ROSSELL INDIA LIMITED

Date: 8th August, 2017

Department of Corporate Services BSE Limited Ground Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400 001 Scrip Code: 533168	National Stock Exchange of India Limited Listing Department, Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Symbol : ROSSELLIND	The Secretary The Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata – 700 001

Dear Sir,

Sub: Submission of Annual Report

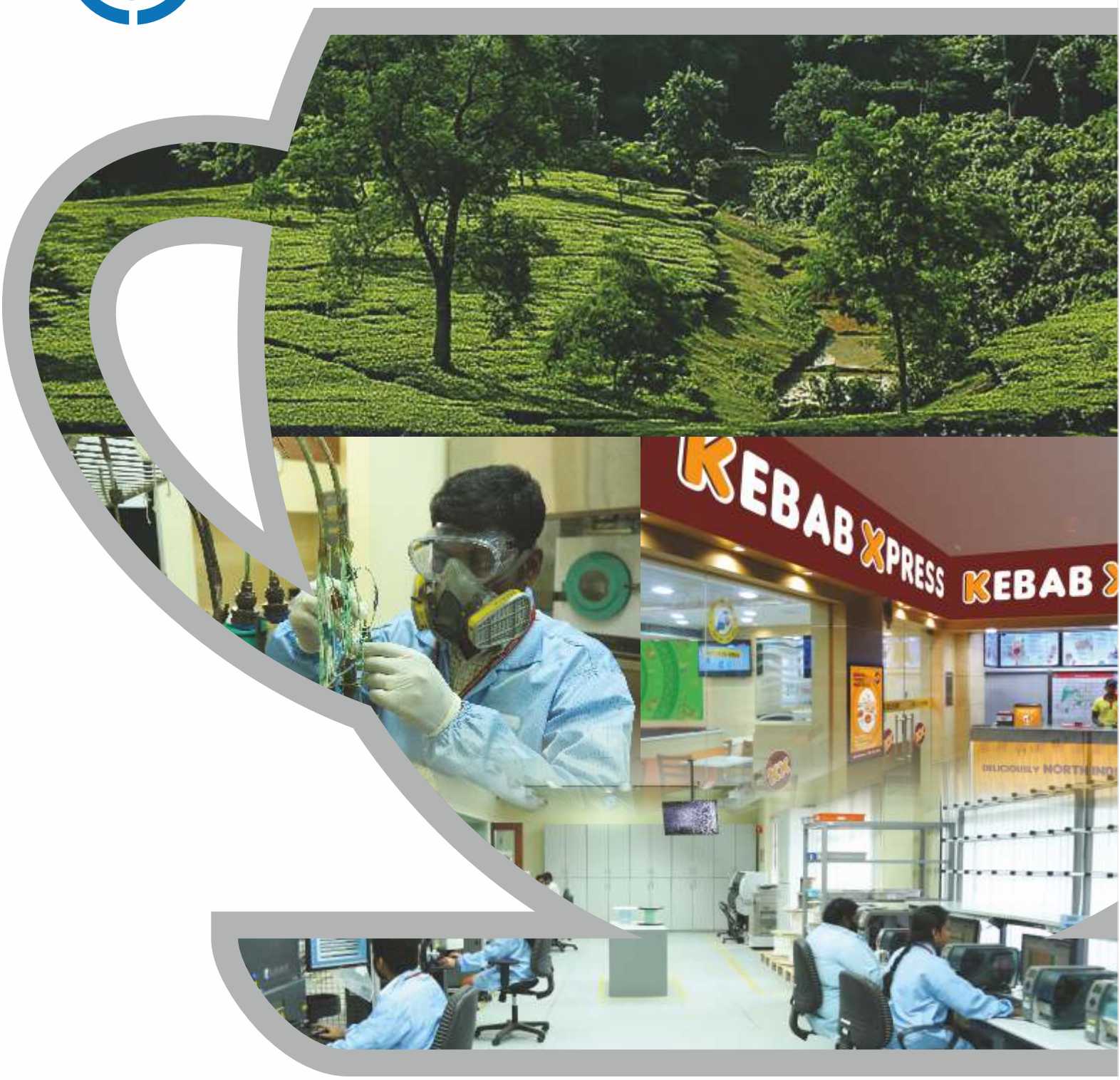
In terms of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Annual Report of the Company for the Financial Year ended 31st March, 2017, which was approved and adopted by the Members at the 23rd Annual General Meeting of the Company held on 4th August, 2017.

Please note that the Annual Report contains all the items as specified in Regulation 34(2) and 34(3) of the aforesaid Regulations, save and except the Business Responsibility Report, not applicable to us.

Yours faithfully,
For ROSSELL INDIA LTD.

(N K KHURANA)
CHIEF FINANCIAL OFFICER
-cum-COMPANY SECRETARY

Encl : As above



Rossell India Limited

Annual Report 2016-17

Corporate Information

BOARD OF DIRECTORS

H. M. Gupta, *Executive Chairman (KMP – Chief Executive Officer)*
Dr. S. S. Baijal, *Non-Executive-IndependentDirector*
H. M. Parekh, *Non-Executive-IndependentDirector*
V. P. Agarwal, *Non-Executive-IndependentDirector*
C. S. Bedi, *Managing Director (KMP)*
N. Palchoudhuri, *Non-Executive Non-Independent Director*

AUDIT COMMITTEE

Dr. S. S. Baijal, *Non-Executive-Independent Director (Chairman)*
H. M. Parekh, *Non-Executive-Independent Director (Member)*
V. P. Agarwal, *Non-Executive-Independent Director (Member)*
N. Palchoudhuri, *Non-Executive Non-Independent Director (Member)*

NOMINATION AND REMUNERATION COMMITTEE

H. M. Parekh, *Non-Executive-Independent Director (Chairman)*
Dr. S. S. Baijal, *Non-Executive-Independent Director (Member)*
V. P. Agarwal, *Non-Executive-Independent Director (Member)*

STAKEHOLDERS' RELATIONSHIP COMMITTEE

H. M. Parekh, *Non-Executive-Independent Director (Chairman)*
V. P. Agarwal, *Non-Executive-Independent Director (Member)*
C. S. Bedi, *Managing Director (Member)*

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Dr. S. S. Baijal, *Non-Executive-Independent Director (Chairman)*
V. P. Agarwal, *Non-Executive-Independent Director (Member)*
C. S. Bedi, *Managing Director (Member)*

RISK MANAGEMENT COMMITTEE

H. M. Parekh, *Non-Executive-Independent Director (Chairman)*
N. Palchoudhuri, *Non-Executive Non-Independent Director (Member)*
C. S. Bedi, *Managing Director (Member)*

CHIEF FINANCIAL OFFICER -CUM-COMPANY SECRETARY

N. K. Khurana (KMP)

AUDITORS

S. S. Kothari & Co.,
Chartered Accountants

BANKERS

HDFC Bank Limited
Kotak Mahindra Bank Limited
The Federal Bank Limited
YES Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

CB Management Services Private Limited
P-22, Bondel Road,
Kolkata-700 019

REGISTERED OFFICE

Jindal Towers, Block 'B', 4th Floor,
21/1A/3, Darga Road, Kolkata - 700017

KMP – (Key Managerial Personnel)

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Notice

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of Rossell India Limited will be held on Friday, 4th August, 2017, at 10:30 A.M. at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt –

   (a) The Audited Financial Statement of the Company for the Financial Year ended 31st March, 2017 together with the Reports of the Directors and Auditors thereon; and

   (b) The Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2017 together with the Report of the Auditors thereon.

2. To declare Dividend on the Equity Shares for the Financial Year ended 31st March, 2017, out of reserves.

3. To appoint a Director in place of Mr. H. M. Gupta (DIN - 00065973), who retires by rotation, and, being eligible offers himself for re-appointment.

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

   "**RESOLVED THAT** In terms of section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules 2014, and as recommended by the Audit Committee and agreed to by the Board of Directors, M/s. Khandelwal Ray & Co. Chartered Accountants, Kolkata (Firm Regn. No. 302035E) be and are hereby appointed as Auditors of the Company in place of the retiring Auditors M/s. S. S. Kothari & Co., Chartered Accountants, to hold office for a period of 5 years commencing from the conclusion of this Annual General Meeting till the conclusion of the 28th Annual General Meeting, subject to ratification of their appointment at every AGM in the manner required under the Act, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modification(s), the following Resolutions.

5. As Ordinary Resolution:

"**RESOLVED THAT** a notice in writing under Section 160 of the Companies Act, 2013, along with requisite deposit, having been received from a Member signifying their intention to propose the candidature of Mr. N. K. Khurana (DIN - 00123297) for the office of Director, Mr. N. K. Khurana, be and is hereby appointed as a Director w.e.f. 1st September, 2017, whose period of office shall be liable to determination by retirement of directors by rotation in terms of Section 152 (6) of the Companies Act, 2013."

6. As Special Resolutions:

"**RESOLVED THAT** pursuant to the provisions of Section 188, 196,197 and other applicable provisions, if any, of the Companies Act, 2013 read with Section I and Section II of Part II of Schedule V to the said Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. N. K. Khurana (DIN - 00123297), be and is hereby appointed as the Whole Time Director of the Company, to be designated as Director (Finance) and Company Secretary for a period of 3 (Three) years commencing from 1st September, 2017 till 31st August, 2020 on the terms and conditions, including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting and approved by the Board of Directors, upon recommendation made by the Nomination and Remuneration Committee of the Board in accordance with Schedule V, Section I and Section II of Part II of the Companies Act, 2013 and also approved by the Audit Committee of the Board in accordance with the Policy of the Company on Related Party Transactions."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. As Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 197 of the Companies Act, 2013, approval of the Members be and is hereby accorded for payment of Commission to Non-Executive Directors, not in the whole time employment of the Company, from time to time not exceeding in the aggregate 1% (one percent) of the Net Profits of the Company as computed in terms of Section 198 of the Companies Act, 2013 for a period of 5(Five) Financial Years commencing from 1st April 2017 till 31st

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March, 2022 and that the distribution amongst such Directors be made in such proportion as the Board of Directors may decide from time to time."

8. As Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, M/s Shome and Banerjee, Cost Accountants, (Registration No. 000001), the Cost Auditors appointed by the Board, to conduct the audit of the cost records of the Company in respect of products of Rossell Tea and Rossell Techsys Divisions for the Financial Year ending 31st March, 2018, be paid remuneration as set out in the Explanatory Statement annexed to the Notice."

By Order of the Board
N K Khurana
Chief Financial Officer
- cum-Company Secretary

Place : Delhi
Date : 25th May, 2017

NOTES

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/ herself and such proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the commencement of AGM. The Instrument of Proxy in Form MGT 11 to be used in this AGM is enclosed.**

   Pursuant to Section 105 of the Companies Act, 2013 (the Act) read with clause 6 of the Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate Members/ Societies intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of the Resolution passed by the Board of Directors / Governing Board, authorizing their representatives to attend and vote on their behalf at the AGM.
3. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Registrar of Members and Share Transfer Books of the Company shall remain closed from 29th July, 2017 to 4th August, 2017 (both days inclusive) for the purpose of the Annual General Meeting and payment of dividend.
5. The dividend, as recommended by the Board of Directors, if declared at this Annual General Meeting will be paid to those Members whose names appear on the Company's Register of Members after giving effect to all valid transfer deeds in physical form lodged with the Company/RTA on or before 28th July, 2017 and in respect of shares held in dematerialized form to the beneficial owners whose names appear in the statements to be furnished by the Depositories for this purpose as at the close of business hours on 28th July, 2017. The dividend declared at the Annual General Meeting shall be paid on or before 30th August, 2017.
6. The Explanatory Statement pursuant to section 102 (1) of the Act, setting out the material facts concerning each item of Special Business is Annexed to this Notice.
7. Members who are holding shares in identical order of names in more than one Folio in physical form are requested to write to the Company / the Registrars to consolidate their holdings in one Folio.
8. **Members are requested to bring the Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.**
9. Members are requested to :
   (i) quote their Registered Folio Numbers / Client ID Nos. in all correspondences with the Company / with the Registrars; and
   (ii) promptly notify any change in their address to the Company / the Registrars, CB Management Services Private Limited, P-22, Bondel Road, Kolkata – 700 019, in case they still hold the Equity Shares in physical form.

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10. Unpaid Dividend

In compliance with the provisions of Sub-Section 5 of Section 124 of the Act 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the following amounts were transferred to Investor Education and Protection Fund (IEPF) of the Central Government during the Financial Year 2016-2017:

a) A sum of ₹ 1,22,881 being the dividend lying unclaimed out of the dividend declared by the Company for the Financial Year 2008-2009 were transferred to the IEPF on 3rd September, 2016.

b) A sum of ₹ 64,384 being the dividend lying unclaimed out of the interim dividend declared by the Company for the Financial Year 2009-2010 were transferred to IEPF on 15th December, 2016.

Pursuant to Section 124 of the Act, the Company is obliged to transfer any money lying in the Unpaid Dividend Accounts, which remain unpaid or unclaimed for a period of seven years from the date of transfer in such Unpaid Dividend Accounts to the credit of IEPF established by the Central Government in accordance with Section 125 of the Act. Accordingly, the Company would be transferring the unpaid final dividend for the financial year ended 31st March 2010, during August, 2017 to IEPF. Those Members, who have not so far encashed their Dividend Warrants from the financial year ended 31st March, 2010 onwards may immediately approach the Company for revalidation of such Dividend Warrants.

11. Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Suspense Account

Pursuant to the provisions of Section 124 (6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to an IEPF Suspense Account.

In view of the above, the underlying shares in respect of which unclaimed dividend for the Financial Year 2008-2009 has already been transferred to Investor Education and Protection Fund, shall be transferred to IEPF Suspense Account of the Central Government pursuant to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017.

Accordingly, the Company has initiated the process and issued individual notices to the concerned shareholders by registered post on 25th November, 2016 for their necessary action. Simultaneously, the Company published necessary newspaper public notice in this respect on 28th November, 2016 in the 'Business Standard' (all editions) in English and 'Aajkal' (Kolkata edition) in Bengali. The Company has also uploaded full details of such shares due for such transfer as well as unclaimed dividends on the website of the Company www.rossellindia.com. As on date, the Company is in the process of transferring the shares as per the rules framed and in compliance with the notifications issued in this regard form time to time.

Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

12. Unclaimed Equity Shares

In terms of Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is maintaining an account under the name and style "Unclaimed Suspense Account", with IL&FS Securities Services Limited, Mumbai and the unclaimed 1,09,535 Equity Shares of the Company belonging to 480 Members are lying therein as on 31st March, 2017, since the date of opening of the Account. During the Financial Year 2016-2017, the Company received claims from two members for transfer of 7,575 Equity Shares, along with valid documents, from the said Unclaimed Suspense Account and accordingly approved the same. The Members concerned are requested to lodge their claim with the Company's Registrars and Share Transfer Agents, CB Management Services Private Limited in case no Equity Shares have been received by them after sub-division of the Equity Shares of the Company.

13. The Members are requested to contact the Company's Registrar and Share Transfer Agent, CB Management Services Private Limited for all their queries, transfer, requests, or any other matter relating to their shareholding in the Company as per their following contact details:

P-22, Bondel Road
Kolkata – 700 019
Tel: 033 - 40116700, 40116711, 40116718, 40116723
Fax: 033 - 22870263
Email ID: rta@cbmsl.com / ranarc@cbmsl.com

14. Dematerialization of the Equity Shares of the Company

The Equity Shares of the Company are compulsorily required to be held under DEMAT mode for Trading on the Stock Exchanges, where such Equity Shares are listed. These can be held in electronic form with any Depository Participant (DP) with whom the

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Members have their Depository Account. All the Members, holding Equity Shares of the Company in the physical form, are advised to get the same dematerialized. The Members may contact the Registrar and Share Transfer Agent of the Company at their address mentioned above in case of any query /difficulty in the matter or at the Registered Office of the Company.

15. Pursuant to Section 101 and Section 136 of the Act, read with Rule 11 of the Companies (Accounts) Rules, 2014, and in support of the concept of 'Green Initiative', the Company would serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company, the Registrar and Share Transfer Agent or with the Depository. Therefore, Members who have not registered their e-mail addresses so far are requested to register their e-mail id with the Company's Registrar and Share Transfer Agent at www.cbmsl.com/green.php or with the Company at corporate@rosselltea.com.

16. The Annual Report of the Company circulated to the Members of the Company, shall be made available on the Company's website at www.rossellindia.com.

17. Members are requested to send their queries, if any, on Annual Report to the Company Secretary, at least 7 days before the date of Meeting, so that the requisite information/explanations can be provided in time.

18. Payments to Shareholders by Electronic Payment Mode :

In terms of Regulation 12 read with Schedule I para 1 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 listed Companies are required to make payment of dividend to investors through electronic fund transfer. Accordingly, if you are holding shares in physical form, you are requested to send your complete Bank Account details along with a cancelled cheque to the Company's Registrar and Share Transfer Agent as in 13 above to enable us to credit the dividend amount directly to your Bank Account. In case of non-availability of MICR / IFSC etc. for making electronic payment or in cases where such payment have been rejected by the Bank, physical warrants will be issued with the Bank Account details of the shareholders' mandatorily printed on the warrants.

19. The route map showing directions to reach the venue of the 23rd Annual General Meeting is annexed at end of this Notice as per the requirement of the Secretarial Standards-2.

20. In compliance with the provisions of Section 108 of the Act, 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, the Company is pleased to provide the Members, the facility to cast their votes through e-voting (including remote e-voting) on all Resolutions set forth in this Notice. The facility for voting through ballot or polling paper shall also be made available at the Meeting and Members attending the Meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail address is registered with the Company's Registrar and Share Transfer Agent/Depositories)

1. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
2. Launch internet browser by typing the URL https://www.evoting.nsdl.com/
3. Click on "Shareholder - Login".
4. Put User ID and password as initial password noted in step 1 above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof.
6. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
7. Select "EVEN" (E-Voting Event Number) of Rossell India Limited. Members can cast their vote online from 31st July, 2017 (9:00 am) till 3rd August, 2017 (5:00 pm).
8. Now you are ready for "e-Voting" as "Cast Vote" page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.

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11. Once you have voted on the resolution, you will not be allowed to modify your vote.

12. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorised signatories who are authorized to vote, to the Scrutinizer through e-mail to scrutinizeraklabh@gmail.com/ aklabh@aklabh.com/ aklabhcs@gmail.com with a copy marked to evoting@nsdl.co.in and corporate@rosselltea.com .

B. In case a member receives physical copy of the Notice by Post [for Members whose e-mail addresses are not registered with Company's Registrar and Share Transfer Agent/Depositories]:

a) Initial password would be provided at the bottom of the Attendance Slip for the AGM.

b) Please follow all steps from Sl. No. 1 to Sl. No. 12 above, to cast vote.

Please note the followings:

i) e-Voting shall not be allowed beyond time specified in point A.7 above.

ii) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

iii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

iv) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

v) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

vi) The voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the cut-off date of 28th July, 2017.

vii) M/s. A. K. Labh & Co., Practicing Company Secretaries, (Membership No. F4848) Kolkata has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

viii) The Scrutiniser shall, immediately after the conclusion of voting at General Meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within 3 days of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.

ix) The results along with the Scrutinisers' Report shall be placed on the website of the Company and on the website of NSDL and shall be communicated to BSE Limited and National Stock Exchange of India.

x) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

By Order of the Board

N K Khurana

Chief Financial Officer

- cum-Company Secretary

Place : Delhi

Date : 25th May, 2017

Notice

EXPLANATORY STATEMENT

[Pursuant to Section 102 (1) Of the Companies Act, 2013 (the Act)]

Attached to the Notice convening the Twenty Third Annual General Meeting to be held on 4th August, 2017

ITEMS NO. 5 and 6

The Nomination and Remuneration Committee of the Board of Directors of the Company at its Meeting held on 25th May, 2017, has identified, Mr. N. K. Khurana (Mr. Khurana) as a fit and proper person to be elevated as a Director of the Company. Mr. Khurana is presently, holding the position of Key Managerial Personnel of the Company, within the meaning of Sec. 203 of the Act, as the Chief Financial Officer-cum- Company Secretary. Accordingly, the Committee recommended his appointment as Whole Time Director with the designation "Director (Finance) and Company Secretary".

Mr. Khurana has been associated with the Company since its inception in 1994 as Company Secretary-cum- Finance Manager and thereafter in various positions as Head of Finance and Company Secretary. Apart from Finance, Accounts, Taxation, Secretarial, Legal, Commercial and Administrative functions, Mr. Khurana, as part of the Senior Management Team, is also involved in Strategy and Policy decision making at the Corporate Level. Keeping in view, his professional background, corporate experience and leadership qualities, the Nomination and Remuneration Committee considered it prudent to recommend the elevation of Mr. Khurana at corporate ladder with effect from 1st September, 2017, in terms of Remuneration Policy of the Company, subject to approval of the Members at the ensuing Annual General Meeting.

Since Mr. Khurana is a Related Party within the meaning of Sec. 2 (76) of the Act as well as Regulation 2 (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Audit Committee of the Board at their Meeting held on 25th May, 2017, endorsed the recommendation of the Nomination and Remuneration Committee and recommended to the Board, the appointment of Mr. Khurana as "Director (Finance) and Company Secretary", for a period of 3 years, for the period from 1st September, 2017 to 31st August, 2020, in compliance with the Company's Policy on Related Party Transactions and the provisions of Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has also received a notice under Section 160(1) of the Act along with the requisite deposit from one of the Members of the Company signifying their intention to propose the candidature of Mr. Khurana for the office of Director of the Company.

Based on the recommendations of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors in their Meeting held on 25th May, 2017, has approved the appointment of Mr. Khurana as Director (Finance) and Company Secretary for a period of 3 years for the period from 1st September, 2017 to 31st August, 2020, subject to approval by the Members of the Company by way of Special Resolution, at a remuneration to be paid to him as approved by the Nomination and Remuneration Committee in accordance with the Remuneration Policy of the Company and detailed below:

1. Salary:

₹ 2,50,000 only per month in the range of ₹ 2,50,000– ₹ 4,00,000. Annual increments to Mr. Khurana during his tenure shall be based on the recommendation of the Nomination and Remuneration Committee within the aforesaid scale in accordance with the Remuneration Policy of the Company and approval of such increment by the Audit Committee in accordance with the Policy on Related Party Transactions.

2. Perquisites and Allowances:

The quantum of perquisites and allowances in such form and in such manner, as may be decided from time to time by the Nomination and Remuneration Committee, Audit Committee and the Board of Directors, shall be restricted to the following ceilings. Within the specified ceiling, Mr. Khurana shall be entitled to following perquisites and allowances:

i) Special Allowance: Not exceeding 30% of Salary.

ii) Housing: Rent-free furnished accommodation, for which rent shall not exceed 50% of the salary, along with the expenditure on gas, electricity, water and furnishing thereof shall not exceed 10% of the salary. In case no accommodation is provided, House Rent Allowance up to 50% of the salary shall be payable to Mr. Khurana.

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iii) Medical: Reimbursement of expenses incurred for self and family, subject to a ceiling of one month's salary in one year or three months' salary during the present tenure of his appointment.

iv) Leave Travel Allowance: For self and family, once in the year in accordance with the Rules of the Company.

v) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund: As per Rules of the Company.

vi) Earned Leave as per Rules of the Company. Leave not availed shall be allowed to be encashed.

Provision of Car for use on Company's business, telephones at residence and mobile telephones will not be considered as perquisites.

Perquisites shall be evaluated as per Income Tax Act, 1961 as provided under Sec. 2 (78) of the Act.

3. Minimum Remuneration:

In the event of loss or inadequacy of profit in any Financial Year during the tenure of Mr. Khurana, he will be entitled to the Minimum Remuneration comprising of Salary, Perquisites and Allowances within the applicable ceiling as prescribed under Part II Section II Clause (A) proviso of Schedule V to the Act. Accordingly, approval is being obtained from the Members by Special Resolutions. In that event, the above Salary, Allowances and Perquisites shall be payable as Minimum Remuneration, as applicable.

4. Overall Remuneration:

The overall remuneration payable to Mr. Khurana shall not, subject to minimum remuneration as specified hereinabove, exceed 5% of the Net Profits of the Company in a Financial Year computed in the manner laid down in Section 198 of the Act with overall remuneration payable to all the managerial personnel remaining within the total ceiling of 10% of the Net Profits of the Company computed in the manner as aforesaid.

5. Disentitlement to Director's Fees:

Mr. Khurana shall not, so long as he functions as the Whole Time Director of the Company, be entitled to receive any fee for attending any Meeting of the Board or a Committee thereof.

6. Duties:

Mr. Khurana shall continue to be responsible for the entire Finance, Accounts, Taxation, Secretarial, Legal and Compliance Management of the Company and shall also perform such other duties, as may be entrusted to him by the Board from time to time and separately communicated to him.

Mr. Khurana has 37 years of professional experience in the field of Finance and Corporate Affairs. He is a Commerce as well as Law Graduate from the University of Calcutta. He is Fellow Member of all the three premier professional Indian institutes' viz. the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. He was the Associate Member of the Institute of chartered secretaries and administrators, U.K. as well as the Chartered Institute of Management Accountants, U.K. (since resigned). He is the Chairman of the Finance Committee of Indian Tea Association as well as the Tea Research Association for the last few years. With his specialization and vast experience of more than three decades in the Tea Industry, the Company has immensely benefited from the services rendered by him.

The Directors recommend adoption of the proposed special resolutions for appointment of Mr. Khurana as a Director as well as a Whole Time Director to be designated "Director (Finance) and Company Secretary".

None of the Directors, Key Managerial Personnel or their relatives, other than Mr. Khurana himself is concerned or interested in the proposed Resolutions at Items No. 5 and 6 of the Notice.

ITEM NO. 7

Section 197 of the Act 2013 permits payment of remuneration to Non-Executive Directors of a Company by way of commission, subject to approval of the Members in General Meeting.

Notice

The Members of the Company, at the 19th Annual General Meeting held on 2nd August, 2013, approved the remuneration payable to Non-Executive Directors of the Company by way of commission not exceeding in the aggregate 1% (one percent) of the Net Profits of the Company for each year for a period of five Financial Years commencing from 1st April, 2012 till 31st March, 2017.

Pursuant to Section 309 (7) of the erstwhile Companies Act, 1956 the approval obtained from the Members, in this regard, was valid only for a period of 5 years. Since the validity of the earlier resolution passed by the Members expired on 31st March, 2017, fresh approval is being sought from Members for renewal of the resolution for a further period of 5 years commencing from 1 April, 2017 in terms of Section 197 of the Act.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that remuneration not exceeding in the aggregate 1% (one percent) of the net profits of the Company, calculated in accordance with Section 198 of the Act, be continued to be paid and distributed amongst the Non-Executive Directors of the Company with the approval of the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee of the Board, for a further period of five financial years commencing from 1 April 2017. Such payment shall be in addition to the sitting fees for attending Board/Committee Meetings being paid to Non-Executive Directors.

The Directors, recommend adoption of the proposed Ordinary Resolutions for seeking your approval for payment of Commission to Non-Executive Directors in the manner aforesaid.

None of the Directors, Key Managerial Personnel or their relatives, except all of the Non-Executive Directors of the Company to whom the resolution relates are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

ITEM NO. 8

The Board, upon recommendation of the Audit Committee, has approved the appointment of M/s. Shome & Banerjee, Cost Accountants as Cost Auditors to conduct the audit of the Cost Records maintained in respect of products of Rossell Tea and Rossell Techsys Divisions of the Company for the Financial Year ending 31st March, 2018 at a remuneration of ₹ 1,20,000 (Rupees one lakh twenty thousand) plus applicable Service Tax thereon and reimbursement of actual out of pocket expenses.

In terms of provision of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration payable to the Cost Auditors is subject to ratification by the Members of the Company.

Accordingly, the consent of the Members is sought by way of Ordinary Resolution in this regard. The Directors recommend the proposed Ordinary Resolution for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the proposed Ordinary Resolution at Item No. 8 of the Notice.

By Order of the Board
N K Khurana
Chief Financial Officer
- cum-Company Secretary

Place : Delhi
Date : 25th May, 2017

Notice

Statement pursuant to the requirement of Clause (B), Section II, Part-II, of Schedule V of the Companies Act, 2013 for Remuneration proposed to be paid to Mr. N.K. Khurana, Director (Finance) and Company Secretary.

I. General Information:

(1) Nature of Industry

The Company is a multi-divisional Conglomerate and is engaged in the following business:

(a) Rossell Tea Division: Cultivation, Manufacture and Sale of Black Tea.

(b) Aerotech Services Division: Technical and Support Services.

(c) Rossell Techsys Division: Design and Development of Avionics Equipment.

(d) Rossell Hospitality Division: Indian Quick Service Restaurants known as "Kebab Xpress"

(2) Date or expected date of commencement of commercial production

The Company is an existing Company and owns Seven (7) Tea Estates in the State of Assam. The Aerotech Services Division and Rossell Techsys Division commenced business activities on and from 1st April, 2006 and 1st October, 2008 respectively. Rossell Hospitality Division was created on 1st December, 2011. At present they have 13 outlets of "Kebab Xpress" in National Capital Region Delhi.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not applicable.

(4) Financial performance based on given indicators: **(₹ in lakhs)**

Particulars	2016-2017	2015-2016
Total Turnover	16,036.51	15,756.00
Operating Profit before Finance Costs and Depreciation	801.90	2,850.11
Less : Finance Costs	661.78	691.48
Profit before Depreciation	140.12	2,158.63
Depreciation	886.17	953.01
Profit/(Loss) before Exceptional Items	(746.05)	1,205.62
Exceptional Items	-	-
Profit/(Loss) before Taxation	(746.05)	1,205.62

(5) Foreign Investments and Collaborators, if any

During the year, the Company has not made any Investments in RV Enterprizes Pte. Ltd., Singapore (Joint Venture). Thus, the total Foreign Investments as on 31st March, 2017 remains at the same level at ₹ 2,011.49 lakhs.

II. Information about the appointees

(1) Background details

Mr. Khurana, is B.Com. (Hons.) and LL.B. from University of Calcutta. He is Fellow Member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. He was also a qualified Management Accountant from Chartered Institute of Management Accountant (CIMA) U.K and a qualified Governance Professional from the Institute of Chartered Secretaries and Administrators, U.K. He has been associated with Tea Industry for more than 30 years and with the Company since 1994 in various capacities as Head of Finance and Company Secretary. Before joining the Company, he was associated with Assam Frontier Tea Ltd., Kolkata, the then listed Company of Apeejay Surrendra Group, as Head of Finance and Company Secretary. His educational qualification and rich corporate experience of 37 years has made him the most suitable person for this position.

(2) Past Remuneration

His remuneration for the year 2014-15, 2015-16 and 2016-17 as the Chief Financial Officer-cum- Company Secretary was ₹ 31.04 lakhs, ₹ 44.65 lakhs and ₹ 59.19 lakhs respectively.

Notice

(3) Recognition or Awards

Mr. Khurana is the Chairmen of the Finance Committee of each of the Indian Tea Association (ITA) as well as Tea Research Association (TRA), the premier Institutions for the Tea Industry. He is also a Member of the Finance Committee of the Tollygunge Club Ltd., Kolkata.

(4) Job Profile and Suitability

Mr. Khurana has in-depth knowledge of Tea Industry, having worked in various capacities in the Company since its inception. He has been the Chief Financial Officer-cum- Company Secretary of the Company for a substantial period of time and involved in all facets of the Management of the Company as part of the Senior Management on day to day basis apart from Finance and Regulatory Compliance functions of the Company. With his vast knowledge and dedicated services, the performance of the Company has scaled a new height. He is actively involved in the affairs of the Tea Industry as a Senior Professional, having intimate association with the Indian Tea Association and Tea Research Association. Thus, he is eminently suited for appointment as the Whole Time Director of the Company as Director (Finance) and Company Secretary.

(5) Remuneration Proposed

The remuneration proposed to be paid to Mr. Khurana, as recommended by the Nomination and Remuneration Committee and accepted by the Board of Directors, has been embodied in the Explanatory Statement annexed to the proposed Special Resolutions.

(6) Comparative remuneration Profile with respect to Industry

Name of the Company	Designation	Total Remuneration (₹ in Lakhs)	Year
Mcleod Russel India Ltd.	Whole Time Director and CFO	196.81	2015-16
Goodrick Group Ltd.	Managing Director	185.96	2015-16
Warren Tea Ltd.	Managing Director	101.11	2015-16

(7) Pecuniary Relationship

Except for the remuneration in consideration of his services rendered to the Company as stated above, Mr. Khurana holds 3,700 Equity Shares of ₹ 2 each of the Company, besides which he has no other direct or indirect pecuniary relationship with the Company.

III. Other Information

(1) Reasons of Loss or inadequate Profit

During the Financial Year 2016-2017, the profitability of the Rossell Tea Division of the Company has been adversely affected on account of a significant decline in average price realization per kg. of Tea, coupled with cost push attributable to crop loss due to severe pest attack in the Tea Estates of the Company at Assam. The adversity was further aggravated in view of significant losses in the Rossell Hospitality Division in its inception stage with lower increase in revenue than expected, which is prolonging the gestation period of the Division.

(2) Steps taken or proposed to be taken for improvement

The Company has taken necessary measures to combat the vagaries of nature and continues to work on quality up-gradation of its production of Tea. The improvement in quality of the Company's Teas has been recognized in the trade and become a benchmark. Emphasis is given to sell the produce at quality conscious segment of the market for better realization and higher Exports. The Company proposes to continue its policy to produce and market "a quality product through a prudent cost management." Presently the Company owns 7 Tea Estates in the State of Assam and is on the constant lookout for more Tea Estates both in India and overseas. The Tea realization is expected to improve in the current financial year, owing to better domestic as well as overseas demand due to drought conditions in Kenya and Sri Lanka during recent months. This is likely to impact the global supply scenario, thus favourably supporting tea prices.

As regards Aviation Product and Services, the Company continues to focus on the Indian Defense Sector to address the increased potential for business. The Company has signed various MOUs with OEMs for offset work in this sector. A new

Notice

world class facility has been set up at Bangalore with enhanced capabilities to meet the needs for quality and timely production by Rossell Techsys Division. The Division has been catering to the requirements of certain International Companies, with hefty order book with long term contracts. This is likely to bring the Division to the break-even level soon and turnaround is expected from next Financial Year, with higher order executions.

Rossell Hospitality has appointed Ernst and Young (EY) to conduct a detailed study on the format including competition analysis and draw out a map for revenue enhancement starting June, 2017 across all outlets. The Division is on a cusp of delivering significant revenue enhancement in view of critical changes like increase in portion sizes, new Kebab Xpress look, introduction of new products, renewed Menu presentation, price revision of core products, bundling food items and customer loyalty programme. Thus, various internal strategic measures are being taken and possibilities are being explored to assess, analyze and minimize losses of the Division by adopting a profitable business model.

(3) Expected increase in Productivity and Profits in measurable terms

Although the present fundamentals in the market have a favorable impact on the general business sentiments and growth in the various business verticals of the Company in days ahead, the productivity and profitability in respect of any of the businesses cannot be quantified in measurable terms, due to uncertainties involved.

IV. Disclosures

(1) Information on the Remuneration Package of Whole Time Director

The details of the Remuneration package have been embodied in the Explanatory Statement of the proposed Special Resolution.

(2) Disclosure under Corporate Governance in the Report of the Board of Directors

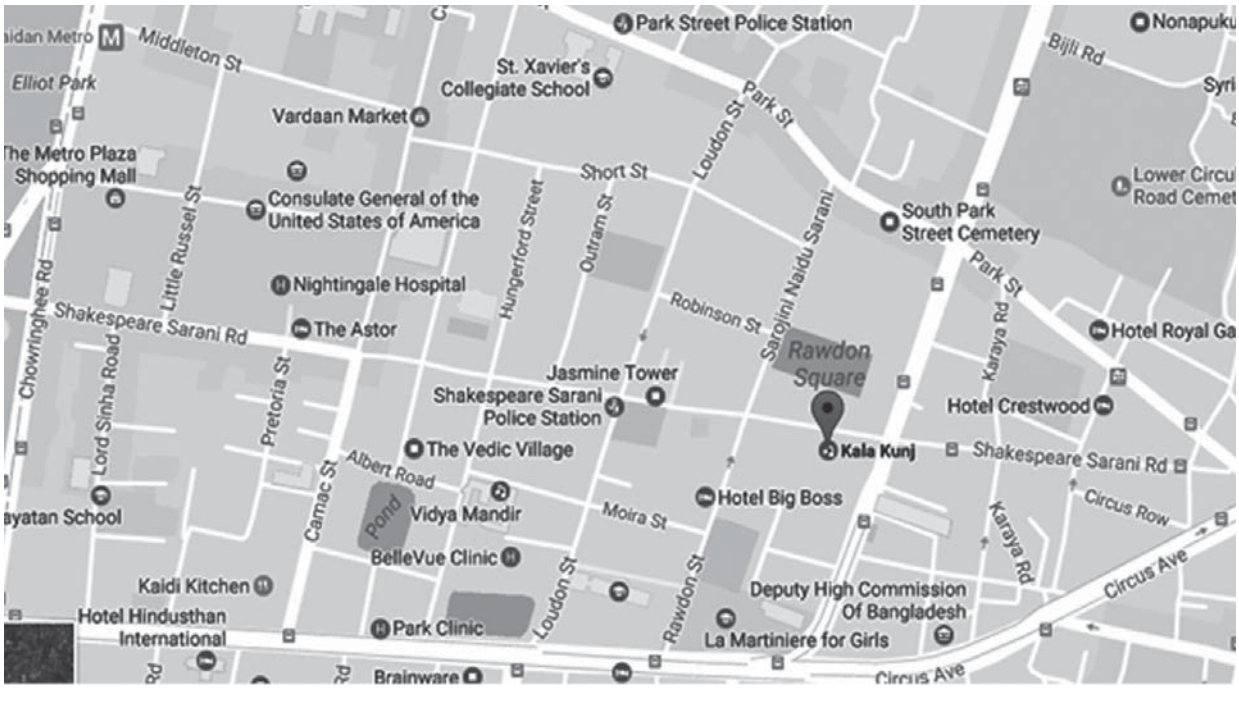
The Report on Corporate Governance in Annexure 1 to the Report of the Board of Directors includes the required disclosures.

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting [(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] :

Name of the Director	**Mr. H. M. Gupta**	**Mr. N.K. Khurana**
Date of Birth	13th September, 1954	22nd November, 1958
Date of Appointment	10th June, 1994 as Director 1st May, 1996 as Managing Director	1st August, 1994 as Company Secretary-cum-Finance Manager
Qualifications	B. A. (Hons.)	B.Com (H), LL.B., FCA, FCS, FCMA.
Expertise in specific functional areas	Over 43 years of rich experience in International Trade and Business, besides having comprehensive knowledge of Tea and Aviation Industry.	Over 37 Years of wide experience of Corporate Management including Finance, Accounts, Legal, Commercial, Secretarial and Compliance Functions, besides having in depth knowledge of Tea Industry.
Companies in which he/she holds Directorship	▪ Rossell India Ltd. ▪ BMG Enterprises Ltd. ▪ Harvin Estates Private Ltd. ▪ BMG Investments Private Ltd. ▪ CAE Rossell India Ltd.	▪ R.C. Merchandise Pvt. Ltd.
Chairman / Member of the Committees of the Board of the Companies on which he/she is a Director (include only Audit Committee and Shareholders'/ Stakeholders Relationship Committee)	NIL	NIL
Number of shares held in the Share Capital of the Company	18,53,785 Equity Shares of ₹ 2 each fully paid up.	3,700 Equity Shares of ₹ 2 each fully paid up

Notice

ROUTE MAP TO THE VENUE OF TWENTY THIRD ANNUAL GENERAL METTING OF ROSSELL INDIA LIMITED



Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017

Report of the Board of Directors

for the year ended 31st March, 2017

Dear Members,

Your Directors have pleasure in presenting their Twenty Third Annual Report together with the Audited Accounts for the year ended 31st March, 2017.

FINANCIAL SUMMARY HIGHLIGHTS

₹ in Lakhs

Particulars	Year ended 31st March 2017	Year ended 31st March 2016
Profit before finance cost and Depreciation	**801.90**	2,850.11
Less : Finance Cost	**661.78**	691.48
Profit before Depreciation	**140.12**	2,158.63
Less : Depreciation	**886.17**	953.01
Profit/(Loss) before Exceptional Items	**(746.05)**	1,205.62
Exceptional Items	**-**	-
Profit/(Loss) before Taxation	**(746.05)**	1,205.62
Less : Provision for current Taxation		
Current year	**-**	300.00
Earlier Years	**-**	100.00
Deferred Taxation adjustment	**191.00**	(151.84)
Profit/(Loss) After Taxation	**(555.05)**	957.46
Add : Balance brought forward	**486.99**	450.36
Transfer from General Reserve	**156.39**	-
Profit available for appropriation	**88.33**	1,407.82
Appropriated as under :		
General Reserve	**-**	700.00
Dividend on Equity Shares		
Interim Dividend (2016- 25%)	**-**	183.48
Final Dividend Proposed (2017- 10%)	**73.39**	-
Tax on Dividend	**14.94**	37.35
Balance carried forward	**-**	486.99
	88.33	1,407.82

SHARE CAPITAL

During the year under review:

a. No Equity shares have been issued with differential voting rights. Hence, no disclosure is required in terms of Rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014.

b. No issue of Sweat Equity Share has been made. Hence, no disclosure is required in terms of Rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014.

c. There was no issue of Employee Stock Option. Hence, no disclosure is required in terms of Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

d. There was no provision made by the Company for any money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence, no disclosure is required in terms of Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.

e. The issued, subscribed and paid up share capital of the Company as on 1st April, 2016 at ₹ 733.93 lakh divided into 3,66,96,475 of ₹ 2 each remained unchanged as on 31st March, 2017.

APPROPRIATION OF PROFIT AFTER TAX FOR TRANSFER TO RESERVES

As per Audited Accounts of the Company, profit after tax has resulted in a loss. In view of this, no amount is available for appropriation for the Financial Year 2016-2017 for transfer to Reserves.

However, considering the loss for the year as a temporary phenomenon for the Company, your Directors considered it appropriate to declare dividend out of past profits transferred to General Reserve. Accordingly an amount of ₹ 156.39 lakhs has been retrieved from General Reserve for payment of dividend as per second proviso to Section 123 (1) of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Declaration and Payment of Dividend) Rules, 2014.

Report of the **Board of Directors**

DIVIDEND

Your Directors are pleased to recommend to the Members, for their approval, a dividend of ₹ 0.20 per Equity Share of ₹ 2 each in the Company for the year ended 31st March, 2017.

THE STATE OF COMPANY'S AFFAIRS

REVENUE

The gross revenue from operations of your Company including sale of Tea, avionics equipment, receipts from technical and support services and sale of food and beverages by Kebab Xpress together with other income were slightly higher at ₹ 16,682.25 lakhs for the year under review as against ₹ 16,636.67 lakhs in the previous year.

PERFORMANCE

Rossell Tea

The Directors' view with satisfaction the performance of Rossell Tea Division for the financial year 2016-17. Despite it being a difficult year in more ways than one, the Division continued to reinforce its USP of a quality product through the year. We continued to produce benchmark teas as we have done all these years.

The financial year 2016-17 began on the back of excellent winter rains in 2015 into early 2016. In April, at the start of the fiscal 2016-17, very wet and dull conditions were experienced, especially in upper Assam. This led to severe pest attacks and onset of fusarium, an airborne fungus, leading to crop losses and damage to large tea-bearing areas. This had a major impact on land productivity in terms of lower crops on Estates pushing up the cost of production.

The start of the season initially saw very large offerings of CTC teas carried over from the financial year 2015-16, due to a very high levels of production in March 2016. On arrival in the marketplace, CTC prices were pushed down to levels not seen for many years. The depressed prices continued through the season, especially for quality CTCs. Change in the buying pattern of major packeteers was also responsible for this. Ironically, the medium CTC continued to rule firm at their earlier levels.

Due to low CTC prices, producers moved to leverage this by increasing Orthodox capacities. The Orthodox came into a firm market except that levels for top quality whole leaf was lower. Medium Orthodox continued to rule firm.

Our Orthodox average for the period under review is ₹ 235.39 and the Assam district average of ₹ 212.80. For the CTC category also for the same reasons, our prices this year were ₹ 187.00 per kg, whilst overall Assam CTC average was ₹ 142.57. Close to 18% or more Orthodox was produced in Assam during 2016. In both categories, Orthodox and CTC, our averages were significantly higher than Assam averages.

On the export front, the challenges continued to be present. In Iran, LCs were taking longer than usual and payments were taking even longer. This caused producer-exporters to divert exportable teas to the auction system, which turned out to be beneficial. Your Company exported a total of 0.89 million kgs. We are optimistic that in the financial year 2017-18, we should be able to export 1.50 million kgs. or near thereto.

Our selling policies remained as before with our produce of quality CTC and Orthodox teas. With the market for CTC teas being weak, we maximized production of the Orthodox category and despite overall lower production in 2016-17, we produced 3.18 million kgs of Orthodox against 2.52 million kgs in the previous year.

Thus, prudent production mix allowed us to realize the best possible value for our teas. Our policy of prudent cost management, despite rising wages and burgeoning cost of production, helped us to realize the best possible margins under adverse conditions.

The Company continued with its programmed upgrades of its field assets and all programmes for uprooting and replanting were met in totality. The Company's capital expenditure programme was also completed on schedule. Rossell continued to focus on its programmes and investments in the area of workers' housing and hygiene. Irrigation is always a focus area and we are pleased to report that all Estates are now adequately equipped with Irrigation infrastructure. Modernization of factories remains our priorities as usual.

Aviation Products and Services

Aerotech Services Division continues to provide techno-logistic support under 4 different long term contracts. The work requirement continues to be the same of providing support services to the global Original Equipment Manufacturers (OEMs) for its equipment fitted on various Indian platforms. The support services are provided to IAF, Indian Navy, Indian Army and Hindustan Aeronautics Ltd. as and when they require. The Field Service Engineers (FSEs) strive to achieve the highest standards in knowledge and work execution.

Report of the Board of Directors

In the Financial year 2016-2017, Rossell Techsys has grown by over 100% in its export business. It has also strengthened its' order book with a total potential of close to USD 100 Million to be executed over the next five to seven years. It has achieved significant credibility and reputation in the Aerospace business. It has the distinction of being nominated in three consecutive years, 2014, 2015 and 2016, as the 'Boeing Supplier of the year'. It won this award for the year 2015. Further, it is also the recipient of the "Boeing Performance Excellence Award" two years in a row, the Gold category in 2015 and Silver category in 2016. The Division was also the recipient of the "Excellence in Aerospace Indigenization Award" instituted by SIATI (Society for Indian Aerospace and Technologies Industries) for the projects executed for the Indian Air force, resulting in significant foreign exchange savings for the country. The Division continues to maintain very high customer ratings on quality and delivery and maintains AS: 9100, ISO: 9001, ISO: 27001 and BS: 18001 (OHSAS) certifications. It has also embarked on getting ISO 31000 compliance, another first to its credit. The Division operates out of two buildings in the same vicinity in the total area aggregating to 87,000 Sq. ft.

Rossell Hospitality

During the year under review, Kebab Xpress added three outlets, one each in Noida, South Delhi and North Delhi taking the total count to 13 outlets with revenues enhancement of 15% from ₹ 1,150.85 lakhs in the preceding financial year to ₹ 1,325.02 lakhs in the current financial year. Energies were engaged to consolidate the business across outlets and focused approach towards delivery is yielding encouraging trends.

PROSPECTS

Rossell Tea

Major producers, Sri Lanka and Kenya have had a very poor start to their 2017 season. Till March, Sri Lanka was 3.90 million kgs behind the previous year. Kenya too has built up a deficit of 49.50 million kgs over 2016. The Indian tea belt in Assam, where all our Estates are located has had a steady start to the season, where crops have been stable and prices too are superior to 2016 so far. Overall fundamentals are strong.

As it appears, prices tend to settle down after the first flush in May, going into the second flush. As far as the market is concerned as of now, we expect prices to be stable. There is one discerning factor, last year for the first time, top quality teas CTC and Orthodox actually showed a decline in their value in the market place, while medium teas appreciated within their price bands. This year we expect a reversal of this trend with prices for quality teas being higher.

Exports have always been a critical area of performance and we have a fair idea of quality and quantity trends in the sophisticated continental markets. In Iran, a more robust trading platform for Indo-Iranian trade needs to be set in place. The threat of US sanction against Iran continues to be a dampener. However, with a new government in place in Iran, we expect a smoother year of trade.

Finally, we have indications from arrivals at the auction centers, that Orthodox production out of Assam is likely to be significantly higher than last year, indicating year on year increase in this category for 3 years in succession. Thus, there are all the more reasons that tea trade between India and Iran has to be smooth.

Aviation Products and Services

Aerotech Services Division expect a new long term contract to be finalized in the next few months. The Division has achieved all the laid down milestones. Foreign OEMs continue to appreciate the work done by FSEs in completing complex tasks to the satisfaction of the customer.

Rossell Techsys Division expect to witness significant increase in revenue in the financial year 2017-18 through financial years 2021-22 not only on account of various strategic agreements signed with its existing customers and also increased traction with new customers in the domain. The Division has also won its first contract in the build to print of electrical panel assemblies that is expected to fuel in-house competency growth in small sheet metal and precision machining.

Rossell Hospitality

The Division has appointed Ernst and Young (EY) to conduct a detailed study on the format including competition analysis and draw out a map for revenue enhancement starting June, 2017 across all outlets. They shall also be looking at critical cost parameters and processes.

All the outlets are on a cusp of delivering significant revenue enhancement in view of critical changes like increase in portion sizes, new Kebab Xpress look, introduction of new products, renewed Menu presentation, price revision of core products, bundling food items and customer loyalty programme.

Report of the Board of Directors

CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in any business and all the Divisions of the Company continue to concentrate on their own business with growth plans in short to medium terms.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following persons continued as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Act :

a) Mr. H. M. Gupta - Chief Executive Officer (CEO)

b) Mr. C.S. Bedi - Managing Director, and

c) Mr. N. K. Khurana - Chief Financial Officer-cum- Company Secretary

However, at the Board Meeting held on 25th May, 2017, Mr. C. S. Bedi, Managing Director sought retirement from his office with effect from 1st September, 2017, for personal reasons. Accordingly, Mr. Bedi has given the Notice of 3 Months' to the Company, to be made effective from 1st June, 2017 as per terms of service. This Notice was duly accepted and taken on record by the Board of Directors.

At the same Meeting, upon the recommendation of the Nomination and Remuneration Committee, the Board decided to elevate Mr. N. K. Khurana, Chief Financial Officer-cum-Company Secretary, to the Board with effect from 1st September, 2017 with the designation, Director (Finance) and Company Secretary, subject to the approval from the Members of the Company in the General Meeting. A Notice has also been received under Section 160 (1) of the Act along with the requisite deposit, from one of the Members of the Company signifying their intention to propose the appointment of Mr. N. K. Khurana as a Director of the Company. Accordingly, appointment of Mr. N. K. Khurana as a Director and Whole time Director have been included as Special Business in the Notice calling the forthcoming Annual General Meeting of the Company.

Remuneration and other details of the Key Managerial Personnel for the Financial Year ended 31st March, 2017 are mentioned in the Extracts of the Annual Return in Form MGT-9 which is enclosed as Annexure - 3 and forms part of this Report.

INDEPENDENT DIRECTOR'S DECLARATION

The Declarations required under Section 149(7) of the Act from the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act, was duly received by the Company.

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance requirements under the Act and as stipulated under Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) read with schedule II thereof. A separate report on Corporate Governance in terms of Regulation 34(3) read with Clause C of Schedule V of the SEBI Listing Regulations along with certificate from the Practicing Company Secretary confirming the compliance, is annexed as Annexure-1 and forms part of this Report.

DETAILS OF BOARD MEETINGS

The Board of Directors met 7 (Seven) times during the financial year 2016-2017 on various dates as given here-in-below:

Sl No.	Date of the meeting	No. of Directors attended the meeting
1.	1st April, 2016	7
2.	30th May, 2016	7
3.	3rd August, 2016	7
4.	19th September, 2016	7
5.	11th November, 2016	7
6.	31st January, 2017	7
7.	29th March, 2017	7

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

Report of the Board of Directors

COMMITTEES OF THE BOARD

a. **Audit Committee**

The Board has constituted the Audit Committee which comprises of the following Directors:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Dr. S. S. Baijal	Non-Executive-Independent	Chairman
2.	Mr. H. M. Parekh	Non-Executive-Independent	Member
3.	Mr. V. P. Agarwal	Non-Executive-Independent	Member
4.	Ms.Nayantara Palchoudhuri	Non-Executive Non-Independent	Member

During the year under review, the Board accepted all the recommendations made by the Audit Committee.

Further details of Audit Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

b. **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of the Board has been constituted by the following Directors:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Dr. S.S. Baijal	Non-Executive-Independent	Member
3.	Mr. V. P Agarwal	Non-Executive-Independent	Member

Further details of Nomination and Remuneration Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

c. **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee of the Board has been constituted by the following Directors:

Sl. No.	Name	Chairman/ Members
1.	Dr. S. S. Baijal	Chairman
2.	Mr. V. P Agarwal	Member
3.	Mr. C. S. Bedi	Member

Further details of Corporate Social Rresponsibility Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

The Committee had framed the CSR Policy and the same was approved by the Board at its Meeting held on 6th August, 2014. The CSR Policy is available on Company's website at www.rossellindia.com. The CSR budget for the financial year 2016-2017 was prepared in accordance with the provisions of Section 135 (5) of the Act read with the Company's CSR Policy. The amount so budgeted was fully spent on or before 31st March, 2017, the detailed report on CSR Activities/ Initiatives is enclosed as Annexure-2 which forms part of this Report.

d. **Stakeholders' Relationship Committee**

The Stakeholders Relationship Committee of the Board has been constituted by the following Directors:

Sl. No.	Name	Chairman/ Members
1.	Mr. H. M. Parekh	Chairman
2.	Mr. V. P Agarwal	Member
3.	Mr. C. S. Bedi	Member

Further details of Stakeholders Relationship Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

e. **Risk Management Committee**

Your Board has voluntarily constituted the Risk Management Committee in the manner prescribed in Regulation 21 of the SEBI Listing Regulations consisting of the following Directors:

Sl. No.	Name	Chairman/ Members
1.	Mr. H. M. Parekh	Chairman
2.	Ms. Nayantara Palchoudhuri	Member
3.	Mr. C. S. Bedi	Member

Report of the Board of Directors

Further details of Risk Management Committee related to dates of Meeting held during the year, attendance of Directors etc. are given separately in the attached Corporate Governance Report.

ANNUAL PERFORMANCE EVALUATION

In terms of the relevant provisions of the Act and SEBI Listing Regulations, the Board had carried out an annual evaluation of its own performance and that of its Committees as well as individual Directors.

A structured questionnaire was prepared in terms of the criteria specified by SEBI vide its Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017. The Questionnaire for the Evaluation of the Board as a whole, the Questionnaire for the Evaluation of the Committees of the Board and the Questionnaire for the Evaluation of Individual Director were circulated to all the Directors and feedback obtained. After taking into consideration different views expressed by the Directors, covering various aspects of the Board's functioning such as adequacy of the Board's composition and structure, Board's culture, execution and performance of specific duties, obligations and governance, effectiveness of Board processes etc., the evaluation of the Board was conducted.

The performance of the Committees was evaluated by the Board based on the aforesaid Questionnaire, seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of Committee Meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria as mentioned above. In addition, the Executive Chairman was also evaluated on the key aspects of his role.

The Independent Directors also carried out the Performance Evaluation in terms of Clause VII (3) of Schedule IV to the Act read with Regulation 25(3) of the SEBI Listing Regulations at their separate Meeting held on 31st January, 2017.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is given as Annexure- 3.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Act read with Regulation 22 of the SEBI Listing Regulations, your Company has duly established Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conducts or ethics Policy. The Audit Committee of the Board monitors and oversee the vigil mechanism.

The detailed Policy related to this vigil mechanism is available in the Company's website at www.rossellindia.com.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3) (c) read with Section 134(5) of the Act and confirm that:

(a) in the preparation of the Annual Accounts for Financial Year ended 31st March, 2017, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the Financial Year ended 31st March, 2017, and of the Profit and Loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the Annual Accounts on a going concern basis;

(e) the Directors, had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

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

STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

In terms of Section 139(2) of the Act, M/s. S. S. Kothari & Co., Chartered Accountants, existing Statutory Auditors of the Company have completed their tenure of two terms of five consecutive years at the commencement of the Act on 1st April, 2014 and an additional period of 3 years as stipulated under third proviso of Section 139(2) read with Rule 6 of the Companies (Audit and

Report of the Board of Directors

Auditors) Rules, 2014. Accordingly, they will vacate the office at the conclusion of the forthcoming Annual General Meeting.

In view of above, the Company is proposing to appoint M/s. Khandelwal Ray & Co. Chartered Accountants, Kolkata (Firm Regn. No. 302035E) as the Statutory Auditors for a period of 5 years commencing from the conclusion of the 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting. M/s. Khandelwal Ray & Co. have given their consent to the said appointment and confirmed that their appointment, if made, would be within the limits mentioned under Section 141(3) (g) of the Act.

The Audit Committee and the Board recommend the appointment of M/s. Khandelwal Ray & Co. Chartered Accountants, as Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of the 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting.

The Board places on record its appreciation for the contribution of M/s. S. S. Kothari & Co., Chartered Accountants during their tenure as the Statutory Auditors of your Company.

The report of the Statutory Auditors during the year under review does not contain any qualification, reservation or adverse remark or disclaimer, which requires any further comments or explanations in this report. The Notes to the Financial Statements are also self-explanatory and do not call for any further comments.

COST AUDIT

Pursuant to Section 148 of the Act read with Rule 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014, your Company is required to have the audit of its cost accounting records relating to products manufactured by Rossell Tea Division and Rossell Techsys Division. M/s. Shome & Banerjee, Cost Accountants, conducted this audit for the previous Financial Year ended 31st March, 2016 and submitted their report to the Central Government on 2nd September, 2016.

In terms of Section 148(3) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company has, on the recommendation of the Audit Committee, re-appointed M/s. Shome & Banerjee, Cost Accountants as the Cost Auditor of the Company for the Financial Year 2017-2018.

Their remuneration is required to be ratified by the Members in the ensuing Annual General Meeting.

SECRETARIAL AUDIT

In terms of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. A.K. Labh & Co., Practicing Company Secretaries as the Secretarial Auditors of the Company for the Financial Year 2016-2017. The report of the Secretarial Auditors in Form MR-3 is enclosed as Annexure-4 to this report.

The report confirms that the Company had complied with the statutory provisions listed under Form MR-3 and the Company also has proper Board Processes and Compliance Mechanism. The Report does not contain any qualification, reservation or adverse remark or disclaimer, which requires any further comments or explanations in this report.

RELATED PARTY TRANSACTIONS

All the Related Party Transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act and SEBI 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 with the interest of 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. Policy on Related Party Transactions, as approved by the Board is uploaded on the Company's website at the web link: http://www.rossellindia.com/financialresult/Policy%20on%20Related%20Party%20Transactions.pdf.

Necessary disclosure of Related Party Transactions in terms of Clause (h) of sub-section (3) of Section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in Form AOC-2 as Annexure-5 to this Report.

LOANS, GUARANTEES OR INVESTMENTS

Your Company has not provided any Guarantee for any party. During the year under review, neither any inter-corporate loan was granted by the Company, nor any investment made, in terms of the provisions of Section 186 of the Act. Particulars of existing Investments made by the Company, as required to be disclosed in terms of Section 134 (1) (g) of the Act is given in the accompanying Financial Statement (Note No. L).

Report of the Board of Directors

STATEMENTS OF SUBSIDIARIES / JOINT VENTURES

The wholly owned subsidiary, CAE Rossell India Limited, did not carry out any activity during the year under review. Your Company has a Joint Venture entity named RV Enterprises Pte. Ltd., Singapore in which Company holds 26% Equity Share.

Accompanying Consolidated Financial Statement contains details financials of the Subsidiary / Joint Venture.

RISK MANAGEMENT POLICY

Your Company's business faces various risks - strategic as well as operational in respect of all its Divisions. The Company has an adequate risk management system, which takes care of identification, assessment and review of risks as well as their mitigation plans put in place by the respective risk owners. The risks which were being addressed by the Company during the year under review included risks relating to market conditions, environmental, information technology etc. The Company has developed and implemented the Risk Management Policy with an objective to provide a more structured framework for proactive management of all risks related to the business of the Company and to make it more certain that growth and earnings targets as well as strategic objectives are met.

The major risks and concerns being faced by various business segments of the Company are discussed in report on Management Discussion and Analysis, forming part of this Report.

Your Company has constituted Risk Management Committee of the Board in the manner stated in Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee reviews the risk assessment and minimization procedure in the light of the Risk Management Policy of the Company.

In the opinion of the Board, there is no such element of risk which may threaten the present existence of the Company.

REMUNERATION POLICY

The Company follows a policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. Further details on the same have been given in the Report on Corporate Governance, which forms part of this Report.

The required disclosure under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure- 6 to this Report.

HUMAN RESOURCES

Your Company treats its "human resources" as one of the most important assets. The Management of the Company lays continuous focus on human resources, who are trained and updated on various issues from time to time to attain the required standards. The correct recruitment practices are in place to attract the best technical manpower to ensure that the Company maintains its competitive position with respect to execution. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis.

Industrial relations at all the units remain satisfactory, your Company employed 6,278 personnel on its roll as on 31st March, 2017.

For the year under review, the particulars of the Executive Chairman, who was in receipt of remuneration, which in the aggregate was not less than rupees one crore two lakh and employed throughout the financial year is given in Annexure- 7 to this Report. There was no other employee in this category. Thus, particulars of other top 9 employees are not required to be disclosed.

The Company did not have any employee on its payroll, who:

a. if employed for a part of the Financial Year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakh Fifty Thousand rupees per month;

b. if employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the Equity Shares of the Company.

The total remuneration drawn by the Managing Directors and Key Managerial Personnel forms part of Extracts from the Annual Return in Form MGT-9. Mr. H. M. Gupta, Executive Chairman in his capacity as the Chairman and Managing Director of BMG Enterprises Ltd., the Holding Company drew a remuneration of ₹ 6.00 lakhs as consolidated salary pursuant to Section 197 (14) of the Act.

Report of the Board of Directors

AWARDS AND RECOGNITION

Your Directors are pleased to advise that during the year under review, Rossell Techsys Division of the Company received the following awards:

- **Emerging Company of the Year 2017 by the International Aerospace Magazine (SAP Media).**
- **Excellence in Aerospace Indigenization – 2016 by SIATI (Society for Indian Aerospace Technologies and Industries)**
- **Boeing Performance Excellence Award (BPEA)-2016 - Silver Category.**

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

INTERNAL FINANCIAL CONTROLS

Your Company has adequate Internal Financial Control System 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 firms of Chartered Accountants for all the Divisions of the Company. The Audit Committee of the Board looks into Auditor's review, which is deliberated upon and corrective action taken, whereever required.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In compliance with the provisions of Section 124 (5) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the following amounts were transferred to Investor Education and Protection Fund of the Central Government during 2016-2017:

a) A sum of ₹ 1,22,881 being the dividend lying unclaimed out of the dividend declared by the Company for the Financial Year 2008-2009 were transferred to the IEPF on 3rd September, 2016.

b) A sum of ₹ 64,384 being the dividend lying unclaimed out of the interim dividend declared by the Company for the Financial Year 2009-2010 were transferred to IEPF on 15th December, 2016.

Equity Shares corresponding to the dividend unclaimed for seven consecutive years will also be transferred to the IEPF Suspense Account in terms of Section 124 and 125 of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Further details in this respect are given separately in the attached Corporate Governance Report marked as Annexure-1 of this Report.

DEPOSITS

Your Company has not accepted any deposits from public in terms of provisions contained in Chapter V of the Act, or in terms of corresponding provisions of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS

A Report on the Management Discussion and Analysis concerning all the business segments of the Company is given as Annexure-8 to this Report.

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

(a) **Conservation of energy**

(i)	the steps taken or impact on conservation of energy	Machinery up-gradation and replacement of low performing equipment is an ongoing process at the Tea factories of Rossell Tea Division, with a view to conserve Fuel, Electrical Energy and other resources. Initiatives undertaken during the Financial Year 2016-17 are as follows; a) Replacement of old and obsolete Diesel Generators of 365 KVA and 160 KVA respectively has been done with higher capacity sets. The new sets have the ability of better capacity utilization and improved units per Liter of fuel. b) Replacement of old inefficient Axial Flow Fans attached to Energy Efficient Motors for higher volumes of air availability with reduced energy consumption has been done at one of the factories. This would be taken up in other factories in phases. c) Installation of improved Irrigation facility with underground piping and voltage regulators for full utilization of the sprinklers for greater coverage of command area. d) Installation of wind propelled ventilators on factory roof which helps in maintaining the quality of produce and also provide better working environment inside the factory.

Report of the **Board of Directors**

		e) Installation of improved gas burners for Dryers at 2 factories which has the ability to operate at low pressures keeping constant temperature with inbuilt safety of operation. f) Installation of static Power Capacitors to improve the Plant Power Factor thereby reduce losses incurred in the State Board Power Supply. Rossell Hospitality Division has taken the following initiatives since the last few years: a) Great deal of focus on OEE (Overall Equipment Efficiency) to optimize productivity. b) Driving sustainable development programme for water and power. c) Replaced conventional lighting with LED lights which are not only brighter but also save energy and are Eco friendly. d) Waste water from RO is saved and stored for flushing and cleaning.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	Rossell Tea Division has arranged for alternate source of energy provision for withering and drying of teas by supply of Natural Gas at one of the Factories. This would replace the use of solid fuel thereby reduction of cost. Study of the possibility of using Solar power at two Estates of Rossell Tea Division continues. Rossell Techsys Division is constrained to adopt alternative source of energy, as it is currently operating from leased premises in Bangalore. The owners of the premises are not motivated enough to invest in these alternative sources of energy.
(iii)	the capital investment on energy conservation equipments	All the equipment and machinery are being acquired with energy conservation in view. Hence the extent of investment cannot be separately quantified. However, the capital investment during the year under review on acquisition of energy conservation equipment in particular was ₹ 79.78 Lakhs in Rossell Tea.

(b) Technology absorption

(i)	the efforts made towards technology absorption	In-house seminars, discussions with experts and training programme were held for innovative ideas of production and to update the staff. The concerned staff members are also sponsored to attain various seminars and workshops for updating themselves in various technological advancements concerning the functioning of the Company.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	There has been an overall improvement in quality of product and labour productivity, which results in economy in cost.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)-	Not Applicable
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	The Company is a Member of Tea Research Association, Kolkata, which is registered under Sec. 35 (1) (ii) of the Income tax Act, 1961. A contribution of ₹ 14.59 lakhs during the year towards subscription by Rossell Tea Division. All the Research and Development work done in Rossell Techsys Division is customer specific and for their exclusive purpose. Thus the cost thereof is absorbed by the respective project cost and not required to be accumulated separately.

Report of the Board of Directors

(c) Foreign Exchange Earnings and Outgo

During the year, the total foreign exchange used was ₹ 104.15 lakhs on account of various expenses and ₹ 2,619.99 lakhs for imports of raw materials, stores as well as capital goods. The total foreign exchange earned was ₹ 6,409.17 lakhs (Note No. 10 to the Financial Statements)

MATERIAL CHANGES AND COMMITMENTS

You Directors confirm that there are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the Financial Year of the Company and the date of this Report.

ACKNOWLEDGEMENT

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

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

For and on behalf of the Board
Rossell India Limited
H.M.Gupta
Executive Chairman

Place : Delhi
Date : 25th May, 2017

Annexure 1 to the Report of the Board Directors

REPORT ON CORPORATE GOVERNANCE - 2016-2017

In accordance with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as 'SEBI Listing Regulations'] read with Schedule V thereof, the details of compliance by the Company with the norms on Corporate Governance are as under:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Board of Directors unequivocally supports the principles of Corporate Governance. Your Company espouses the cause of long term success in all areas of its business and commits itself to achieving this by outstanding standards of productivity, quality and performance. It continues to evolve, learn and adapt for the common good of its stakeholders.

Your Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

Your Company places great emphasis on values such as empowerment and integrity of its employees, well-being of the employees and communities surrounding our Tea Estates, transparency in decision making process, fair and ethical dealings with all its business associates, pollution free clean environment and last but not the least, accountability to all the stakeholders.

Your Company is further committed to the well-being of communities in general in the society through meaningful "Corporate Social Responsibility" initiatives.

2. BOARD OF DIRECTORS

2.1 Composition and Category of Directors:

The Board is headed by Executive Chairman, Mr. H. M. Gupta and comprises of persons who are expert in their respective fields. At present, majority of the Directors on the Board are Non-Executive Directors (including one Woman Director). Particulars as on 31st March, 2017 are given below:

Director	Category of Directors
Mr. H.M. Gupta	Executive Chairman
Dr. S.S. Baijal	Non-Executive-Independent
Mr. H.M. Parekh	Non-Executive-Independent
Mr. V. P. Agarwal	Non-Executive-Independent
Ms. Nayantara Palchoudhuri	Non-Executive Non-Independent Director
Mr. C.S. Bedi	Managing Director

Thus, the composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations. None of the Directors have any inter-se relationship among themselves and with any Key Managerial Personnel of the Company.

2.2 Board Meeting Proceedings, Attendance of each Director at the Board Meetings held during the year and at the last Annual General Meeting.

The Board has complete access to any information within the Company. Agenda papers containing all necessary information/documents are made available to the Board/Committee Members in advance to enable them to discharge their responsibilities effectively and take informed decisions. The information as specified in the Listing Regulations is regularly made available to the Board, whenever applicable, for discussion and consideration. The Company adheres to the Secretarial Standard-1 on the Board and Committee Meetings as prescribed by the Institute of Company Secretaries of India.

Post Meetings, all important decisions taken at the Meeting are communicated to the concerned Divisions and Persons. Action Taken Report is prepared and reviewed periodically by the Executive Chairman and Company Secretary for the action taken / pending to be taken.

During the year under review, seven Board Meetings were held on 1st April, 2016, 30th May, 2016, 3rd August, 2016, 19th September, 2016, 11th November, 2016, 31st January, 2017 and 29th March, 2017. The maximum interval between any two consecutive Meetings did not exceed 120 days.

Annexure 1 to the Report of the Board Directors

The last Annual General Meeting was held on 3rd August, 2016.

Details of Directors attendances during the year were as under:

Director	No. of Board **Meetings Attended**	Whether attended **Last AGM**
Mr. H.M. Gupta	7	Yes
Dr. S.S. Baijal	7	Yes
Mr. H.M. Parekh	7	Yes
Mr. V. P. Agarwal	7	Yes
Ms. Nayantara Palchoudhuri	7	Yes
Mr. C.S. Bedi	7	Yes

2.3 Separate Meeting of Independent Directors:

As stipulated by Regulation 25 (3) of the SEBI Listing Regulations and Section 149(8) read with Clause VII of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 31st January, 2017, without the attendance of Non-Independent Directors. All the Independent Directors were present in that Meeting. The following Matters were inter-alia considered in that Meeting:

2.3.1 Reviewed the performance of non-independent Directors and the Board as a whole in accordance with the criteria specified by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017;

2.3.2 Reviewed the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors in terms of the aforesaid circular of SEBI;

2.3.3 Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

As stipulated in Regulation 25(1) of the SEBI Listing Regulations, none of the Directors acts as an Independent Director in more than 7 Listed Companies and none of the Independent Directors is a whole time Director in any Listed Company. Further, in compliance with Regulation 26 of the SEBI Listing Regulations, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director.

The details of the Directorships, Chairmanships and the Committee memberships in other Companies (excluding Private Limited Companies, Foreign Companies and Section 8 Companies) held by the Directors as on 31st March , 2017, are given below:-

Director	No. of Companies		
	Member of Board	Board Committees #	
		Chairman	Member
Mr. H.M. Gupta	2	NIL	NIL
Dr. S.S. Baijal	3	2	2
Mr. H.M. Parekh	9	5	10
Mr. V. P. Agarwal	2	NIL	2
Mr. C.S. Bedi	1	NIL	1
Ms. Nayantara Palchoudhuri	7	NIL	4

In terms of Regulation 26(1)(b) of the SEBI Listing Regulations only Chairmanship/Membership of Audit Committee and Stakeholders' Relationship Committee of public limited companies (whether Listed or not) have been considered.

2.5 Familiarisation Programmes imparted to Independent Directors:

The present Independent Directors are already familiar with the nature of the industry and its operation since they have been associated with the Company for a substantial period of time. These Independent Directors are well aware of their duties and responsibilities as set out in their terms of appointment and expected time commitments. As per prevailing practice, each newly appointed Independent Director is taken through a formal induction program including the presentation from the Executive Chairman as well as various Business Heads on the Company's production, marketing, finance and other

Annexure 1 to the Report of the Board Directors

important aspects. The Company Secretary briefs the Director about his/her legal and regulatory responsibilities as a Director. The induction for Independent Directors includes interactive sessions with Executive Directors, Business and Functional Heads, Visit to the Tea Estates/ plant/ site etc. Further details on familiarisation programme is available on the website of the Company at http://www.rossellindia.com .

2.6 Code of Conduct :

The Board of Directors has laid down a Code of Conduct for Business and Ethics for all the Board Members and all the employees in the Senior Management grade of the Company at its Meeting held on 25th April, 2005. The said Code was amended further during the year under review at its Meeting held on 30th May, 2016. The updated Code is available on the Company's website at http://www.rossellindia.com.

All the Board Members and Senior Management personnel have confirmed compliance with the code. A declaration to that effect, signed by the Chief Executive Officer, in terms of Regulation 26(3) read with Part-D of Schedule V of the SEBI Listing Regulations, is attached and forms part of this Annual Report.

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has also approved and laid down the followings codes :

i) "Rossell Insider Code" to regulate, monitor and report Insider Trading by the Company's Directors, Employees and other Connected Persons.

ii) "Rossell Code of Fair Disclosure" to ensure Fair and timely Disclosure of Unpublished Price Sensitive Information to the Stock Exchanges.

In terms of Regulation 8 of the said Regulation, "Rossell Code of Fair Disclosure" is available on the Company's website at http://www.rossellindia.com.

The Board has appointed Mr. N. K. Khurana, Chief Financial Officer-cum- Company Secretary, as the Compliance Officer as well as Chief Investor Relation Officer under these Regulations.

2.7 Committees of the Board:

The Committees of the Board play an important role in the Corporate Governance and focus on specific areas and make informed decisions within the authority delegated. Each Committee is guided by its terms of reference, which provides for the scope, powers duties and responsibilities of the Committee. The recommendation and/or observations and decisions are placed before the Board for information or approval. The Chairman of respective Committee updates the Board regarding the discussions held/decisions taken at the Committee Meeting.

The Board has constituted the following Committees:

a) Audit Committee,

b) Nomination and Remuneration Committee,

c) Stakeholders Relationship Committee,

d) Corporate Social Responsibility Committee and

e) Risk Management Committee

3. AUDIT COMMITTEE :

3.1 Brief description and Composition

The Board has constituted a well-qualified Audit Committee. All the four members of the Committee are Non-Executive Directors and three of them are independent Directors including the Chairman. The Chairman of the Committee has in-depth knowledge in the areas of Finance and Accounts. The Committee has been meeting as and when required and at least once in every quarter of the Financial Year.

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

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Dr. S.S. Baijal	Non-Executive-Independent	Chairman
2.	Mr. H. M. Parekh	Non-Executive-Independent	Member
3.	Mr. V. P. Agarwal	Non-Executive-Independent	Member
4.	Ms. Nayantara Palchoudhuri	Non-Executive Non-Independent Director	Member

Annexure 1 to the Report of the Board Directors

3.2 Terms of reference

The terms of reference of the Audit Committee broadly cover the areas specified in Regulation 18(3) read with Schedule II, Part - C of the SEBI Listing Regulations and Sec. 177 of the Companies Act, 2013 and briefly described below:

3.2.1 To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

3.2.2 To recommend the appointment, remuneration and terms of appointment of the Statutory Auditors, Cost Auditors and Internal Auditors of the Company;

3.2.3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

3.2.4 Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

b. Changes, if any, in accounting policies and practices and reasons for the same.

c. Major accounting entries involving estimates based on the exercise of judgment by Management.

d. Significant adjustments made in the financial statements arising out of audit findings.

e. Compliance with listing and other legal requirements relating to financial statements.

f. Disclosure of any related party transactions.

g. Modified opinion(s) in the draft audit report, if any.

3.2.5 To review with management, the quarterly financial statements before submission to the board for approval;

3.2.6 Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in the matter;

3.2.7 To review and monitor the Auditor's independence and performance and effectiveness of the Audit Process;

3.2.8 Approval or any subsequent modification of transactions of the Company with related parties;

3.2.9 Scrutiny of Inter-corporate loans and Investments;

3.2.10 Valuation of undertakings or assets of the Company, wherever it is necessary;

3.2.11 Evaluation of internal financial controls and risk management systems;

3.2.12 Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

3.2.13 Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

3.2.14 Discussion with internal auditors of any significant findings and follow up there on;

3.2.15 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

3.2.16 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

3.2.17 To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

3.2.18 To review the functioning of the Whistle Blower/ Vigil mechanism;

3.2.19 Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

3.2.20 Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.2.21 The Audit committee also reviews the following information:

Annexure 1 to the Report of the Board Directors

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses;

e) The appointment, removal and terms of remuneration of the Internal Auditors for various divisions of the Company. And

f) Statement of deviations of issue proceeds, in case of any further issue of shares.

3.3 Meetings and attendance during the year

During the year under review, 4 Meetings of the Audit Committee were held on 30th May, 2016, 3rd August, 2016, 11th November, 2016 and 31st January, 2017.

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

Name	No. of Audit Committee Meetings Attended
Dr. S.S. Baijal, Chairman	4
Mr. H.M. Parekh	4
Mr. V. P. Agarwal	4
Ms. Nayantara Palchoudhuri	4

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

4. NOMINATION AND REMUNERATION COMMITTEE:

4.1 Brief description and Composition :

The Board has duly constituted Nomination and Remuneration Committee of the Board in compliance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations. The said committee comprises of three Non-Executive Independent Directors as follows:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Dr. S.S. Baijal	Non-Executive-Independent	Member
3.	Mr. V. P Agarwal	Non-Executive-Independent	Member

4.2 Terms of reference

In accordance with Clause A, Schedule II, Part-D of the SEBI Listing Regulations read with Section 178(2) of the Companies Act, 2013, the Committee is empowered -

4.2.1 To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of Directors, Key Managerial Personnel and other employees;

4.2.2 To formulate criteria for evaluation/ performance appraisal of Independent Directors and the Board;

4.2.3 To devise policy on Board diversity;

4.2.4 To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.

4.2.5 To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent Directors.

4.3 Remuneration policy :

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

4.3.1 The remuneration of an individual shall be dependent upon the following parameters concerning an individual:

a) Age,

b) Qualifications,

c) Experience,

d) Core Competence,

Annexure 1 to the Report of the Board Directors

e) Career advancement,

f) Special Skill, if any

g) Performance in the context of the duties and responsibilities assigned,

h) Industry Criteria,

i) Other relevant factors.

4.3.2 The level and composition of remuneration for each individual shall be reasonable and sufficient to attract, retain and motivate the person concerned, whether as Director or Key Managerial Personnel of the quality required to run the Company successfully;

4.3.3 Relationship of remuneration to performance should be clear and meets appropriate performance benchmarks as may be set up from time to time; and

4.3.4 Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of each of the Divisions of the Company and its goals:

4.4 Meeting and attendance during the year :

During the year under review, Five Meeting of the Nomination and Remuneration Committee were held on 1st April, 2016, 30th May, 2016, 11th November, 2016, 31st January, 2017 and 29th March, 2017

Name	No. of Nomination and Remuneration Committee Meetings Attended
Mr. H. M. Parekh	5
Dr. S.S. Baijal	5
Mr. V. P Agarwal	5

4.5 Details of remuneration to all the directors:

Remuneration as per Terms of Service paid to Managing Directors during the year 2016-2017: ₹ In lakhs

Name of Directors	Salary and Allowances	Commission	Value of Perquisites	Total
Mr. H.M. Gupta, Executive Chairman	96.00	-	14.56	110.56
Mr. C.S. Bedi, Managing Director	70.94	-	14.77	85.71

1) **Mr. H. M. Gupta**

Service contract : 1st May, 2015 to 31st March, 2018
Notice period : Three months
Severance Fee : Not Applicable

Re-appointment of Mr. H.M. Gupta was made by the Members in the 21st Annual General Meeting for a period of 2 years 11 months w.e.f. 1st May, 2015 till 31st March, 2018, by adopting Special Resolutions.

2) **Mr. C. S. Bedi**

Service contract : 1st October, 2016 to 30th September, 2019
Notice period : Three months
Severance Fee : Not Applicable

Re-appointment of Mr. C.S. Bedi was made by the Members in the 22nd Annual General Meeting for a period of 3 years w.e.f. 1st October, 2016 till 30th September, 2019, by adopting Special Resolutions

Sitting Fees and Commission paid/payable to the Non-Executive Directors during the year 2016-2017 and their shareholding in the Company are as under: ₹ In lakhs

Non-Executive Directors	Board Fees	Committee Fees	Total	Commission	No. of Shares held
Dr. S.S. Baijal	2.45	1.40	3.85	-	7,500
Mr. H.M. Parekh	2.45	1.55	4.00	-	-
Mr. V. P. Agarwal	2.45	1.60	4.05	-	-
Ms. Nayantara Palchoudhuri	2.45	1.05	3.50	-	-

Note: The above Fees and Commission excludes Service Tax.

There are no stock option plans of the Company.

Annexure 1 to the Report of the Board Directors

4.6 Performance Evaluation Criteria:

During the year, the performance evaluation was done at two levels - by the Board as well as by the Independent Directors at their separate Meeting. First, the Board, at their Meeting held on 31st January, 2017 reviewed the performance of the Board as a whole, its Committees, and the individual Directors with reference to the questionnaire prepared in terms of the Criteria specified by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017.

Subsequently, Independent Directors at their separate Meetings held thereafter on the same day reviewed the performance of the Executive Chairman of the Board and other Non-Independent Directors as specified by SEBI in its aforesaid circular dated 5th January, 2017. They also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

In terms of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the Company has a duly constituted Stakeholders Relationship Committee to specifically look into the mechanism of redressal of investors' grievances and recommend measures for overall improvement in the quality of investor services.

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

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Mr. V. P Agarwal	Non-Executive-Independent	Member
3.	Mr. C. S. Bedi	Managing Director	Member

5.1 Terms of Reference

In accordance with Clause B, Schedule II, Part-D of the SEBI Listing Regulations, the Committee is empowered to consider and resolve the grievances of the shareholders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

5.2 Compliance Officer

Mr. N.K. Khurana, Chief Financial Officer-cum-Company Secretary is designated as the Compliance Officer of the Company.

5.3 Meeting and Attendance

During the year under review, this Committee had Four meetings held on 30th May, 2016, 11th November, 2016, 31st January, 2017 and 29th March, 2017.

Name	No. of Stakeholders Relationship Committee Meetings Attended
Mr. H. M. Parekh	4
Mr. V. P. Agarwal	4
Mr. C. S. Bedi	4

5.4 Shareholders' Complaints

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

a)	No. of complaints remaining unresolved as on 01.04.2016	Nil
b)	No. of complaints received from shareholders during the year	3
c)	No. of complaints resolved during the year	3
d)	No. of complaints pending unresolved as on 31.03.2017	Nil

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

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

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

Annexure 1 to the Report of the Board Directors

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Dr. S S Baijal	Non-Executive-Independent	Chairman
2.	Mr. V. P Agarwal	Non-Executive-Independent	Member
3.	Mr. C. S. Bedi	Managing Director	Member

The role of the CSR committee inter-alia includes:

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

b) To recommend the amount of expenditure to be incurred on the activities referred to in Clause (a) and

c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Committee has framed and the Board has approved at its meeting held on 6th August, 2014, the Company's Corporate Social Responsibility policy relating to the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and the expenditure thereon, excluding activities undertaken in the normal course of business of the Company. The said CSR policy is available at the company's website at www.rossellindia.com. The CSR Report for the Financial Year 2016-2017 is enclosed separately as Annexure- 2 to the Board's Report, forming part of this Annual Report.

6.1 Meeting and Attendance

During the year under review, the CSR Committee met twice i.e. on 30th May, 2016 and 11th November, 2016.

Name	No. of CSR Committee Meetings Attended
Dr. S S Baijal	2
Mr. V. P. Agarwal	2
Mr. C. S. Bedi	2

7. Risk Management Committee

The Board has voluntarily constituted the Risk Management Committee in the manner prescribed in Regulation 21 of the SEBI Listing Regulations, 2015. The Committee is responsible to lay down the procedures to inform the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Committee at its Meeting held on 29th March, 2016 has framed Company's policy on Risk Assessment and Minimization which has subsequently been approved by the Board at its meeting held on 30th March, 2015. The major risks and concerns being faced by various business segments of the Company are discussed in the Report on Management Discussion and Analysis, forming part of this Annual Report.

The Risk Management Committee of the Board is composed as under:

Sl. No.	Name	Category of Director	Chairman/ Members
1.	Mr. H. M. Parekh	Non-Executive-Independent	Chairman
2.	Ms. Nayantara Palchoudhuri	Non-Executive-Non-Independent	Member
3.	Mr. C. S. Bedi	Managing Director	Member

During the year under review, the Risk Management Committee held its Meeting on 29th March, 2016 and all Members of the Committee attended the same.

8. General Body Meetings:

Location and time where last three AGMs were held:

Date	Location	Time
6th August, 2014	Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017	3:00 p.m.
31st July, 2015	Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 6, Netaji Subhas Road, Kolkata 700 001	11:00 a.m.
3rd August, 2016	Kala Kunj,48, Shakespeare Sarani, Kolkata-700 017	10:30 a.m.

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No resolution was passed by the Members through Postal Ballots during the year under review. In the Annual General Meeting held on 3rd August, 2016, all the resolutions were adopted by electronic voting.

The following Special Resolutions were passed in the Annual General Meetings held since the last three years:

a. In the 20th Annual General Meeting held on 6th August 2014 :- i) Approval of the Members obtained under Section 14 and all other provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, with regard to the draft regulation for management of the Company contained in the Article of Association. ii) Approval of the Members obtained under section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 authorising the Board to Mortgage and/or charge and/or otherwise dispose of immovable and movable properties, both present and future or whole or substantially the whole of the undertaking or the undertakings of the Company for the purpose securing any loan and/or any issue of debentures. And iii) Approval of the Members obtained under section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 authorising the Board to borrow from time to time any sum or sums of money in excess of aggregate of Company's Paid up Share Capital and Free Reserves not exceeding ₹250 Crores.

b. In the 21st Annual General Meeting held on 31st July, 2015, approval of the Members obtained for re-appointment of Mr. H. M. Gupta, Managing Director (DIN: 00065973) designated as Executive Chairman for a further period of 2 (two) years and 11(eleven) months i.e. for the period from 1st May, 2015 to 31st March, 2018 in terms of the provisions of Section 188, 196,197 and other applicable provisions of the Companies Act, 2013 read with Section I and Section II of Part II of Schedule V to the said Act.

c. In the 22nd Annual General Meeting held on 3rd August, 2016, approval of the Members obtained for re-appointment of Mr. C. S. Bedi, Managing Director (DIN: 00123400) for a further period of 3 (three) years i.e. for the period from 1st October, 2016 to 30th September, 2019 in terms of the provisions of Section 188, 196,197 and other applicable provisions of the Companies Act, 2013 read with Section I and Section II of Part II of Schedule V to the said Act.

No postal ballot by way of Special Resolution is proposed to be passed in the ensuing 23rd Annual General Meeting.

9. MEANS OF COMMUNICATION:

9.1 Unaudited Quarterly results along with Limited Review Report are submitted to the Stock Exchanges in compliance with Regulation 33 of the SEBI Listing Regulations and published in leading newspapers such as Business Standard (English) (all editions) and Aajkal (Bengali) (Kolkata) in terms of Regulation 47 of the said Regulation. The quarterly results are simultaneously posted in the Website of the Company, www.rossellindia.com .

9.2 The Company has its own functional website www.rossellindia.com as required by the SEBI Listing Regulations, wherein a separate dedicated segment named 'Investors Information' has been created. All information and documents relating to quarterly and annual audited financial results, annual reports, quarterly shareholding pattern and information required to be disclosed under Reg. 30 and 46 of the SEBI Listing Regulations, etc. are regularly updated under that segment.

9.3 All material events/information relating to the Company that could influence the market price of its securities or investment decisions are timely disclosed to the Stock Exchanges as per the Company's 'Policy for Determination of Materiality of Events or Information for Disclosure to the Stock Exchanges', framed in terms of Regulation 30(4)(ii) of the SEBI Listing Regulations. All disclosures under this policy are also displayed on the Company's website www.rossellindia.com .

9.4 Management discussion and Analysis Report are covered by the Directors' Report.

9.5 No presentation was made to any Institutional Investor or Analyst during the year.

9.6 Company's E-mail address: rossell@rossellindia.com/corporate@rosselltea.com

10. GENERAL SHAREHOLDERS' INFORMATION :

10.1 23rd AGM date, time and venue:

4th August, 2017 at 10.30 A.M

Kala Kunj, 48, Shakespeare Sarani, Kolkata-700 017

10.2 Financial calendar & Publication of Results

The Financial Year of the Company is April to March.

Annexure 1 to the Report of the Board Directors

Publication of Results was as follows:

Period	Approval by the Board of Directors
1st quarter ended 30th June, 2016.	On 3rd August, 2016
2nd quarter and Half year ended 30th September, 2016.	On 11th November, 2016
3rd quarter ended 31st December, 2016.	On 31st January, 2017
Final Audited Results for the Year including for the 4th quarter ended 31st March, 2017.	On 25th May, 2017

10.3 **Book Closure/ Record date:** 29th July, 2017 to 4th August, 2017 (both days inclusive)

10.4 **Dividend Payment date:** The Board has recommended dividend of ₹ 0.20 per fully paid up Equity Share of ₹ 2 each (i.e. 10%) in terms of Second Proviso to Section 123 (1) of the Companies Act, 2013 read with Rule 3 of Companies (Declaration and Payment of Dividend) Rules, 2014 for the Financial Year 2016-2017, subject to approval of the Members at the 23rd Annual General Meeting. The dividend, if declared at the Annual General Meeting, would be paid within August, 2017.

10.5 **Listing on Stock Exchanges:**

The Company's securities are listed at:

1. **National Stock Exchange of India Ltd.**
   Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051
2. **BSE Ltd.,**
   Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
3. **The Calcutta Stock Exchange Ltd.,**
   7, Lyons Range, Kolkata-700 001

Listing Fees as prescribed have been paid to all the aforesaid Stock Exchanges upto the Financial Year 2017-2018.

Scrip Code:

Stock Exchange	Scrip Code
National Stock Exchange of India Ltd.	ROSSELLIND
BSE Ltd.,	533168
The Calcutta Stock Exchange Ltd.	10028199

10.6 Stock Price Data:

There was no transaction of the Equity Shares of the Company at The Calcutta Stock Exchange Limited during the year ended 31st March, 2017. The Monthly High and Low Prices for trading of the Equity Share at BSE and NSE are as under:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April' 2016	126.70	113.00	127.85	111.05
May'2016	120.00	99.25	118.90	99.60
June'2016	129.00	96.00	125.90	96.50
July'2016	138.00	117.10	139.00	118.00
August ,2016	123.95	97.00	123.50	99.00
September '2016	122.05	93.05	116.90	95.40
October ' 2016	115.00	100.00	114.70	102.15
November' 2016	110.00	81.50	110.00	83.60
December' 2016	99.50	87.30	100.35	86.20
January '2017	132.50	92.95	131.85	90.40
February'2017	125.10	106.05	126.00	107.00
March' 2017	142.00	115.00	143.00	113.00

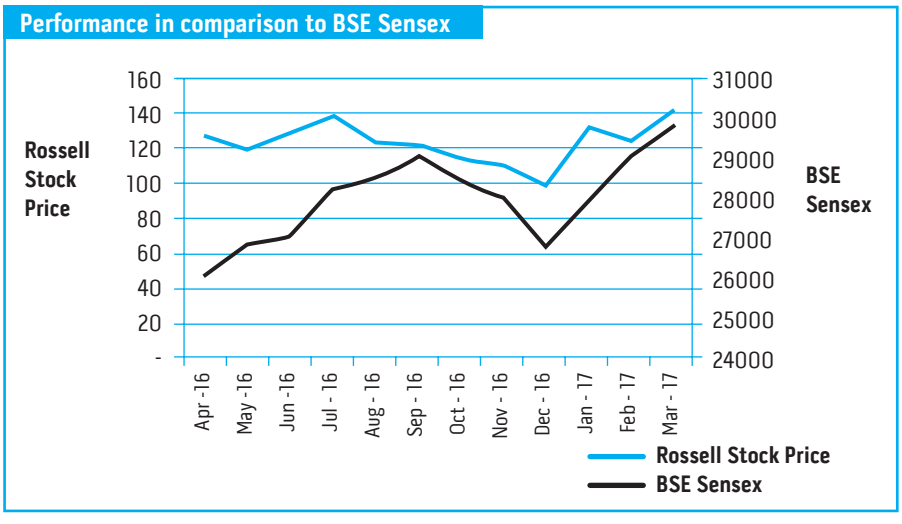
On 27th March, 2017 the stock price of your Company touched its 52 weeks high at ₹ 142.00 in BSE and ₹ 143.00 in NSE. The last traded price at the Bombay Stock Exchange on 25th May, 2017 was ₹ 107.45 and the same at NSE was ₹ 108.00.

Annexure 1 to the Report of the Board Directors

10.7 Stock Performance:

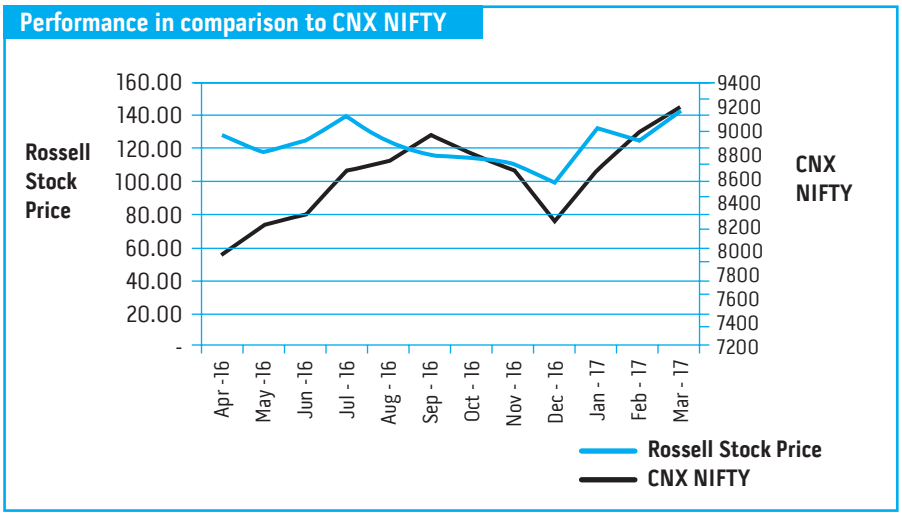
Company's Share Price vis-à-vis **BSE Sensex**:

(April, 2016 to March, 2017)



Company's Share Price vis-à-vis **NSE CNX NIFTY**:

(April, 2016 to March, 2017)



10.8 Share Transfer System:

All transfers, transmission or transposition of the shares of the Company are completed in compliance with the requirement of the Reg. 40 of SEBI Listing Regulations. Share Transfer requests, valid and complete in all respects, are normally processed within 15 days. The power to approve the transfers has been delegated by the Board to the Company Secretary and Compliance Officer for expediting the share transfer process. The Stakeholders Relationship Committee periodically reviews and takes on record the share transfer process.

The work relating to Registration of Transfer of shares both in physical and electronic form are handled by CB Management Services Pvt. Ltd., Registrar and Transfer Agents of the Company.

The Company's shares are compulsorily traded in the demat form with effect from 29th January, 2001 for all categories of shareholders. All electronic transfers are routed through the respective Accounts maintained with the Depository Participants (DPs) of the Investor.

ISIN Code No. allotted by NSDL/CDSL: INE 847C01020

Existing holders in physical mode are advised to open a Depository Account prior to any transaction.

Annexure 1 to the Report of the Board Directors

10.9 Registrars and Share Transfer Agents:

All share management work both physical and demat are being handled by the Registrar and Share Transfer agent of the Company whose name and address is given below:

CB Management Services Private Limited,
P-22, Bondel Road, Kolkata 700 019
Phn: (033) 40116700; 40116718; 40116729
Fax : (033) 4011 6739
Email: rta@cbmsl.com, ranarc@cbmsl.com
Web Site : www.cbmsl.com

10.10 Dematerialization of Shares:

As on 31st March, 2017, 3,59,57,511 Nos. of Equity Shares, representing 97.99 % of the Equity Capital have been held in dematerialised form with NSDL and CDSL.

10.11 (i) **Distribution of shareholding as on 31st March, 2017**

Range		No. of Shareholders	% of holders	No. Shares held	% of holding
From	To				
1	500	6,325	87.92	8,58,523	2.34
501	1000	455	6.32	3,40,144	0.93
1001	2000	175	2.43	2,65,866	0.72
2001	3000	64	0.89	1,60,281	0.44
3001	4000	42	0.58	1,55,062	0.42
4001	5000	22	0.31	1,06,450	0.29
5001	10000	50	0.70	3,79,072	1.03
10001	50000	38	0.53	7,48,622	2.04
50001	100000	7	0.10	5,52,219	1.50
100001	ABOVE	16	0.22	3,31,30,236	90.29
	TOTAL	**7,194**	**100.00**	**3,66,96,475**	**100.00**

(ii) **Shareholding pattern as at 31st March, 2017**

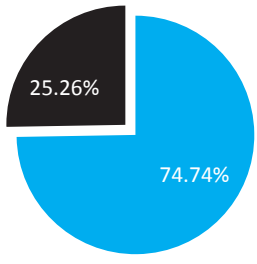
Category shareholders	No. of shareholder	No. of shareholding	% Shareholding
Promoters			
Indian Promoter (Individual)	3	32,91,054	8.97
Indian Promoter (Body Corporate)	3	2,41,34,609	65.77
Sub Total –A	**6**	**2,74,25,663**	**74.74**
Public – Institutional Holding			
State Government	1	150	0.00
Nationalised/Other Banks	3	90,300	0.24
Mutual Funds	2	1,50,010	0.41
Foreign Institutional Investors	1	34,67,391	9.45
Sub Total - B	**7**	**37,07,851**	**10.10**
Public- Non Institutional Holding			
Bodies Corporate	158	14,05,109	3.83
Trust	1	75	0.00
Resident Individual (not exceeding ₹ 2 lakh)	6,936	27,87,910	7.60
Resident Individual (exceeding ₹ 2 lakhs)	3	12,01,129	3.27
Non-Resident Indians	59	43,997	0.12
Clearing Members/ Corporates	23	15,206	0.04
Unclaimed Suspense Account	1	1,09,535	0.30
Sub Total -C	**7,181**	**55,62,961**	**15.16**
Grand Total (A+B+C)	**7,194**	**3,66,96,475**	**100.00**

Annexure 1 to the Report of the Board Directors

Shareholding Pattern

% of Shares held by Promoter Group

% of Shares held by public



Total Number of Equity Shares	3,66,96,475	100.00%
Number of Shares held by Promoter Group*	2,74,25,663	74.74%
Number of Shares held by Public	92,70,812	25.26%

*Not pledged or encumbered in any manner

10.12 Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

Shareholders are requested to refer to the Notice of the Annual General Meeting for the due dates for transfer of unclaimed dividends for the year ended 31st March, 2010 to Investor Education and Protection Fund. This information is also posted in the Investor Relation section of the Company's website. Shareholders, who have not yet encashed their dividend warrants, are requested to immediately contact the Company or its Registrar & Share Transfer Agents - CB Management Services Pvt. Ltd., P-22, Bondel Road, Kolkata-700 019 for claiming their unpaid/unclaimed dividends, if any

10.13 Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Suspense Account

Pursuant to the provisions of Section 124 and 125 of the Companies Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account.

In view of the above, the underlying shares in respect of which unclaimed dividend for the Financial Year 2008-2009 has already been transferred to Investor Education and Protection Fund, shall be transferred to IEPF suspense account of the Central Government pursuant to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017.

Accordingly, the Company has initiated the process and issued individual notices to the concerned shareholders by registered post on 25th November, 2016 for their necessary action. Simultaneously, the Company published necessary newspaper public notice in this respect on 28th November, 2016 in the 'Business Standard' (all editions) in English and 'Aajkal' (Kolkata edition) in Bengali. The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends on the website of the company at www.rossellindia.com. As on the date of this Report the Company is in the process of transferring the shares to the IEPF Suspense Account as per the rules specified and in compliance with the notifications issued by the MCA in this regard, from time to time.

Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

10.14 Disclosure relating to Demat Suspense Account/Unclaimed Suspense Account

In accordance with the Regulation 39 read with Schedule VI of the Listing Regulations, shareholders whose certificates were returned undelivered and lying with the Company were transferred and held by the Company in the dematerialized mode in the "Unclaimed Suspense Account" maintained with IL& FS securities services limited. These shares are released to the shareholders after proper verification of their identity, once the request is received from the concerned shareholder. The details of the shares held and released from the Suspense Account are as follows:-

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and outstanding shares in the suspense account at the beginning of the Financial Year 2016-2017.	482	1,17,110
Number of shareholders who approached the Company for transfer of shares and shares transferred from Unclaimed Suspense Account during 2016-2017.	2	7,575
Aggregate number of shareholders and outstanding shares in the suspense account at the end of the Financial Year 2016 -2017.	480	1,09,535

The voting rights on these shares will remain frozen till the rightful owner claims the shares.

Annexure 1 to the Report of the Board Directors

10.15 Plant Locations:

The Company owns seven Tea Estates in Assam, as given below as on date. Each estate has its own well-equipped Factory for processing of Black Tea:

ASSAM
Dist. Dibrugarh
Dikom, Romai, Namsang

Dist. Tinsukia
Nokhroy

Dist. Baksa
Nagrijuli

Dist. Golaghat
Bokakhat

Dist. Jorhat
Kharikatia

Note: Particulars of Area under Tea, Crop & Yield are given later in the Report.

The **Design and Development unit of Rossell Techsys Division** is located at Bangalore at the following address:
No. 74, 3rd Cross, Export Promotional Industrial Park
Whitefield, Bangalore – 560 066

Rossell Hospitality Division of the Company has Thirteen Indian Fast Food Outlets - "Kebab Xpress" at the following places as on 31st March, 2017:

1. **N BLOCK INNER CIRCLE, CONNAUGHT PLACE**
N-5, Connaught Place, Opposite Palika Bazaar,
Gate-5, New Delhi, Delhi - 110001
2. **V3S MALL, LAXMI NAGAR**
G2 & G8, V3S Mall, Laxmi Nagar,
New Delhi, Delhi – 110091
3. **MOMENTS MALL, KIRTI NAGAR**
2nd Floor, Food Court Moments Mall, Kirti Nagar,
New Delhi, Delhi - 110015
4. **PACIFIC MALL, SUBHASH NAGAR**
K9 & K10, Ground Floor Pacific Mall,
Subhash Nagar, New Delhi, Delhi - 110018
5. **THE QUTUB TIFFIN, MEHRAULI**
Ground Floor, The Qutub Tiffin, Mehrauli,
New Delhi, Delhi – 110030
6. **DLF CYBER HUB, GURGAON**
112, First Floor, DLF Cyber Hub,
Gurgaon, Haryana - 122002
7. **HUDA CITY CENTRE METRO STATION, GURGAON**
6, Ground Floor, HUDA City Centre Metro Station,
Gurgaon, Haryana – 122002
8. **CROWN INTERIORZ MALL, FARIDABAD**
Shop No. 23 & 24, Second Floor,
Crown Interiorz Mall, Sector 35,
Faridabad, Haryana – 121003
9. **THE GREAT INDIA PLACE, NOIDA**
301 A, Third Floor, TGIP Mall, Sector 38,
Noida, Uttar Pradesh - 201301
10. **SHIPRA MALL, INDIRAPURAM**
Second Floor, Food Court Shipra Mall,
Vaibhav Khand Indirapuram
Ghaziabad, Uttar Pradesh – 201014
11. 3rd Floor, Food Court, Logix City Center Noida
Uttar Pradesh-201301
12 C-3, Main Market, Malviya Nagar, New Delhi
Delhi-110017
13. Shop No. 118, First Floor, Unity One Mall, MLCP,
Rohini West, New Delhi, Delhi-110085

10.16 Address for correspondence:

Registrars & Share Transfer Agents including Depository Registrar
CB Management Services Private Limited,
P-22, Bondel Road,
Kolkata-700 019
Tel: (033) 40116700 / 40116711 / 40116718 / 40116720
Fax: (033) 2287-0263
E-Mail: rta@cbmsl.com

Annexure 1 to the Report of the Board Directors

Compliance Officer

Mr. N. K. Khurana
Chief Financial Officer-cum-Company Secretary,
Rossell India Limited,
Jindal Towers, Block 'B', 4th Floor,
21/1A/3, Darga Road,
Kolkata- 700 017
Tel: (033) 2287-4794/4061-6069
Fax: (033) 2290-3035
E-mail: nirmal.khurana@rossellindia.com / nk.khurana@rosselltea.com

11. Other Disclosures:

11.1 Related party transactions:

Disclosures on materially significant related party transactions:

The Company has not entered into any transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company. The transactions undertaken during the year have been disclosed as Clause. 6 in Note V to the Financial Statements for the year ended 31st March, 2017.

11.2 Non Compliance/penalties:

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

11.3 Whistle Blower Policy - Vigil Mechanism:

Pursuant to Sec 177(9) read with (Meeting of Board and its Power) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations , Company has duly established vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conducts or ethics policy. Audit Committee of the Board monitors and oversees such Vigil Mechanism of the Company. It is also confirmed that no personnel has been denied access to the Audit Committee during the year under review.

Further in terms of Regulation 46(2)(e) of the SEBI Listing Regulations, detailed policy related to the Whistle Blower - Vigil Mechanism is available on the Company's website at www.rossellindia.com.

11.4 Mandatory requirements

The Company has complied with all mandatory Corporate Governance requirements as stipulated in the SEBI Listing Regulations.

All other discretionary requirements as stipulated in Part-E, Schedule II of the SEBI Listing Regulations have been adopted to the extent applicable.

11.5 CEO/CFO Certification

In terms of Regulation 17 (8) read with Schedule-II, Part-B of the SEBI Listing Regulations, the Executive Chairman (CEO) and the Chief Financial Officer (CFO) of the Company have certified to the Board that the financial statements for the year ended 31st March, 2017 do not contain any false or misleading statement and that these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

11.6 Adoption of Non-Mandatory requirements:

The Company strives to comply with the non mandatory (discretionary) requirements as specified in Part E of Schedule II of SEBI Listing Regulations as far as possible.

Internal Auditors Report: The Internal Auditors of the Company directly submit their reports to the attention of the Chairman of the Audit Committee of the Board.

Auditors Report : There has been no qualification/ adverse remark by the Auditors in their Audit Report for the year.

11.7 Web-link where policy on determining 'material' subsidiaries

The Company does not have any Material Subsidiary.

Annexure 1 to the Report of the Board Directors

11.8 Web Link for Policy on dealing with Related party Transactions

The Company's policy on Related Party Transaction is available on the Company's website at www.rossellindia.com

11.9 Commodity price risk or foreign exchange risk and hedging activities :

Black Tea, the main Product manufactured by the Company, is subject to price risk, as the price is determined by the prevailing market conditions and 'Cost plus pricing' model has no role in determining such prices. The Company is well conversant with this risk and always gear itself to align its product mix and other attributes of the product to meet the market demand.

The Company's Policy is to take appropriate steps to guard the risks arising out of major foreign currency exposure for its import paybles and export receivables.

For and on behalf of the Board

Place : Delhi
Date : 25th May, 2017

H. M. Gupta
Executive Chairman

Annexure 2 to the Report of the Board Directors

REPORT ON CSR ACTIVITIES/INITIATIVES

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

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is http://www.rossellindia.com/financial-result/CSR_Policy.pdf
2	The Composition of the CSR Committee.	i) Dr. S. S.Baijal - Chairman (Independent Director) ii) Mr. V. P Agarwal - Member (Independent Director) iii) Mr. C. S. Bedi – Member (Managing Director)
3	Average net profit of the company for last three financial years.	₹ 1,551.25 Lacs
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 31.03 Lacs
5	Details of CSR activities/projects undertaken during the year:	
	a) total amount to be spent for the financial year	₹ 31.03 Lacs
	b) amount un-spent, if any	N.A
	c) manner in which the amount spent during financial year,	The manner in which the amount is spent is detailed in the **Annexure-A** below.

Annexure -A

1	2	3	4	5	6	7	8
Sl. No.	**CSR project/activity identified**	**Sector in which the Project is covered**	**Projects/ Programmes 1. Local area/ others- 2.specify the state /district (Name of the District/s, State/s where project/ programme was undertaken**	**Amount of outlay (budget) project/ programme wise ₹ In lakhs**	**Amount spent on the project/ programme ₹ In lakhs**	**Cumulative spend upto to the reporting period ₹ In lakhs**	**Amount spent: Direct/ through implemen-ting agency**
A.	**Direct Expenditure on Projects**						
1	Running and Maintenance of Free Dispensary	Promoting Preventive Health Care	Delhi, NCR Area	12.00	12.00	12.00	Through BMG Foundation, Delhi
2	Community Based Creches at Urban Slums(Existing Project of the FY 2016 - 2017 to continue)	Promoting Education among little Children	Delhi, NCR Area	14.92	14.92	14.92	Through Mobile Creches, Delhi

Annexure 2 to the Report of the Board Directors

3	Girl's toilets at Dikom P.D.M.E Co-Ed School in the neighboring area of Dikom Tea Estates.	Promoting Education	In the neighborhood of Dikom T.E. , Dibrugarh, Assam	4.50	4.47	4.47	Direct Spending
4	Support to blind students by contributing towards food, education, boarding, lodging etc.	Promoting Education	Bharat Blind School Shahdara, 510-A, Circular Road, Shahdara – 110 032, Delhi.	0.50	0.48	0.48	Direct Spending
B.	**Overheads - Service Tax**			-	**0.08**	**0.08**	
	TOTAL			**31.92**	**31.95**	**31.95**	

Responsibility Statement

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

Place : Delhi
Date : 25th May, 2017

H. M. Gupta
Executive Chairman and CEO

Dr. S. S. Baijal
Chairman of CSR Committee

Annexure 3 to the Report of the Board Directors

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS

1	CIN	L01132WB1994PLC063513
2	Registration Date	10th June, 1994
3	Name of the Company	ROSSELL INDIA LIMITED
4	Category/Sub-Category of the Company	Public Company Limited by Shares
5	Whether listed Company (Yes/No)	Yes
6	Address of the Registered Office and contact details	Jindal Towers, Block - "B", 4th Floor,, 21/1A/3, Darga Road, Kolkata – 700017, West Bengal
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	C B Management Services Pvt. Ltd., P - 22, Bondel Road, Kolkata, West Bengal - 700019, Tel; 033-22806692/93/94, 40116700/6711/6718/6723 Email : rta@cbmsl.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.	Tea & Tea Products	99611272	67.96%
2.	Aviation Products and Services	98882	23.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	CAE Rossell India Ltd.	U80102DL2008PLC179630	Wholly Owned Subsidiary	100%	Sec 2(87)
2.	R. V. Enterprizes Pte. Ltd., Singapore	N.A	Joint Venture / Associate	26%	Sec. 2 (6)

Annexure 3 to the Report of the Board Directors

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	32,91,054	-	32,91,054	8.97	32,91,054	-	32,91,054	8.97	
(b) Central Govt									-
(c) State Govt (s)									
(d) Bodies Corp.	2,41,34,609	-	2,41,34,609	65.77	2,41,34,609	-	2,41,34,609	65.77	
(e) Banks / FI									-
(f) Any Other....									
SUB TOTAL : (A)(1)	**2,74,25,663**	**-**	**2,74,25,663**	**74.74**	**2,74,25,663**	**-**	**2,74,25,663**	**74.74**	
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**2,74,25,663**	-	**2,74,25,663**	**74.74**	**2,74,25,663**	**-**	**2,74,25,663**	**74.74**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	150,010	-	150,010	0.41	150,010	-	150,010	0.41	-
b) Banks / FI	-	90,300	90,300	0.24	-	90,300	90,300	0.24	-
c) Central Govt.	-	150	150	0.00	-	150	150	0.00	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	35,00,000	-	35,00,000	9.54	34,67,391	90,450	34,67,391	9.45	0.09
h) Foreign Venture Capital Funds	-	-	-	-	-		-	-	-
i) Others (specify)	-	-	-	-	-		-	-	-
Sub-total (B)(1)	**36,50,010**	**90,450**	**37,40,460**	**10.19**	**36,17,401**	**90,450**	**37,07,851**	**10.10**	**0.09**
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian									
(ii) Overseas	12,74,401	4,055	12,78,456	3.48	14,01,129	4,055	14,05,184	3.83	0.35
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	17,96,324	5,18,942	23,15,266	6.31	22,93,601	4,94,309	27,87,910	7.60	1.29
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	15,92,660	1,50,000	17,42,660	4.75	10,51,129	1,50,000	12,01,129	3.27	1.48
(c) Others (specify)	1,93,820	150	1,93,970	0.53	1,68,588	150	1,68,738	0.46	0.07
Sub-total (B)(2):	**48,57,205**	**6,73,147**	**55,30,352**	**15.07**	**49,14,447**	**6,48,514**	**55,62,961**	**15.16**	**0.09**
Total Public Shareholding (B)=(B)(1) + (B)(2)	**85,07,215**	**7,63,597**	**72,70,812**	**25.26**	**85,31,848**	**7,38,964**	**92,70,812**	**25.26**	**-**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**3,59,32,878**	**7,63,597**	**3,66,96,475**	**100.00**	**3,59,57,511**	**7,38,964**	**3,66,96,475**	**100.00**	**-**

Annexure 3 to the Report of the Board Directors

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	BMG ENTERPRISES LTD.	2,31,13,795	62.99	0.00	2,31,13,795	62.99	0.00	0.00
2.	BMG INVESTMENTS PVT LTD	5,49,769	1.50	0.00	5,49,769	1.50	0.00	0.00
3.	HARVIN ESTATE PVT.LTD.	4,71,045	1.28	0.00	4,71,045	1.28	0.00	0.00
4.	HARSH MOHAN GUPTA	18,53,785	5.05	0.00	18,53,785	5.05	0.00	0.00
5.	RISHAB MOHAN GUPTA	7,43,599	2.03	0.00	7,43,599	2.03	0.00	0.00
6.	VINITA GUPTA	6,93,670	1.89	0.00	6,93,670	1.89	0.00	0.00
	TOTAL	**2,74,25,663**	**74.74**	**0.00**	**2,74,25,663**	**74.74**	**0.00**	**0.00**

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

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2,74,25,663	74.74	2,74,25,663	74.74
		No change in Promoters' Shareholding during the year			
	At the end of the year	2,74,25,663	74.74	2,74,25,663	74.74

iv) Shareholding Pattern of top ten Shareholders

SL	Folio No/DP	SOLE/FIRST NAME OF THE SHAREHOLDER		DATE	NO. OF SHARE	%TO TOT	NO. OF SHARE	%TO TOT
1	IN30134820011233	ELARA INDIA OPPORTUNITIES FUND LIMITED	At the begining of the year	01-04-2016	34,67,391	9.45	34,67,391	9.45
	IN30134820011233	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2017			34,67,391	9.45
2	IN30115121312415	ASWINI AGARWAL	At the begining of the year	01-04-2016	10,71,116	2.92	10,71,116	2.92
			SALE	30-06-2016	41,002	0.11	10,30,114	2.81
			SALE	08-07-2016	33,723	0.09	9,96,391	2.72
			SALE	15-07-2016	2,196	0.01	9,94,195	2.71
			SALE	26-08-2016	26,807	0.07	9,67,388	2.64
			SALE	02-09-2016	15,000	0.04	9,52,388	2.60
			SALE	09-09-2016	3,000	0.01	9,49,388	2.59
			SALE	28-10-2016	3,997	0.01	9,45,391	2.58
			SALE	04-11-2016	2,101	0.01	9,43,290	2.57
			SALE	11-11-2016	4,000	0.01	9,39,290	2.56
			SALE	10-02-2017	2,000	0.01	9,37,290	2.55
			SALE	17-02-2017	2,523	0.01	9,34,767	2.55
			SALE	03-03-2017	149	0.00	9,34,618	2.55
			SALE	10-03-2017	1,000	0.00	9,33,618	2.54
			SALE	17-03-2017	2,450	0.01	9,31,168	2.54
			SALE	24-03-2017	39	0.00	9,31,129	2.54
			At the end of the year	31-03-2017			9,31,129	2.54
3	IN30124110000029	GLOBAL CREDIT CAPITAL LTD.	At the begining of the year	01-04-2016	2,27,100	0.62	2,27,100	0.62
	IN30124110000029	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2017			2,27,100	0.62
4	IN30124110010156	PNR CAPITAL SERVICES LIMITED	At the begining of the year	01-04-2016	1,68,300	0.46	1,68,300	0.46
	IN30124110010156	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2017			1,68,300	0.46

Annexure 3 to the Report of the Board Directors

SL	Folio No/DP	SOLE/FIRST NAME OF THE SHAREHOLDER		DATE	NO. OF SHARE	%TO TOT	NO. OF SHARE	%TO TOT
5	IN30124110016928	EASTERN INDIA POWER AND MINING COMPANY PRIVATE LIMITED	At the begining of the year	01-04-2016	1,55,259	0.42	1,55,259	0.42
	IN30124110016928	EASTERN INDIA POWER AND MINING COMPANY PRIVATE LIMITED	BUY	12-08-2016	37,277	0.10	1,92,536	0.52
	IN30124110016928	EASTERN INDIA POWER AND MINING COMPANY PRIVATE LIMITED	BUY	19-08-2016	3,530	0.01	1,96,066	0.53
	IN30124110016928	EASTERN INDIA POWER AND MINING COMPANY PRIVATE LIMITED	BUY	02-09-2016	13,452	0.04	2,09,518	0.57
	IN30124110016928	EASTERN INDIA POWER AND MINING COMPANY PRIVATE LIMITED	SALE	23-12-2016	2,09,518	0.57	0	0.00
	IN30124110016928	EASTERN INDIA POWER AND MINING COMPANY PRIVATE LIMITED	At the end of the year	31-03-2017			0	0.00
6	A00355	ASWINI AGARWAL	At the begining of the year	01-04-2016	1,50,000	0.41	1,50,000	0.41
	A00355	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2017			1,50,000	0.41
7	IN30081210489442	ADMINISTRATOR OF THE SPECIFIED UNDERTAKING OFTHE UNIT TRUST OF INDIA - ASSET RECONSTRUCTI ON FUND	At the begining of the year	01-04-2016	1,50,000	0.41	1,50,000	0.41
	IN30081210489442	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2017			1,50,000	0.41
8	IN30032710574035	SHANTI DEVI AGARWAL	At the begining of the year	01-04-2016	1,20,000	0.33	1,20,000	0.33
	IN30032710574035	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2017			1,20,000	0.33
9	IN30124110022791	ALKYONE REALTORS PRIVATE LIMITED	At the begining of the year	01-04-2016	1,11,600	0.30	1,11,600	0.30
	IN30124110022791	NO CHANGE DURING THE PERIOD	At the end of the year	31-03-2017			1,11,600	0.30
10	IN30124110022629	AVG REALTORS PRIVATE LIMITED	At the begining of the year	01-04-2016	1,00,000	0.27	1,00,000	0.27
			At the end of the year	31-03-2017			1,00,000	0.27
11	IN30124110023723	GURGAON INFOSPACE LIMITED	At the begining of the year	01-04-2016	0	0.00	0	0.00
			BUY	30-12-2016	2,09,518	0.57	2,09,518	0.57
			BUY	03-03-2017	60,000	0.16	2,69,518	0.73
			At the end of the year	31-03-2017			2,69,518	0.73

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginnings of the year		Shareholding at the end of the year	
	Name of the Director/KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. H.M.Gupta	18,53,785	5.05	18,53,785	5.05
2	Dr. S. S. Baijal	7,500	0.02	7,500	0.02
3	Mr. C.S.Bedi	500	0.00	500	0.00
4	Mr. N.K.Khurana	3,700	0.01	3,700	0.01

Annexure 3 to the Report of the Board Directors

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	6,653.93	500.00	NIL	7,153.93
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	30.81	0.25	NIL	31.06
Total (i+ii+iii)	6,684.74	500.25	NIL	7,184.99
Change in Indebtedness during the financial year				
▪ Addition	80,315.09	8,974.94	NIL	89,290.03
▪ Reduction	82,361.58	5,963.61	NIL	88,325.19
Net Change	(2,046.49)	3,011.33	NIL	964.84
Indebtedness at the end of the financial year				
i) Principal Amount	4,614.25	3,498.83	NIL	8,113.08
ii) Interest due but not paid	0.19	NIL	NIL	0.19
iii) Interest accrued but not due	23.81	12.75	NIL	36.56
Total (i+ii+iii)	**4,638.25**	**3,511.58**	**NIL**	**8,149.83**

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	Name of MD/WTD/Manager		Total Amount
		Mr. H.M. Gupta	Mr. C.S. Bedi	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96.00	70.94	166.94
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14.57	14.78	29.35
	(c) Profits in lieu of salary under	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	- as % of profit	—	—	—
	- others, specify...			
5.	Others, please specify	—	—	—
	Total (A)	**110.57**	**85.72**	**196.29**
	Ceiling as per the Act (@10% of the profits calculated under section 198 of the Companies Act, 2013)			NIL

* Minimum Remuneration paid during the year.

B. Remuneration to other Directors : ₹ in lakhs

Sl. N	Particulars of Remuneration	Name of Directors			Total Amount
1.	**Independent Directors**	**Dr. S.S. Baijal**	**Mr. H.M. Parekh**	**Mr. V. P. Agarwal**	
	▪ Fee for attending board / committee meetings	3.85	4.00	4.05	11.90
	▪ Commission	-	-	-	-
	▪ Others, please specify	-	-	-	-
	Total (1)	**3.85**	**4.00**	**4.05**	**11.90**

Annexure 3 to the Report of the Board Directors

Sl. N	Particulars of Remuneration	Name of Directors	Total Amount
2.	**Other Non-Executive Directors**	**Ms. Nayantara Palchoudhuri**	
	▪ Fee for attending board / committee meetings	3.50	3.50
	▪ Commission	-	-
	▪ Others, please specify	-	-
	Total (2)	3.50	**3.50**
3.	**Total (1+2)**		**15.40**
	Total Managerial Remuneration (Excluding Fees)		**NIL**
	Overall Ceiling as per the Act (@1% of profits calculated Under Section 198 of the Companies Act, 2013)		**NIL**

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
	Mr. N.K. Khurana	**Chief Financial Officer-cum- Company Secretary**	**Total**
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	55.80	55.80
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.39	3.39
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5.	Others, please specify		
	Total	**59.19**	**59.19**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

There was no Penalty/Punishment/Compounding of Offences on the Company during the Financial Year 2016-2017.

Annexure 4 to the Report of the Board Directors

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

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

To
The Members,
Rossell India Limited
Jindal Towers, Block – "B", 4th Floor,
21/1A/3, Darga Road,
Kolkata – 700 017
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rossell India Limited** having its Registered Office at "Jindal Towers", Block – "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal (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.

Based on our verification of the 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 the financial year ended 31.03.2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

AUDITORS' RESPONSIBILITY

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to 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.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the members of the Company and of other authorities as per the provisions of various statues as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) Secretarial Standards (SS–1 and SS-2) as issued by The Institute of Company Secretaries of India;

(iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Annexure 4 to the Report of the Board Directors

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 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.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts:

(a) Food Safety and Standards Act, 2006

(b) Tea Act, 1953

(c) Plantations Labour Act, 1951

to the extent of their applicability to the Company during the financial year ended 31.03.2017 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(ii) SEBI (Share Based Employee Benefits) Regulations, 2014 ;

(iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;

(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

We further report that :

(a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place, if any, during the period under review were carried out in compliance with the provisions of the Act.

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

(c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

(d) 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.

For **A. K. Labh & Co.**
Company Secretaries

CS A. K. Labh
Practicing Company Secretary
FCS – 4848 / CP No.-3238

Place : Kolkata
Dated : 25th May, 2017

Annexure 5 to the Report of the Board Directors

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

1)	**Details of contracts or arrangements or transactions not at arm's length basis :**		
	(a)	Name(s) of the related party and nature of relationship	The Company has not entered in to any contract or arrangement or transactions with its related parties **which is not at arm's length** during the financial year 2016-2017.
	(b)	Nature of contracts/arrangements/transactions	
	(c)	Duration of the contracts / arrangements/transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Justification for entering into such contracts or arrangements or transactions	
	(f)	Date(s) of approval by the Board	
	(g)	Amount paid as advances, if any	
	(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2)	**Details of material contracts or arrangement or transactions at arm's length basis :**		
	(a)	Name(s) of the related party and nature of relationship	The Company has not entered in to any **material contract or arrangement or transactions** with its related parties during the financial year 2016-2017.
	(b)	Nature of contracts/arrangements/transactions	
	(c)	Duration of the contracts / arrangements/transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Date(s) of approval by the Board	
	(f)	Amount paid as advances, if any	

Annexure 6 to the Report of the Board Directors

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

	Requirement of Rule 5(1)	Particulars
(i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the Financial Year.	1. Mr. H.M. Gupta, Executive Chairman – 211.38 : 1.00 2. Mr. C.S. Bedi, Managing Director – 163.87 : 1.00 Sitting Fees/ Commission paid to Non-Executive Directors have not been considered to ascertain this ratio.
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.	1. Mr. H. M. Gupta, Executive Chairman & CEO – 7.51% 2. Mr. C. S. Bedi, Managing Director – 12.14% 3. Mr. N. K. Khurana, CFO-cum-CS – 11.73% All increases in Remunerations were made in accordance with the Remuneration Policy of the company.
(iii)	The percentage increase in the median remuneration of employees in the Financial Year.	During the financial year 2016-2017, the percentage increase in the median remuneration of employees as compared to previous year was approximately 15.45%
(iv)	The number of permanent employees on the rolls of Company.	There were 6,278 Employees as on 31st March, 2017.
(v)	The explanation on the relationship between average increase in remuneration and Company performance.	The average increase in remuneration of employees is made in accordance with the Remuneration Policy of the Company, where employees are granted increments based on their performance as well as the performance of the Company. However, unionised employees in the Rossell Tea Division are governed by respective Agreement (Industry wise) and the average increase in remuneration is in accordance with the terms of such Agreement.
(vi)	Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the company.	The remuneration of the KMPs is in accordance with the remuneration policy of the Company as affirmed in item (xii) below.Their remuneration is determined based on their individual performance which is correlated to the performance of the Company.
(vii)	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	**Market Capitalization** BSE: As on 31.03.2016 ₹ In lakhs: 41,467.01; As on 31.03.2017 ₹ In lakhs: 46,916.44; % Change: 13.14% NSE: 41,375.27; 47,026.53; 13.66% **Price Earnings Ratio** BSE: As on 31.03.2016: 42.80; As on 31.03.2017: (84.67); % Change: N.A. NSE: 42.71; (84.87); N.A. The Company has not made any public offer of securities since inception. Thus, the question of comparison of market quotation of shares with that with the last public offer does not arise.
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentile increase in the salaries of employees, otherthan the Managerial Personnel, in the last Financial Year 2016-2017 was around 6%. The Executive Chairman and the Managing Director of the Company were paid Minimum Remuneration in view of loss, within the limit permissible under the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

Annexure 6 to the Report of the Board Directors

(ix)	Comparison of each remuneration of the Key Managerial Personnel against the performance of the company.	a) Remuneration of Mr. H.M. Gupta, Executive Chairman constitutes 13.79 % of the EBIDT of the Company. b) Remuneration of Mr. C.S.Bedi, Managing Director, constitutes 8.07% of the EBIDT of the Company, and c) Remuneration of Mr. N.K. Khurana, CFO cum CS it is 6.22% of EBIDT.
(x)	The key parameters for any variable component of remuneration availed by the Directors.	The Executive Chairman and the Managing Director were not in receipt of any variable component of the remuneration. The Members have, at the AGM of the Company held on 2nd August, 2013 approved payment of commission to the Non-Executive Directors within the ceiling of 1% of the net profits of the Company as computed pursuant to Section 309(5) of the Companies Act, 1956 [corresponding to Section 197 of the Companies Act, 2013]. The said Commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their seniority, attendance and contribution at the Board and certain Committee Meetings, as well as the time spent on operational matters other than at meetings. However, during the financial year 2016-2017, no Profit was available in terms of Section 198 of the Companies Act, 2013,for payment of such Commission to the Non-Executive Directors .
(xi)	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.	This is not applicable to the Company.
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company.	The Company affirms that the remuneration of Directors, Senior Management and Employees is as per the Remuneration Policy of the Company.

Annexure 7 to the Report of the Board Directors

Statement of Particulars of employees pursuant to Section 134 (3)(q) of the Companies Act,2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Designation Nature of Duties	No. of Shares held	Remuneration Received [₹ in Lakhs]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held
1.	H.M. Gupta	Executive Chairman	18,53,785 nos. of Equity Share (5.05%)	110.57	B. A. (Hons.)	42	62	1st May, 1996	BMG Enterprises Ltd. – Chairman and Managing Director (still continuing)

Notes :

1. Remuneration as defined under Sec. 2(78) of the Companies Act, 2013 includes Salary, Allowances and Perquisites as defined under the Income Tax Act, 1961.
2. The nature of employment is contractual and is subject to the rules and regulations of the Company in force from time to time.
3. None of the persons listed above is a relative of any of the Directors of the Company.

Annexure 8 to the Report of the Board Directors

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. INDUSTRY STRUCTURE AND DEVELOPMENTS

Rossell Tea

International crops for 2016 were 2,124.90 million kgs Black Tea against 1,905.20 million kgs in 2015.

North Indian crops totaled 1,026.94 million kgs against 981.06 million kgs, whilst South India's contribution was 212.21 million kgs against the previous year's crop of 227.57 million kgs. Overall India's production in 2016 was 1,239.15 million kgs as against 1,208.63 million kgs in 2015, (+) 30.52 million kgs.

Weather once again played a major role in Indian cropping pattern. Whilst the year started with a bumper crop in March due to winter rains, it soon gave way to inclement weather leading to pest attacks and some fungal diseases due to heavy rains and dull cold condition. Upper Assam stood most affected with erratic cropping, whilst the North Bank and Central Assam overall had normal crops through the year.

The CTC market on the back of a very large harvest in March and early-April was extremely sluggish leading to weak price levels till the onset of the Second Flush. However, Second Flush pricing was satisfactory, thereafter, as soon as the rains teas came into the market, CTC prices were again weaker for the high quality teas, which was unusual. In the Financial Year 2017-2018, we expect prices to be stable.

In the coming year, enhanced exports at higher price levels along with a quality product will be our goal. It is a matter of reality that for this to happen, India will need to have re-established a robust trading platform with Iran. The weaker western currencies were a dampener to our export earnings despite higher value earnings. Out of 0.89 million kgs exported in 2016, we exported 0.42 million kgs to western markets and 0.47 million kgs to Iran.

Anticipating weaker CTC prices through the year, given the flexibility within our in house capacities, we moved to a product-mix, which saw a higher production of Orthodox by 0.66 million kgs over the previous year of 2.52 million kgs. This was a positive move paying us dividends.

Aviation Products and Services

Aerotech Services has established itself as a reliable partner to global Original Equipment Manufacturers (OEMs) for providing quality and timely technical product support. The Division is being assigned additional responsibilities by OEMs.

Rossell Techsys has grown significantly in its Wire Harnesses Engineering and Manufacturing Competency. There is now adjacent growth in to electrical panels too. The number of customers in wire harness has grown to 3. It is expected that at least two more customers shall be added in the Financial Year 2017-2018. Efforts are being made to grow the competencies of embedded systems and test solutions in the export arena. The Division has bought 4 acres of land in Bangalore at the Aerospace Park. It will start construction thereon in July 2017 and the target is to move into that building in 2018. There are plans to build approx 1,50,000 sq. ft. to start with and can go up to 4,50,000 sq. ft. to meet the growth and the orders enhancement it has achieved.

Rossell Hospitality

Favourable demographics and growing working population should augment demand for food service chains. With the advent of eating out culture, attraction to media and people traveling abroad, the QSR category looks attractive. Though the recent economic headwinds were deterrent to the QSR segment, long term perspective looks promising. The market size of the food service sector is estimated to be $ 9.6 billion by 2018. It is growing at 5-6% per annum.

Rossell Hospitality Division has no plans to add new outlets in the Financial Year 2017-2018. All efforts are focused on making the unit economics work and consolidate business parameters to arrive at sustenance. The opportunities for an Indian food brand serving Indian food are enormous and KEBAB XPRESS plans to play a significant role in this space.

b. OPPORTUNITIES AND THREATS

Rossell Tea

i) Production

As we review any forthcoming year, an opportunity and threat scenario of the world crop and more importantly of the Indian crop has to be reviewed. The former to evaluate export opportunities and the latter for a domestic selling plan. This is a major indication of what is likely to happen as we go through a production year.

Annexure 8 to the Report of the Board Directors

Sri Lanka and Kenya have had a very poor start to their 2017 season, especially Kenya, which has built up a deficit of 49.50 million kgs over 2016. The Sri Lankan crops are (-) 3.90 million kgs by April 2017. Subsequently, weather has not been conducive and flooding has occurred in tea areas recently. Should these indicators persist then Indian CTC and Orthodox teas should have a strong market for export.

ii) Climate Change

In recent times, this phenomenon has become an important factor for all agricultural produce including tea. Weather has in a manner become rather erratic, especially in the face of rising temperatures and unpredictable rainfall episodes. Pest attacks are more due to deforestation, resulting in some crop losses. Whole of agricultural activity in India is involved, not just tea. We at Rossell practice sustainable agriculture, which minimizes the impact of such erratic conditions. Further, we also practice adaptive strategies to minimize the negative impact, one of these is a strong irrigation support.

iii) Consumption

Consumption of the Indian subcontinent is increasing by 3% annually, while in China there is a similar trend in green tea consumption. In India we largely expect a stable market and over the medium term the market could be demand led. Further, distinct market segmentation into best, good, medium and plain teas, is here to stay. The consumer is willing to pay for quality and hence we see this as a great opportunity.

iv) Quality

Your Company's stated policy and practice is to produce the best possible quality teas, CTC and Orthodox. In this area our record is very good and consistent. With this has come continuing international recognition for Rossell and continuous enhancement of brand equity for the Company.

v) Markets

Internationally the Middle East, an important market, continues to be in a state of flux politically. Nonetheless, there is good support from Iran and other markets for our teas.

Aviation Products and Services

With Services having been recognized by the Ministry of Defense, Government of India as eligible avenue for offset discharge, Foreign Companies look for availing more and more services from eligible Indian Companies for offset.

Rossell Techsys sees opportunities in business enhancements in the adjacent competencies to wire harnesses, i.e. engineering and manufacture of electrical panel assemblies. The situation is ripe for either commencing altogether a new infrastructure setup for small sheet metal and precision machining for mechanical parts or acquiring a Company already in the business.

With the Government of India diluting the requirements of FDI investments in Aerospace and Defense, it is foreseen that more foreign Companies may consider forming partnerships and joint ventures in India, especially between global wire harness manufacturing Companies, who are incumbent Tier I Companies for global players like Boeing and Indian Companies in the Aerospace and Defense segment, in particular.

Rossell Hospitality

Growing disposable income, increasing urbanization, growth of tourism industry, India gaining attention of international players, improving retail infrastructure and domestic consumption potential are all contributing to the good opportunity in this segment.

The major challenges faced by the organized segment mainly are food regulations and licenses (the Indian food and processing industry is governed by multiple legislations and dealing with them is a challenge), highly fragmented and competitive industry and high real estate prices.

Any downturn in the economy hurting consumer's sentiments directly affects sales. With a base kitchen support, the Division is able to bring consistency across all food categories.

Risks and rewards will continue to exist and will be an integral part of the playing field.

Annexure 8 to the Report of the Board Directors

c. SEGMENT-WISE BUSINESS PERFORMANCE

Rossell Tea

Exports having touched 1.48 million kgs during 2015-2016 were affected owing to many reasons beyond our control. Keeping the larger interest of the Company in consideration, it was considered appropriate to not to take unnecessary risk by carrying forward old stock to the new season i.e. 2017-2018. This has resulted in our exports being 0.89 million kgs only during the financial year 2016-2017. No doubt it was lower than previous year, but indeed it was very difficult to achieve even this figure under the prevailing circumstances. Rossell has overall done better than its peers in these challenging conditions.

This clearly indicates that even in a very depressed market conditions, Rossell Tea could withstand the pressure and continues to be ahead of most Assam producers in terms of price realization. During the year, while the domestic price realization per kg. was ₹ 198.32, it was ₹ 293.35 for export.

Aviation Products and Services

The overall performance of this business segment has been very encouraging, with Aerotech Division revenue at ₹ 1,017.37 lakhs during the financial year 2016-2017.

The sales performance of Rossell Techsys Division exceeded targets specified at the start of the financial year 2016-2017. During the year, total sales were ₹ 2,797.09 lakhs, including export sales of ₹ 2,779.08 lakhs, as against total sales of ₹ 1,313.07 lakhs in the financial year 2015-2016, including export sales of ₹ 1,256.51 lakhs.

The revenue increase has been due to rise in shipments over multiple platforms to the Rossell Techsys's premier customer Boeing.

Rossell Hospitality

Rossell Hospitality Division ended the Financial Year 2016-2017 with a total of 13 operating outlets across Delhi NCR and is focusing to consolidate the business. The revenues have increased from ₹ 1,150 .85 lakhs in the previous year 2015-2016 to ₹ 1,325.02 lakhs in the current year 2016-2017.

d. OUTLOOK

Rossell Tea

Season 2017 started on the back of useful rains in February and March, 2017. Production in March and April indicated this to be a good start. However, weather in April was extremely wet with low temperature. May is facing some adverse weather conditions in pockets. We hope the pest attacks and fungal diseases seen last year, resulting in crop losses, would not occur at least up to the same extent. Nevertheless, outlook seems to be encouraging both in the field and production front. Thus, overall fundamentals are strong.

The market has started satisfactorily, particularly for best quality CTC on the back of shortage of quality teas in the domestic market. Certain grades which can replace Sri Lankan teas are also selling much higher than corresponding period last year. The lower Kenyan crops and Sri Lankan crops open up opportunities for Indian export. We hope the market will be buoyant through to August. Thereafter, the trade arrangement between India and Iran would play a pivotal role in deciding the trend.

Aviation Products and Services

Aerotech Services Division is confident of securing more contracts from the existing as well as new OEMs. The Division will continue to provide timely support to the satisfaction of both the OEMs and the end-customers.

In the year 2017- 2018 the Rossell Techsys should see added business contracts in the coming months/quarters. The Division has submitted number of proposals to various customers, results of which are expected in the third and fourth quarters of the year.

Rossell Hospitality

Given strong fundamentals of the Indian economy, Rossell Hospitality Division expect a good growth later in the year.

The Division has appointed Ernst and Young (EY) to draw out a map for revenue enhancement including competition analysis starting March, 2017 and also to look at critical cost parameters and processes. Rossell Hospitality's strategy is now to consolidate the business parameters on existing outlets and work on each unit economics to carve the way ahead with significant upside to the revenues in view of detailed study inputs from EY.

Annexure 8 to the Report of the Board Directors

e. RISKS AND CONCERNS

Rossell Tea

Weather historically has played an important role in the success or failure of any agro-horticultural pursuits including plantations. Tea is a perennial crop and hence with climate change, repeated erratic rainfall and weather conditions, the bushes are weakened, like any living organism, taking over a season to recover.

What can be in our control is "good agricultural practices" bolstered with a mitigative and adaptive strategy to deal with climate change. Augmenting irrigation assets and their effective use is of paramount importance and we have invested substantially to ensure this. Planting of trees, excavating water bodies and microclimatic control are other palliative steps. Reducing carbon footprint through effective energy use is another way.

Tea is a labour intensive industry employing 1.25 million workers and providing for over 2.00 million dependents. The wage structure as it has evolved over the year provides for wage as also a social responsibility on the employer to provide housing with attendant bathing and toilet facilities, education at primary level, medical and maternity care, subsidizing rations at immense cost to the workers among other responsibilities. Currently, the cost structure is under stress except in 'good years'.

There is a need to produce good quality teas, which we have achieved to a great extent. We have practiced sustainable agriculture and our uprooting and replanting programme is the sustainable 'spine' on which the future of the Company, will happily depend. This is a long-term prudent policy to invest in replanting old and declining teas.

Aviation Products and Services

Aerotech Services Division is subject to Penalty Clause in the contract for delay in providing service. The engineers of the Division have been active and ensured that there was no delay any time in providing the required technical support. The risk of variation in foreign exchange is the real one and unless properly guarded, it can affect the overall earning.

In Rossell Techsys Division, most of the contracts / strategic agreements are long term in nature. Hence these are susceptible to major variations in foreign exchange especially when the rupee gains. The Division has firmed fixed price commitments pegged at a single forex rate during the term of contract. These contracts are usually between 5 and 7 years. Therefore, it is difficult to formulate an effective hedging strategy.

Rossell Hospitality

The business of Rossell Hospitality Division is directly proportionate to the happiness/success quotient of the economic sentiments. Inherently there are ups and downs in the market place. Attrition of entry level employees, developing right talent and maintaining set standards are certain main concerns for the industry.

f. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are adequate internal control system at all levels of Management of the Company. These are reviewed from time to time and improved upon, where required.

The Internal Audit is carried out largely by Firms of Chartered Accountants and for certain Divisions in-house. The Audit Committee of the Board looks into Auditors' observations, which is deliberated upon and necessary instructions issued to the concerned person of the related Division to take corrective measures.

g. FINANCIAL AND OPERATIONAL PERFORMANCE

Along with the continual emphasis on quality upgradation of products and services, prudent cost management has been the stated objective of all the Divisions of the Company.

The operating profit before depreciation in respect of Rossell Tea Division for the year was ₹ 442.97 lakhs, as againgst ₹ 2,005.00 lakhs in the previous year.

The Aviation Products and Services business segment of the Company made a profit of ₹ 486.99 lakhs before depreciation against ₹ 701.50 lakhs in the previous year.

Rossell Hospitality Division posted a loss before depreciation of ₹ 1,036.80 lakhs as against ₹ 930.98 lakhs in the previous years.

With unallocated income at Corporate level amounting to ₹ 246.96 lakhs, the overall profit before depreciation of the Company is ₹ 140.12 lakhs as against ₹ 2,158.63 lakhs in the previous year. Nonetheless, the financial base of your Company remains strong and we expect further strengthening thereof with better financial and operational performance.

Annexure 8 to the Report of the Board Directors

h. HUMAN RESOURCES DEVELOPMENT

Human resources are most valuable assets for the Company – at corporate level as well as at Divisions/ Units level. Thus, adequate attention is given by the Company for their development and well-being.

Training and Development is one of the integral part of Human Resources function. Emphasis is given by the Management on talent acquisition, correct recruitment practices and retention planning with effective organizational development. The Human Resource Policy of the Company is to ensure that the best talent is retained and developed so that each of the Divisions of the Company maintains its competitive position with respect to execution.

Industrial relations at all the Divisions of the Company remains excellent. Your Company employs 6,278 personnel across all its Divisions and at corporate level.

Compliance **Certificate**

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part B of the said Regulations]

The Board of Directors
Rossell India Limited
Jindal Towers
Block 'B', 4th Floor
21/1A/3, Darga Road
Kolkata - 700 017

Dear Sirs,

We hereby certify to the Board that:

a) We have reviewed Financial Statements and Cash Flow Statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee :

   (i) Significant changes in internal control, if any, during the year.

   (ii) Significant changes in accounting policies, if any, during the Financial Year 2016-2017, subject to disclosure of the same in the notes to the financial statements

   (iii) Instances of significant fraud of which we become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully

Place : Delhi
Date : 25th May, 2017

H. M. GUPTA
Chief Executive Officer

N. K. KHURANA
Chief Financial Officer

Declaration

In terms of Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, it is hereby declared that the Company has obtained affirmation from all members of the Board and Senior Management Personnel that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the Financial Year 2016-2017 and shall comply with such Code during the Financial Year 2017-2018.

Place : Delhi
Date : 25th May, 2017

H. M. GUPTA
Chief Executive Officer

Certificate from Practicing Company Secretaries Regarding Compliance of Conditions of **Corporate Governance**

TO THE MEMBERS OF
ROSSELL INDIA LIMITED

We have examined the compliance of conditions of Corporate Goverance by **Rossell India Limited** ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the year ended 31.03.2017.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination 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 above-mentioned Listing Agreement / Listing Regulations, as applicable.

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

For **A. K. Labh & Co.**
Company Secretaries

CS A. K. Labh
Practicing Company Secretary
FCS – 4848 / CP No. 3238

Place : Kolkata
Dated : 25th May, 2017

Independent Auditors' Report

TO THE MEMBERS OF ROSSELL INDIA LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

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

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its loss and its cash flow for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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;

Independent **Auditors' Report**

c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of the written representations received from the Directors as on 31st March, 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164(2) of the Act.

f. Our report on adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, has been stated in Annexure B and

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

   i) The Company has disclosed the impact, if any, of pending litigations as at 31st March, 2017 on its financial position in its standalone financial statements. Refer Note T in Notes to the Balance Sheet.

   ii) The Company has made provisions as at 31st March, 2017, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts – Refer Note C in Notes to the Balance Sheet.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv) The Company has provided requisite disclosures in its financial statements as to holdings and dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and such disclosures are in accordance with the Books and Accounts maintained by the Company. (Refer Note No.11)

For **S.S. Kothari & Co.,**
Chartered Accountants
Registration No.302034E

R. K. Roy Chaudhury
Partner
Membership No. 008816

Place : Camp Delhi
Date : 25th May, 2017

Annexure A to the Independent Auditors Report

As referred to in paragraph I of our Report on "Other Legal and Regulatory Requirements", we state that:

i. (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.

(b) These fixed assets have been physically verified by the management at a reasonable interval. No material discrepancies were noticed on such verification as compared to book records.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties are in the name of the Company, except one Tea Estate, which is in the name of the previous owner and as represented by the Management, the execution of Deed of Conveyance in respect thereof is pending sale permission from the concerned authorities of the Government of Assam. While the immovable properties comprising five Tea Estates are mortgaged with the Banks, as confirmed by them, the rest are in the custody of the Company.

ii. (a) The inventory excluding those lying with third parties have been physically verified by the management during the year, at reasonable intervals.

(b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The discrepancies noticed on verification of stocks as compared to book records were not material and these have been properly dealt with in the books of account.

iii. (a) The Company has not granted any loan, secured or unsecured to Companies, Firms, Limited Liability Partnership, other parties or Subsidiaries covered in the Register maintained under Section 189 of the Act.

(b) In our opinion, rate of interest and other terms and conditions of loan granted to the Subsidiary Company are not prejudicial in the interest of the Company.

There is no stipulation with regard to repayment of the balance of the Loan, which is payable on demand.

(c) No overdue amount has arisen as no demand for repayment of the balance in the Loan Account has been made by the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of Companies Act with respect to loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted Deposits within the meaning of Section 73 to Section 76 of the Act and the Rules framed thereunder.

vi. The Central Government has specified for the maintenance of cost records under sub-sec. (1) of Sec.148 of the Act. We have broadly reviewed the records and Accounts maintained by the Company. We are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of such records to determine whether records are accurate and complete.

vii. (a) According to the information and explanation given to us and on the basis of records of the Company examined by us, we are of the opinion that the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess and other material statutory dues applicable to it.

There is no arrears outstanding statutory dues as at the last day of the financial year for a period of more than 6 months from the date they became payable.

(b) According to the information and explanation given and records examined by us, there are no dues of Sales Tax or Service Tax or duty of Customs or value added tax, which have not been deposited on account of any dispute except for Income Tax and Cess and the details are as follows:

Amount (Net of On Account Payment) (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
7.13	2013-2014	Customs, Excise & Service Tax Appellate Tribunal

Annexure A to the Independent Auditors Report

viii. According to the information and explanations given and on the basis of records examined by us, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not taken loan from any financial institution or raised any money through issue of Debentures.

ix. According to information and explanations given to us, in our opinion the term loans taken have been applied for the purpose for which they were obtained. During the year Company has not raised money by way of initial Public Offer or further Public Offer.

x. During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in the accordance with requisite approvals mandated by 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.

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 Sections 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 accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

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

For **S.S. Kothari & Co.,**
Chartered Accountants
Registration No.302034E

R. K. Roy Chaudhury
Partner
Membership No. 008816

Place : Camp Delhi
Date : 25th May, 2017

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 Rossell India Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both 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 system over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

Annexure B to the Independent Auditors Report

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.S. Kothari & Co.,**
Chartered Accountants
Registration No.302034E

R. K. Roy Chaudhury
Partner
Membership No. 008816

Place : Camp Delhi
Date : 25th May, 2017

Balance Sheet as at 31st March, 2017

₹ in lakhs

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	**733.93**	733.93
(b) Reserves and Surplus	B	**15,928.60**	21,051.48
		16,662.53	21,785.41
(2) Non-Current Liabilities			
(a) Long-term borrowings	C	**1,492.50**	1,207.50
(b) Deferred tax liability (Net)	D	**-**	24.00
(c) Other Long-term liability	E	**65.35**	-
(d) Long-term provisions	F	**57.21**	274.06
		1,615.06	1,505.56
(3) Current Liabilities			
(a) Short-term borrowings	G	**5,705.58**	4,956.43
(b) Trade payables	H	**579.84**	596.24
(c) Other current liabilities	I	**2,615.61**	2,736.78
(d) Short-term provisions	J	**157.80**	234.87
		9,058.83	8,524.32
Total		**27,336.42**	31,815.29
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	K	**17,273.90**	21,162.52
(ii) Intangible assets	K	**109.48**	73.83
(iii) Capital work-in-progress		**464.25**	233.78
(b) Non-current investments	L	**2,327.49**	4,621.57
(c) Deferred tax asset (Net)	M	**167.00**	-
(d) Long-term loans and advances	N	**674.89**	746.56
		21,017.01	26,838.26
(2) Current assets			
(a) Inventories	O	**3,229.78**	1,909.56
(b) Trade receivables	P	**1,813.36**	2,025.40
(c) Cash and cash equivalents	Q	**429.42**	249.50
(d) Short-term loans and advances	R	**512.35**	349.26
(e) Other current assets	S	**334.50**	443.31
		6,319.41	4,977.03
Total		**27,336.42**	31,815.29
Contingent Liabilities and Commitments	T		
Dividend Proposed	U		
Significant Accounting Policies and Other Notes on Financial Statements	V		

Notes A to V referred to above form an integral part of the Balance Sheet.

In terms of our Report of even date

For **S. S. KOTHARI & CO.**
Chartered Accountants
Registration No. 302034E

R. K. Roy Chaudhury
Partner
Membership No.008816

Place: Delhi
Date: 25th May, 2017

H. M. Gupta
Executive Chairman

C. S. Bedi
Managing Director

V. P. Agarwal
Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Dr. S. S. Baijal
Director

H. M. Parekh
Director

N. Palchoudhuri
Director

Profit and Loss Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars	Note No	Year ended 31st March, 2017	Year ended 31st March, 2016
I. Revenue from operations	1	**16,374.99**	16,110.08
II. Other Income	2	**307.26**	526.59
III. Total Revenue (I + II)		**16,682.25**	16,636.67
IV. Expenses			
Cost of materials consumed	3	**1,981.02**	1,020.36
Changes in inventories of finished goods, work-in- progress and Stock-in-Trade	4	**(119.70)**	(280.45)
Employee benefit expense	5	**8,687.27**	7,860.49
Finance costs	6	**661.78**	691.48
Depreciation and amortization expense	7	**886.17**	953.01
Activities on Corporate Social Responsibility		**31.95**	49.19
Other expenses	8	**5,299.81**	5,136.97
Total Expenses		**17,428.30**	15,431.05
V. Profit/(Loss) before exceptional items and tax (III - IV)		**(746.05)**	1,205.62
VI. Exceptional Items		**-**	-
VII. Profit/(Loss) before tax (V - VI)		**(746.05)**	1,205.62
VIII. Tax expense			
(1) Current tax			
- For Current Year		**-**	300.00
- For earlier Year		**-**	100.00
(2) Deferred tax adjustment		**(191.00)**	(151.84)
		(191.00)	248.16
IX. Profit/(Loss) for the period (VII - VIII)		**(555.05)**	957.46
X. Earning per equity share :			
(1) Basic	9	**(1.51)**	2.61
(2) Diluted		**(1.51)**	2.61
Additional Information	10		

Notes 1 to 10 referred to above form an integral part of the Profit and Loss Statement.

In terms of our Report of even date

For **S. S. KOTHARI & CO.**
Chartered Accountants
Registration No. 302034E

R. K. Roy Chaudhury
Partner
Membership No.008816

Place: Delhi
Date: 25th May, 2017

H. M. Gupta
Executive Chairman

C. S. Bedi
Managing Director

V. P. Agarwal
Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Dr. S. S. Baijal
Director

H. M. Parekh
Director

N. Palchoudhuri
Director

Cash Flow Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars	2016-2017		2015-2016	
A. Cash Flow from Operating Activities				
Profit /(Loss) before Tax		**(746.05)**		1,205.62
- Adjustment for :				
Depreciation	**886.17**		953.01	
Finance Cost	**924.46**		673.49	
Loss (Gain) on Exchange on restatement	**(32.54)**		148.63	
Provision for Forex Loss on Swap Transactions	**(197.60)**		(130.64)	
Loss on Disposal of Fixed Assets (Net)	**22.65**		54.50	
Liabilities no more required written back (Net)	**(14.80)**		(18.38)	
Net Gain on sale of Investments	**(237.18)**		(383.45)	
		1,351.16		1,297.16
		605.11		2,502.78
Items Considered in Investing Activity :				
Interest on Deposits etc.		**(55.28)**		(61.72)
Operating Profit before Working Capital Changes		**549.83**		2,441.06
Adjustment for				
Current Assets including Long Term Loans and Advances	**(789.67)**		(1,374.22)	
Current Liabilities	**(8.94)**		616.11	
		(798.61)		(758.11)
Cash Generated from Operations		**(248.78)**		1,682.95
Finance Cost	**(924.46)**		(673.49)	
Direct Taxes (Net of refund)	**(98.49)**		(275.77)	
		(1,022.95)		(949.26)
Cash Flow before Extraordinary Items		**(1,271.73)**		733.69
Extraordinary Items		**-**		-
Net Cash Flow from Operating Activities		**(1,271.73)**		733.69
B. Cash Flow from Investing Activities :				
Purchase of Fixed Assets including Advances for Capital Assets		**(2,176.00)**		(2,539.04)
Sale of Fixed Assets (Including Subsidy received from Tea Board)		**76.96**		55.92
Purchase of Investments		**(31.36)**		(2,872.31)
Sale/ Redemption of Investments		**2,562.62**		3,532.20
Surface Compensation received for acquisition of Tea Estate's Land		**-**		0.11
Interest Received		**55.28**		61.72
Net Cash Flow from Investing Activities		**487.50**		(1,761.40)

Cash Flow Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars		2016-2017		2015-2016	
C.	**Cash Flow from Financing Activities**				
	Intercorporate Deposits Paid/ Refunded (Net)		**5.00**		(0.50)
	Proceeds of Working Capital Loan from Banks (Net)		**749.15**		2,614.69
	Proceeds of Term Loan from Bank		**1,200.00**		-
	Repayment of Term Loan From Banks		**(990.00)**		(990.00)
	Dividend Paid and Tax thereon		**-**		(441.00)
	Net Cash Flow from Financing Activities		**964.15**		1,183.19
	Net Increase in Cash and Cash Equivalents (A+B+C)		**179.92**		**155.48**
	Cash and Cash Equivalents as at 31.03.2016		**249.50**		94.02
	(Opening Balance)				
	Cash and Cash Equivalents as at 31.03.2017		**-**		-
	Closing Balance		**429.42**		249.50

Note:

The above Statement has been prepared under the Indirect Method as given in Accounting Standard on Cash Flow Statement (AS - 3) issued by the Institute of Chartered Accountants of India.

In terms of our Report of even date

For **S. S. KOTHARI & CO.**
Chartered Accountants
Registration No. 302034E

R. K. Roy Chaudhury
Partner
Membership No.008816

Place: Delhi
Date: 25th May, 2017

H. M. Gupta
Executive Chairman

C. S. Bedi
Managing Director

V. P. Agarwal
Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Dr. S. S. Baijal
Director

H. M. Parekh
Director

N. Palchoudhuri
Director

Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
A SHARE CAPITAL		
Authorized		
4,50,00,000 Equity Shares of ₹ 2 each	**900.00**	900.00
Issued, Subscribed and Paid Up		
3,66,96,475 Equity Shares of ₹ 2 each fully paid up	**733.93**	733.93

Remarks:

a. All the above Equity Shares rank pari passu in all respect for voting rights and distribution of dividend as well as to receive the remaining assets of the Company in the event of liquidation after distribution of all preferential amounts.

	Name of the Shareholder	No. of Equity Shares	No. of Equity Shares
b.	Equity Shares held by the Holding Company, BMG Enterprises Ltd.	**2,31,13,795**	2,31,13,795
c.	Equity Shares held by the Associates of Holding Company,		
	Harvin Estates Pvt. Ltd.	**4,71,045**	4,71,045
	BMG Investments Pvt. Ltd.	**5,49,769**	5,49,769
d.	Details of Shareholders holding more than 5% Shares		
	Name of the Shareholder	No. of Equity Shares and % of Holding	No. of Equity Shares and % of Holding
	BMG Enterprises Ltd.	**2,31,13,795**	2,31,13,795
		62.99	62.99
	Elara India Opportunities Fund Ltd.	**34,67,391**	34,67,391
		9.45	9.45
	Harsh Mohan Gupta	**18,53,785**	18,53,785
		5.05	5.05
e.	Reconciliation of Number of Shares		
	Equity Shares outstanding at the beginning of the year	**3,66,96,475**	3,66,96,475
	Add : Equity Shares issued during the year	**-**	-
	Equity Shares outstanding at the end of the year	**3,66,96,475**	3,66,96,475

B	**RESERVES AND SURPLUS**		
	Capital Reserve		
	Balance as per last Account	**248.01**	247.90
	Add: Surface Compensation received in respect of Tea Estate's Land	**-**	0.11
		248.01	248.01
	Securities Premium Account		
	Balance as per last Account	**2,609.55**	2,609.55
	Revaluation Reserve		
	Balance as per last account	**4,843.65**	4,843.65
	Less: Transitional adjustment as per Accounting Standard (AS) 10 Property, Plant and Equipment (Note 2)	**4,843.65**	-
		-	4,843.65
	General Reserve		
	Balance as per last Account	**12,863.28**	12,163.28
	Add: Transitional adjustment as per Accounting Standard (AS) 10 Property, Plant and Equipment (Note 2)	**275.82**	-
	Add: Transfer from Profit and Loss Account	**-**	700.00
		13,139.10	12,863.28

Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
B RESERVES AND SURPLUS (contd.)		
Surplus in Profit and Loss Account		
Balance as per last Account	**486.99**	450.36
Add: Transfer from Profit and Loss Account	**(555.05)**	957.46
	(68.06)	1,407.82
Less: Transfer to General Reserve	**-**	700.00
	(68.06)	707.82
Less : Interim Dividend on Equity Shares	**-**	183.48
Tax on Dividend	**-**	37.35
	(68.06)	486.99
	15,928.60	21,051.48

C LONG-TERM BORROWINGS		
Secured Loans		
Term Loans from Banks	**1,492.50**	1,207.50

Notes :

1. The above includes a new Term Loan of ₹ 1,200 lakhs availed during the year.
2. Current Maturities of these loans - ₹ 915 Lakhs (Note I)
3. These loans (including the new Term loan) are secured on pari passu basis by hypothecation of Moveable Assets and Deposit of Title Deeds in respect of Namsang and Kharikatia Tea Estates. While the Equitable Mortgage on Namsang T.E. has been formalised, the same is awaited for Kharikatia T.E. of the Company pending receipt of statutory approvals/ completion of required legal formalities. (Note V-clause 3)
4. The earlier loans are repayable in equated quarterly instalments up to a 6 year period from the date of respective disbursement and will be fully liquidated by the Financial Year 2018-2019. The new loan is also repayable in equated quarterly instalments up to a 5 year period (including moratorium of 18 Months) from the date of disbursement and will be fully liquidated by the Financial Year 2021-2022.
5. The Company has entered into Cross Currency Swap Transactions and opted to swap these loans from Indian Rupees in to US Dollars. The Contracts for such transactions outstanding as on 31st March, 2017 are as under, comprising of ₹ 292.50 lakhs included above and ₹ 915 lakhs being the current maturities of loans as per Note 2 above.

Currency	Cross Currency	Buy (USD in lakhs)	Sell (₹ in lakhs)
Indian Rupee	US Dollar	10.15	562.50
Indian Rupee	US Dollar	4.08	225.00
Indian Rupee	US Dollar	7.61	420.00
		21.84	**1,207.50**

In view of unfavourable revision of Indian Rupees and U.S.Dollar Exchange Rates since entering in to the above transactions, the Company has provided for the likely loss on the above outstanding U.S. Dollar based on the year end exchange rates.

Total provision on this account as on 31st March, 2017 amounts to ₹ 208.41 lakhs. (Schedule F and J)

D DEFERRED TAX LIABILITY(NET)

As per the Accounting Standard AS-22 – Accounting for taxes on Income, an amount of ₹ 24 lakhs was recognised as Deferred Tax Liability as on 31st March, 2016. During the year, a review with respect to the carrying amount of Deferred Tax Liabilty was done and the same was reversed with creation of Deferred Tax Asset as on 31st March, 2017 (Note M).

Deferred Tax Liability		
Depreciation as per Books and Tax Laws	**-**	24.00
	-	**24.00**

Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
E OTHER LONG-TERM LIABILITY		
Other Payables- Statutory Dues	65.35	-
	65.35	**-**
F LONG-TERM PROVISIONS		
Provision for Forex Loss on Swap Transactions	50.61	240.94
Provision for employee benefits	6.60	33.12
	57.21	**274.06**
G SHORT-TERM BORROWINGS		
Secured Loans		
Loans repayable on demand from Banks	**2,206.75**	4,456.43
Unsecured Loans		
Short Term Loan from Bank	**3,498.83**	500.00
	5,705.58	4,956.43

Remark :
The Secured Loans repayable on demand from Banks are secured on pari passu basis by hypothecation of tea crops and moveable assets of all the Tea Estates of the Company. These are also collaterally secured on pari passu basis by Equitable Mortgages of Dikom, Nokhroy, Bokakhat, Romai and Namsang Tea Estates and pending creation of Equitable Mortgage on Kharikatia T.E.

H TRADE PAYABLES		
Sundry Creditors	**579.84**	596.24

Remark :
The above includes dues, for less than 30 days, to a Small Enterprise within the meaning of Sec. 7(1)(ii) of Micro, Small and Medium Enterprises Development Act, 2006 - ₹ Nil (2016- ₹ 13.69 lakhs) .

I OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Borrowings (Note C)	**915.00**	990.00
Interest accrued but not due on borrowings	**36.56**	31.06
Interest accrued and due on borrowings	**0.19**	-
Advance from Customers	**260.67**	282.60
Unpaid Dividends*	**13.15**	17.85
Other Payables		
For Expenses etc.	**1,154.90**	1,205.44
Statutory Dues	**188.66**	110.19
Due to Gratuity Fund	**46.48**	99.64
	2,615.61	2,736.78

*Investor Education and Protection Fund shall be credited with the amount of Unpaid Dividends, when due.

J SHORT-TERM PROVISIONS		
Provision for Forex Loss on Swap Transactions	**157.80**	197.61
Provision for Taxation (Net)	**-**	37.26
	157.80	234.87

Notes to the Balance Sheet

₹ in lakhs

Particulars	GROSS BLOCK AT COST OR VALUATION						DEPRETIATION/AMORTIZATION						NET BLOCK	
	Gross Carrying Amount as at the beginning of the year	Adjustments due to change in Accounting Policies (Note 2)	Cost as on the beginning of the year under Cost Model	Additions during the Year	Disposal during the Year (Note below)	Gross Carrying Amount as at the end of the Year	Accumulated depreciation at the beginning of the year	Adjustments due to change in Accounting Policies (Note 2)	Accumulated depreciation at the beginning of the year under Cost Model	Depreciation provided for the year	On disposal during the Year	Accumulated depreciation at the end of the Year	Net Carrying Amount as at the end of the Year ended 31.3.2017	Net Carrying Amount as at the beginning of the year ended 31.3.2016
K TANGIBLE ASSETS														
Land - Tea Estates	10,167.03	3,151.00	7,016.03	73.53	-	7,089.56	-	-	-	-	-	-	7,089.56	10,167.03
Land - Leasehold	1,082.16	-	1,082.16	-	-	1,082.16	0.30	-	0.30	10.93	-	11.23	1,070.93	1,081.87
Bearer Plants - Tea Bushes	1,400.05	-	1,400.05	12.73	-	1,412.78	-	-	-	26.23	-	26.23	1,386.55	1,400.05
Buildings	4,797.78	1,711.27	3,086.51	279.36	-	3,365.87	1,116.23	415.71	700.52	103.59	-	804.11	2,561.76	3,681.57
Leasehold Improvements	408.33	-	408.33	292.95	26.41	674.87	80.68	-	80.68	74.43	2.59	152.52	522.35	327.63
Plant and Equipment	5,298.49	503.28	4,795.21	667.76	78.41	5,384.56	2,209.43	382.01	1,827.42	290.58	6.86	2,111.14	3,273.42	3,089.05
Furniture and Fixtures	893.79	-	893.79	103.93	16.30	981.42	320.93	-	320.93	88.27	14.92	394.28	587.14	572.96
Vehicles	1,068.24	-	1,068.24	54.57	49.15	1,073.66	561.56	-	561.56	112.35	47.45	626.46	447.20	506.68
Office Equipment	316.74	-	316.74	52.78	7.95	361.57	129.64	-	129.64	74.22	6.82	197.04	164.53	190.40
Computers	350.62	-	350.62	88.87	-	439.49	200.21	-	200.21	68.82	-	269.03	170.46	145.29
31st March, 2017	**25,783.23**	**5,365.55**	**20,417.68**	**1,626.48**	**178.22**	**21,865.94**	**4,618.98**	**797.72**	**3,821.26**	**849.42**	**78.64**	**4,592.04**	**17,273.90**	**21,162.52**
31st March, 2016	23,586.53	-	23,586.53	2,413.42	139.33	25,860.62	3,805.58	-	3,805.58	908.49	28.91	4,685.16		
INTANGIBLE ASSETS														
Computer Software	249.87	-	249.87	72.36	-	322.23	191.49	-	191.49	31.21	-	222.70	99.53	60.20
Brand & Trademarks	26.29		26.29	1.86	-	28.16	12.66	-	12.66	5.54	-	18.20	9.95	13.63
31st March, 2017	**276.16**	**-**	**276.16**	**74.22**	**-**	**350.39**	**204.15**	**-**	**204.15**	**36.75**	**-**	**240.91**	**109.48**	**73.83**
31st March, 2016	264.18	-	264.18	11.98	-	276.16	157.81	-	157.81	44.52	-	202.33		

Note: Disposal during the year under the head Plant and Equipment represents the amount of Machinery / Irrigation Subsidy received from Tea Board of India against the items added in earlier years.

Notes to the Balance Sheet

₹ in lakhs

	Particulars	As at 31st March, 2017	As at 31st March, 2016
L	**NON-CURRENT INVESTMENT**		
	At Cost		
	Trade Investments: Unquoted		
	In Equity Instruments		
	CAE Rossell India Limited (Subsidiary Company)		
	50,000 (2016 -50,000) Equity Shares of ₹ 10 each fully paid up	**11.00**	5.00
	50,000 (2016- 50,000) Equity Shares of ₹ 10 each		
	fully paid up of Assam Hospitals Limited	**5.00**	5.00
	361,007 (2016- 361,007) Equity Shares of Singapore$ 1 each		
	fully paid up of RV Enterprizes Pte. Ltd.	**120.05**	120.05
	(Joint Venture- Extent of Shareholding - 26%)		
	In Preference Shares		
	34,45,725 (2016- 34,45,725) Non-Cumulative Redeemable Preference Shares of US Dollar 1 each fully paid up of RV Enterprizes Pte. Ltd. (Joint Venture)	**1,891.44**	1,891.44
	Other Investments: Unquoted		
	In Mutual Funds Units		
	Face value ₹ 10 each		
	Nil (2016- 16,55,934.388) Units of ICICI Prudential Regular Savings Fund - Regular Plan- Growth	-	245.00
	Nil (2016 - 21,71,693.728) Units DSP Black Rock Income Opportunities Fund - Regular Plan	-	500.00
	Nil (2016 - 14,07,870.547) Units Canara Robeco Medium Term Opp. Fund - Growth	-	160.00
	Nil (2016 - 35,84,245.142) Units BNP Paribas - Medium term Income Fund Growth	-	410.00
	Nil (2016 - 12,74,249.252) Units Reliance Regular savings Fund - Debt Plan- Growth Plan Growth Option	-	250.00
	Nil (2016 - 27,99,266.278) Units L&T Income Opportunity Fund - Growth	-	450.00
	In Tax Free Bonds and Debentures		
	Face value ₹ 1,000 each		
	Nil (2016- 2,175) Tax Free, Secured, Redeemable Non-Convertible		
	Bonds in the nature of Debentures of in Railway Finance Corporation Ltd.	-	21.75
	Nil (2016-20,000) Secured, Redeemable Non-Covertible Bonds in Rural Electrification Corporation Ltd	-	200.00
	Nil (2016-6,333) Tax free, Secured, Redeemable, Non Convertible Bonds in NTPC Ltd.	-	63.33
	30,000 (2016-30,000) Tax free, Secured, Redeemable, Non-convertible Bonds in National Highways Authority of India.	**300.00**	300.00
		2,327.49	4,621.57

M	**DEFERRED TAX ASSET (NET)**		

As per the Accounting Standard AS-22 – Accounting for taxes on Income, an amount of ₹ 24 lakhs was recognised as Deferred Tax Liability as on 31st March, 2016. During the year, a review with respect to the carrying amount of Deferred Tax Liabilty was done and the same was revised to ₹ 117 lakhs as on 31st March, 2017. Simultaneously, after such review, an amount of ₹ 284 lakhs was also recognised as Deferred Tax Asset. Thus, the net amount of ₹ 191 lakhs has been shown as Deferred Tax Adjustment in the Profit and Loss Statement for the year ended 31st March, 2017 with the following components:

Liability on account of differential depreciation as per Books and Tax Laws	**(117.00)**	-
Tax Credit receivable for Carried Forward Losses under Tax Laws	**284.00**	-
	167.00	-

Notes to the **Balance Sheet**

₹ in lakhs

	Particulars	As at 31st March, 2017	As at 31st March, 2016
N	**LONG-TERM LOANS AND ADVANCES**		
	Unsecured, Considered Good		
	Loans and Advances to Related Parties		
	Subsidiary Company	-	5.00
	Capital Advances	**278.67**	33.78
	Security Deposits	**260.66**	436.02
	Other Deposits	**0.56**	0.43
	Deposit with Assam Financial Corporation	**135.00**	271.33
		674.89	746.56
O	**INVENTORIES**		
	Stock of Finished Goods/ Stock-in-Trade at lower of cost and net realizable value*	**394.81**	528.99
	Stock of Stores and Spares at or under cost	**370.16**	406.39
	Stock of Raw Materials at cost	**2,147.04**	910.29
	Work-in-progress at works cost	**317.77**	63.89
		3,229.78	1,909.56
	* Includes Stock-in-transit valued at ₹ 81.23 lakhs (2016 - ₹ 97.85 Lakhs)		
P	**TRADE RECEIVABLES**		
	Unsecured, Considered Good		
	Debts outstanding for a period exceeding six months	**8.86**	110.99
	Other Debts	**1,804.50**	1,914.41
		1,813.36	2,025.40
Q	**CASH AND CASH EQUIVALENTS**		
	Balances with Banks	**371.61**	193.48
	Bank Deposits for less than 12 months maturity		
	- Under Lien with Central Excise Authority for Clean Energy Cess on Coal Purchases	**9.19**	8.63
	- Under Lien with States' VAT authorities as Security Deposit	**3.25**	3.25
	Unpaid Dividend Accounts	**13.15**	17.85
	Cash in Hand	**32.22**	26.29
		429.42	249.50
R	**SHORT-TERM LOANS AND ADVANCES**		
	Unsecured, Considered Good		
	Advance due by an Officer (KMP)	-	1.88
	Other Loans and Advances		
	Advances recoverable in Cash or in Kind or for value to be received	**451.12**	347.38
	Advance Income Tax (Net)	**61.23**	-
		512.35	349.26
S	**OTHER CURRENT ASSETS**		
	Interest Accrued on Deposits		
	Subsidiary Company	-	0.05
	Others	**11.41**	20.04
	Other Receivables	**323.09**	423.22
		334.50	443.31

Notes to the Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
T CONTINGENT LIABILITIES AND COMMITMENTS		
(i) **Estimated amount of Contingent Liabilities not provided for :**		
a. Claims against the Company not acknowledged as Debt		
Income Tax	**-**	2.94
Clean Energy Cess	**7.19**	7.19
Service Tax	**12.70**	-
Interest on PF arrears for pre-acquisition period in respect of Kharikatia T.E.	**-**	75.43
b. Guarantees		
Bank Guarantees outstanding	**159.40**	128.27
(ii) **Commitments**		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advance)	**42.81**	111.21
U DIVIDEND PROPOSED		
Amount of Dividend proposed to be distributed out of General Reserve to Equity Shareholders for the Financial Year 2016-2017		
Interim Dividend paid	**-**	183.48
Final Dividend recommended	**73.39**	-
Total Dividend per Equity Share of ₹ 2 each		
Interim Dividend	**-**	₹ 0.50
Final Dividend	**₹ 0.20**	-
% of Dividend proposed		
Interim Dividend	**-**	25.00
Final Dividend	**10.00**	-

H. M. Gupta *Executive Chairman*
C. S. Bedi *Managing Director*
V. P. Agarwal *Director*
Dr. S. S. Baijal *Director*
H. M. Parekh *Director*
N. Palchoudhuri *Director*
N. K. Khurana *Chief Financial Officer-cum-Company Secretary*

Place: Delhi
Date: 25th May, 2017

Notes to the Profit and Loss Statement

₹ in lakhs

Particulars	2016-2017	2015-2016
1 REVENUE FROM OPERATIONS		
(a) Sale of Products		
Black Tea	**10,886.94**	11,767.01
Black Pepper	**10.10**	4.35
Avionics, Aviation and Electronic Equipments	**2,797.09**	1,303.23
Food and Beverage	**1,325.01**	1,150.85
	15,019.14	14,225.44
(b) Sale of Services		
Receipts for Technical and Support Services	**1,017.37**	1,530.89
(c) Other Operating Revenues		
Subsidy - Replanting	**64.83**	55.40
Tea Board Orthodox Subsidy Scheme	**94.03**	79.51
Sale of Duty Credit Entitlements License	**111.25**	161.60
Duty Drawback	**26.02**	42.05
Refund of Service Tax	**3.55**	4.31
Sundry Receipts	**26.73**	8.52
Prior Period Income (Net)	**15.11**	6.56
	341.52	357.95
Total	**16,378.03**	16,114.28
Less: Excise Duty	**3.04**	4.20
	16,374.99	16,110.08
2 OTHER INCOME		
Interest Income	**55.28**	61.72
Net gain on Sale of Investments	**237.18**	383.45
Net gain on Foreign Currency transactions/ translation	**-**	63.04
Liabilities written back	**14.80**	18.38
	307.26	526.59
3 COST OF MATERIALS CONSUMED		
Purchase of Green Leaf	**168.52**	95.28
Consumption of Raw Materials	**1,812.50**	925.08
	1,981.02	1,020.36
4 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock Of Finished Goods/Stock-in-Trade	**528.99**	245.23
Less: Closing Stock Of Finished Goods/ Stock-in-Trade	**394.81**	528.99
	134.18	(283.76)
Opening Stock of Work-in-Progress	**63.89**	67.20
Less: Closing Stock of Work-in-Progress	**317.77**	63.89
	(253.88)	3.31
	(119.70)	(280.45)
5 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	**6,939.38**	6,402.29
Contribution to Provident and other Funds	**948.92**	836.63
Workmen and Staff Welfare	**798.97**	621.57
	8,687.27	7,860.49

Notes to the Profit and Loss Statement

₹ in lakhs

Particulars	2016-2017	2015-2016
6 FINANCE COST		
(a) Interest		
Banks	**659.71**	495.06
(b) Other Borrowing Costs	**1.64**	1.84
(c) Applicable Net Loss on Foreign Currency Transactions		
- Forex Loss on Currency SWAP Transactions (Net)*	**209.35**	325.22
- Forex loss on Other transactions (Net)	**21.22**	-
	891.92	822.12
Less: Provision for Forex Loss on Currency Swap Transactions written back	**230.14**	130.64
	661.78	691.48

*Forex Loss on SWAP Transactions is net of Gain on Exchanges made as at 31st March, 2017 - ₹ 32.54 lakhs.
(2015-2016 - Loss on Exchange ₹ 148.63 lakhs)

7 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation/ Amortization	**886.17**	953.01
	886.17	953.01

8 OTHER EXPENSES		
Consumption of Stores,Tools and Spare Parts	**916.78**	910.09
Power and Fuel	**1,151.40**	1,055.62
Cess on Green Leaf	**83.81**	87.63
Tea Cess	**25.04**	25.72
Rent	**660.62**	561.69
Rates and Taxes	**46.15**	37.00
Repairs to Building	**142.03**	145.55
Repairs to Machinery	**210.11**	217.06
Other Repairs and Maintenance	**231.42**	209.99
Vehicles Maintenance	**149.25**	136.35
Transportation	**233.72**	235.87
Shipment Charges	**43.87**	65.39
Warehousing and Selling Expenses	**239.55**	193.97
Post Sales Warranty Expenses	**3.13**	8.46
Brokerage	**87.33**	80.61
Commission on Sales	**55.85**	94.32
Insurance	**94.90**	76.35
Directors' Fee & Commission	**15.53**	18.17
Auditors' Remuneration	**6.94**	7.16
Traveling and Conveyance	**315.23**	255.24
Miscellaneous Expenses (Note Below)	**564.50**	660.23
Loss on Disposal of Fixed Asset (Net)	**22.65**	54.50
	5,299.81	5,136.97

Note: Includes Contribution to Assam Pradesh Congress Committee, a Political Party within the meaning of Sec. 182 (2) of the Companies Act, 2013 - ₹ Nil (2015-2016 - ₹ 12.50 lakhs).

9. EARNINGS PER EQUITY SHARE		
Basic and Diluted as computed as per Accounting Standard AS-20		
PROFIT AFTER TAXATION	**(555.05)**	957.46
Weighted average number of Equity Shares outstanding	**366.96**	366.96
Earnings per Equity Share of ₹ 2 each (₹)	**(1.51)**	2.61

Notes to the Profit and Loss Statement

₹ in lakhs

Particulars		2016-2017	2015-2016
10.	**ADDITIONAL INFORMATION**		
(a)	Auditors' Remuneration		
	As Auditor	**4.02**	4.02
	For Other Services		
	Tax Audit Fee	**0.50**	0.50
	Certification Job	**2.21**	2.43
	Re-imbursement of Expenses	**0.21**	0.21
		6.94	7.16
(b)	Audit Fee paid/payable to M/s Shome & Banerjee, Cost Accountants included in Miscellaneous Expenses	**1.01**	1.00
	Due date of filing of Cost Audit Report	**02/09/2016**	30/09/2015
	Date of Uploading of Cost Audit Report with MCA	**02/09/2016**	19/11/2015
(c)	Stores and Spares Consumed and debited to various heads of Account in the Profit and Loss Account (Indigenous)	**1,723.70**	1,634.41
(d)	Earnings in Foreign Currency		
	F.O.B. Value of Export Sales	**5,391.80**	5,458.74
	Receipts for Technical and Support Services	**1,017.37**	1,518.39
(e)	Expenditure in Foreign Currency		
	Foreign Travel	**28.30**	34.53
	Commission on Sales	**70.54**	94.27
	Subscription	**0.86**	-
	Tea Samples Analysis Fee	**4.45**	5.30
	Consultancy Fee (Net of TDS and Service Tax)	**-**	10.35
(f)	Value of Imports calculated on C.I.F. Basis :		
	Raw Materials	**2,360.57**	1,000.99
	Stores and Spares	**26.85**	26.85
	Capital Goods	**232.57**	130.84
(g)	Consumption of Raw Materials		
	Imported		
	Value	**1,182.00**	412.51
	% of total consumption	**65.21**	44.59
	Indigenous		
	Value	**630.50**	512.57
	% of total consumption	**34.79**	55.41
(h)	Consumption of Stores and Spares		
	Imported		
	Value	**5.53**	25.71
	% of total consumption	**0.32**	1.57
	Indigenous		
	Value	**1,718.16**	1,608.69
	% of total consumption	**99.68**	98.43

H. M. Gupta
Executive Chairman

C. S. Bedi
Managing Director

V. P. Agarwal
Director

Dr. S. S. Baijal
Director

H. M. Parekh
Director

N. Palchoudhuri
Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Place: Delhi
Date: 25th May, 2017

Notes to the Balance Sheet

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Accounting Convention

The financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, as amended and the relevant provisions of the Companies Act, 2013. The significant accounting policies adopted are applied consistently, except as stated in Note 2 hereunder.

1.2 Basis of Accounting

The financial statements have been prepared in accordance with historical cost concept, after the changes in the Accounting Policies in the current financial year as stated in Note 2 hereunder.

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

1.3 Fixed Assets

Fixed Assets, both tangible and intangible, are stated at cost of acquisition, net of subsidy received, where applicable, consequent upon the changes in the Accounting Policies in the current financial year as stated in Note 2 hereunder.

Cost of fixed asset includes purchase price and any expense directly attributable for bringing the asset to the working condition for intended use.

Depreciation on Fixed Assets has been provided on straight line method at rates ascertained based on useful life of each of such assets and residual value as provided in schedule II to the Companies Act, 2013, save and except for Bearer Plants- Tea Bushes recognized with effect from 1st April, 2016 as per Revised Accounting Standard AS -10, Property, Plant and Equipment.

For Bearer Plants- Tea Bushes, the useful life has been taken as 70 years from the Year of Planting, based on management past experience for estimated useful life of such plants, while the residual value has been taken as Nil in view of usage of old Tea Bushes, if found usable, for distribution as firewood at zero value. The Tea Bushes are treated as Young Tea till the Year 3 from the Year of Planting and from Year 4 treated as Matured Tea.

The cost of Extension Planting on cultivable land including cost of development is capitalised. Having recognized Bearer Plants- Tea Bushes as Fixed Assets with effect from 1st April, 2016 as per Revised Accounting Standard AS -10, Property, Plant and Equipment, the cost of Uprooting of old Tea Bushes, Rehabilitation of Land, Replanting and Young Tea Upkeep and Maintenance up to the Year 3 from the year of Planting are capitalized as immature plants-Capital Work-in-Progress . From Year 4 onwards, Capital Work-in-Progress is treated as Bearer Plants and depreciated accordingly till the expected Useful Life of 70 Years.

Leasehold Improvement for the premises taken on rent is amortized over the period of the lease.

Expenses incurred for development of Brand and Trademark are capitalized and amortized as per the Accounting Standard AS-26, Intangible Assets.

Computer Software is capitalized where it is expected to provide future enduring economic benefit. The capitalization costs include license fee and cost of implementation and system integration services. The cost of such Software is also amortized as per the Accounting Standard AS- 26, Intangible Assets.

Profit or Loss on disposal of Fixed Assets is recognized in the Profit and Loss Statement.

Any Impairment Loss is recognized, if and when the carrying value of Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher as per Accounting Standard, AS-28, Impairment of Assets.

Compensation received from the authorities concerned for acquisition of small pieces and parcels of Land including surface compensation in the Tea Estates is recognized in the year of receipt. Such Compensation is directly credited to Capital Reserve, as the cost attributable to such Land can not be ascertained.

Notes to the Balance Sheet

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

Subsidy received from Government or any statutory authority in respect of any item of fixed assets is deducted from cost of respective assets on receipt/ settlement, except Replanting Subsidy.

1.4 Foreign Currency Transaction

Foreign Currency Transactions are converted and accounted for at the rates prevailing on the dates of transaction. Year-end current assets (Monetary Items) and liabilities are restated at the year-end exchange rate and resultant net gain or loss is adjusted in the Profit and Loss Statement as prescribed by Accounting Standard-11, Accounting for the Effect of Changes in Foreign Exchange Rates.

The loss attributable to adverse Foreign Exchange fluctuation on the outstanding portfolio of Currency Swap at year end is being provided for based on year-end exchange rate and recognized in the Profit and Loss Statement.

1.5 Investments

Investments are stated at cost of acquisition and treated as long term investments. Provision is made in case of permanent diminution in value of Investments.

Cost includes purchase price plus brokerage and transfer cost.

Incomes from Investments and Gain/ Loss on sale of investments are recognized in the Profit and Loss Statement for the year on accrual basis inclusive of related tax deduction at source.

1.6 Inventories

Stock of Finished Goods/ Stock-in-Trade is valued at lower of cost computed on periodical average basis and net realisable value and that of stores and spares is valued at or under cost.

Stock of Raw Materials and Work-in-progress is valued at respective cost.

Provision for obsolete and slow moving stores is made, wherever necessary and reviewed from time to time.

1.7 Staff Benefits

a) The Company is contributing regularly to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. The Company also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.

b) Defined Benefit Gratuity Plan is also maintained by the Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.

c) Leave encashment liability for eligible employees is provided for at the end of the year, as actually ascertained and paid/provided for and charge is recognized in the Profit and Loss Statement.

1.8 Borrowing Cost

Borrowing cost is recognized as an expense to the extent, the same has been incurred for the year, unless such cost is directly attributable to the acquisition, construction or production of a qualifying asset and capitalised as part of the cost of that asset as prescribed by Accounting Standard-16, Borrowing Costs. Subsidy receivable on this account is adjusted with expense for the year, in which the claim of the Company for such subsidy gets admitted.

Notes to the Balance Sheet

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

The loss attributable to adverse Foreign Exchange fluctuation paid at the time of repayment of principal as well as provision made for such loss on the outstanding portfolio of Currency Swap at year end (Note 1.4 above) is also being considered as borrowing cost and shown accordingly in the Profit and Loss Statement under the head "Finance Cost".

1.9 Revenue Recognition

Items of income and expenditure are recognized on accrual and prudent basis.

1.10 Sales

Sale of Products represents the invoice/ account sales value of finished goods supplied, inclusive of Central Excise Duty, wherever applicable, net of Sales Tax/Value Added Tax. Proceeds of insurance claims received for damage/ shortage of finished goods are treated as part of Sale of Products. Net revenue is stated after deducting such Central Excise Duty.

Sale of Services represents the invoice value of services rendered as per the agreed terms, net of Service Tax.

1.11 Replanting and Other Subsidies

Replanting Subsidy is recognized as income in the Profit and Loss Statement in the year of sanction/ receipt on prudent basis.

Other Subsidies are recognized as income on accrual basis or on receipt of related sanction, when the certainty of receipt of such subsidy gets established.

1.12 Dividend Income

Dividend Income is recognized when the right to receive such dividend is established.

1.13 Taxes on Income

Current Tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rates and laws.

Provisions for Deferred Taxation is made at the current rate of taxation, on all timing difference, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred Tax Asset/ Deferred Tax Liability are reviewed at each Balance Sheet date to reassess liability or realization, as the case may be.

1.14 Excise Duty and Tea Cess

Excise duty and Tea Cess, as applicable on manufactured goods is accounted for at the time of clearance. However, provision is made at the year-end on finished goods lying in stock at factory.

1.15 Provision

A provision is recognized when there is an obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

2. In accordance with revised Accounting Standard (AS) 10- Property, Plant and Equipment notified on 30th March, 2016, the following changes have been made in the Accounting Polices with effect from the current financial year 2016-2017:

2.1 As per Paragraph 91 of (AS) 10, the outstanding amount of ₹ 4,843.65 lakhs as on 1st April, 2016 of Revaluation Reserve, created in the Accounts as on 31st March, 2008 has been adjusted against the carrying amount of the corresponding items of Property, Plant and Equipment, as the Company opted to adopt the Cost Model as prescribed therein.

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

2.2 Having restated the Book Value of the Property, Plant and Equipment at Cost, depreciation for the periods has been provided on Cost instead of revalued amount in accordance with Schedule II to the Companies Act, 2013. This has resulted in lower depreciation for the year amounting to ₹ 78.14 lakhs.

2.3 As per Paragraph 40 of (AS) 10, the Bearer Plants have been recognized as depreciable items of Property, Plant and Equipment with Book Value thereof, duly adjusted with revaluation amount, taken as Cost and being depreciated over the remaining useful life by taking the economic life of Bearer Plants- Tea Bushes as 70 years. This has resulted in higher depreciation for the current financial year amounting to ₹ 26.23 Lakhs.

2.4 In view of recognition of Bearer Plants, the expenses on Uprooting, Replanting and Upkeep of Young Tea amounting to ₹ 316.05 lakhs in the current financial year have been treated as Capital Expenditure - Bearer Plants as Capital Work-in-Progress as against Expense for the year considered in previous financial years.

2.5 As the consequence of the above changes, the Profit and Segment Result of Business Segment - Cultivation, Manufacture and Sale of Tea for the current financial year is higher by ₹ 356.12 lakhs (net of the effect on the valuation of Closing Stock, being lower by ₹ 11.83 lakhs) and the Segment Assets for business segment - Cultivation, Manufacture and Sale of Tea are lower by ₹ 4,487.53 lakhs.

3. The Conveyance Deed in the name of the Company for Kharikatia T.E., District Jorhat, Assam is yet to be executed, as the required Sale and Purchase permission from the Office of the Deputy Commissioner, Jorhat, Assam is yet to be obtained.

4. **DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES** ₹ in lakhs

a)	Gross amount required to be spent by the company during the year :		31.03
b)	Amount spent during the year as detailed hereunder :		
		In cash/ Bank Payment	Total
	(i) Construction/ Acquisition of any asset		
	1) Renovation of Girl's toilets at Dikom P.D.M.E Co-Ed School in the neighborhood of Dikom T.E.	4.47	4.47
	(ii) On purposes other than (i) above		
	1) Mobile Creches, Delhi Community based creches at urban slum	14.92	14.92
	2) BMG Foundation for promoting Preventive Health Care	12.00	12.00
	3) Bharat Blind School Shahdara, 510-A, Circular Road, Shahdara – 110 032, Delhi for Supporting blind students by contributing towards food and education.	0.48	0.48
	Total Direct Expenses	31.87	31.87
	Add : Indirect Expenses		
	Service Tax deposited under Reverse Charge Mechanism	0.08	0.08
	Total expenses incurred during the year	**31.95**	**31.95**
	All the above expenses were paid in full during the year ended 31st March, 2017 and there was no unpaid balance on this account as on 31st March, 2017.		

Notes to the Balance Sheet

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

5. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2017 :

1. Business Segments : In terms of AS-17, Segment Reporting, the Company has following Business Segments as Primary Segment for disclosure.

A. Cultivation, Manufacture and Sale of Tea
B. Aviation, Products and Services
C. Hospitality

₹ in lakhs

	2016-2017	2015-2016
2. Revenue		
A. Cultivation, Manufacture and Sale of Tea	**11,212.60**	12,125.08
B. Aviation, Products and Services	**3,838.14**	2,832.48
C. Hospitality	**1,329.73**	1,155.62
	16,380.47	16,113.18
3. Results		
A. Cultivation, Manufacture and Sale of Tea	**602.18**	2,071.61
B. Aviation, Products and Services	**225.35**	508.07
C. Hospitality	**(1,179.98)**	(1,065.69)
	(352.45)	1,513.99
Less: i) Interest	**661.35**	496.90
ii) Exchange Loss on currency Swap Transactions	**(20.79)**	194.58
iii) Unallocated expenses, net of un allocated Income	**(246.96)**	(383.11)
	(746.05)	1,205.62
4. Segment Assets		
A. Cultivation, Manufacture and Sale of Tea	**16,452.50**	20,955.96
B. Aviation, Products and Services	**6,771.43**	4,559.30
C. Hospitality	**1,288.55**	1,303.81
D. Unallocated	**2,823.94**	4,996.22
	27,336.42	31,815.29
5. Segment Liabilities		
A. Cultivation, Manufacture and Sale of Tea	**9,512.93**	9,278.80
B. Aviation, Products and Services	**857.74**	494.50
C. Hospitality	**109.89**	50.52
D. Unallocated	**193.33**	206.06
	10,673.89	10,029.88
6. Capital Expenditure		
A. Cultivation, Manufacture and Sale of Tea	**796.89**	821.69
B. Aviation, Products and Services	**647.32**	1,427.85
C. Hospitality	**218.30**	167.81
D. Unallocated	**38.22**	8.06
	1,700.73	2,425.41
7. Depreciation		
A. Cultivation, Manufacture and Sale of Tea	**458.30**	624.87
B. Aviation, Products and Services	**284.68**	193.43
C. Hospitality	**143.19**	134.71
	886.17	953.01

Notes to the **Balance Sheet**

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

6. RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED ON 31ST MARCH 2017

The following are the Related Party transaction undertaken by the Company during the Financial Year ended 31st March 2017, in terms of AS-18 - Related Party Disclosures issued by the Institute of Chartered Accountants of India:

Name of the Related Party and nature of relationship:

Enterprises where Control Exists	-	CAE Rossell India Ltd. Subsidary Company (Fully Owned)
Key Managerial Personnel	-	Mr.H.M.Gupta,Executive Chairman Mr.C.S.Bedi, Managing Director Mr. N K Khurana, Chief Financial Officer -cum-Company Secretary
Relatives of Key Managerial Personnel	-	Mr. R M Gupta Mrs. Vinita Gupta Ms. Samara Gupta Mrs. Sonia Bedi
Holding Company	-	BMG Enterprises Ltd.
Enterprises over which the Key Managerial Personnel or their relatives have signficant influence	- - -	BMG Investments Private Ltd Harvin Estates Private Ltd BMG Foundation
Associate Company	-	R V Enterprizes Pte. Ltd, Singapore (Joint Venture)

Particulars of transactions for year ended 31st March 2017 : ₹ in lakhs

Nature of Transactions		Financial Year	
		2016-2017	2015-2016
With Enterprises where Control Exists			
1.	Inter Corporate Deposit - Given - CAE Rossell India Ltd.	**0.75**	5.45
2.	Inter Corporate Deposit - Refund - CAE Rossell India Ltd.	**5.75**	4.95
3.	Interest Received on Inter Corporate Deposit - Given - CAE Rossell India Ltd.	**0.13**	0.06
4.	Equity Share - CAE Rossell India Ltd.	**6.00**	-
Key Managerial Personnel and relatives			
1.	Rent for Residential Accommodation	**8.40**	8.40
2.	Remuneration Paid	**255.48**	205.37
3.	Remuneration Paid to Relative	**138.08**	97.59
4.	Interest Free Advance Refunded	**1.88**	3.75
Enterprises where significant influence is exercisable			
1.	Rent paid for Office Space	**6.00**	6.00
2.	Rent for Residential Accommodation	**6.00**	6.00
3.	Contribution made for charitable purpose (Included in CSR Activities)	**12.00**	12.00
Associate Company			
1.	Purchase of Preferance Share	**-**	437.31

7.1 The Company has only one subsidiary company as on 31st March, 2017, namely, CAE Rossell India Limited (Extent of interest – 100%).

7.2 The Company also has a Joint Venture (Extent of interest -26%) at Singapore, namely RV Enterprizes Pte. Ltd., Singapore. In terms of Sec. 183 (3) of the Companies Act, 2013 read with AS-27, Financial Reporting of Interests in Joint Ventures, Financial Statement of the Joint Venture has also been included in the Consolidated Financial Statement of the Group.

Notes to the Balance Sheet

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

7.3 The required information in Form AOC I – Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures as on 31st March, 2017.

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

₹ in lakhs

1.	Sl. No.	1
2.	**Name of the Subsidiary**	CAE Rossell India Limited Wholly Owned Subsidiary
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31st March, 2017
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees
5.	Share Capital	11.00
6.	Reserves and Surplus	(10.48)
7.	Total Assets	0.71
8.	Total Liabilities	0.19
9.	Investments	-
10.	Turnover	-
11.	Profit before Taxation	(0.55)
12.	Provision for Taxation	-
13.	Profit after Taxation	(0.55)
14.	Proposed Dividend	Nil
15.	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operations
   - The above subsidiary is yet to commence any operations.
2. Names of subsidiaries which have been liquidated or sold during the year- None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ in lakhs

	Name of Associates/Joint Ventures	R. V. Enterprizes Pte. Ltd., Singapore
1.	Latest audited Balance Sheet Date	31st March, 2017
2.	Shares of Associate/Joint Ventures held by the company on the year end	26%
	No.	3,61,007 Equity Shares of Singapore $ 1 each 34,44,725 Preference Shares of US Dollar 1 each
	Amount of Investment in Associates/Joint Venture	2,011.49
	Extend of Holding %	26%
3.	Description of how there is significant influence	Since the holding is more than 20% of total Share Capital, as per explanation to Sec. 2 (6) of the Companies Act, 2013, this Company is an Associate Company.
4.	Reason why the associate/joint venture is not consolidated	Not Applicable
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	2,296.86 (USD 3.542 Million converted at year end exchange rate of ₹ 64.84)
6.	Profit / Loss for the year	(209.44)(Loss After Tax) (USD 0.323 Million converted at year end exchange rate of ₹ 64.84)
	i. Considered in Consolidation	Yes
	ii. Not Considered in Consolidation	Not Applicable

1. Names of associates or joint ventures, which are yet to commence operations - Not Applicable
2. Names of associates or joint ventures, which have been liquidated or sold during the year - Not Applicable

Notes to the Balance Sheet

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

8. Defined Benefits Plans

In compliance with AS-15, Employee Benefits, an Actuarial Valuation was carried out in respect of Defined Benefit Scheme namely Gratuity as on 31st March, 2017. Thus, the amount recognised in the financial statements in respect of this Scheme as per Actuarial Valuation as on 31st March, 2017 is as under:

₹ in lakhs

Particular		Gratuity - Funded	
		2016-2017	2015-2016
I	**Components of Employer Expense**		
1.	Current Service Cost	**121.55**	105.02
2.	Interest Cost	**129.20**	117.45
3.	Expected Return on Plan Assets	**(130.17)**	(111.87)
4.	Curtailment Cost/(Credit)	**-**	-
5.	Settlement Cost/(Credit)	**-**	-
6.	Past Service Cost	**-**	-
7.	Actuarial Losses/(Gains)	**126.24**	88.97
8.	**Total expense to be recognised in the Statement of Profit and Loss Account**	**246.82**	199.57
9.	**Total expense actually recognised in the Statement of Profit and Loss Account**	**246.49**	199.38

The Gratuity Expenses have been recognised in "Contribution to Provident and Other Funds" in Note 5 to the Profit and Loss Statement.

II	**Net Asset/(Liability) recognised in Balance Sheet**		
1.	Present Value of Defined Benefit Obligation	**1,951.12**	1,742.22
2.	Fair Value on Plan Assets	**1,904.45**	1,742.36
3.	Status [Surplus/(Deficit)]	**(46.67)**	0.14
4.	Unrecognised Past Service Cost	**-**	-
5.	**Net Asset/(Liability) to be recognized in Balance Sheet**	**(46.67)**	0.14
6.	**Net Asset/(Liability) actually recognized in Balance Sheet**	**-**	-
III	**Change in Defined Benefit Obligations (DBO)**		
1.	Present Value of DBO at the Beginning of the Year	**1,742.22**	1,544.36
2.	Current Service Cost	**121.55**	105.02
3.	Interest Cost	**129.20**	117.45
4.	Curtailment Cost/(Credit)	**-**	-
5.	Settlement Cost/(Credit)	**-**	-
6.	Plan Amendments	**-**	-
7.	Acquisitions	**-**	-
8.	Actuarial (Gains)/Losses	**171.74**	127.90
9.	Benefits Paid	**(213.59)**	(152.51)
10.	**Present Value of DBO at the End of the Year**	**1,951.12**	1,742.22

Notes to the Balance Sheet

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

Particular		Gratuity - Funded	
		2016-2017	2015-2016
IV	**Change in Fair Value of Assets**		
1.	Plan Assets at the Beginning of the Year	**1,742.36**	1,491.35
2.	Acquisition Adjustment	**-**	-
3.	Expected Return on Plan Assets	**130.17**	111.87
4.	Actuarial Gains/(Losses)	**45.50**	38.93
5.	Actual Company Contribution Received/ Receivable	**246.49**	252.72
6.	Benefits Paid	**(213.59)**	(152.51)
7.	**Plan Assets at the End of the Year**	**1,950.93**	1,742.36
V	**Principal Actuarial Assumptions used (common for all valuations)**		
1.	Discount Rate (%)	**7.40**	7.90
2.	Expected Return on Plan Assets (%)	**7.50**	7.50
3.	Expected Salary increase rates	**5.00**	5.00
4.	Mortality rates	Indian Assured Lives Mortality (2006–08) (modified) Ult	Indian Assured Lives Mortality (2006–08) (modified) Ult
VI	**Major Category of Plan Assets as a % of the Total Plan Assets**		
1.	Government Securities (Central & State Govt.)	**48.51**	47.09
2.	PSU Bonds	**24.07**	23.63
3.	Insurance Companies/ Banks/ Mutual Funds	**21.93**	20.86
4.	Cash and Cash Equivalents	**5.49**	8.42
VII	**Basis used to determine the Expected Rate of Return on Plan Assets**		
	The expected rate of return on plan assets is based on the actuarial expectation of the average long term rate of return expected on investment of the fund with the Trustees, assuming that these are generally held to maturity, along with the estimated incremental investments to be made during the year.		

9. Details of "Specified Bank Notes" held and transacted during the period from 8th November, 2016 to 30th December 2016

(₹)

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	11,44,000	11,51,988	22,95,988
(+) Permitted Receipts	-	-	-
(+)Sales Proceeds /withdrawals from Banks	-	3,69,35,055	3,69,35,055
(-) Permitted Payments	20,000	-	20,000
(-)Disbursement for business purpose	-	2,73,63,927	2,73,63,927
(-)Amount deposited in Banks	11,24,000	39,25,407	50,49,407
Closing cash in hand as on 30.12.2016	-	67,97,709	67,97,709

Notes to the Balance Sheet

V Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2017

10. Information as per Accounting Standard- AS-4 Contingencies and Event Occurring after Balance Sheet Date: The Board of Directors have recommended, in their Meeting held on 25th May, 2017, a dividend of ₹ 0.20 per Equity Share of ₹ 2 each (10%) out of the General Reserve (Note B), in terms of Second Proviso to Section 123(1) of the Companies Act, 2013 read with Rule 3 of Companies (Declaration and Payment of Dividend) Rules, 2014. Total amount of Dividend, thus payable works out to ₹ 73.39 lakhs, with Dividend Distribution Tax thereon amounting to ₹ 14.94 lakhs.

11. Previous year's figures have been rearranged wherever necessary.

In terms of our Report of even date

For **S. S. KOTHARI & CO.**
Chartered Accountants
Registration No. 302034E

R. K. Roy Chaudhury
Partner
Membership No.008816

Place: Delhi
Date: 25th May, 2017

H. M. Gupta
Executive Chairman

C. S. Bedi
Managing Director

V. P. Agarwal
Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Dr. S. S. Baijal
Director

H. M. Parekh
Director

N. Palchoudhuri
Director

Independent Auditors' Report on Consolidated Financial Statements

To the Members of
Rossell India Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited the accompanying Consolidated Financial Statements of Rossell India Limited (the "Company"), its Subsidiary, CAE Rossell India Limited and Joint Venture, R. V. Enterprizes Pte. Ltd., Singapore (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

2. Management is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (the "Act") that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance and Consolidated Cash Flow of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Management of the Company, its Subsidiary and its Joint Venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and its Subsidiary and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these consolidated financial statements by the Management.

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

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

   We conducted our examination in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the examination to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of the material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, we considered the internal financial control relevant to the Group's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

   We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor referred to in the Other Matter below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

BASIS OF QUALIFICATION

The auditors of the Joint Venture reported that "Management has evaluated the impairment assessment of loans to subsidiary of Joint Venture with a carrying value of ₹ 2,287.43 lakhs (Group Share of Joint Venture – 26%) as at 31st March, 2017 taking into account the business plan and cash flow projections of the said subsidiary. We have taken note of management's position but because we have not been able to verify independently management's evaluation of the impairment assessment, consequently we were unable to determine whether any adjustments to the carrying value of the loans to subsidiary of Joint Venture as at year end would be necessary".

Independent Auditors' Report on Consolidated Financial Statements

OPINION

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the Financial Statements of the Subsidiary and Joint Venture as noted below, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, except stated above under the head Basis of Qualification:

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

   b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and

   c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

OTHER MATTERS

6. Financial Statement of Subsidiary, CAE Rossell India Limited and Joint Venture, R. V. Enterprizes Pte. Ltd., which reflect total assets ₹ 2,298.77 lakhs as at 31st March, 2017, total revenue of ₹ 0.13 lakhs and net cash outflow amounting to ₹ 10.77 lakhs for the year then ended, have been audited by other auditors whose report has been furnished to us and our opinion in terms of Sub Section (3) and (11) of Section 143 of the Act in so far as it relates to aforesaid Subsidiary and Joint Venture is based solely on the report of the other auditors.

Our opinion on the Consolidated Financial Statement and other report on other legal and regulatory requirements below are not qualified in respect of above matter.

For **S.S. Kothari & Co.,**
Chartered Accountants
Registration No.302034E

R. K. Roy Chaudhury
Partner
Membership No. 008816

Place : Camp Delhi
Date : 25th May, 2017

Report on Other Legal and Regulatory Requirements

1. Based on the Auditors' Report on the Financial Statement of the Joint Venture, we confirm that "in the opinion of their auditors the accounting and other records required by the Companies Act, 50 to be kept by the Company had been properly kept in accordance with the provisions of that Act."

2. As required by section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our examination of the Consolidated Financial Statements;

   b. In our opinion, proper books of account as required by law relating to the preparation of the Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   d. In our opinion, the Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of the written representations received from the Directors of the Company as on 31st March, 2017, taken on record by the Board of Directors of the Company and the reports of the auditors of its Subsidiary Company incorporated in India, none of the Directors of the Company and its Subsidiary, incorporated in India, is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164(2) of the Act;

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate report in Annexure A.

Independent Auditors' Report on Consolidated Financial Statements

g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us

i) The Group has disclosed the impact of pending litigations on the Consolidated Financial position of the Group in its Consolidated Financial Statements as of 31st March, 2017. Refer Note T in Notes to the Balance Sheet.

ii) The Group has made provisions in its Consolidated Financial Statements, as required under the applicable law or Accounting Standards for material foreseeable losses on long term / derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its Subsidiary Company incorporated in India.

iv) The Company has provided requisite disclosures in its financial statements as to holdings and dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and such disclosures are in accordance with the Books and Accounts maintained by the Company. (Refer Note No.11)

For **S.S. Kothari & Co.,**
Chartered Accountants
Registration No.302034E

R. K. Roy Chaudhury
Partner
Membership No. 008816

Place : Camp Delhi
Date : 25th May, 2017

Annexure – A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Rossell India Limited ("the Company"), its Subsidiary, CAE Rossell India Limited and Joint Venture, R. V. Enterprizes Pte. Ltd., Singapore (collectively referred to as "the Group") in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended 31st March, 2017.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Management of Holding and its Subsidiary Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 system over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the

Independent Auditors' Report on Consolidated Financial Statements

financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Group 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, 2017, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the Subsidiary Company and Joint Venture, is based on the corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

For **S.S. Kothari & Co.,**
Chartered Accountants
Registration No.302034E

R. K. Roy Chaudhury
Partner
Membership No. 008816

Place : Camp Delhi
Date : 25th May, 2017

Consolidated Balance Sheet as at 31st March, 2017

₹ in lakhs

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	**733.93**	733.93
(b) Reserves and Surplus	B	**16,203.49**	21,421.48
		16,937.42	22,155.41
(2) Non-Current Liabilities			
(a) Long-term borrowings	C	**1,492.50**	1,207.50
(b) Deferred tax liability (Net)	D	**-**	24.00
(c) Other Long-term liability	E	**65.35**	-
(d) Long-term provisions	F	**57.21**	274.06
		1,615.06	1,505.56
(3) Current Liabilities			
(a) Short-term borrowings	G	**5,705.58**	4,956.43
(b) Trade payables	H	**579.84**	596.24
(c) Other current liabilities	I	**2,617.00**	2,738.40
(d) Short-term provisions	J	**157.80**	234.85
		9,060.22	8,525.92
Total		**27,612.70**	32,186.89
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	K	**17,273.90**	21,162.52
(ii) Intangible assets	K	**109.48**	73.83
(iii) Capital work-in-progress		**464.25**	233.78
(b) Non-current investments	L	**305.00**	2,605.08
(c) Deferred tax asset (Net)	M	**167.00**	-
(d) Long-term loans and advances	N	**2,165.15**	2,963.36
		20,484.78	27,038.57
(2) Current assets			
(a) Inventories	O	**3,229.78**	1,909.56
(b) Trade receivables	P	**1,813.36**	2,025.40
(c) Cash and cash equivalents	Q	**440.74**	271.53
(d) Short-term loans and advances	R	**1,309.54**	349.26
(e) Other current assets	S	**334.50**	592.57
		7,127.92	5,148.32
Total		**27,612.70**	32,186.89
Contingent Liabilities and Commitments	T		
Dividend Proposed	U		
Significant Accounting Policies and Other Notes on Consolidated Financial Statements	V		

Notes A to V referred to above form an integral part of the Balance Sheet
In terms of our Report of even date

For **S. S. Kothari & Co.**
Chartered Accountants
Registration No. 302034E

R. K. Roy Chaudhury
Partner
Membership No.008816

Place: Delhi
Date: 25th May, 2017

H. M. Gupta
Executive Chairman

C. S. Bedi
Managing Director

V. P. Agarwal
Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Dr. S. S. Baijal
Director

H. M. Parekh
Director

N. Palchoudhuri
Director

Consolidated Profit and Loss Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars		Note No	Year ended 31st March, 2017	Year ended 31st March, 2016
I.	Revenue from operations	1	**16,374.99**	16,110.08
II.	Other Income	2	**307.13**	526.59
III.	**Total Revenue (I + II)**		**16,682.12**	16,636.67
IV.	**Expenses**			
	Cost of materials consumed	3	**1,981.02**	1,020.36
	Changes in inventories of finished goods, work-in- progress and Stock-in-Trade	4	**(119.70)**	(280.45)
	Employee benefits expense	5	**8,687.27**	7,860.49
	Finance costs	6	**723.51**	691.48
	Depreciation and amortization expense	7	**886.17**	953.01
	Activities on Corporate Social Responsibility		**31.95**	49.19
	Other expenses	8	**5,455.21**	5,140.74
	Total Expenses		**17,645.43**	15,434.82
V.	**Profit/(Loss) before exceptional items and tax (III - IV)**		**(963.31)**	1,201.85
VI.	Exceptional Items		**-**	-
VII.	**Profit/(Loss) before tax (V - VI)**		**(963.31)**	1,201.85
VIII.	**Tax expense:**			
	(1) Current tax			
	- For Current Year		**-**	300.00
	- For earlier Year		**-**	100.00
	(2) Deferred tax adjustment		**(191.00)**	(151.84)
			(191.00)	248.16
IX.	**Profit/(Loss) for the period (VII - VIII)**		**(772.31)**	953.69
X.	**Earning per equity share:**			
	(1) Basic	9	**(2.10)**	2.60
	(2) Diluted		**(2.10)**	2.60

Notes 1 to 9 referred to above form an integral part of the Profit and Loss Statement
In terms of our Report of even date

For **S. S. Kothari & Co.**
Chartered Accountants
Registration No. 302034E

R. K. Roy Chaudhury
Partner
Membership No.008816

Place: Delhi
Date: 25th May, 2017

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Director

N. Palchoudhuri
Director

Consolidated Cash Flow Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars		2016-2017		2015-2016	
A.	**Cash Flow from Operating Activities**				
	Profit/(Loss) before Tax		**(963.31)**		1,201.85
	- Adjustment for :				
	Depreciation	**886.17**		953.01	
	Finance Cost (Net)	**924.46**		673.49	
	Loss (Gain) on Exchange on restatement	**(32.54)**		148.63	
	Provision for Forex Loss on Swap Transactions	**(197.60)**		(130.64)	
	Interest on Loans to Subsidiary by Joint Venture Written Off (included in Share of Joint Venture in Other Expenses)	**151.03**		-	
	Gain on Foreign Currency Translation of Non-Integral Foreign				
	Operations	**8.59**		0.26	
	Loss on Disposal of Fixed Assets (Net)	**22.65**		54.50	
	Liabilities no more required written back (Net)	**(14.80)**		(18.38)	
	Net Gain on sale of Investments	**(237.18)**		(383.45)	
			1,510.78		1,297.42
			547.47		2,499.27
	Items Considered in Investing Activity :				
	Interest on Deposits etc.		**(55.15)**		(61.66)
	Operating Profit before Working Capital Changes		**492.32**		2,437.61
	- Adjustment for :				
	Current Assets including Long Term Loans and Advances	**(789.67)**		(1,374.22)	
	Current Liabilities	**(9.22)**		616.65	
			(798.89)		(757.57)
	Cash Generated from Operations		**(306.57)**		1,680.04
	Finance Cost (Net)	**(924.46)**		(673.49)	
	Direct Taxes (Net of refund)	**(98.49)**		(283.21)	
			(1,022.95)		(956.70)
	Cash Flow before Extraordinary Items		**(1,329.52)**		723.34
	Extraordinary Items		**-**		-
	Net Cash Flow from Operating Activities		**(1,329.52)**		723.34
B.	**Cash Flow from Investing Activities :**				
	Purchase of Fixed Assets including Advances for Capital Assets		**(2,176.00)**		(2,539.04)
	Sale of Fixed Assets (Including Subsidy received from Tea Board)		**76.96**		55.92
	Purchase of Investments		**(25.36)**		(2,435.00)
	Sale Proceeds from Issue of Preferance Share by Joint Venture		**113.54**		-
	Exchange Difference for Investment in Joint Venture		**-**		17.55
	Sale/ Redemption of Investments		**2,562.62**		3,532.20
	Suface Compensation received for acquisition of Tea Estate's Land		**-**		0.11
	Interest Received		**55.15**		61.66
	Net Cash Flow from Investing Activities		**606.91**		(1,306.60)

Consolidated Cash Flow Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars		2016-2017		2015-2016	
C.	**Cash Flow from Financing Activities**				
	Loan given and Interest thereon (Share of Joint Venture)		**(67.33)**		(428.77)
	Proceeds of Woking Capital Loan from Banks (Net)		**749.15**		2,614.69
	Proceeds of Term Loan From Bank		**1,200.00**		-
	Repayment of Term Loan From Banks		**(990.00)**		(990.00)
	Dividend Paid and Tax thereon		**-**		(441.00)
	Net Cash Flow from Financing Activities		**891.82**		754.92
	Net Increase in Cash and Cash Equivalents (A+B+C)		**169.21**		171.66
	Cash and Cash Equivalents as at 31.03.2016 (Opening Balance)		**271.53**		99.87
	Cash and Cash Equivalents as at 31.03.2017 (Closing Balance)		**440.74**		271.53

Note :

The above Statement has been prepared under the Indirect Method as given in Accounting Standard on Cash Flow Statement (AS - 3) issued by the Institute of Chartered Accountants of India.

In terms of our Report of even date

For **S. S. Kothari & Co.**
Chartered Accountants
Registration No. 302034E

R. K. Roy Chaudhury
Partner
Membership No.008816

Place: Delhi
Date: 25th May, 2017

H. M. Gupta
Executive Chairman

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Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Dr. S. S. Baijal
Director

H. M. Parekh
Director

N. Palchoudhuri
Director

Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
A SHARE CAPITAL		
Authorized		
4,50,00,000 Equity Shares of ₹ 2 each	**900.00**	900.00
Issued, Subscribed and Paid Up		
3,66,96,475 Equity Shares of ₹ 2 each fully paid up	**733.93**	733.93
B RESERVES AND SURPLUS		
Capital Reserve		
Balance as per last Account	**687.22**	557.02
Add: Surface Compensation received in respect of Tea Estate's Land	**-**	0.11
	687.22	557.13
Add: Capital Reserve on Consolidation	**113.54**	130.09
	800.76	687.22
Foreign Currency Translation Reserve (Arising out of Consolidation of Share of Joint Venture)		
Balance as per last Account	**(14.08)**	(10.85)
Add: Adjustments for transaction of Non-Integral Foreign Operations	**8.60**	(3.23)
	(5.48)	(14.08)
Securities Premium Account		
Balance as per last Account	**2,609.55**	2,609.55
Revaluation Reserve		
Balance as per last Account	**4,843.65**	4,843.65
Less: Transitional adjustment as per Accounting Standard (AS) 10 Property, Plant and Equipment (Note 6)	4,843.65	-
	-	4,843.65
General Reserve		
Balance as per last account	**12,863.28**	12,163.28
Add: Transitional adjustment as per Accounting Standard (AS) 10 Property, Plant and Equipment (Note 6)	**275.82**	-
Add: Transfer from Profit and Loss Account	**-**	700.00
	13,139.10	12,863.28
Surplus in Profit and Loss Account		
Balance as per last Account	**477.05**	441.69
Add: Transfer from Profit and Loss Account	**(555.60)**	956.19
	(78.55)	1,397.88
Less: Transfer to General Reserve	**-**	700.00
	(78.55)	697.88
Less: Interim Dividend on Equity Shares	**-**	183.48
Tax on Dividend	**-**	37.35
Total	**(78.55)**	477.05
Share of Joint venture - Note 3 (ii)	**(261.89)**	(45.19)
Grand Total	**(340.44)**	431.86
Total	**16,203.49**	21,421.48
C LONG-TERM BORROWINGS		
Secured Loans		
Term Loans from Banks	**1,492.50**	1,207.50

Notes :

1. The above includes a new Term Loan of ₹ 1,200 lakhs availed during the year.
2. Current Maturities of these loans - ₹ 915 Lakhs (Note I)

Notes to the Consolidated Balance Sheet

₹ in lakhs

3. These loans (including the new Term loan) are secured on pari passu basis by hypothecation of Moveable Assets and Deposit of Title Deeds in respect of Namsang and Kharikatia Tea Estates. While the Equitable Mortgage on Namsang T.E. has been formalised, the same is awaited for Kharikatia T.E. of the Company pending receipt of statutory approvals/completion of required legal formalities.
4. The earlier loans are repayable in equated quarterly installments up to a 6 year period from the date of respective disbursement and will be fully liquidated by the Financial Year 2018-2019. The new loan is also repayable in equated quarterly installments up to a 5 year period (including moratorium of 18 Months) from the date of disbursement and will be fully liquidated by the Financial Year 2021-2022.
5. The Company has entered into Cross Currency Swap Transactions and opted to swap these loans from Indian Rupees in to US Dollars. The Contracts for such transactions outstanding as on 31st March, 2017 are as under, comprising of ₹ 292.50 lakhs included above and ₹ 915 lakhs being the current maturities of loans as per note 2 above.

Currency	Cross Currency	Buy (US$ in lakhs)	Sell (₹ in lakhs)
Indian Rupee	US Dollar	10.15	562.50
Indian Rupee	US Dollar	4.08	225.00
Indian Rupee	US Dollar	7.61	420.00
		21.84	**1,207.50**

In view of upward revision of Indian Rupees and U.S.Dollar Exchange Rates since entering in to the above transactions, the Company has provided for the likely loss on the above outstanding U.S. Dollar based on the year end exchange rates.Total provision on this account as on 31st March, 2017 amounts to ₹ 208.41 lakhs. (Schedule F and J)

D	**DEFERRED TAX LIABILITY (NET)**		
	As per the Accounting Standard AS-22 – Accounting for taxes on Income, an amount of ₹ 24 lakhs was recognised as Deferred Tax Liability as on 31st March, 2016. During the year, a review with respect to the carrying amount of Deferred Tax Liabilty was done and the same was reversed with creation of Deferred Tax Asset as on 31st March, 2017 (Note M).		
	Deferred Tax Liability		
	Depreciation as per Books and Tax Laws	-	24.00
		-	24.00

E	**OTHER LONG TERM LIABILITY**		
	Other Payables- Statutory Dues	**65.35**	-

F	**LONG-TERM PROVISIONS**		
	Provision for Forex Loss on Swap Transactions	**50.61**	240.94
	Provision for employee benefits	**6.60**	33.12
		57.21	274.06

G	**SHORT-TERM BORROWINGS**		
	Secured Loans		
	Loans repayable on demand from Banks	**2,206.75**	4,456.43
	Unsecured Loans		
	Short-Term Loans from Bank	**3,498.83**	500.00
		5,705.58	4,956.43

Remark :

The secured loans repayable on demand from Banks are secured on pari passu basis by hypothecation of tea crops and moveable assets of all the Tea Estates of the Company. These are also collaterally secured on pari passu basis by Equitable Mortgages of Dikom, Nokhroy, Bokakhat, Romai and Namsang Tea Estates and pending creation of Equitable Mortgage on Kharikatia T.E.

Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
H TRADE PAYABLES		
Sundry Creditors	**579.84**	596.24
Remark: The above includes dues, for less than 30 days, to a Small Enterprise within the meaning of Sec. 7(1)(ii) of Micro, Small and Medium Enterprises Development Act, 2006 - ₹ Nil (2016 - ₹ 13.69 lakhs) .		
I OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Borrowings (Note C)	**915.00**	990.00
Interest accrued but not due on borrowings	**36.56**	31.06
Interest accrued and due on borrowings	**0.19**	-
Advance from Customers	**260.67**	282.60
Unpaid Dividends*	**13.15**	17.85
Other Payables		
For Expenses etc.	**1,155.08**	1,205.93
Statutory Dues	**188.67**	110.23
Due to Gratuity Fund	**46.48**	99.64
Total	**2,615.80**	2,737.31
Share of Joint Venture - Note 3(ii)	**1.20**	1.09
Grand Total	**2,617.00**	2,738.40
*Investor Education and Protection Fund shall be credited with the amount of Unpaid Dividends, when due.		
J SHORT-TERM PROVISIONS		
Provision for Forex Loss on Swap Transactions	**157.80**	197.61
Provision for Taxation (Net)	**-**	37.24
	157.80	234.85

Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars	GROSS BLOCK AT COST OR VALUATION						DEPRETIATION/AMORTIZATION						NET BLOCK	
	Gross Carrying Amount as at the beginning of the year	Adjustments due to change in Accounting Policies (Note 2)	Cost as on the beginning of the year under Cost Model	Additions during the Year	Disposal during the Year (Note below)	Gross Carrying Amount as at the end of the Year	Accumulated depreciation at the beginning of the year	Adjustments due to change in Accounting Policies (Note 2)	Accumulated depreciation at the beginning of the year under Cost Model	Depreciation provided for the year	On disposal during the Year	Accumulated depreciation at the end of the Year	Net Carrying Amount as at the end of the Year ended 31.3.2017	Net Carrying Amount as at the beginning of the year ended 31.3.2016
K TANGIBLE ASSETS														
Land - Tea Estates	10,167.03	3,151.00	7,016.03	73.53	-	7,089.56	-	-	-	-	-	-	7,089.56	10,167.03
Land - Leasehold	1,082.16	-	1,082.16	-	-	1,082.16	0.30	-	0.30	10.93	-	11.23	1,070.93	1,081.87
Bearer Plants - Tea Bushes	1,400.05	-	1,400.05	12.73	-	1,412.78	-	-	-	26.23	-	26.23	1,386.55	1,400.05
Buildings	4,797.78	1,711.27	3,086.51	279.36	-	3,365.87	1,116.23	415.71	700.52	103.59	-	804.11	2,561.76	3,681.57
Leasehold Improvements	408.33	-	408.33	292.95	26.41	674.87	80.68	-	80.68	74.43	2.59	152.52	522.35	327.63
Plant and Equipment	5,298.49	503.28	4,795.21	667.76	78.41	5,384.56	2,209.43	382.01	1,827.42	290.58	6.86	2,111.14	3,273.42	3,089.05
Furniture and Fixtures	893.79	-	893.79	103.93	16.30	981.42	320.93	-	320.93	88.27	14.92	394.28	587.14	572.96
Vehicles	1,068.24	-	1,068.24	54.57	49.15	1,073.66	561.56	-	561.56	112.35	47.45	626.46	447.20	506.68
Office Equipment	316.74	-	316.74	52.78	7.95	361.57	129.64	-	129.64	74.22	6.82	197.04	164.53	190.40
Computers	350.62	-	350.62	88.87	-	439.49	200.21	-	200.21	68.82	-	269.03	170.46	145.29
31st March, 2017	**25,783.23**	**5,365.55**	**20,417.68**	**1,626.48**	**178.22**	**21,865.94**	**4,618.98**	**797.72**	**3,821.26**	**849.42**	**78.64**	**4,592.04**	**17,273.90**	**21,162.52**
31st March, 2016	23,586.53	-	23,586.53	2,413.42	139.33	25,860.62	3,805.58	-	3,805.58	908.49	28.91	4,685.16		
INTANGIBLE ASSETS														
Computer Software	249.87	-	249.87	72.36	-	322.23	191.49	-	191.49	31.21	-	222.70	99.53	60.20
Brand & Trademarks	26.29		26.29	1.86	-	28.16	12.66	-	12.66	5.54	-	18.20	9.95	13.63
31st March, 2017	**276.16**	**-**	**276.16**	**74.22**	**-**	**350.39**	**204.15**	**-**	**204.15**	**36.75**	**-**	**240.91**	**109.48**	**73.83**
31st March, 2016	264.18	-	264.18	11.98	-	276.16	157.81	-	157.81	44.52	-	202.33		

Note: Disposal during the year under the head Plant and Equipment represents the amount of Machinery / Irrigation Subsidy received from Tea Board of India against the items added in earlier years.

Notes to the Consolidated Balance Sheet

₹ in lakhs

	Particulars	As at 31st March, 2017	As at 31st March, 2016
L	**NON-CURRENT INVESTMENTS**		
	At Cost		
	Trade Investments: Unquoted		
	In Equity Instruments	**5.00**	5.00
	Other Investments: Unquoted		
	In Units and Bonds	**300.00**	2,600.08
		305.00	2,605.08

M DEFERRED TAX ASSET (NET)

As per the Accounting Standard AS-22 – Accounting for taxes on Income, an amount of ₹ 24 lakhs was recognised as Deferred Tax Liability as on 31st March, 2016. During the year, a review with respect to the carrying amount of Deferred Tax Liabilty was done and the same was revised to ₹ 117 lakhs as on 31st March, 2017. Simultaneously, after such review, an amount of ₹ 284 lakhs was also recognised as Deferred Tax Asset. Thus, the net amount of ₹ 191 lakhs has been shown as Deferred Tax Adjustment in the Profit and Loss Statement for the year ended 31st March, 2017 with the following components:

Liability on account of differential depreciation as per Books and Tax Laws	**(117.00)**	-
Tax Credit receivable for Carried Forward Losses under Tax Laws	**284.00**	-
	167.00	**-**

N	**LONG-TERM LOANS AND ADVANCES**		
	Unsecured, Considered Good		
	Capital Advances	**278.67**	33.78
	Security Deposits	**260.66**	436.02
	Other Deposits	**0.56**	0.43
	Deposit with Assam Financial Corporation Ltd.	**135.00**	271.33
	TOTAL	**674.89**	741.56
	Share of Joint Venture - Note 3 (ii)	**1,490.26**	2,221.80
	GRAND TOTAL	**2,165.15**	2,963.36

O	**INVENTORIES**		
	Stock of Finished Goods/Stock-in-Trade at lower of cost and net realizable value	**394.81**	528.99
	Stock of Stores and Spares at or under cost	**370.16**	406.39
	Stock of Raw Materials at cost	**2,147.04**	910.29
	Work-in-progress at works cost	**317.77**	63.89
		3,229.78	**1,909.56**

P	**TRADE RECEIVABLES**		
	Unsecured, Considered Good		
	Debts outstanding for a period exceeding six months	**8.86**	110.99
	Other Debts	**1,804.50**	1,914.41
		1,813.36	2,025.40

Notes to the Consolidated Balance Sheet

₹ in lakhs

Particulars		As at 31st March, 2017	As at 31st March, 2016
Q	**CASH AND CASH EQUIVALENTS**		
	Balances with Banks	**372.29**	193.85
	Bank Deposits for less than 12 months maturity		
	- Under Lien with Central Excise Authority for Clean Energy Cess on Coal Purchases	**9.19**	8.63
	- Under Lien with States' VAT authorities as Security Deposit	**3.25**	3.25
	Unpaid Dividend Accounts	**13.15**	17.85
	Cash in Hand	**32.23**	26.55
	Total	**430.11**	250.13
	Share of Joint Venture - Note 3 (ii)	**10.63**	21.40
	Grand Total	**440.74**	271.53
R	**SHORT-TERM LOANS AND ADVANCES**		
	Unsecured, Considered Good		
	Advance due by an Officer (KMP)	**-**	1.88
	Other Loans and Advances		
	Advances recoverable in Cash or in Kind or for value to be received	**451.12**	347.38
	Advance Income Tax (Net)	**61.25**	-
	Total	**512.37**	349.26
	Share of Joint Venture - Note 3 (ii)	**797.17**	-
	Grand Total	**1,309.54**	349.26
S	**OTHER CURRENT ASSETS**		
	Interest Accrued on Deposits	**11.41**	20.04
	Other Receivables	**323.09**	423.22
	Total	**334.50**	443.26
	Share of Joint Venture - Note 3 (ii)	**-**	149.31
	Grand Total	**334.50**	592.57
T	**CONTINGENT LIABILITIES AND COMMITMENTS**		
(i)	**Estimated amount of Contingent Liabilities not provided for :**		
	a. Claims against the Company not acknowledged as Debt		
	Income Tax	**-**	2.94
	Clean Energy Cess	**7.19**	7.19
	Service Tax	**12.70**	-
	Interest on PF Arrears for Pre-acqusition period in respect of Kharikatia T.E.	**-**	75.43
	b. Guarantees		
	Bank Guarantees outstanding	**159.40**	128.27
(ii)	**Commitments**		
	Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advance)	**42.81**	111.21

Notes to the Consolidated Balance Sheet

Particulars	As at 31st March, 2017	As at 31st March, 2016
U DIVIDEND PROPOSED		
Amount of Dividend proposed to be distributed out of General Reserve to		
Equity Shareholders for the Financial Year 2016-2017		
Interim Dividend paid	-	183.48
Final Dividend recommended	**73.39**	-
Total Dividend per Equity Share of ₹ 2 each		
Interim Dividend	-	₹ 0.50
Final Dividend	**₹ 0.20**	-
% of Dividend proposed		
Interim Dividend	-	25.00
Final Dividend	**10.00**	-

H. M. Gupta *Executive Chairman*
Dr. S. S. Baijal *Director*
H. M. Parekh *Director*
V. P. Agarwal *Director*
N. Palchoudhuri *Director*
C. S. Bedi *Managing Director*

Place: Delhi
Date: 25th May, 2017

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Notes to the Consolidated Profit and Loss Statement

₹ in lakhs

Particulars	2016-2017	2015-2016
1 REVENUE FROM OPERATIONS		
(a) Sale of Products		
Black Tea	**10,886.94**	11,767.01
Black Pepper	**10.10**	4.35
Avionics, Aviation and Electronic Equipments	**2,797.09**	1,303.23
Food and Beverage	**1,325.01**	1,150.85
	15,019.14	14,225.44
(b) Sale of Services		
Receipts for Technical and Support Services	**1,017.37**	1,530.89
(c) Other Operating Revenues		
Subsidy - Replanting	**64.83**	55.40
Tea Board Orthodox Subsidy Scheme	**94.03**	79.51
Sale of Duty Credit Entitlements	**111.25**	161.60
Duty Drawback	**26.02**	42.05
Refund of Service Tax	**3.55**	4.31
Sundry Receipts	**26.73**	8.52
Prior Period Income (Net)	**15.11**	6.56
	341.52	357.95
Total	**16,378.03**	16,114.28
Less: Excise Duty	**3.04**	4.20
	16,374.99	16,110.08
Share of Joint Venture - Note 3 (ii)	**-**	-
Grand Total	**16,374.99**	16,110.08
2 OTHER INCOME		
Interest Income	**55.15**	61.66
Net gain on Sale of Investments	**237.18**	383.45
Net gain on Foreign Currency transactions/translation	**-**	63.04
Liabilities written back	**14.80**	18.38
Total	**307.13**	526.53
Share of Joint Venture - Note 3 (ii)	**-**	0.06
Grand Total	**307.13**	526.59
3 COST OF MATERIALS CONSUMED		
Purchase of Green Leaf	**168.52**	95.28
Consumption of Raw Materials	**1,812.50**	925.08
	1,981.02	1,020.36
4 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock of Finished Goods/Stock-in-Trade	**528.99**	245.23
Less : Closing Stock of Finished Goods/Stock-in-Trade	**394.81**	528.99
	134.18	**(283.76)**
Opening Stock of Work-in-Progress	**63.89**	67.20
Less : Closing Stock of Work-in-Progress	**317.77**	63.89
	(253.88)	**3.31**
	(119.70)	**(280.45)**
5 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	**6,939.38**	6,402.29
Contribution to Provident and other Funds	**948.92**	836.63
Workmen and Staff Welfare	**798.97**	621.57
	8,687.27	7,860.49

Notes to the Consolidated Profit and Loss Statement

₹ in lakhs

Particulars		2016-2017	2015-2016
6	**FINANCE COST**		
a	Interest		
	Banks	**659.71**	495.06
b	Other Borrowing Costs	**1.64**	1.84
c	Applicable Net Loss on Foreign Currency Transactions		
	- Forex Loss on Currency SWAP Transactions (Net)*	**209.35**	325.22
	- Forex loss on Other transactions (Net)	**21.22**	-
		891.92	822.12
	Less: Provision for Forex Loss on Currency Swap Transactions written back	**230.14**	130.64
	Total	**661.78**	691.48
	Share of Joint Ventures - Note 3 (ii)	**61.73**	-
	Grand Total	**723.51**	691.48
	*Forex Loss on SWAP Transactions is net of Gain on Exchanges made as at 31st March, 2017 - ₹ 32.54 lakhs. (2015-2016 - Loss on Exchange ₹ 148.63 lakhs)		
7	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation / Amortization	**886.17**	953.01
		886.17	953.01
8	**OTHER EXPENSES**		
	Consumption of Stores,Tools and Spare Parts	**916.78**	910.09
	Power and Fuel	**1,151.40**	1,055.62
	Cess on Green Leaf	**83.81**	87.63
	Tea Cess	**25.04**	25.72
	Rent	**660.62**	561.69
	Rates and Taxes	**46.45**	37.14
	Repairs to Building	**142.03**	145.55
	Repairs to Machinery	**210.11**	217.06
	Other Repairs and Maintenance	**231.42**	209.99
	Vehicles Maintenance	**149.25**	136.35
	Transportation	**233.72**	235.87
	Shipment Charges	**43.87**	65.39
	Warehousing and Selling Expenses	**239.55**	193.97
	Post Sales Warranty Expenses	**3.13**	8.46
	Brokerage	**87.33**	80.61
	Commission on Sales	**55.85**	94.32
	Insurance	**94.90**	76.35
	Directors' Fee & Commission	**15.53**	18.17
	Auditors' Remuneration	**7.06**	7.27
	Traveling and Conveyance	**315.23**	255.24
	Miscellaneous Expenses (Note Below)	**564.50**	661.19
	Loss on Disposal of Fixed Asset (Net)	**22.65**	54.50
	TOTAL	**5,300.23**	5,138.18
	Share of Joint Venture - Note 3 (ii)	**154.98**	2.56
	GRAND TOTAL	**5,455.21**	5,140.74

Notes to the Consolidated Profit and Loss Statement

₹ in lakhs

Particulars		2016-2017	2015-2016
9	**EARNINGS PER EQUITY SHARE**		
	Basic and Diluted as computed as per Accounting Standard AS-20		
	PROFIT AFTER TAXATION	**(772.31)**	953.69
	Weighted average number of Equity Shares outstanding	**366.96**	366.96
	Earnings per Equity Share of ₹ 2 each (₹)	**(2.10)**	2.60

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

C. S. Bedi
Managing Director

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Director

V. P. Agarwal
Director

N. Palchoudhuri
Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Place: Delhi
Date: 25th May, 2017

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statements for the Year ended 31st March, 2017

1. Basis of Preparation of Accounts

The accompanying financial statements have been prepared to comply, in all material aspects, with applicable statutory/ regulatory provisions, accounting standards and generally accepted accounting principles and practices prevailing in India.

2. Consolidation Procedure

The Consolidated Financial statements of the Group, comprises Rossell India Limited (The Parent Company), its Subsidiary, CAE Rossell India Limited (Wholly Owned Subsidiary) and Joint Venture, R V Enterprizes Pte. Ltd. The Consolidated Financial Statements are prepared in accordance with Accounting Standards AS-11, Effects of Changes in Foreign Exchange Rates, AS – 21, Consolidated Financial Statements and AS-27, Financial Reporting of Interests in Joint Ventures notified in terms of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

The consolidated financial statements are prepared on the following basis:

(i) **Investment in Subsidiaries**

- The financial statements of the Holding Company and its Subsidiary Company have been combined on a line by line basis by aggregating like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated.
- The excess/deficit of cost to the Parent of its investment in the Subsidiary over its Share of the Equity of the Subsidiaries, at the date on which such investment was made, has been recognized as goodwill/ Capital reserve in the Consolidated Financial Statements. The goodwill is disclosed as an asset and capital reserve as a reserve in the Consolidated Balance Sheet.

(ii) **Investment in Joint Venture**

- Interest in Joint Venture has been accounted by using the proportionate consolidation method as per Accounting Standard AS – 27, Financial Reporting on Interest in Joint Venture.

(iii) The financial statements of the subsidiary and Joint Venture used in the consolidation are drawn up to the same reporting date as that of the Holding Company.

(iv) As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Standalone Financial Statements.

3. List of Subsidiaries and Joint Venture considered for preparation of consolidated financial statements:

	Name	Country of Incorporation	Proportion of Ownership Interest
i)	CAE Rossell India Ltd (Subsidiary Company)	India	100%
ii)	R.V. Enterprizes Pte. Ltd. (Interest in Joint Venture)	Singapore	26%

4. Changes in Consolidation Process as compared to 2015-2016

The Consolidated Financial Statements have been prepared on the same basis as that adopted in respect of the financial year 2015-2016. As per Paragraph 30 of Accounting Standard AS-21, Consolidated Financial Statements, comparative figures for the previous year have been presented and regrouped wherever considered appropriate.

5. Significant Accounting Policies

The following Accounting Policies have been adopted by both Parent and Subsidiary as well as Joint Venture and accordingly for preparing these Consolidated Financial Statements:

5.1 **Accounting Convention**

The Financial Statements have been prepared to comply in all material aspects with the accounting standards in terms of Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 in respect of the Parent Company and Wholly Owned Subsidiary. The Share of Joint Venture is based on the financial statement of the Joint Venture, which have been prepared in accordance with Singapore Financial Reporting Standards (FRS) and the provisions of the Companies Act of the Republic of Singapore.

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2017

5.2 Basis of Accounting

The Financial Statements have been prepared in accordance with historical cost concept, after the changes in the Accounting Policies in the current financial year as stated in Note 6 hereunder.

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

5.3 Fixed Assets

Fixed Assets, both tangible and intangible, are stated at cost of acquisition, net of subsidy received, where applicable, consequent upon the changes in the Accounting Policies in the current financial year as stated in Note 6 hereunder.

Cost of fixed asset includes purchase price and any expense directly attributable for bringing the asset to the working condition for intended use.

Depreciation on Fixed Assets has been provided on straight line method at rates ascertained based on useful life of each of such assets and residual value as provided in schedule II to the Companies Act, 2013, save and except for Bearer Plants- Tea Bushes recognized with effect from 1st April, 2016 as per Revised Accounting Standard AS -10, Property, Plant and Equipment.

For Bearer Plants- Tea Bushes, the useful life has been taken as 70 years from the Year of Planting, based on management past experience for estimated useful life of such plants, while the residual value has been taken as Nil in view of usage of old Tea Bushes, if found usable, for distribution as firewood at zero value. The Tea Bushes are treated as Young Tea till the Year 3 from the Year of Planting and from Year 4 treated as Matured Tea.

The cost of Extension Planting on cultivable land including cost of development is capitalized. Having recognized Bearer Plants- Tea Bushes as Fixed Assets with effect from1st April, 2016 as per Revised Accounting Standard AS -10, Property, Plant and Equipment, the cost of Uprooting of old Tea Bushes, Rehabilitation of Land, Replanting and Young Tea Upkeep and Maintenance up to the Year 3 from the year of Planting are capitalized as immature plants-Capital Work-in-Progress . From Year 4 onwards, Capital Work-in-Progress is treated as Bearer Plants and depreciated accordingly till the expected Useful Life of 70 Years.

Leasehold Improvement for the premises taken on rent is amortized over the period of the lease.

Expenses incurred for development of Brand and Trademark are capitalized and amortized as per the Accounting Standard AS-26, Intangible Assets.

Computer Software is capitalized where it is expected to provide future enduring economic benefit. The capitalization costs include license fee and cost of implementation and system integration services. The cost of such Software is also amortized as per the Accounting Standard AS- 26, Intangible Assets.

Profit or Loss on disposal of Fixed Assets is recognized in the Profit and Loss Statement.

Any Impairment Loss is recognized, if and when the carrying value of Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher as per Accounting Standard, AS-28, Impairment of Assets.

Compensation received from the authorities concerned for acquisition of small pieces and parcels of Land including surface compensation in the Tea Estates is recognized in the year of receipt. Such Compensation is directly credited to Capital Reserve, as the cost attributable to such Land cannot be ascertained.

Subsidy received from Government or any statutory authority in respect of any item of fixed assets is deducted from cost of respective assets on receipt/ settlement, except Replanting Subsidy.

5.4 Foreign Currency Transaction

Foreign Currency Transactions are converted and accounted for at the rates prevailing on the dates of transaction. Year-end current assets (Monetary Items) and liabilities are restated at the year-end exchange rate and resultant net gain or loss is adjusted in the Profit and Loss Statement as prescribed by Accounting Standard-11, Accounting for the Effect of Changes in Foreign Exchange Rates.

The loss attributable to adverse Foreign Exchange fluctuation on the outstanding portfolio of Currency Swap at year end is being provided for based on year-end exchange rate and recognized in the Profit and Loss Statement.

In case of Joint Venture, being non-integral foreign operation, revenue items are consolidated at the average rate

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2017

prevailing during the year. All assets and liabilities are converted at the rate prevailing as at the last day of the year. Any exchange difference arising on consolidation is recognized as Foreign Currency Translation Reserve.

5.5 **Investments**

Investments are stated at cost of acquisition and treated as long term investments. Provision is made in case of permanent diminution in value of Investments.

Cost includes purchase price plus brokerage and transfer cost.

Incomes from Investments and Gain/ Loss on sale of investments are recognized in the Profit and Loss Statement for the year on accrual basis inclusive of related tax deduction at source.

5.6 **Inventories**

Stock of Finished Goods is valued at lower of cost computed on periodical average basis and net realizable value and that of stores and spares is valued at or under cost.

Stock of Raw Materials and Work-in-progress has been valued at respective cost.

Provision for obsolete and slow moving stores is made, wherever necessary and reviewed from time to time.

5.7 **Staff Benefits**

a) The Company is contributing regularly to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. The Company also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.

b) Defined Benefit Gratuity Plan is also maintained by the Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.

c) Leave encashment liability for eligible employees is provided for at the end of the year, as actually ascertained and paid/provided for and charge is recognized in the Profit and Loss Statement.

5.8 **Borrowing Cost**

Borrowing cost is recognized as an expense to the extent, the same has been incurred for the year, unless such cost is directly attributable to the acquisition, construction or production of a qualifying asset and capitalised as part of the cost of that asset as prescribed by Accounting Standard-16, Borrowing Costs. Subsidy receivable on this account is adjusted with expense for the year, in which the claim of the Company for such subsidy gets admitted.

The loss attributable to adverse Foreign Exchange fluctuation paid at the time of repayment of principal as well as provision made for such loss on the outstanding portfolio of Currency Swap at year end (Note 5.4 above) is also being considered as borrowing cost and shown accordingly in the Profit and Loss Statement under the head "Finance Cost".

5.9 **Revenue Recognition**

Items of income and expenditure are recognized on accrual and prudent basis.

5.10 **Sales**

Sale of Products represents the invoice/ account sales value of finished goods supplied, inclusive of Central Excise Duty, wherever applicable, net of Sales Tax/Value Added Tax. Proceeds of insurance claims received for damage/shortage of finished goods are treated as part of Sale of Products. Net revenue is stated after deducting such Central Excise Duty.

Sale of Services represents the invoice value of services rendered as per the agreed terms, net of Service Tax.

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2017

5.11 **Replanting and Other Subsidies**

Replanting Subsidy is recognized as income in the Profit and Loss Statement in the year of receipt on prudent basis.

Other Subsidies are recognized as income on accrual basis or on receipt of related sanction, when the certainty of receipt of such subsidy gets established.

5.12 **Dividend Income**

Dividend Income is recognized when the right to receive such dividend is established.

5.13 **Taxes on Income**

Current Tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rates and laws.

Provisions for Deferred Taxation is made at the current rate of taxation, on all timing difference, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred Tax Asset/ Deferred Tax Liability are reviewed at each Balance Sheet date to reassess liability or realization, as the case may be.

5.14 **Excise Duty and Tea Cess**

Excise duty and Tea Cess, as applicable on manufactured goods is accounted for at the time of clearance. However, provision is made at the year-end on finished goods lying in stock at factory.

5.15 **Provisions**

A provision is recognized when there is an obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

6. In accordance with revised Accounting Standard (AS) 10- Property, Plant and Equipment notified on 30th March, 2016, the following changes have been made in the Accounting Polices with effect from the current financial year 2016-2017:

6.1 As per Paragraph 91 of (AS) 10, the outstanding amount of ₹ 4,843.65 lakhs as on 1st April, 2016 of Revaluation Reserve, created in the Accounts as on 31st March, 2008 has been adjusted against the carrying amount of the corresponding items of Property, Plant and Equipment, as the Company opted to adopt the Cost Model as prescribed therein.

6.2 Having restated the Book Value of the Property, Plant and Equipment at Cost, depreciation for the periods has been provided on Cost instead of revalued amount in accordance with Schedule II to the Companies Act, 2013. This has resulted in lower depreciation for the year amounting to ₹ 78.14 lakhs.

6.3 As per Paragraph 40 of (AS) 10, the Bearer Plants have been recognized as depreciable items of Property, Plant and Equipment with Book Value thereof, duly adjusted with revaluation amount, taken as Cost and being depreciated over the remaining useful life by taking the economic life of Bearer Plants- Tea Bushes as 70 years. This has resulted in higher depreciation for the current financial year amounting to ₹ 26.23 Lakhs.

6.4 In view of recognition of Bearer Plants, the expenses on Uprooting, Replanting and Upkeep of Young Tea amounting to ₹ 316.05 lakhs in the current financial year have been treated as Capital Expenditure - Bearer Plants as Capital Work-in-Progress as against Expense for the year considered in previous financial years.

6.5 As the consequence of the above changes, the Profit and Segment Result of Business Segment - Cultivation, Manufacture and Sale of Tea for the current financial year is higher by ₹ 356.12 lakhs (net of the effect on the valuation of Closing Stock, being lower by ₹ 11.83 lakhs) and the Segment Assets for business segment - Cultivation, Manufacture and Sale of Tea are lower by ₹ 4,487.53 lakhs.

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2017

7. CONSOLIDATED SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2017

1. **Business Segments :** In terms of AS-17- Segment Reporting , the Company has following Business Segments as Primary Segment for disclosure.

   A. Cultivation, Manufacture and Sale of Tea
   B. Aviation, Products and Services
   C. Hospitality
   D. Share of Joint Venture

₹ in lakhs

Particulars	2016-2017	2015-2016
2 Revenue		
A. Cultivation, Manufacture and Sale of Tea	**11,212.60**	12,125.08
B. Aviation, Products and Services	**3,838.14**	2,832.48
C. Hospitality	**1,329.73**	1,155.62
D. Share of Joint Venture	**-**	-
	16,380.47	16,113.18
3 Results		
A. Cultivation, Manufacture and Sale of Tea	**602.18**	2,071.61
B. Aviation, Products and Services	**224.80**	506.80
C. Hospitality	**(1,179.98)**	(1,065.69)
D. Share of Joint Venture	**(216.71)**	(2.50)
	(569.71)	1,510.22
Less: i) Interest	**661.35**	496.90
ii) Exchange Loss on currency Swap Transactions	**(20.79)**	194.58
iii) Unallocated expenses, net of unallocated Income	**(246.96)**	(383.11)
	(963.31)	1,201.85
4 Segment Assets		
A. Cultivation, Manufacture and Sale of Tea	**16,452.50**	20,955.96
B. Aviation, Products and Services	**6,771.43**	4,559.93
C. Hospitality	**1,288.55**	1,303.81
D. Share of Joint Venture	**2,298.77**	2,392.51
E. Unallocated	**801.45**	2,974.68
	27,612.70	32,186.89
5 Segment Liabilities		
A. Cultivation, Manufacture and Sale of Tea	**9,512.93**	9,278.80
B. Aviation, Products and Services	**857.74**	495.01
C. Hospitality	**109.89**	50.52
D. Interest in Joint Venture	**1.39**	1.09
E. Unallocated	**193.33**	206.06
	10,675.28	10,031.48
6 Capital Expenditure		
A. Cultivation, Manufacture and Sale of Tea	**796.89**	821.68
B. Aviation, Products and Services	**647.32**	1,427.85
C. Hospitality	**218.30**	167.81
D. Unallocated	**38.22**	8.06
	1,700.73	2,425.40
7 Depreciation		
A. Cultivation, Manufacture and Sale of Tea	**458.30**	624.87
B. Aviation, Products and Services	**284.68**	193.43
C. Hospitality	**143.19**	134.71
	886.17	953.01

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2017

8. The following are the Related Party transactions undertaken by the Group during this accounting period in terms of AS-18 - Related Party Disclosures:

Name of the Related Party and nature of relationship:

Key Management Personnel	:	Mr. H. M. Gupta, Executive Chairman Mr. C. S. Bedi, Managing Director Mr. N K Khurana, Chief Financial Officer -cum-Company Secretary
Relatives of Key Managerial Personnel	:	Mr. R M Gupta Mrs. Vinita Gupta Ms. Samara Gupta Mrs. Sonia Bedi
Holding Company	:	BMG Enterprises Ltd.
Enterprises over which the Key Managerial Personnel or their relatives have significant influence	:	BMG Investments Private Ltd Harvin Estates Private Ltd BMG Foundation

Particulars of transactions for year ended 31st March 2017 : ₹ in lakhs

Nature of Transactions	Financial Year	
	2016-2017	2015-2016
Key Managerial Personnel and relatives		
1. Rent for Residential Accommodation	**8.40**	8.40
2. Remuneration Paid	**255.48**	205.37
3. Remuneration Paid to Relative	**138.08**	97.59
4. Interest Free Advance Refunded	**1.88**	3.75
Enterprises where significant influence is exercisable		
1. Rent paid for Office Space	**6.00**	6.00
2. Rent for Residential Accommodation	**6.00**	6.00
3. Contribution made for charitable purpose (included in CSR Activities)	**12.00**	12.00

9. Additional statutory information disclosed in separate financial statements of the Parent, the Subsidiary and the Joint Venture having no bearing on the true and fair view of the Consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the Consolidated financial statements in view of the general clarification issued by the Institute of Chartered Accountants of India.

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2017

10. The required information in Form AOC I – Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures as on 31st March, 2017.

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

₹ in lakhs

1.	Sl. No.	1
2.	**Name of the Subsidiary**	**CAE Rossell India Limited Wholly Owned Subsidiary**
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31st March, 2017
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees
5.	Share Capital	11.00
6.	Reserves and Surplus	(10.48)
7.	Total Assets	0.71
8.	Total Liabilities	0.19
9.	Investments	-
10.	Turnover	-
11.	Profit before Taxation	(0.55)
12.	Provision for Taxation	-
13.	Profit after Taxation	(0.55)
14.	Proposed Dividend	Nil
15.	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operations
   - The above subsidiary is yet to commence any operations.
2. Names of subsidiaries which have been liquidated or sold during the year- **None**

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ in lakhs

Name of Associates/Joint Ventures		R. V. Enterprizes Pte. Ltd., Singapore
1	Latest audited Balance Sheet Date	31st March, 2017
2	Shares of Associate/Joint Ventures held by the company on the year end	26%
	No.	3,61,007 Equity Shares of Singapore $ 1 each 34,44,725 Preference Shares of US Dollar 1 each
	Amount of Investment in Associates/Joint Venture	2,011.49
	Extend of Holding %	26%
3	Description of how there is significant influence	Since the holding is more than 20% of total Share Capital, as per explanation to Sec. 2 (6) of the Companies Act, 2013, this Company is an Associate Company.
4	Reason why the associate/joint venture is not consolidated	Not Applicable
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	2,296.86(USD 3.542 Million converted at year end exchange rate of ₹ 64.84)
6	Profit / Loss for the year	(209.44)(Loss After Tax) (USD 0.323 Million converted at year end exchange rate of ₹ 64.84)
	i Considered in Consolidation	Yes
	ii Not Considered in Consolidation	Not Applicable

1. Names of associates or joint ventures, which are yet to commence operations — Not Applicable
2. Names of associates or joint ventures, which have been liquidated or sold during the year — Not Applicable

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2017

11. Details of "Specified Bank Notes" held and transacted during the period from 8th November, 2016 to 30th December 2016

Particulars	SBNs	Other denomination notes	Total (₹)
Closing cash in hand as on 08.11.2016	11,69,000	11,53,015	23,22,015
(+) Permitted Receipts	-	-	-
(+)Sales Proceeds /withdrawals from Banks	-	3,69,35,055	3,69,35,055
(-) Permitted Payments	20,000	-	20,000
(-)Disbursement for business purpose	-	2,73,63,927	2,73,63,927
(-)Amount deposited in Banks	11,49,000	39,25,407	50,74,407
Closing cash in hand as on 30.12.2016	-	67,98,736	67,98,736

12. Statement on Impact of Audit Qualifications for audit report with modified opinion on Consolidated Financial Results for the Financial Year ended 31st March, 2017.

[Pursuant to Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) ₹ In Lakhs	Adjusted Figures (audited figures after adjusting for qualification) ₹ In Lakhs
	1.	Turnover	16,036.51	16,036.51
	2.	Total income	16,682.12	16,682.12
	3.	Total Expenditure	17,645.43	17,645.43
	4.	Net Profit / (Loss)	(963.31)	(963.31)
	5.	Earnings Per Share	(2.10)	(2.10)
	6.	Total Assets	27,612.70	27,612.70
	7.	Total Liabilities	10,675.28	10,675.28
	8.	Net Worth	16,937.42	16,937.42
		Any other financial item(s) (as felt appropriate by the management)	-	-
II.	**Audit Qualification (each audit qualification separately):**			
	a.	**Details of Audit Qualification:** The qualification of Consolidated Financial Statement is based on disclaimer by the Auditors of the Joint Venture at Singapore, where the auditors could not verify the Management's evaluation of the impairment assessment and expressed their inability to ascertain the amount of impairment adjustment required for a loan of ₹ 2,287.43 lakhs extended by them to their subsidiary company.		
	b.	**Type of Audit Qualification :** Qualified Opinion / Disclaimer of Opinion / Adverse Opinion - Disclaimer of Opinion		
	c.	**Frequency of Qualification:** Whether appeared first time / repetitive / since how long continuing - Repetitive and continuing since the Financial Year 2014-2015		

Notes to the Consolidated Balance Sheet

V Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2017

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management View:**
The Impact is not quantified by the Auditors

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) **Management's estimation on the impact of audit qualification:**
Management is not in a position to estimate the impact of such qualification

(ii) **If management is unable to estimate the impact, reasons for the same:**
Management of Joint Venture evaluated the impairment assessment of loans to subsidiary taking into account the business plan and the Cash flow projections of that subsidiary. The Management of the Company relies on the Management of Joint Venture and can not estimate the amount of impairment, if any, at this stage.

(iii) **Auditors' Comments on (i) or (ii) above**
The overseas auditors of Joint venture could not verify independent management's evaluation of the impairment assessment and expressed their inability to determine whether any adjustment in the carrying value of loans to subsidiary is required. Thus, the estimation of adjustment of impairment loss is not readily ascertainable.

III. **Signatories:**

For Rossell India Limited
H.M. Gupta
Executive Chairman – CEO

For Rossell India Limited
S.S. Baijal
Chairman of Audit Committee

For S. S. Kothari & Co.
Chartered Accountants
Registration No. 302034E

For Rossell India Limited
N.K. Khurana
Chief Financial Officer-cum-Company Secretary

R.K. Roy Choudhury
Partner
Membership No.008816

Place: Camp Delhi
Date: 25th May, 2017

13. Previous year's figures have been rearranged wherever necessary.

H. M. Gupta
Executive Chairman

Dr. S. S. Baijal
Director

C. S. Bedi
Managing Director

H. M. Parekh
Director

V. P. Agarwal
Director

N. Palchoudhuri
Director

N. K. Khurana
Chief Financial Officer-cum-Company Secretary

Place: Delhi
Date: 25th May, 2017

10 YEARS AT A GLANCE

FINANCIAL YEAR	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008
Quantitative Information (lakh Kgs.)										
Black Tea										
Saleable production	49.43	50.78	48.89	55.59	43.54	39.93	40.03	42.89	41.67	44.39
Sales	50.60	49.20	48.87	55.16	43.09	41.02	39.65	42.63	41.85	45.14
Financial Information (₹ in lakhs)										
Turnover - Black Tea	10,886.94	11,767.01	10,890.51	12,175.74	9,057.89	7,037.51	6,757.36	6,807.17	5,363.52	4,699.51
- Others	5,149.57	3,989.32	2,785.03	1,604.89	1,103.39	945.92	835.89	839.24	388.26	620.67
Total Turnover	**16,036.51**	**15,756.33**	**13,675.54**	**13,780.63**	**10,161.28**	**7,983.43**	**7,593.25**	**7,646.41**	**5,751.78**	**5,320.18**
Other Income	648.78	884.54	647.69	812.79	584.16	398.82	285.72	220.65	209.54	282.25
Total Revenue	**16,685.29**	**16,640.87**	**14,323.23**	**14,593.42**	**10,745.44**	**8,382.25**	**7,878.97**	**7,867.06**	**5,961.32**	**5,602.43**
Expenses	15,883.39	13,790.76	12,067.42	10,419.68	7,678.13	5,777.82	5,143.82	4,976.69	4,608.50	4,077.39
Profit before Depreciation & Interest	**801.90**	**2,850.11**	**2,255.81**	**4,173.74**	**3,067.31**	**2,604.43**	**2,735.15**	**2,890.37**	**1,352.82**	**1,525.04**
Depreciation	886.17	953.01	956.41	416.00	306.86	195.74	180.10	164.17	136.61	136.50
Profit before Interest	(84.27)	1,897.10	1,299.40	3,757.74	2,760.45	2,408.69	2,555.05	2,726.20	1,216.21	1,388.54
Finance Cost	661.78	691.48	724.45	884.55	217.69	56.17	138.34	227.11	209.54	111.54
Profit before Exceptional item	**(746.05)**	**1,205.62**	**574.95**	**2,873.19**	**2,542.76**	**2,352.52**	**2,416.71**	**2,499.09**	**1,006.67**	**1,277.00**
Exceptional Item	-	-	-	-	1,358.45	(72.00)	-	-	-	1,198.01
Profit before Tax	**(746.05)**	**1,205.62**	**574.95**	**2,873.19**	**3,901.21**	**2,280.52**	**2,416.71**	**2,499.09**	**1,006.67**	**2,475.01**
Current Tax										
- For Current Year	-	300.00	170.00	650.00	820.00	475.00	485.00	500.00	197.50	214.00
- For Earlier Years	-	100.00	-	-	-	-	-	-	-	-
Deffered Tax Adjustment	(191.00)	(151.84)	4.48	183.00	53.00	(65.00)	5.00	68.00	113.00	163.00
Profit after Tax	**(555.05)**	**957.46**	**400.47**	**2,040.19**	**3,028.21**	**1,870.52**	**1,926.71**	**1,931.09**	**696.17**	**2,098.01**
Earning Per Share ₹ 2 each (₹)*	(1.51)	2.61	1.09	5.56	8.25	5.10	5.25	26.31	10.48	33.23
Dividend Per Share of ₹ 2 each (₹)*	0.20 **	0.50	0.50	0.50	0.50	0.40	0.40	2.00	1.50	1.25

* Face Value of ₹10 per Share upto the FY 2009-2010
** Dividend proposed to be paid from General Reserve

Statement of approximate area, crop and yield

TEA ESTATES	Tea Bearing Area in Hectares	Crop (Kgs.) 2016-2017	Yield per Bearing Hectare
DIKOM	566	12,26,600	2,167
NOKHROY	311	6,39,155	2,055
NAGRIJULI	539	8,70,594	1,615
BOKAKHAT	277	4,61,599	1,666
ROMAI	279	5,52,793	1,981
NAMSANG	291	4,46,985	1,536
KHARIKATIA	427	7,10,101	1,663
TOTAL	**2,690**	**49,07,827**	**1,824**

If undelivered, please return to :

Rossell India Limited
Registered Office
Jindal Towers, Block 'B', 4th Floor
21/1A/3, Darga Road, Kolkata - 700 017

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