT credit entitlement	–	–	–
Income Tax relating to earlier years	(6.12)	–	(6.12)
Profit/(Loss) for the year	240.92	(22.61)	218.31
Other Comprehensive Income/(Expenses) (OCI)			
Items that will not be reclassified to profit or loss:			
Net (loss)/gain on FVTOCI equity securities	–	60.45	60.45
	–	60.45	60.45
Other Comprehensive Income/(Expenses) (OCI)	–	60.45	60.45
Total Comprehensive Income /(Loss) for the year	240.92	37.84	278.76

Notes to the financial statements

as at and for the year ended 31st March, 2018

c) Reconciliation of total equity as at 31st March, 2017 and 31st March, 2016

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Total Equity (shareholder's fund) under previous GAAP	6,976.51	6,826.02
Impact of recognising bearer plants at fair value and depreciation thereon	(768.45)	(734.85)
Impact of revaluation of Investments	(11.74)	(96.67)
Impact of Expected Credit loss	(0.50)	(0.82)
Impact of amortisation of loan processing charges	3.26	1.21
Replanting subsidy reclassified as deferred subsidy income under Ind AS 20 (net of tax)	(15.87)	–
Dividends not recognised as liability until declared under Ind AS 8 (including tax thereon)	40.51	40.50
Other Adjustment	(50.28)	(50.28)
Total Equity under Ind AS	6,173.44	5,985.11

d) Effects of IND AS adoption on Cash Flows for year ended 31st 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	130.54	34.81	95.73
Net Cash Used In Investing Activities	(95.02)	–	(95.02)
Net Cash from Financing Activities	(47.36)	–	(47.36)
Net Increase / (Decrease) In Cash And Cash Equivalents	(11.84)	34.81	(46.65)
Cash & Cash Equivalents at the beginning of the year	115.23	–	115.23
Cash & Cash Equivalents at the end of the year	103.39	34.81	68.58

Notes:

A. 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.

B. 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.

C. 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.

D. 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.



Notes to the financial statements

as at and for the year ended 31st March, 2018

E. 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.

F. 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.

47. Details of Raw Materials consumed during the period (All Indigenous)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Quantity (Kgs.)	Amount (₹ in Lakhs)	Quantity (Kgs.)	Amount (₹ in Lakhs)
Green Leaf harvested (Green leaf harvested from Company's own gardens and utilized in the integrated activity of manufacture and value at the intermediate stage is not ascertainable)	14,216,436		13,296,052	
Green Leaf Purchased	3,417,548	533.64	1,680,414	280.30

48. Detail of Finished Goods, Production, Purchase, Stock and Sales

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Quantity (Kgs.)	Amount (₹ in Lakhs)	Quantity (Kgs.)	Amount (₹ in Lakhs)
Actual production [excluding tea issued for sampling, shortage, tea waste destroyed & complimentary 34962 Kgs. (Previous Year 47074 Kgs.)]	3,974,614	–	3,405,850	–
Opening Stock	326,961	411.20	356,543	431.35
Closing Stock	238,107	296.47	326,961	411.20
Gross Sales	4,063,468	6,075.08	34,35,432	5,260.07

49. Value of Imported/Indigenous Stores and Spare Parts consumed and percentage thereof

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Amount (₹ in Lakhs)	%	Amount (₹ in Lakhs)	%
All Indigenous	503.52	100	463.84	100

50. Figures for the previous year have been regrouped, rearranged and recast wherever necessary.

In terms of our report of even date

For **DAS & PRASAD**

Chartered Accountants

Firm Registration No.303054E

Sd/-

A. K. Agarwal

Partner

Membership No. 062368

4, Chowringhee Lane, Kolkata - 700 016

Date : 28th May, 2018

For and on behalf of the Board

Sd/-

Sandeep Singhania

Managing Director

(DIN : 00343837)

Sd/-

Namrata Jain

Company Secretary

(Membership No.51075)

Sd/-

Sarita Singhania

Director (Sales & Marketing)

(DIN : 00343786)

Sd/-

Ramesh Kumar Jhunjunwala

Chief Financial Officer

(PAN: ACVPI4503C)

NOTES

[illegible]

Anti oxidants that are in tea, Keeps you always fit and healthy.

NOTES

[illegible]



List of products

Bulk Packing Jute bags
(in 26 kgs & 35 kgs)

Tea Chest
(in 26 kgs & 35 kgs)

Poly Pouch Pack
(3 varieties in 25 gms)

Tea Bags
(25 bags & 100 bags pack)

Mini Chestlet
(500 gms)

BOOK POST

If undelivered, please return to :

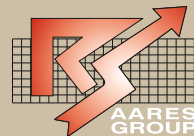
DIANA TEA COMPANY LIMITED

"SIR R.N.M. HOUSE"

3B, Lalbazar Street, Kolkata - 700 001

Phone : (033) 2248 8672, 4066 1590/93, Fax : (033) 2248 7571

E-mail : contactus@dianatea.in



DIANA TEA COMPANY LIMITED**CIN:** L15495WB1911PLC002275**Registered Office:** Sir RNM House (4th Floor), 3B, Lalbazar Street, Kolkata - 700 001**Phone:** (033) - 4066 1590-93, **Fax:** (033)- 2248 7571, **Email:** contactus@dianatea.in, **Website:** www.dianatea.in**ATTENDANCE SLIP**

I/We hereby record my/our presence at the 107th Annual General Meeting (AGM) of Diana Tea Company Limited on Tuesday, September 18, 2018 AT 10:30 A.M. at Gyan Manch Education Society Hall, 11, Pretoria Street, Kolkata- 700071

Folio No/DP ID & Client ID :**Share Holding :****Serial No :****Name :****Name(s) of Joint Holder(s), if any :****Address :**

Proxy's Name in Block Letters

Shareholder's/Proxy's Signature

Note: Please bring the Attendance Slip duly signed to the meeting and hand it over at the Entrance of the Meeting Hall. Duplicate slips will not be issued at the venue of the AGM.

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID	PAN/SEQUENCE NUMBER
180804007		

Please refer to the AGM Notice for e-voting instructions

DIANA TEA COMPANY LIMITED**CIN:** L15495WB1911PLC002275**PROXY FORM – MGT 11****Registered Office:** Sir RNM House (4th Floor), 3B, Lalbazar Street, Kolkata - 700 001**Phone:** (033) - 4066 1590-93, **Fax:** (033)- 2248 7571, **Email:** contactus@dianatea.in, **Website:** www.dianatea.in**[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 Member(s) :

Registered Address :

E-mail ID :

Folio No/DP ID & Client ID :

I/We, being the Member(s) of Diana Tea Company Limited, holding.....Equity Shares of the above named Company, hereby appoint :

- 1) Name :Address :
E-mail ID :Signature :or failing him/her;
- 2) Name :Address :
E-mail ID :Signature :or failing him/her;
- 3) Name :Address :
E-mail ID :Signature :

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 107th Annual General Meeting (AGM) of the Company, to be held on Tuesday, 18th September 2018 at 10:30 AM at "Gyan Manch Education Society Hall", 11, Pretoria Street, Kolkata-700 071 or at any adjournment thereof in respect of following resolutions :

Resolution No.	Resolutions	Optional *	
		For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Financial Statement for the financial year ended on 31 st March, 2018 and the Reports of the Directors and Auditors thereon.		
2.	To Declare a Dividend on Equity Shares for the Financial Year ended 31st March, 2018.		
3.	To Appoint a Director in place of Mrs. Sarita Singhania (DIN:00343786) who retires by rotation and being eligible, offers herself for re-appointment.		
4.	Appointment of M/s. B. Nath & Co., Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration.		
Special Business			
5.	To pass a Special Resolution for payment of remuneration to Mr. Sandeep Singhania, Managing director for remaining period of his tenure.		
6.	To pass a Special Resolution for approval in terms of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to the continuation of Mr. Harish Parekh as Non-Executive Independent Director of the Company.		
7.	To pass a Special Resolution for approval in terms of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to the continuation of Mr. N.F. Tankariwala as Non-Executive Independent Director of the Company.		

Signed thisday of2018

Signature of Shareholder(s).....

Signature of Proxyholder(s).....

Notes : 1. This form of proxy in order to be effective should be duly completed and deposited at the Company's Registered Office or Head & Corporate Office not less than 48 hours before the commencement of the AGM.

2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 107th AGM of the Company.

3. *It is optional to put a 'X' 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.

Affix
Revenue
Stamp of
Rs 1/- here